

# New International Requirements for Exports and Imports of Plastic Recyclables

**SMM Web Academy**

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## Main message on U.S. exports of plastic recyclables

- Starting on January 1, 2021, exports of most plastic scrap (i.e., plastic recyclables) will be significantly restricted by most countries under a treaty called the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.
- As a result of these changes, it will be considered illegal for most countries to import the majority of plastic scrap from the United States.
  - This includes major importing countries for U.S. plastic scrap such as India, Hong Kong, Malaysia, and Thailand.

## Basel Convention on the Control of Transboundary Movements of Hazardous Waste and their Disposal

- A legally binding treaty establishing prior notice and consent for transboundary shipments of waste within its scope.
- Entered into force in 1992; 187 Parties.
- The treaty's main objective is to control and ensure environmentally sound management of primarily hazardous wastes subject to transboundary movement.
- U.S. is a Signatory, but not a Party.
- The U.S. has participated as an Observer in Basel since the Convention's initiation.



**BASEL CONVENTION**

*the world environmental  
agreement on wastes*

## Prior notice and consent process explained

Exports of wastes subject to Basel Convention prior notice and consent requirements are allowed only with the prior written consent of the importing country and any transit countries.

### Process

1. Exporter submits notice to exporting country government
2. Exporting country government forwards notice to proposed importing country government
3. Importing country government reviews notice and consents, objects or conditionally consents to export notice and informs exporting country government
4. Exporting country government informs exporter of decision
5. If consent received, exporter generally has approval to export for one year under the conditions of the consent and/or import permit

## New Basel Convention requirements for exports of plastic scrap

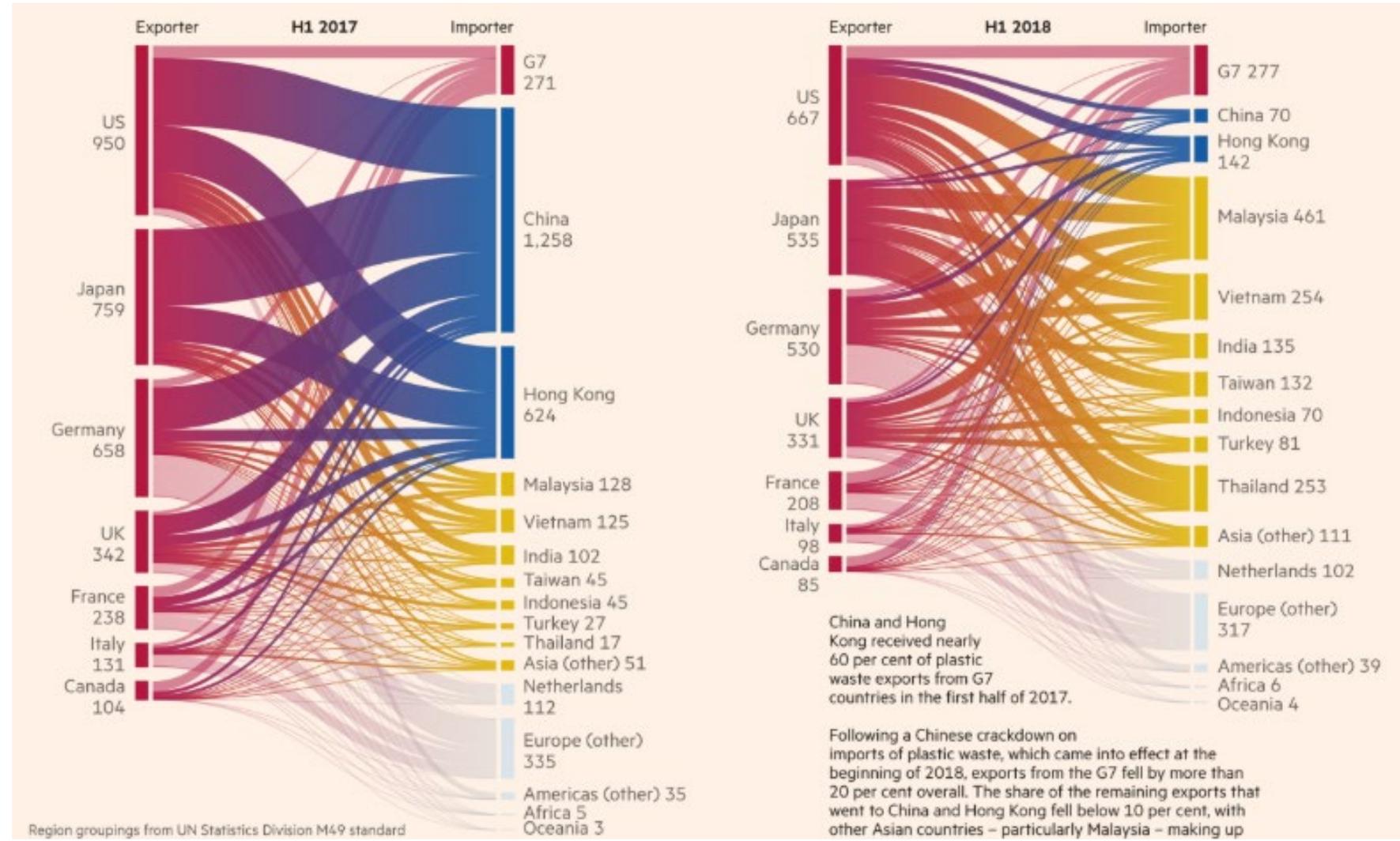
- In May 2019, Basel Parties decided to newly classify most plastic scrap and waste as subject to Basel Convention prior notice and consent requirements for export, effective January 1, 2021.
- These changes are referred to as the Basel Convention Plastic Waste Amendments.
- Because of a longstanding Basel Party/Non-Party trade prohibition, Basel Parties will not be allowed to trade most plastic scrap and waste with the United States, except under a separate bilateral or multilateral agreement that meets certain Basel criteria.
  - The amendments were proposed to address marine plastic litter.



