



# **POLYPROPYLENE RECYCLING COALITION**

AN INITIATIVE OF THE RECYCLING PARTNERSHIP

Providing grants, research and communications to increase the recovery and recycling of polypropylene

# PP on the Shelf



- PP packaging highly prevalent in stores
- PP as common as HDPE Natural in single stream prevalence
- Yet, challenges remain



# The Recycling Partnership's 2020 State of Curbside Recycling Report

## Top Perspectives on U.S. Curbside Recycling

Communities across the U.S. remain committed to providing household recycling services, just as Americans also continue to value and demand recycling as an essential public service. The good news is that the application of adequate resources and smart interventions can easily improve the performance of those services.

The Recycling Partnership's 2020 State of Curbside Recycling report provides a snapshot of the challenges facing the U.S. household recycling system and recommends a set of integrated strategies to help it achieve its full potential.



Only half of Americans have automatic access to curbside recycling



Of these, only 72% of homes with access actually participate



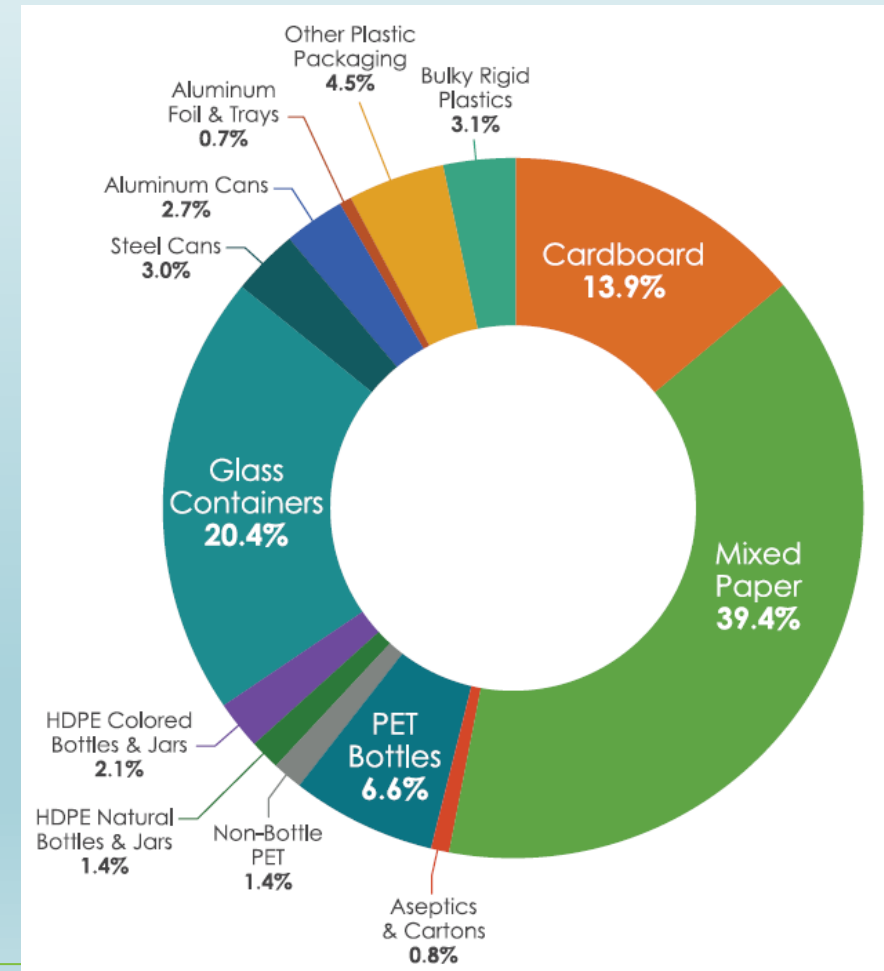
And some participants still put some recyclables in the trash

