



Connecticut Task Force to Study Methods for
Reducing Consumer Packaging that Generates Solid Waste
AF&PA Final Comments
September 29, 2017

On behalf of the American Forest & Paper Association (AF&PA), we appreciate the opportunity to share information on the paper-based packaging industry. AF&PA shares Connecticut's goals of increasing paper and packaging recovery rates and our members have a voluntary set of sustainability goals program that includes reaching 70 percent paper and packaging recovery by 2020. We urge the task force to promote existing community recycling programs and continue to engage manufacturers and industry experts in discussions on further increasing recovery.

About the Association

AF&PA serves to advance a sustainable U.S. pulp, paper, packaging, tissue and wood products manufacturing industry through fact-based public policy and marketplace advocacy. AF&PA member companies make products essential for everyday life from renewable and recyclable resources and are committed to continuous improvement through the industry's sustainability initiative - *Better Practices, Better Planet 2020*. The forest products industry accounts for approximately 4 percent of the total U.S. manufacturing GDP, manufactures over \$200 billion in products annually, and employs approximately 900,000 men and women. The industry meets a payroll of approximately \$50 billion annually and is among the top 10 manufacturing sector employers in 45 states.

In Connecticut, the industry employs more than 3,600 individuals at 61 manufacturing facilities, with an annual payroll of over \$270 million. The estimated state and local taxes paid by the forest products industry totals \$39 million annually. AF&PA members in Connecticut include the Rand-Whitney mill in Montville which makes recycled linerboard and is the only mill in the United States that uses 100 percent recycled water, in addition to 100 percent recycled fiber.

Thanks to the continuing efforts of AF&PA members and the millions of individuals who recycle at home, work and school every day, the paper and packaging industry has achieved a consistently high recovery rate. In 2016, 67.2 percent of all paper consumed in the U.S. was recovered for recycling, and the recovery rate has met or exceeded 63 percent for the past six years. Paper is the most-recycled material in the U.S. today. According to the Environmental Protection Agency, more paper (by weight) is recovered for recycling from municipal solid waste streams than glass, plastic, steel and aluminum combined. In 2014, 96 percent of the U.S. population had access to community curbside and/or drop-off paper recycling services. Paper recovery is an environmental success story, saving an average of 3.3 cubic yards of landfill space for each ton of paper recycled. Paper recovery has fostered a dynamic marketplace that allows recovered fiber to find its highest-value end use in manufacturing new paper and paperboard. That, in turn, helps to encourage more recycling.

Paper-based packaging

The paper-based packaging industry manufactures paperboard, corrugated containers, paper bags, and multiwall paper shipping sacks. Each type of packaging has a distinct use and different purpose. The industry has uniquely developed the packaging based on the specific need to be strong, efficient, cost-effective, and protect the contents. Additionally, some paper-based packaging may include coatings and barriers to improve performance or provide a protective barrier. Below are specific examples of the paper-based packaging produced by the industry.

- Paperboard Containers: are a paper-based material that is generally thicker than regular paper. It is used for products such as milk cartons, aseptic packaging, cereal boxes, shoe boxes, foodservice packaging (cups, plates, bowls, etc.) and frozen food packaging and non-food related consumer goods packaging. Paperboard packaging comes in several different grades that possess unique characteristics making each grade suitable for different packaging requirements and needs.
- Corrugated (Cardboard) Containers are a durable, versatile, low and lightweight paper-based material that is frequently used to make boxes, containers, and displays. It is most commonly made up of two smooth sheets, called "liner," with an arched layer, called "fluting," in between them.
- Paper Bags are a pre-formed container made from paper, usually with an opening on one side for easy packaging. Paper shopping bags, brown paper bags, paper grocery bags, paper bread bags and other light duty paper bags are made from a single layer of paper.
- Multiwall Paper Shipping Sacks are often used as containers to ship bulk materials such as pet food, fertilizer, animal feed, sand, dry chemicals, flour, sugar and cement. Most multiwall paper shipping sacks are made from several layers of sack Kraft paper, which is elastic and tear-resistant, a printed external layer, and inner plies which add strength to the sack.

Paper and paper-based packaging is primarily made from tree or recycled fibers. The manufacturing process uses water and energy to turn the tree or recycled fiber into new paper and paper-based packaging. The ratio of recovered fiber and virgin fiber in any packaging product is determined based on the customer specifications and performance needs.

Paper-based packaging is used to protect, preserve and transport products. Customers choose paper-based packaging for its strength, stability, durability, cost-effectiveness and printability. The packaging is engineered to be sturdy, yet lightweight, and is customizable to meet product- or customer-specific needs. It is produced from a renewable resource (trees) with a high recovery rate, and widely accepted in curbside and drop-off recycling programs.

