

# Recycled Content Supply and Demand: A Policy Opportunity

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*Informed Packaging Decisions Start Here™*

## About AMERIPEN

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**AMERIPEN** is the only trade association focused exclusively on public policy for the entire U.S. packaging industry in order to promote the best use, benefits and functions of packaging.

We develop and advocate positions on issues related to packaging and the environment, using sound science and a philosophy of material neutrality.

Our membership represents the entire packaging supply chain, including materials suppliers, packaging producers, consumer packaged goods companies and end-of-life materials managers.

Our **VISION** is to enable informed decisions about packaging and the environment.

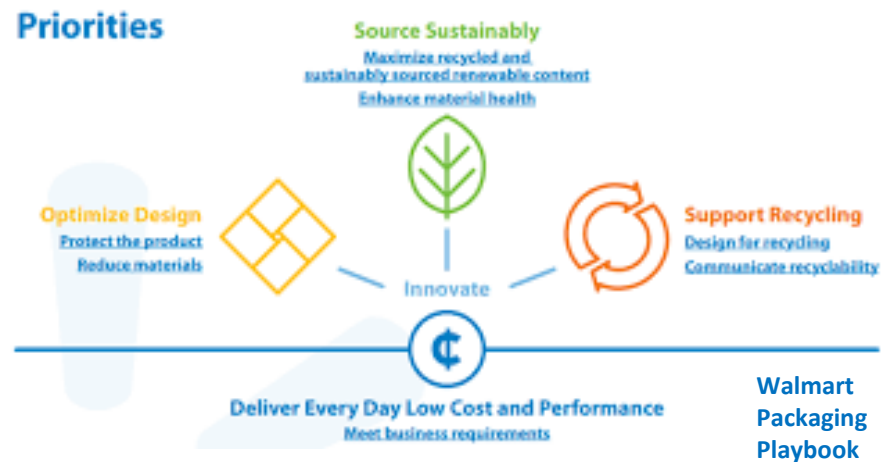
Our **MISSION** is to lead the packaging industry through advocacy based on science and enhance understanding of the role packaging plays in a more sustainable society, economy, and environment.

# Background and Drivers

How are corporate recycled content goals for packaging tied to recycled content supply and demand?



How could the **AMERIPEN** State Market Development Taskforce best leverage this data?