- Identifies key challenges facing the U.S. recycling system
- Addresses polypropylene potential and prevalence.
- Provides a set of integrated strategies to help achieve the recycling system's full potential

# State of Curbside Report: Polypropylene

- Current data does not separate Polypropylene (PP) from 3-7's, or 'Other Plastic Packaging'
- Most MRF specific resin sorting capacity is focused on PET and HDPE which are presumed to be available in higher quantities than PP
- **Data from capture studies suggests PP generation could be higher than both natural and colored HDPE**

Estimate of Annual Curbside Recyclable Material Generation per Single-Family Household





# A Critical Point for Plastics Recovery

## What is the Current **RISK**?

**ACCESS** to #5 PP recycling is estimated to be just north of 60%, however...

- ❏ Communities and recyclers have **dropped PP and 3-7's** from their recycling programs
  - Some communities have stopped accepting mixed plastics (includes #5 PP)
- ❏ Some Material Recovery Facilities (MRFs) are **landfilling** their 3-7's

THEREFORE The Sustainable Packaging Coalition (SPC) **downgraded** PP from 'widely recycled' to 'check locally' and activists are challenging the use of polypropylene



There is an **immediate need** to ensure the long-term viability of PP plastic as an accepted and recycled material

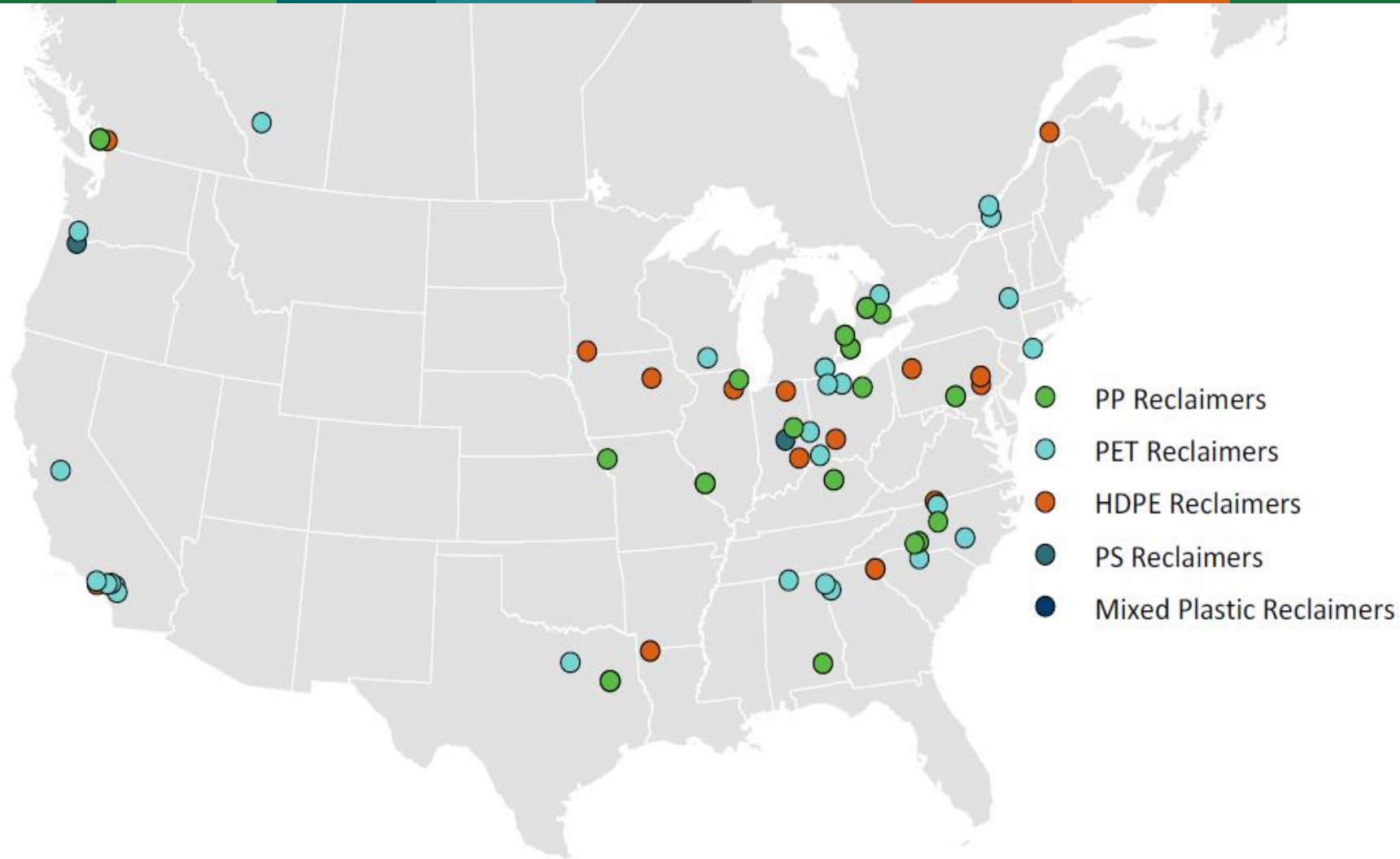
# What is the Current Landscape of #5 PP?