# Background

- In 2016, China imported about half of all plastic scrap intended for recycling globally (Brooks et al., 2018).
- Export flows changed when China implemented strict import restrictions on recyclables, including plastic, in 2017.
- Concerns about capacity of 'new' importing countries to dispose of residual waste from recycling in an environmentally sound manner.

Exports of plastic scrap from G7 countries (000's metric tonnes)



Source: The Financial Times - <https://www.ft.com/content/360e2524-d71a-11e8-a854-33d6f82e62f8>

# What are the new Basel plastic scrap and waste amendments?

- The new Basel Convention plastic scrap and waste amendments classify plastic scrap and waste into 3 categories:
  - Basel Annex II contains the 1<sup>st</sup> category:
    - Covers most non-hazardous plastic scrap and waste; subject to Basel requirements
  - Basel Annex VIII contains the 2<sup>nd</sup> category:
    - Covers plastic waste classified as Basel-hazardous waste; subject to Basel requirements
  - Basel Annex IX contains the 3<sup>rd</sup> category:
    - Covers a small subset of non-hazardous plastic scrap; **not** subject to Basel requirements
- Because of the longstanding Basel Party/Non-Party trade prohibition, Basel Parties will not be allowed to trade most plastic scrap and waste (the 1<sup>st</sup> and 2<sup>nd</sup> categories) with the United States, except under a separate bilateral or multilateral agreement.

