

Recycling Market Development

July 2015 Status Update

Governor Rick Snyder, in his April 14, 2014, Residential Recycling Plan of Action [http://www.michigan.gov/documents/deq/DEQ-OWMRP-SWS-Proposed Recycling Action Plan 448494 7.pdf](http://www.michigan.gov/documents/deq/DEQ-OWMRP-SWS-Proposed_Recycling_Action_Plan_448494_7.pdf) called upon the Department of Environmental Quality (DEQ) to include recycling market development as a key component of growing recycling in Michigan. Specifically the Plan of Action stated:

“Leader states invest in strong market development programs. By providing opportunities to both the supply and the demand side of the recycling industry, markets will develop, and demand will increase for both recycling and recycled commodities. A market development program should have two components: technology transfer and business development. Through collaboration with partners, such as the Michigan Economic Development Corporation (MEDC), the state can jumpstart these networks.

- Hold a Governor’s Summit on Recycling to highlight both the economic and environmental opportunities from increased recycling, to connect market participants, and to encourage technical innovation.*
- Encourage investment in waste utilization facilities by enabling the use of tax-exempt, private-activity bonds.*
- Create a directory that identifies potential buyers for recycled commodities to assist local community recycling programs in defraying operational costs.*
- Engage partners in market development and innovation.*

In response to the Governor’s Plan of Action a position was created in the DEQ to focus on recycling market development. That position, currently held by Matt Flechter, has enabled the DEQ to evaluate market development challenges and opportunities.

Recycling Market Development activities can be separated into two main components:

- 1) Supporting the development of new business opportunities for difficult to recycle materials like agricultural plastics, mixed colored glass, and certain difficult to recycle plastics. This is accomplished primarily through research and development of new technologies to sort and process the materials and attracting new businesses to use the material in manufacturing.
- 2) Supplying existing Michigan businesses with feedstock they need by supporting the creation of a stable commodity supply chain. This is accomplished through growing the collection, transportation, and processing infrastructure necessary to divert valuable commodities from disposal into the recycling system.

Accomplishments

In the 9 months since the Market Development position was created the following activities have been accomplished or are currently in action:

Allocated appropriation – A portion of the fiscal year 2015 \$1 million recycling appropriation was used to support recycling market development. The funds were used to host the Governor's Recycling Summit, provide scholarships to local governments to attend the summit so they could learn their important role in the recycling market development supply chain, Fund the development of Recycle by Design, develop the Recycled Materials Market Directory, and fund the recycling market end-use study .

Formed strategic partnerships –DEQ Recycling Market Development Specialist, Matt Flechter Has worked to develop strong partnerships with national groups to bring technical and financial resources to Michigan. Matt Flechter now serves on the Curbside Value Partnership technical council and has worked to see investment by the Closed Loop Fund to support recycling market development activities in Michigan.

Surveyed market development opportunities and challenges – Matt Flechter contacted various recycling processors like Recommunity and Goodwill to ask about the materials that pose the biggest challenge and are the most difficult to move to market. Glass and mixed plastics surfaced as the most challenging material. Additional residentially generated materials that were identified as in need of focus were organic wastes including compost, wood waste from furniture, and agricultural plastics. Also mentioned were the challenges to marketing mixed single-stream commodities because of excessive contamination.

Identified existing business development tools – Working with MEDC staff we created a description of the tax-exempt private activity bonds for use by recycling businesses.

Presentations on market development – Presented to the West Michigan Sustainable Business Forum, the Air and Waste Management Association, and other organizations on the importance of developing robust recycling end-use markets.

Governor's Recycling Summit – Held a successful summit with high evaluation marks that worked to connect the diverse interests and roles in the recycling market development supply chain. Because an informed and connected supply chain is positioned to addresses barriers to collection, participation, processing, transportation, and end-use.

Recycle by Design – Recycle by Design is a competition created to incentivize and accelerate the development and implementation of innovative strategies to increase recycling in Michigan. Local, regional, and state level teams comprised of private and public sector partners will be supported in advancing leading-edge ideas that contribute to a more robust and resilient recycling infrastructure; bolstering local economies and ensuring valuable recaptured commodities find their way into new products. Recycle by Design is itself an innovative market development strategy aimed at achieving Governor Snyder's ambitious goal of doubling Michigan's residential recycling rate. The competition will be kicked off November 2, 2015. Work is underway to define the rules of the competition, create the timeline, create a comprehensive marketing and outreach campaign, and seek

funding partners. In addition to one-on-one meetings with important partnership organizations, 12 regional meetings are being organized where the details of the competition, and the opportunities it presents, will be shared. Names for potential jurors are being identified.

Curbside Value Partnership/The Recycling Partnership – Keefe Harrison and Matt Flechter are collaborating to develop a partnership where she will bring her organization's educational and technical resources for use by Michigan communities. The technical resources will focus on the move from bins to carts, reducing contamination, educating local decision makers on the economic benefits of strong supply chains, and making the case that strong end-use markets are good for Michigan's economy.

Muskegon County – Transportation networks are another key component of robust recycling market development infrastructure. Matt Flechter is collaborating with Muskegon County Resource Recovery staff and Economic Development staff to develop a multi-partner initiative to utilize their deep water port as a hub for recycling collection, processing, research and development, and recycled commodities export.

Closed Loop Fund – DEQ is working with the Closed Loop Fund to connect their funding tools with Michigan programs.

Recycled Materials Market Directory – Bids are due July 27th for updating and maintaining the RMMD.