- Polypropylene (PP) is a valuable commodity that can either be separated or comingled with 3-7's.
- Domestic end markets exist for both PP and, to some degree, 3-7's (regionally). PP markets are currently operating under capacity, although the 3-7's market has been challenging in many parts of the country.

## Common Industry Goal

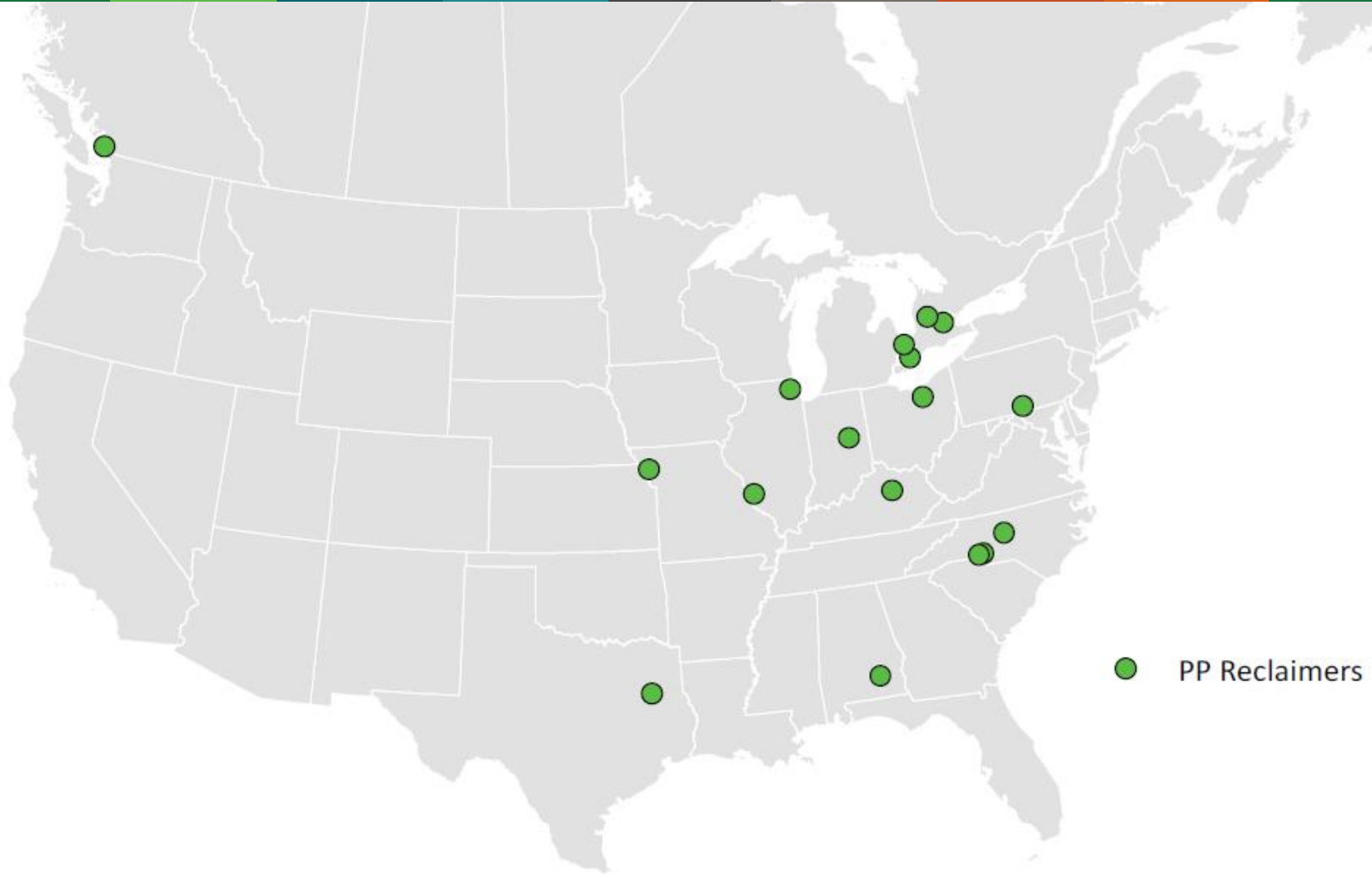
**Ensuring the long-term viability of PP plastic as a recycled material- meaning PP items are recycled with commonly accepted materials (PET/HDPE) at the curb**