Producers use the amount of fiber needed to meet the customer specifications and is engineered to be sturdy, yet lightweight. According to the latest RISI Containerboard Study, the average linerboard basis weight declined 9.7 percent during the 1995 – 2015 period. The packaging type and amount used is based on the customer specifications for use to protect the product, provide durability for transportation and handling and aesthetics for

printing. Packaging designs are often optimized to use the minimum amount of materials to protect the contents in an effort to minimize costs. Cube utilization to improve transportation and storage densities is also common practice.

Packaging performance, including product protection, strength and durability, is among the most important criteria in the selection of packaging for customers. Requiring the lightweighting of packaging in order to comply with a government mandate or anything other than to meet customer specifications could lead to increased product spoilage or damage and increase the overall environmental impact of packaging. It might also lead to a customer seeking an alternative producer or supplier that is not limited by the same mandates.

Reuse would depend on the type of paper-based packaging and its intended use. For example, paper bags can be used to carry items, cover textbooks or used as recycling containers; and corrugated boxes can be used many times for many different purposes such as moving or storing items.

Recycling

Access to community curbside and drop-off options for paper and paper-based packaging recycling is available for 100 percent of Connecticut residents, according to a 2014 study by the Louis Berger Group. With a robust infrastructure already in place, increasing the amount of paper-based packaging recovered for recycling relies on consumers' ability and participation.

AF&PA supports promoting increased paper recovery for recycling by raising awareness about the importance of recycling, creating public/private partnerships, educating key stakeholders about the success of the voluntary paper recovery system and providing tools and resources to help communities, businesses and schools start or improve paper recycling programs.

AF&PA supports the continued development and promotion of proven best practices that will leverage the existing investments in recovery. For example, member projects that support progress toward the *Better Practices, Better Planet 2020* sustainability goals qualify to compete for recognition in AF&PA's annual awards. Designed to recognize exemplary sustainability programs and initiatives in the paper and wood products manufacturing industry, awards are given based on the merit of entries received across multiple categories that correspond to the goals including Paper Recovery for Recycling.

Widespread adoption of these best practices for recovery (including efficient collection systems, an optimized processing infrastructure, effective education and communications, and appropriate support mechanisms) will contribute to increased recovery. At a minimum these best practices should be implemented before any consideration is given to external measures that will disrupt the solid recovery foundation Connecticut communities and their private sector partners already have built.

During the collection process, recovered fiber is at risk of contamination from liquids, food, glass and other waste materials. During the sorting and baling process, non-paper materials such as plastic bottles and aluminum cans may get sorted into paper bales. AF&PA supports the separation of dry recyclable material from wet or organic solid waste community recycling systems to facilitate the processing and utilization of recovered fiber in a way that enables it to go to its highest value end use.

Mixed-waste processing systems increase the contamination of the recyclable fiber, and thus, limits its availability and viability for reuse in the manufacturing process. Consequently, mixed-waste processing systems tend to recover a lower percentage of marketable fiber than single-stream materials recovery facilities. Because of the paramount importance of the quality of the industry's products, especially in food contact paper and paper-based packaging, AF&PA opposes policies governing collection and processing of recovered fiber that could increase fiber contamination.

With increased access to recycling and the number of materials accepted in curbside recycling programs, some residents participate in "wishful recycling" where they put items that are not accepted into a bin, hoping it can be recycled. The industry remains committed to working with communities to increase education to their residents in what can and cannot be recycled.

Recovered fiber is a globally traded commodity with well-developed markets. In 2016, approximately 79 percent of the U.S. mills making packaging products used some recovered fiber. AF&PA believes market forces should guide paper and paper-based packaging recycling and recovery systems in order to promote waste reduction and divert recyclables from landfills. The industry works with others in the private and public sectors to maximize paper recovery, and the success of those partnerships is reflected in the overall recovery rate.

Paper is a Leader in Voluntary Recovery

Paper can be a model for other industries in terms of performance and attitude. Recovery of paper and paper-based packaging from municipal solid waste streams far exceeds that of plastics, aluminum and glass. The paper and paper-based packaging industry has set and met goals established on a voluntary basis, and publicly reported on performance. The industry remains open to working with others in the private and public sectors to maximize paper recovery, which has been part of our thinking as we have nearly doubled our recovery rate in the last 20 years. Governments can help support this market success by avoiding mandates and arbitrary rules that disrupt the current recovery system.

The paper and paper-based packaging industry's commitment to maximizing recovery of its products for recycling is real and longstanding. In 1990, the recovery rate was a little more than one-third (33.5 percent) of the paper consumed in the United States. By 2015, thanks to voluntary industry initiatives and the millions of Americans who recycle at home, work and school every day, the recovery rate has nearly doubled (66.8 percent).

