



The Department of Resources Recycling and Recovery (CalRecycle)

Email to Local Enforcement Agencies

January 16, 2018

Subject: China's Import Restrictions and Guidance Regarding the Additional Storage of Recycled Material

To: Local Enforcement Agencies

China's Import Restrictions

The export of baled recyclable materials is a key component of California's recycling infrastructure. Currently, CalRecycle estimates that California annually exports a third of all recyclable material generated in California to foreign markets; of that, 62 percent goes to China. This movement of materials is critical in assisting the state and local jurisdictions in reaching their recycling and diversion goals. Recent changes to China's policies on imported recyclable materials, which set new limits and strict contamination standards, are impacting cities and counties and businesses in California.

In 2013, China implemented Operation Green Fence, which aimed to reduce pollution by limiting the import of contaminated recyclable commodities and increasing inspections of recyclable commodity imports. While this initiative resulted in slightly cleaner, less contaminated imported material, it did not meet China's goals for restricting waste imports. In California, the Green Fence policy resulted in backups at shipping ports and a reduction of exports to China.

In July 2017, China announced a revision to the Green Fence initiative and called the new policy National Sword. China notified the World Trade Organization (WTO) of the 24 recyclable commodities banned from entering the country starting January 2018. The notice also increased enforcement and limited contamination rates to 0.3 percent for plastic and mixed paper. In November 2017, China revised standards to a 0.5 percent contamination rate and changed the effective date to March 1, 2018. The National Sword policy also includes restrictions in waste import licenses and more stringent inspections of imported materials. China developed this policy to protect human health, protect the environment, and improve domestic solid waste reuse and recovery.

Categories under the restrictions include cardboard, newspaper, mixed paper, and low-grade plastics. In 2016, California exported approximately 9 million tons of paper and 500 thousand tons of plastic to China.

Numerous cities and counties in the United States are experiencing adverse impacts as a result of China's National Sword policy. Given our dependence on China as a primary consumer of our recyclable materials, their import policies are of critical importance. Recycling facilities throughout the United States are doing what they can to reduce contamination by slowing down their processing lines to reduce contamination, hiring more employees to sort materials, and investing in new equipment and machinery to ensure higher quality materials. Recycling and solid waste facilities are experiencing challenges with moving materials to markets, thus resulting in the storage of processed materials on site. In some cases, facilities are landfilling recyclable materials instead of processing them for recycling.

Guidance Regarding the Additional Storage of Recycled Material

The National Sword policy may cause materials at solid waste facilities to back up, resulting in longer storage times of processed recycled materials. The guidance found at CalRecycle's webpage [Storage of Recycled Materials](#) provides useful information that facilities have used in past similar situations. It provides temporary strategies and tools to help local enforcement agencies and facility operators address potential compliance issues until CalRecycle and the recycling industry can identify a permanent solution.



The Department of Resources Recycling and Recovery (CalRecycle)

Additionally, CalRecycle would like hear from you about the impact the National Sword policy is having in your jurisdiction.

- Have you seen a change in the amount or the method of storing and handling recycled materials at solid waste facilities and specifically at transfer/processing facilities?
- Have you seen an increase in processed recyclable materials being landfilled?
- Have you discussed potential waivers with facility operators (as outlined on the CalRecycle [Storage of Recycled Materials](#) webpage)?

If you have information, please share it with your Permitting & Assistance Branch [staff person](#) and be ready to discuss these issues at the [Winter 2018 Roundtables](#).