## New Basel Convention requirements for plastic scrap exports

- Exports must meet a very narrow and strict set of criteria to be classified as not subject to Basel requirements under the 3<sup>rd</sup> category.
- In general, plastic scrap must be pre-sorted, clean, destined for environmentally sound recycling and be classified as:
  - Plastic scrap “almost exclusively” consisting of one non-halogenated polymer (e.g., PE, PP, PET, PS, ABS), one resin (e.g., epoxy resin) or a limited number of fluorinated polymers
  - Mixed plastic scrap consisting of polyethylene (PE), polypropylene (PP), and/or polyethylene terephthalate (PET) sent for “separate recycling” of each material



*Described in new **Basel B3011 listing** in Basel Annex IX (replaces current Basel B3010)*

- Exports not meeting these criteria would be subject to Basel requirements and the Basel Party/non-Party trade prohibition.

# New Basel Convention requirements for plastic scrap exports

- Exports of most non-hazardous plastic scrap and waste (1<sup>st</sup> category), will be subject to Basel requirements including:
  - plastic scrap that is contaminated (e.g., with food residue and/or other waste)
  - plastic scrap mixed with other types of scrap
  - plastic scrap containing halogenated polymers (e.g., PVC scrap)
  - mixed plastic scrap except for shipments consisting of polyethylene (PE), polypropylene (PP), and/or polyethylene terephthalate (PET) that meet criteria in Basel listing B3011



*Described in new **Basel listing Y48** in Basel Annex II*

- Exports of hazardous plastic scrap and waste (2<sup>nd</sup> category) will also be subject to Basel requirements:
  - Plastic scrap and waste containing or contaminated with hazardous constituents in Basel Annex I to an extent that they exhibit a hazardous characteristic in Basel Annex III.

*Described in new **Basel listing A3210** in Basel Annex VIII*

## Key terms and questions

- Uncertainty remains about how Basel Parties will interpret the new Basel plastic scrap and waste listings because key terms have not been defined.
- To be classified as *not* subject to Basel requirements, plastic scrap must generally be “**almost exclusively**” of one non-halogenated polymer, resin or one of a limited number of fluorinated polymers, be “**almost free from contamination and from other types of waste,**” and be destined for “**recycling in an environmentally sound manner.**”
- Clean, mixed plastic scrap consisting of PE, PP, and/or PET is allowed if destined for “**separate recycling of each material**”.

It is expected that Basel Parties will try to clarify these terms.

# Unresolved questions

B3011, Annex IX

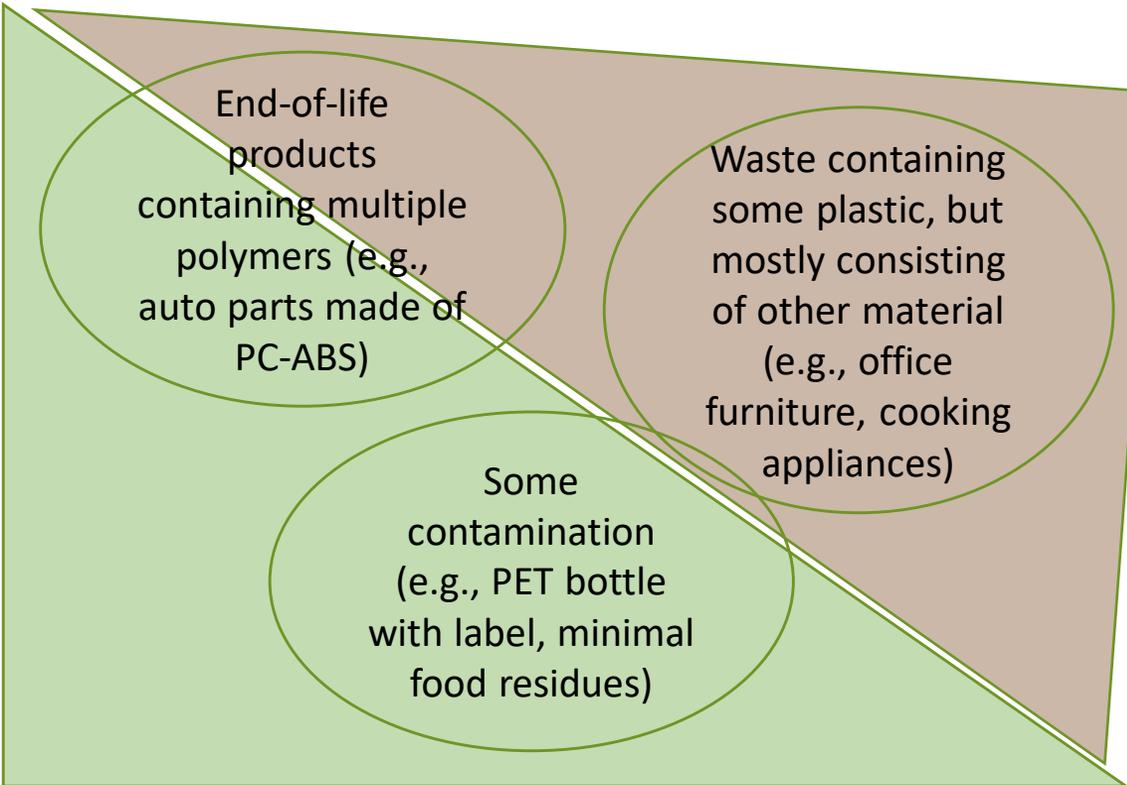
Clean, pre-sorted plastic scrap consisting of a single non-halogenated polymer, resin or certain fluorinated polymers sent for environmentally sound recycling

