



SWANA's Perspective on Recycling

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**David Biderman
240-494-2254
dbiderman@swana.org**



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The New York Times

- In 1996, the *New York Times* published an article calling recycling wasteful, costly and ineffective
- On October 4th, the same author wrote an article citing some of the same sources and saying little has changed as recycling depends on “subsidies, sermons, and policing” to survive
- **We strongly disagree**



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Welcome to the New SWANA!

- **SWANA's March 2015 Strategic Plan paved the way for significant change**
 - Purpose: to “advance the responsible management of solid waste as a resource”
 - Achieve this by emphasizing waste prevention, reuse and **recycling – and responsible management of all waste materials**
- Plan increases the focus on **safety, being more visible, the YPs, membership growth/retention, and improving WASTECON.**



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Policies - ISWM

A long-standing belief in integrated solid waste management

- Local systems developed to meet local needs
 - Recycling fits most local systems
 - Intention is to be cost-effective
 - Shared responsibility of government, businesses, individuals and manufacturers
 - Won't advocate against WTE or landfilling

Role of Local Government

- **Management of MSW is an essential public service—this includes recycling**
- **Protect public health, environmental quality, and safety**
- **Municipalities do not need to do the collection or processing**
 - Open market/
franchising options





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Contracting

- **Open and fair procurement**
- **Comply with applicable laws**
- **Establish details to spell out:**
 - Product specifications
 - Market standards
 - Risk allocations





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Recent Events

- Growing economies in Asia demanded more product and prices increased
- Emphasis on more recovery drove single stream but contamination increased (WM - 8% to 16%)
- China's Green Fence tightened material specifications
- China's economic growth slowed
- Prices have fallen and may stay low
- Stronger U.S. dollar





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SWANA/NWRA Advisory

- At WASTECON 2014, NWRA proposed a joint statement on recycling collection contracts intended to reflect lower prices, higher contamination, and to “more equitably” share risks among contract participants.
- SWANA and NWRA representatives worked for about six months to develop acceptable language for a joint document.



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SWANA/NWRA Advisory

- **April 2015 - SWANA/NWRA Joint Advisory reflects a new level of cooperation between the two leading U.S. solid waste associations.**
- Builds upon joint efforts in federal advocacy (EPA) and safety (SDTGA and Safety Monday).





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SWANA/NWRA Advisory

The joint advisory was intended to provide both the public and private sector with guidance, protocols and standards regarding contracting for processing of municipal recyclables.

- Focus is on residential
- MRF as processing location





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SWANA/NWRA Joint Advisory

The Advisory notes:

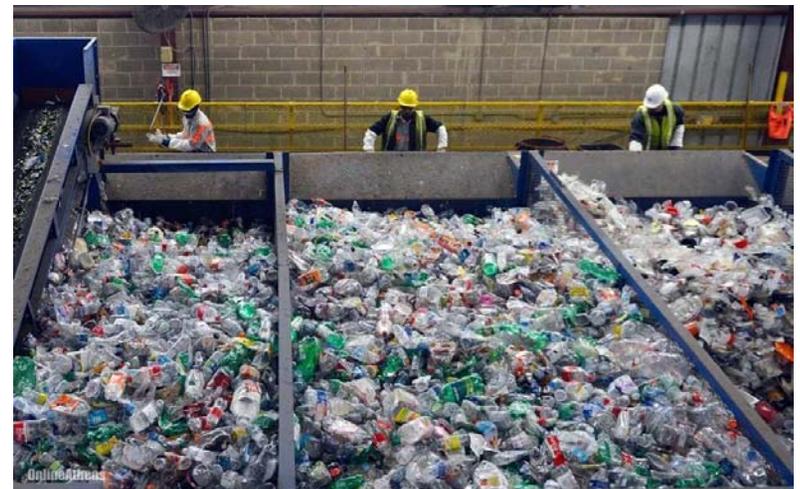
- 1. The Changing Waste Stream** – less paper; more plastic; light-weighting; increased home shopping; and more e-waste – and the impact of these changes on a volatile recycling market.
- 2. Need For Contract Procurement Protocols:** suggests developing a competitive bidding process that includes:
 - Public workshops to gather input from stakeholders
 - Pre-bid meeting with interested contractors
 - Bid documents that transparently allocates risk



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Although the Advisory does not recommend specific contractual provisions, it suggests that performance standards and specifications be included that are clear and recognize the dynamic nature of the recycling market and waste stream.





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Recycling contracts between municipalities and contractors should:

- Satisfy needs of local residents
- Reflect realistic processing capabilities
- Recognize residential recycling is dynamic
 - good recordkeeping and audits are important
- Identify procedures to compensate parties due to changes
- Require both parties to educate customers
- Recognize value of recyclables depends on quality of inbound stream and define acceptable contamination levels



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The Advisory suggests certain contractual provisions:

- Define key terms (e.g., contamination rate)
- Length of contract – extension rights/obligations
- Termination rights/default
- Performance specs and standards (e.g., load rejection)
- Public education/outreach – who's responsible?
- Contract administration – recordkeeping/reporting
- Compensation – fixed or variable?



Some Agreements being Renegotiated

Continued downturn in commodity markets is leading to renegotiation of financial terms of some recycling contracts and reduced revenue to cities:

- Denver – revenue to City being reduced by more than 50% (\$800,000 over 17 months).
- Minneapolis – \$150k/month in 2011 to zero in 2015
- Mesa, AZ – \$1.4m in 2011 to \$514k in 2014.

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SWANA's Role - Advocacy

SWANA is playing an increasingly important and visible role regarding recyclables:

- EPA meetings and dialogue
- National media (NY Times and trade press)
 - It's a challenge, not a crisis – and EPA agrees
- Potential collaboration with NWRA and KAB re customer education to reduce contamination



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SWANA's Role - Advocacy

- **SWANA agrees recycling needs to be economically and environmentally sustainable**
 - as part of waste reduction, reuse and recycling, based on local decision making
- **That does not mean closing MRFs, eliminating recycling programs, and turning back the clock by 30 years**



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Sustainable Recycling

- **Recognize recycling is part of an “essential public function”**
- **Local governments must provide sustainable funding systems**
- **Private sector partners need to evolve**
- **Need to better educate customers**
- **Need to develop domestic markets**
- **Need to reconsider glass in single stream**



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Questions?

THANK YOU!

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