# All RIGID Plastic Reclaimers: US and Canada



- Nationally there is broad reach and capacity for PET and HDPE reclamation which has evolved over 35 years
- This allows ready access to markets for PET and HDPE
- PP reclamation is still maturing as it has been collected for recycling for less than a decade, and much was exported prior to National Sword

# PP Reclaimers: US and Canada



- The majority of PP reclamation takes place east of the Rockies
- Significant deficit of PP reclamation capacity on west coast, but capacity in development
- Some PP reclaimers buy recovered supply nationally.
- Some PP reclaimers will purchase 3-7's, while other processors of 3-7's will mine PP for these PP reclaimer markets.



# Markets and Other Factors for MRF Consideration

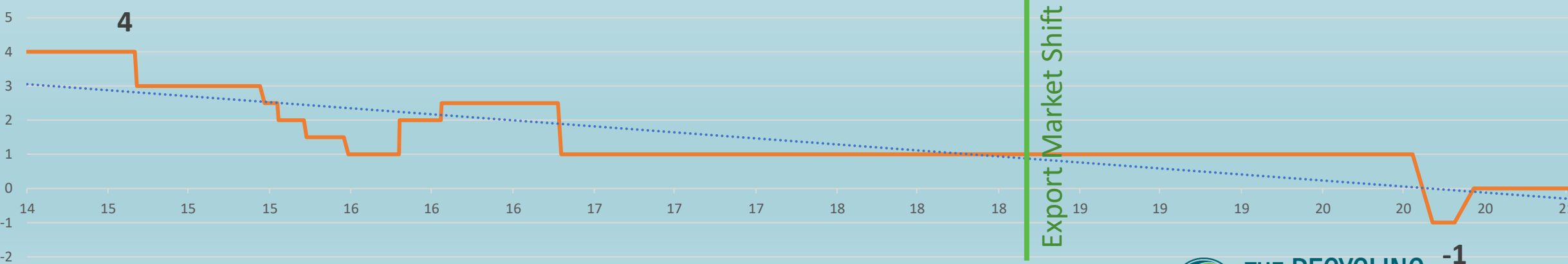
- With PP a large % of 3-7 bale make up, PP bale market prices and 3-7 bale market prices have traditionally followed similar trends.
- On *average*, PP has generally maintained market prices not unsimilar to other container grades.
- Since 2015, and until recently, both markets have seen a relative weakening/flattening.
- Combined with challenges in paper markets during this time, there is a sense that both contributed to complacency around polypropylene and recovery.