Mixed PP, PE and PET allowed in certain cases



Not subject to Basel Convention requirements

*More clarity needed...*



Will Basel Convention requirements apply?

Y48, Annex II

Mixed and/or contaminated plastic waste, halogenated polymers (e.g., PVC scrap)



Basel Convention requirements apply

A3210, Annex VIII

Plastic waste characterized as hazardous waste under the Basel Convention

## OECD Council Decision (2001)



- Legally binding multilateral agreement governing the export and import of hazardous waste for recovery among the 36 developed countries that are members of the Organization for Economic Cooperation and Development (OECD).
- As a member country of the OECD, the Council Decision allows the U.S. to trade in Basel-covered waste with OECD countries that are Basel Parties.
  - In 2019, the U.S. traded nearly 581,000 metric tons of plastic scrap with OECD countries valued at more than \$289 million. This represents over 55% of U.S. trade in plastic scrap.
  - Mexico and Canada are our most important OECD trading partners.
- Basel and OECD waste listings are generally harmonized and new Basel scrap and waste listings are automatically incorporated into the OECD Council Decision unless an OECD Member country objects.

## Developing an OECD approach to trade in plastic scrap

- In July 2019, the U.S. objected to the automatic incorporation of the Basel amendments on plastic scrap and waste into the OECD Council Decision, triggering negotiations to develop an alternative approach.

### Rationale:

- OECD countries have an opportunity to incentivize recycling plastic scrap in countries that have strong recycling and waste management systems.
  - Regulating exports/imports of plastic scrap could make trade more difficult and undermine the value and market for plastic recyclables.
  - Could lead to fewer incentives to recycle and increase disposal of plastics.
- Negotiations to seek agreement on rules for intra-OECD trade in plastic scrap recently concluded.

# New OECD requirements for exports of plastic scrap and waste

- Hazardous plastic scrap and waste will be subject to prior notice and consent requirements for export
  - Plastic waste containing or contaminated with hazardous constituents (Appendix 1 of the OECD Decision) to an extent that it exhibits a hazardous characteristic (Appendix 2 of the OECD Decision).
- Much uncertainty remains about the requirements OECD countries will impose for intra-OECD trade in non-hazardous plastic scrap and waste
  - No agreement reached on an OECD approach to non-hazardous plastic scrap and waste.
  - Whether the OECD prior notice and consent requirements apply depend on the requirements imposed by the OECD countries involved in the transboundary movement.