**57** U.S. based brand and converter companies with stated recycled content goals.

**36** U.S. based brand companies with quantifiable recycled content goals.

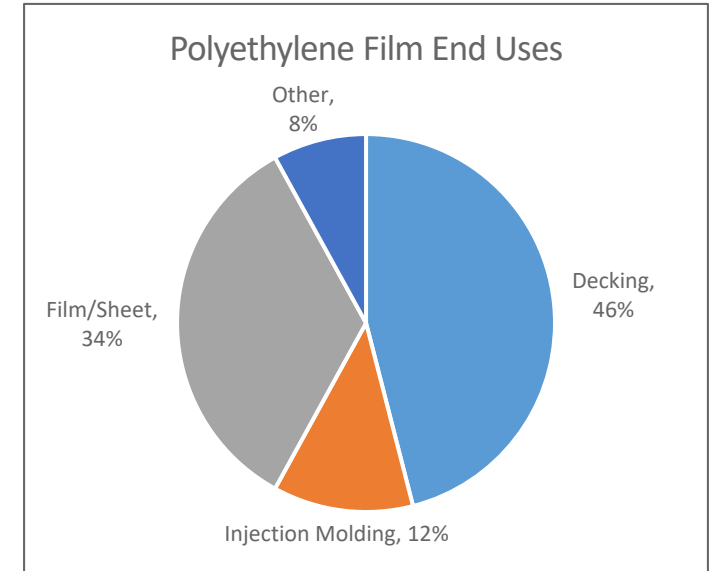
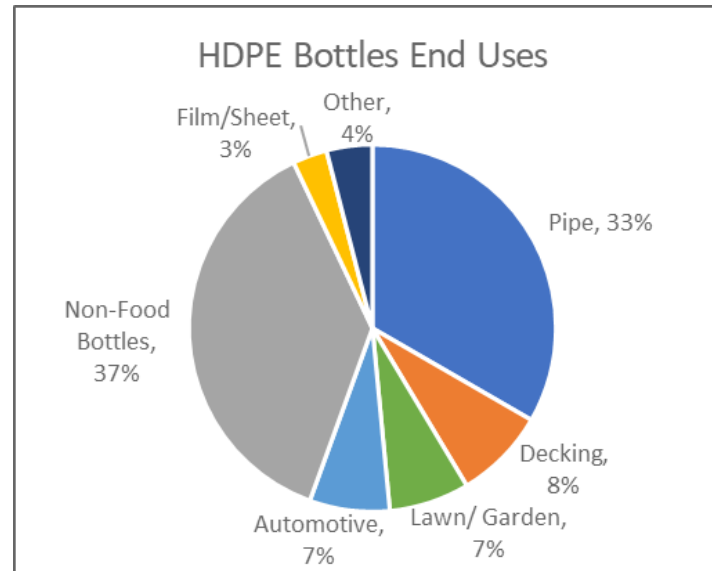
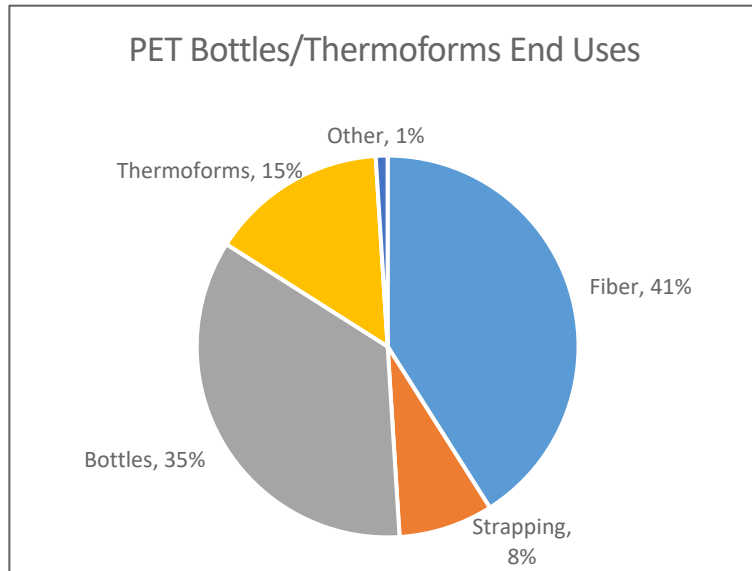
**0** No quantifiable goals for paper, glass or metal. \*