# Historical Index Prices – Midwest – RecyclingMarkets.net

PP Bale Price/lb. – Midwest = 2014 to current



3-7 Bale Price/lb. – Midwest - 2014 to current



# Markets and Other Factors for MRF Consideration

- While varying regionally, access to and consistency of 3-7 markets may weigh heavy into a MRF's decision to invest in PP capture.
- Other factors, such as community demand, 3-7 specs/availability, landfill rates, age of MRF, planned retrofit schedule, and overall PP awareness contribute as well.
- These factors are commonly cited and are evident in applications and in discussions with MRFs.

# The Business Case for PP Recovery at a MRF – Example:

Sample MRF Tons/Month: <b>10,000 TPM</b>		Midwest MRF	<b>MARCH 2021</b>	
MATERIAL	AVG COMPOSITION	TONS/MONTH	CURRENT INDEX VALUE	MONTHLY REVENUE
If 3-7's	2.00%	200	\$0	\$0
If PP	0.95%	95	\$665	\$63,175
Residue	1.05%	105	(\$55)	(\$5,775)
PP only capture net:				\$57,400

Sample MRF Tons/Month: 10,000 TPM		Midwest MRF		LAST 12 MONTHS	
MATERIAL	AVG COMPOSITION	TONS/MONTH	LAST 12 MO. AVG. INDEX VALUE	AVG. MONTHLY REVENUE	LAST 12 MONTHS TOTAL REVENUE
If 3-7's	2.00%	200	\$2	\$ 333	\$4,000
If PP	0.95%	95	\$212	\$20,108	\$241,300
Residue	1.05%	105	(\$55)	(\$5,775)	(\$69,300)
PP Only capture net:					\$172,000



# Polypropylene Coalition Grants

- MRF grants to support investments in equipment that enables MRF acceptance and recycling of polypropylene
  - Optical or robotic sortation equipment
  - Conveyors, bunkers or other storage for materials
  - Dock space or PP related facility investments
- Maximum Grant Target = \$500,000, with additional funding available for outreach
- Competitive grants prioritizing projects that create new access to polypropylene recycling
- Funding cycles, with next round due June 6<sup>th</sup>



# RFP - Update



125 Rowell Court  
Falls Church, VA 22046  
RECYCLINGPARTNERSHIP.ORG

## Polypropylene Recycling Grant Program Request For Proposals

The Recycling Partnership is a national nonprofit transforming recycling in communities, counties, and states nationwide. Improved recycling creates jobs, protects the environment, and empowers communities. For more information regarding our programs, staff, and funders, visit: [www.recyclingpartnership.org](http://www.recyclingpartnership.org).

### Introduction and Grant Program Summary

This summary is provided to help potential applicants gain a broad understanding of this grant program. Specific parameters and requirements are explained in detail in the body of the Request for Proposals (RFP) document. Applicants should *carefully read this entire document prior to submitting a proposal*.

The purpose of the Polypropylene Recycling Grant Program is to facilitate Material Recovery Facility (MRF) processing, sortation and marketing of polypropylene packaging to ensure the widest possible access to polypropylene recycling in community recycling collection programs in the United States. This program focuses on equipment and process investments that establish polypropylene as an automatically MRF-accepted material. Those investments must lead to inclusion of polypropylene as an accepted material in collection programs supplying the MRF, either as a separate grade or as part of a mixed grade of plastics (e.g., a #3 – 7 resin grade). The projects must result in the successful ongoing return of polypropylene to manufacturing use.