## New OECD requirements for exports of plastic scrap and waste

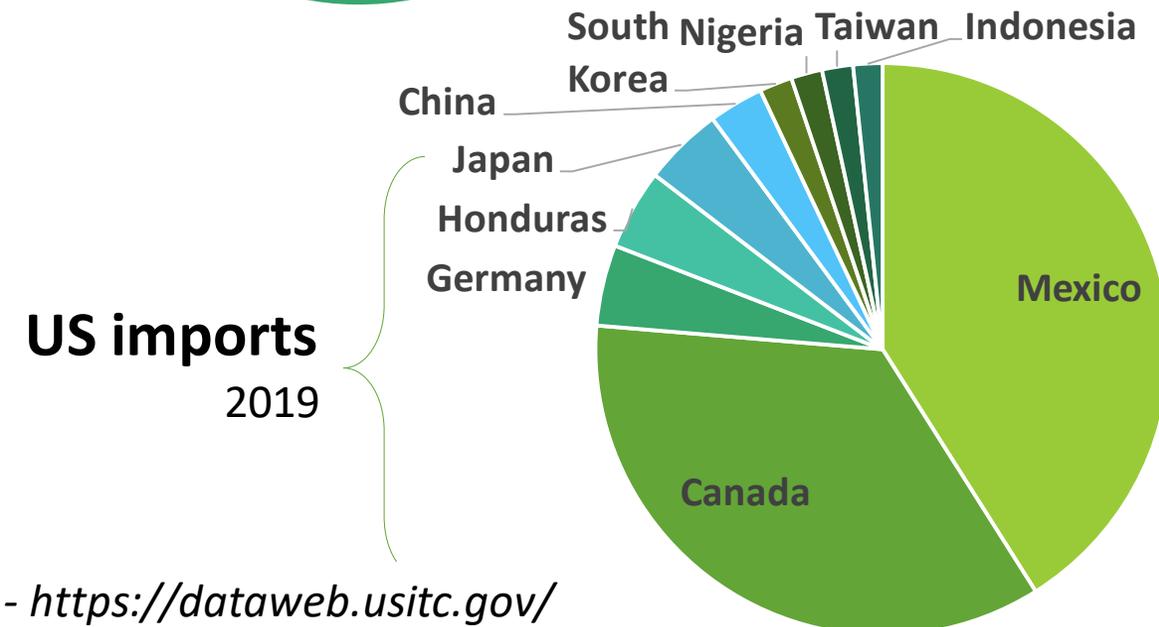
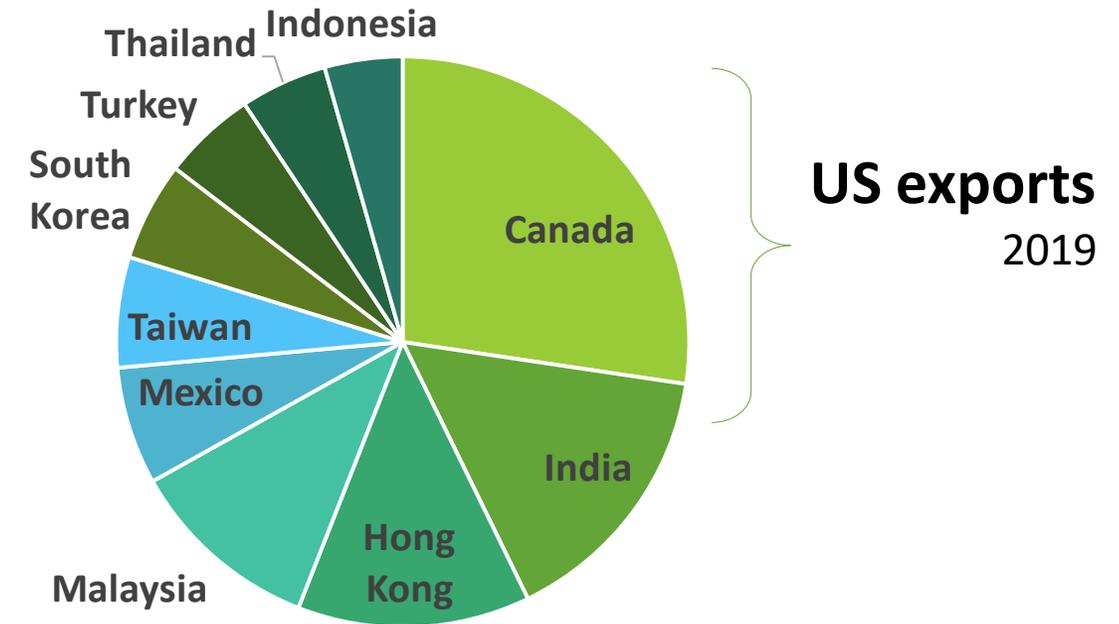
- Much uncertainty remains about the requirements OECD countries will impose for intra-OECD trade in non-hazardous plastic scrap and waste ... (cont'd)
  - Some OECD countries will require prior notice and consent for non-hazardous plastic scrap under their domestic laws and regulations.
  - Some OECD countries will consider most plastic scrap outside of the scope of the Council Decision. This may mean that some countries will not be willing to trade in plastic scrap with the U.S.
- Countries agreed to consider another attempt to try to reach consensus before the end of 2024.