**25 - 30%** Average recycled content goal by 2025 for majority of brand companies.

**Flexible** Majority of goals assigned to brands' plastics portfolio – not resin specific.

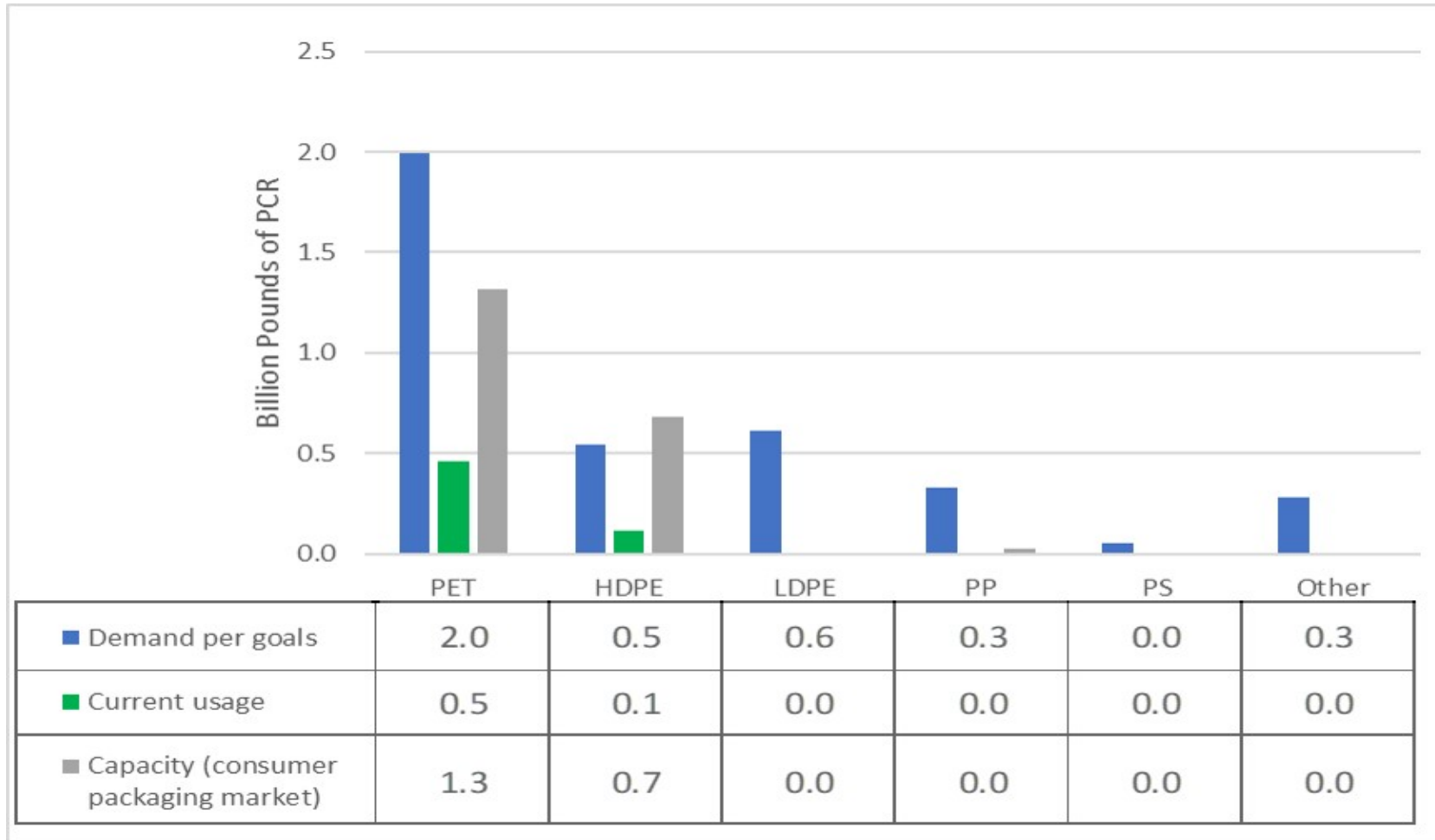
\* Where goals for these materials were identified, they were framed as an either/or (e.g., sustainability sourced or PCR), making it difficult to estimate demand.

## Packaging makes up less than 50% of domestic end market demand for PCR plastic resins



Little to no public data on polypropylene (PP) or low-density polyethylene (LDPE) end markets

# Goals vs Usage vs Capacity



# Implications: PET Bottles Example

**Current  
Collection**  
1.9B lbs



**Needed  
Collection**  
3.8B lbs

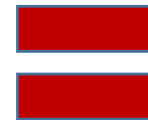


**Difference to meet  
packaging demand**  
Increase recycling rate  
from 29.1% to 56%

**Current  
Capacity**  
2.6B lbs



**Needed  
Capacity**  
3.8B lbs



**Difference to meet  
packaging demand**  
Increase of 50%

## Implications: California Assembly Bill 793

Signed into law August 2020.

Requires all plastic bottles under California container redemption program to average at least 15% PCR content starting in 2022.

Scales up to 50% by 2030.

\$0.20/pound penalty for not meeting percentages.

Intent is to grow and strengthen California recycling markets by increasing PCR demand.

Corporate goals currently average 25-30% and we're already unable to meet demand.

Ability to meet 50% demand unlikely, particularly if supply usage and reprocessing capacity, and impact to other uses, are also not adequately addressed.





**To meet packaging goals for plastic PCR,  
we must increase collection, capacity and quality.**

### Collection Strategies

- Consumer education (simplified recycling messaging but also value of recycling messaging)

### Capacity Strategies

- Financing programs (EPR, Closed Loop, industry initiatives like Carton Council, etc.)
- Chemical recycling
- Market development

### Quality Strategies

- Financing
- Consumer education
- Chemical recycling
- Plastic hierarchy – highest and best use

### Other

- Plastic hierarchy – highest and best use
- PCR mandates

# QUESTIONS?

## THANK YOU!

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