**Eligibility:** Publicly, privately and non-profit owned and operated MRFs in the United States are eligible for funding under this grant program. Local recycling collection programs, post-MRF processors of polypropylene or mixed resin grades, or any other parties not directly involved in MRF processing are not eligible for funding.

**Funding Targets:** Grant funding is available for equipment or process investments that establish permanent and sustainable MRF acceptance and recycling of polypropylene packaging.

**Funding Availability:** Funding is available through competitive responses to this Request for Proposals under the auspices of the Polypropylene Coalition. Ultimate decisions on proposal funding is subject to allocation of Coalition contributions to grant-making and to the goals and objectives of the Coalition.

**Grant Matching:** This RFP encourages strong grant matching for projects to optimize Coalition funding while also ensuring fair sharing of project costs and facilitating a strong return on investment for all parties. Details on project match are provided below.

**Data and Reporting Requirements:** The Partnership's work is data driven, and applicants must agree to provide written reports on project investments and results, as specified below.

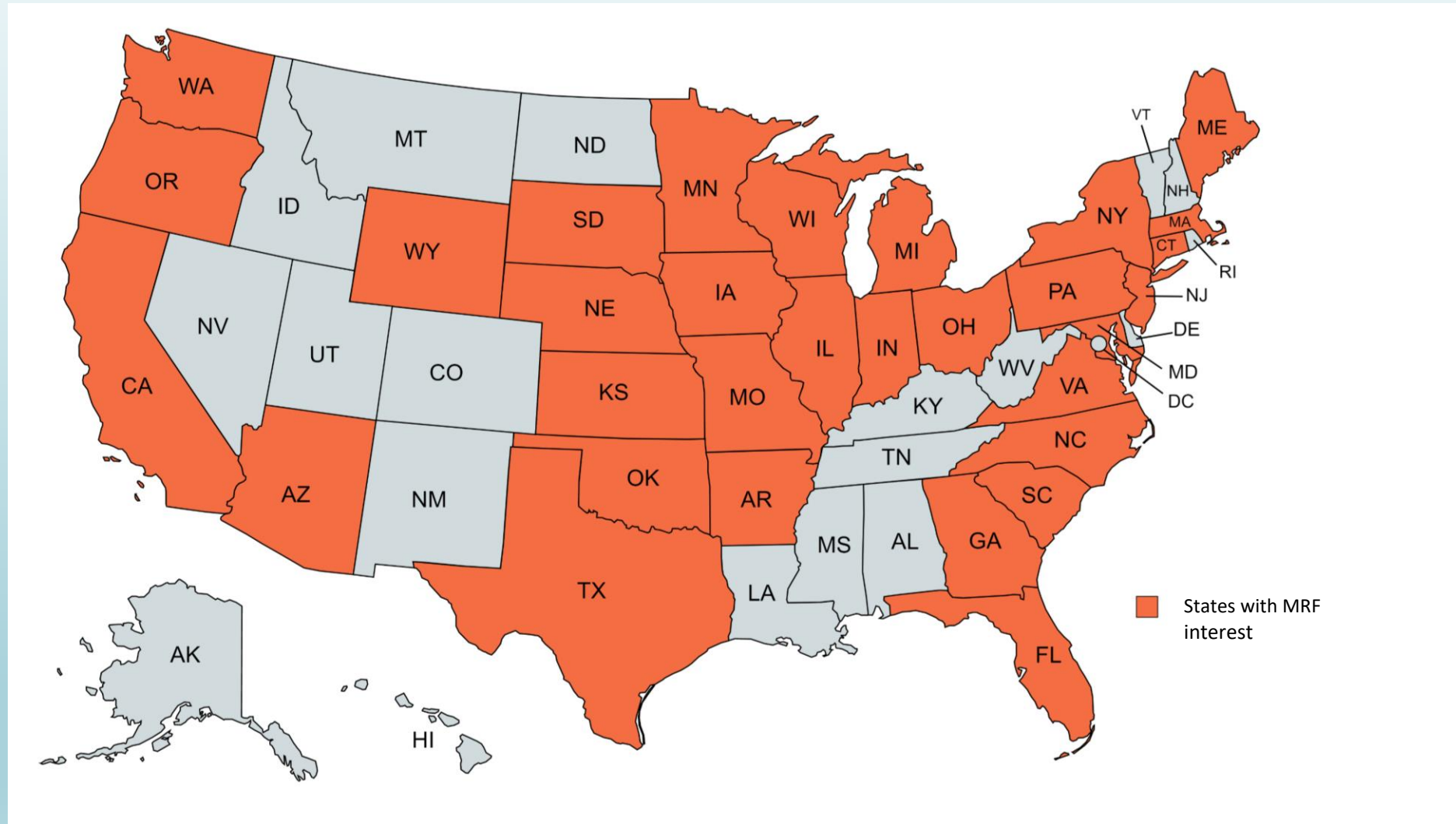
- Available on The Recycling Partnership website:  
<https://recyclingpartnership.org/polypropylene-coalition/>