EPR Schemes Are Not the Answer

Consistently high recovery rates, a well-established infrastructure already in place to collect and process paper products, and the industry's ongoing efforts to increase voluntary recovery, make mandates like EPR on paper and paper-based packaging unnecessary. Creating a state-administered board to control the flow of materials subject to an EPR program will disrupt the complex and efficient markets for recovered fiber, likely resulting in less fiber recovered for recycling and substantial additional administrative cost that eventually will be paid by consumers or taxpayers.

For paper and paper-based packaging, EPR could prove to be harmful or even counterproductive. The life path of paper-based packaging is not contained in one state. For instance, a box could be made in one state and then breakfast cereal put into that box in a second state. The cereal is sold in a third state to a consumer living in a fourth state. It is hard to imagine logistically how a manufacturer or brand owner could be required to pay fees on the products it introduces into a global commerce stream.

Eventually, the practical ceiling for recovery of paper and paper-based packaging for the purpose of recycling will be achieved. Some things just cannot be recycled, such as tissue, used napkins, and toilet paper. To impose an EPR scheme in hopes of marginal gains actually could be cost prohibitive and at the detriment of the success we have achieved.

AF&PA supports the continued development and promotion of proven best practices that will leverage the existing investments in recovery. Widespread adoption of these best practices for recovery (including efficient collection systems, an optimized processing infrastructure, effective education and communications, and appropriate support mechanisms) will contribute to the recovery success sought. At a minimum these best practices should be implemented before any consideration is given to approaches such as EPR that, in fact, will disrupt the solid recovery foundation Connecticut communities and their private sector partners already have built.

Recommendations

The State can support paper-based packaging recycling's success by avoiding mandates and potential arbitrary rules that dictate product contents or disrupt the current market-based recovery system. As history has demonstrated, the market operates efficiently when it comes to paper recovery and recycling. The idea that arbitrary decisions from government will improve paper recovery and recycling goes against common sense and past experience.

AF&PA partners with organizations such as the Recycling Partnership, the Carton Council, the Foodservice Packaging Institute (FPI) and the Paper Shipping Sack Manufacturers Association (PSSMA) to promote recycling nationally.

An example of a successful public/private partnership is The Recycling Partnership (TRP) which has directly assisted more than 250 local communities, improving recycling for 19 million households. The cumulative new tonnage of recyclables recovered as a result of the Partnership's work has grown from 15,100 tons two years ago to 57,500 tons today. The Partnership has placed almost 400,000 curbside recycling carts on the ground over the last

three years. Through its work, TRP has developed a set of best practices drawing from the most effective recycling programs nationwide. Additionally, AF&PA members have also achieved company-specific success through partnering with programs such as the Connecticut Materials Innovation and Recycling Authority which is the successor authority to Connecticut Resources Recovery Authority, and similar programs around the country that support innovation and public-private partnership without setting mandates that could interfere with existing, successful programs and funding structures.

The industry partners with FPI and PSSMA to encourage increased recovery of paper foodservice packaging and food-based unlined paper shipping stacks. FPI is working with communities to include foodservice packaging in their recycling programs. AF&PA's partnership with PSSMA is working with the industry's customers to increase the amount of food-based unlined shipping sacks that are recovered for recycling.

The paper-based packaging industry, through The Responsible Package initiative, has sponsored a youth education program targeting 150,000 5th grade students, teachers and their families since 2013. The program educates the students on the positive environmental benefits and attributes of paper-based packaging and recycling.

Connecticut set a 60 percent diversion goal for 2024 and seeks ways to achieve this without necessarily increasing the available funding for existing environmental programs or increasing the staff and resources at the Department of Energy and Environmental Protection. Partnerships such as those already mentioned and pay-as-you-throw programs are optimal ways to make progress toward the diversion goal without redirecting essential packaging producer funding away from programs in paper-based packaging recovery already proven to be successful.

Conclusion

AF&PA believes responsibility for materials recovery and diversion must be shared across the entire supply chain and include consumers. The paper industry is doing its part by meeting or exceeding voluntary recovery goals for our products. We urge you to consider promoting increased participation in community recycling programs as an alternative to the proposed bill. We hope that by sharing this information, the recommendation drafted by the Task Force on Methods to Reduce Consumer Packaging that Generates Waste, will be based on sound policy to the benefit of the environment and best practices for doing business in the state.

We look forward to continuing our work with the state of Connecticut. Please feel free to contact Abigail Turner Sztein, Manager, State Government Affairs, AF&PA at (202) 463-2596 or abigail_sztein@afandpa.org for further information.