Recycling Market Development

**Minnesota has a strong recycling history**

Recycling is a cost-effective way to handle waste and has social, economic and environmental benefits. Most residents have access to curbside recycling or drop-off locations. Many businesses also recycle a variety of items. Once this recyclable material is collected, it needs a home. What happens to it once it is collected? Who buys it? What is it made into?

**What is Recycling Market Development?**

Recycling Market Development (RMD) helps create and maintain demand for recyclables by developing markets for materials and stimulating demand for products made with recycled material. A 2015 Office of Legislative Auditors report, titled *Recycling and Waste Reduction*, found that RMD is a “critical part of the waste management lifecycle.” Healthy recycling markets divert materials from the waste stream and into production of new products. Businesses that use recyclable material to make a product are often called “end markets.” Without these end markets, we do not have recycling. RMD efforts also support those businesses that process the materials we recycle so they are ready to use by end markets. RMD helps with things like:

- Turning plastic jugs into patio furniture.
- Making aluminum cans into cars.
- Transforming food scraps into compost.

**Why is it important?**

**Market strength:** Recycled materials are commodities and must be sold to end markets to create new products. The closing of some large markets overseas has placed added pressure on Minnesota recycling processors that need to sell recyclable material domestically. Paper, plastic, metal and glass all make up a sizable portion of the materials we recycle. Strong end markets exist for some of these commodities, but not all. More recyclables could be recovered and recycled if additional end markets for materials are developed. Recycling processors, manufacturers, private sector associations and government agencies need to work together through partnerships to build strong recycling markets and foster environmental benefit.
**Jobs & economic growth:** Minnesota has an abundance of recyclable material ready for use in manufacturing. Recycling currently supports an estimated 36,000 jobs in the state (2015 data). Robust recycling markets are important to recycling haulers and processors, and support business vitality and profitability. Developing local and regional markets is essential to Minnesota’s waste material management economy. Expanding the number of Minnesota manufacturers and companies that buy and use these materials creates economic growth opportunities and supports job creation in the state.

**Saving energy & the climate:** Recycling recovers valuable material that would otherwise be lost to disposal. In most cases, it takes less energy to make a product from a recycled material than newly mined or harvested raw material. The energy savings and greenhouse gas reduction associated with recycling is important to combat climate change. Developing new markets for remanufacturing recyclables into products also reduces other environmental impacts caused by sourcing raw materials.

** Closing the loop:** The success of a company comes down to the bottom line—financially, socially, and ethically. Product and packaging manufacturers are starting to realize the benefits of being socially and ethically responsible in every stage of product development and consumption. Closing the loop by capturing and using recyclable materials is important to companies that have sustainability plans — they are reducing resource consumption, growing the local economy, and finding value in recyclable material. Consumers, government and businesses must buy products made from recycled material to close that loop. Buying printer paper with recycled content is a great place to start.

**What can we do?**

**Invest in Minnesota:** Minnesota is in a relatively good position today because of past investments in recycling infrastructure and businesses that use recyclable materials. With even stronger emphasis now on domestic markets and the drive to recycle more of our waste, we need investment again. Investment in processors is needed so collected material can be efficiently prepared for end markets that are close to home. Minnesota must actively seek to grow the number of businesses that use recycled materials in their manufacturing process.

**Reduce contamination:** Dirty or non-recyclable material drives up the cost of recycling. Recycling end markets need clean material to produce new products. With higher supply than demand domestically, end markets can be more selective in what recyclable materials they buy. Residents and businesses need ongoing, clear information on how to produce reliably clean and contamination-free recycling streams.

**Leadership from Government:** Minnesota has mandated recycling opportunities for all residents and requires larger commercial businesses in the metro area to recycle. State law sets out recycling goals for all counties—75% by 2030 for metro counties, 35% for other counties. To meet these goals, state and local governments must play an active role in developing and supporting recycling markets. Some ways government can help increase the use of recyclable materials include smart policy choices, implementing sustainable purchasing practices, innovative business development and research partnerships, robust collection and processing systems, and effective recycling education. These government choices create the environment for the recycled products people want and need.

**For more information**

[www.pca.state.mn.us/waste/recycling-market-development](http://www.pca.state.mn.us/waste/recycling-market-development)