- Private, Public, & Non-Profit MRFs eligible. (primarily residential)
- Thousands of downloads
- Applications being received on an ongoing basis.
- “Rounds” of Review/Awarding
- Next Round Due Date = June 30, 2021

- Follow-up questions? Please reach out:  
[rich.simon@recyclingpartnership.org](mailto:rich.simon@recyclingpartnership.org)



## State distribution of MRF interest expressed and/or grant applications to The Recycling Partnership (through Round 3)



## Round 2 Grantees – announced March 2021

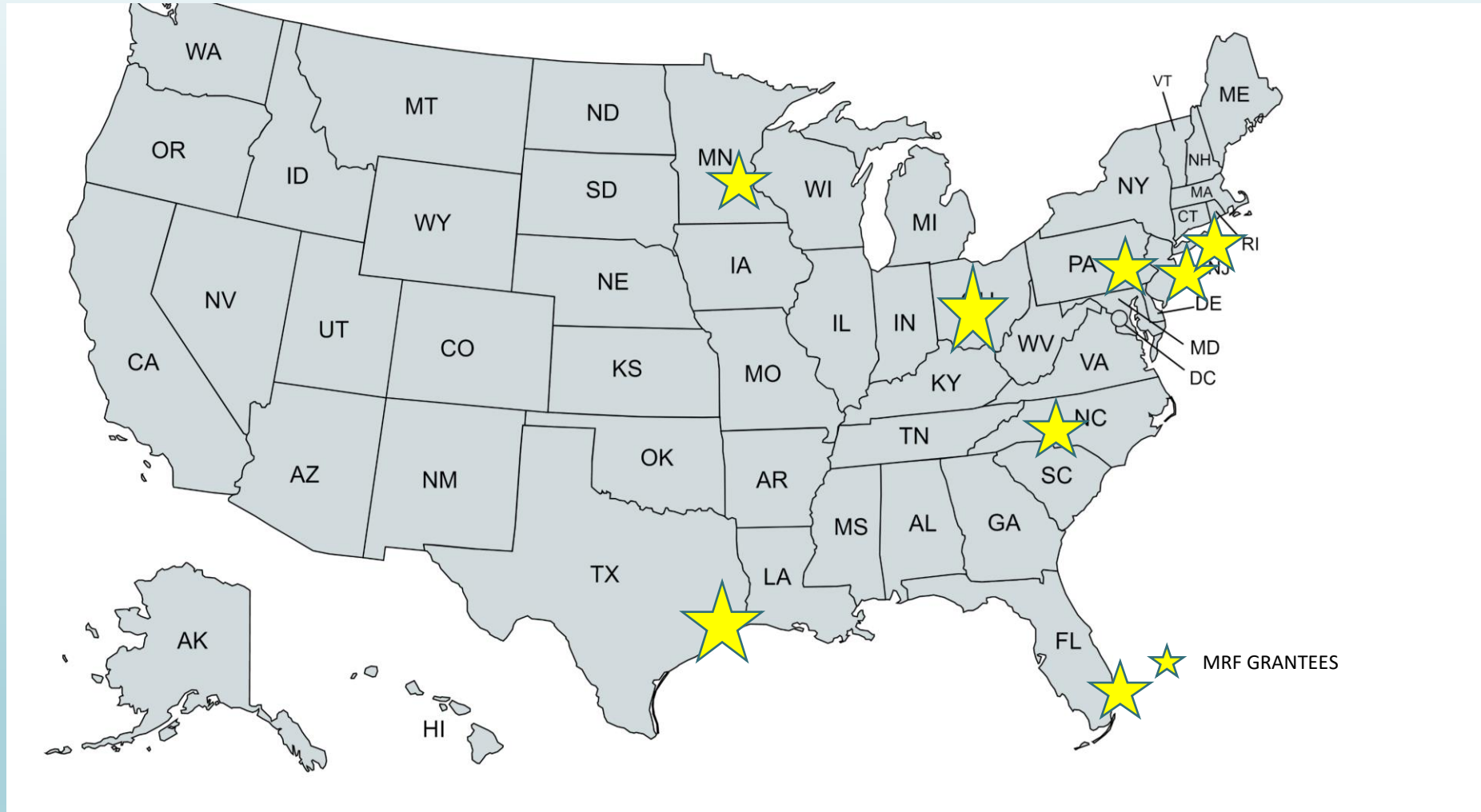
- INDEPENDENT TEXAS RECYCLERS – Houston, TX
  - New PP Capture in MRF serving suburban Houston communities.
- DEM-CON MATERIAL RECOVERY – Shakopee, MN
  - Improved PP Capture in suburban MSP MRF serving multiple states.
- AMERICAN RECYCLING of WNC – Candler, NC
  - New PP Capture capability in Asheville area MRF, also processing 3<sup>rd</sup> party bales.
- 1 additional MRF – TBA at a later date



# Round 1 Grantees – announced December 2020

- COUGLE's RECYCLING – Hamburg, PA
  - New PP Access and Capture in SE PA outside of Philadelphia and Allentown.
- MAZZA RECYCLING – Tinton Falls, NJ
  - New PP Access and Capture in Monmouth Co. NJ (new build MRF)
- WINTERS BROS – Brookhaven, NY
  - New PP Access and Capture on Long Island.
- RUMPKE RECYCLING – Cincinnati, OH (Columbus, OH)
  - New PP Access and Capture in Ohio and surrounding areas

## Grantee Locations – To date (through Round 2)



# Looking Ahead.....

- Demand growth from traditional sectors to balance increased virgin production.
- Emerging recycling technologies and new demand sectors to aid market demand for PP.
- MRF awareness and approach to PP recovery included in new builds and planned retrofits. “Common grade”
- Community and public awareness to further encourage recovery.

INSIGHT: Shortage fuelled switch from virgin to recycled polyolefins could prove permanent for some grades

Author: Mark Victory

2021/03/10

Cross-industry project launched to develop food-grade recycled polypropylene

6 APRIL 2021



February 28th, 2020

**Joint Industry Statement: We Stand by Polypropylene**



The following is a joint statement attributed to Steve Alexander, President, and CEO, The Association of Plastic Recyclers; Ron Gonen, CEO, Closed Loop Partners; Nina Goodrich, Executive Director, GreenBlue; And Keefe Harrison, CEO, The Recycling Partnership:

# Questions/Discussion

- Thank you for the opportunity today!

**Rich Simon** | DIRECTOR OF MRF ADVANCEMENT

**THE RECYCLING PARTNERSHIP**

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