## U.S. requirements for exports and imports of plastic scrap

- Plastic scrap and waste regulated as hazardous waste under the regulations implementing the U.S. Resource Conservation and Recovery Act (RCRA), is subject to RCRA hazardous waste export and import requirements, which include:
  - Prior notice and consent from importing and transit countries
  - Tracking requirements
  - Confirmation of receipt and recovery
- The majority of plastic scrap and waste is not regulated as hazardous waste under RCRA, and therefore, is not subject to RCRA export and import requirements.
- Anticipate countries will increasingly consider certain plastic waste as hazardous waste.
- U.S. exports are subject to applicable laws and regulations in importing and transit countries, as well as applicable international law.

## Potential impacts for the U.S.

- Would effectively stop U.S. trade in plastic scrap to non-OECD countries.
  - Most U.S. exports of plastic scrap are to non-OECD Basel Party countries, primarily in Asia.
- In 2019, the U.S. exported about 667,000 metric tons of plastic scrap worth over \$279 million.
- The same year, the U.S. imported 399,000 metric tons of plastic scrap valued at more than \$226 million.



## Potential impacts for the U.S.

- Anticipate confusion by the regulated community on technical issues and procedural requirements.
- EPA anticipates receiving import/export notifications for non-hazardous plastic scrap, even though the amendments do not change U.S. export and import waste requirements.
- Anticipate significant adverse impacts on U.S. recycling programs that have benefitted from the revenue generated by higher value plastic scrap exports.
- Will likely result in reduced U.S. exports for plastic recycling and increased disposal in domestic landfills.
- May lead to increased investments in U.S. plastic processing capacity.



# Resources

## U.S. EPA resources:

- Explanation of Basel Convention plastic scrap and waste amendments:  
<https://www.epa.gov/hwgenerators/new-international-requirements-export-and-import-plastic-recyclables-and-waste>
- U.S. hazardous waste export and import requirements:  
<https://www.epa.gov/hwgenerators/information-about-transboundary-shipments-hazardous-wastes>
- U.S. international agreements for transboundary shipments of waste:  
<https://www.epa.gov/hwgenerators/international-agreements-transboundary-shipments-hazardous-waste>

## Basel Convention resources:

- Basel Convention Plastic Waste Amendments: <https://www.informea.org/en/decision/amendments-annexes-ii-viii-and-ix-basel-convention-advance>
- Basel Convention:  
<http://www.basel.int/Implementation/Plasticwaste/PlasticWasteAmendments/Overview/tabid/8426/Default.aspx>

# Questions?



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**EPA webpage on new requirements:**

<https://www.epa.gov/hwgenerators/new-international-requirements-export-and-import-plastic-recyclables-and-waste>