

www.recyclecartons.ca

### **Events**

#### May 29 to 31

CCC is proud to sponsor the Municipal Waste Associations' Spring workshop in Deerhurst, Ontario. The program is packed with timely and important topics that promise to keep delegates engaged. Learn more

#### September 25 to 27

We are also supporting the "PAC to the Future II" event in Montreal.

The program features a number of presentations focused on environmental topics including the influence of the circular economy on the packaging industry. Learn more



# Spring 2018

# GETTING POSITIVE ABOUT SORTING

#### MORE CARTONS THAN EVER BEFORE ARE MAKING IT TO MATERIAL

recovery facilities (MRFs), largely due to public education and promotion, combined with the increasing environmental consciousness of consumers.

As a best practice, the Carton Council of Canada (CCC) has always recommended MRFs sort cartons into their own grade (ISRI Paper Stock Industries Grade #52).

Sorting became even more important in 2018 as strict new environmental regulations came into effect in China, influencing global markets for a wide range of materials. Among them, mixed paper, for which acceptable levels of contamination has been reduced to 0.5% — near 'purity' standards.

CCC's goal is to build a sustainable carton recycling value chain and the evolution of carton recycling has seen the development of new markets that value the inherent properties of this resource.

For MRFs sorting aseptic and gable top cartons into their own grade, market opportunities continue to emerge for this high-quality fiber. The question of price is of course one of the key considerations in making this decision.

After price drops last year, prices paid for bales of cartons are starting to recover. Although prices fluctuate constantly, as with other commodities, CCC is optimistic about prices in the near future because of the new opportunities appearing for cartons. Among the expanding market opportunities are:

- Iowa-based ReWall uses whole cartons in an environmentally friendly process to produce building and construction materials that benefit from cartons' strength, durability and resistance to mold and moisture. ReWall more than doubled their capacity in 2017 and is considering further expansion within the continental USA.
- Kimberly-Clark México, a producer of tissue and toweling products, recently added new pulping capacity to enable it to consume postconsumer aseptic and gable top cartons. The company expects to purchase approximately 500 to 1,000 tons of Grade #52 per month.

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#### SPRING 2018 NEWSLETTER

#### **GETTING POSITIVE ABOUT SORTING, CONT'D**

- Ecomelida, a U.S. subsidiary of China-based Zhangzhou Sanlida
   Environmental Technology Corporation, announced the launch of its first
   North American operations in Orangeburg County, South Carolina (refer to
   article on next page).
- Paper Corea recently installed a new pulping system at its Gunsan facility to
  use post-consumer aseptic and gable top cartons, Grade #52. It will produce
  high-bright specialty papers, as well as some packaging grades from the
  material. The company's long-term plan is to purchase approximately 1,100
  tons per month of post-consumer cartons from the U.S. and Canada.

#### **NEW CARTON MARKET OPENING SOON IN SOUTH CAROLINA**

Ecomelida, Inc., a U.S. subsidiary of Zhangzhou Sanlida Environmental Technology Corporation, <u>announced plans in March of this year</u> to locate its first North American operations in Orangeburg County, South Carolina.

The \$52 million investment is projected to create 200 new jobs and have an initial capacity of 10,000 tons per month. Plans call for start-up in late 2018 or early 2019.

Zhangzhou Sanlida Environmental Technology Corporation is an importer and recycler of waste paper and plastic. Using creative processes to separate pulp, plastic and aluminum from food and beverage cartons and other products, the company's recycled plastics are used in foam, cast plastic parts and more. The recycled paper pulp is mainly used in the manufacture of toilet paper, and various pulp papers, from brown to bleached.

#### PROGRAMS ENCOURAGE YOUTH TO RECYCLE

The CCC is supporting the city of Vaughan's waste diversion basketball game for youth. The game will be offered at local libraries and Environmental Day/ Public Works Day events throughout the spring and summer. We are providing a banner, stickers, and tattoos to add to the fun and education.

We are also supporting an education campaign that will reach over 30,000 primary-level school students. The educative and play-based initiative is led by <a href="La communauté du Ballon Rond">La communauté du Ballon Rond</a>, an organization specialized in environmental education and in promoting

healthy living habits in children and teens in Quebec. More than 100 schools in the Montreal, Trois-Rivières, and Centre-du-Quebec areas will be visited between now and the

month of November.







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RCA Markets Workshop

China Market:

Canadian Plastics

aw Reality

#### SPRING 2018 NEWSLETTER

#### ROBOTS: THE NEXT STEP IN THE EVOLUTION OF CARTON RECYCLING

After a successful pilot in early 2017, the Carton Council of North America and AMP Robotics announced last August a second installation of the AMP Cortex robot to sort food and beverage cartons at Dem-Con Companies, a Minnesotabased recycling, processing and disposal company.

The installation was made possible through a grant from the Carton Council as part of ongoing efforts to improve and expand carton recycling.

The AMP Cortex, identifies, grabs and sorts food and beverage cartons from the recycling stream.



When fully operational, the robot can pick up to 60 or more cartons per minute. Through artificial intelligence (AI), everything learned about identifying cartons can be transferred to other systems.

In the future, it will be able to not only sort other recyclables but also be programmed to pick-out contaminants, leading to a more cost-effective and safer MRF environment for the humans working on the line. You can view the robot in action in the video produced by Dem-Con.

#### **WORKSHOP: THE CHINA MARKET: A NEW REALITY**

In April the Recycling Council of Alberta engaged more than 100 participants at Sherwood Park, near Edmonton, in dialogue focused on the global impact of China's National Sword.

> Viewed as one of the most critical issues in recycling today, the National Sword has imposed strict restrictions on scrap paper and plastic imports into the country affecting market access and pricing for recyclable materials.

The session featured presentations from brokers and waste processors who discussed the new reality of recycling markets, explained the changes in China and why the ban was implemented. They also offered guidance to industry representatives for accessing new markets and improving sorting and quality standards.

APRA Speakers recommended embracing the change as an opportunity to engage stakeholders in reducing contamination in recycling programs, improve materials handling and sorting at MRFs, and engage government and industry in building local markets for recovered resources.

See the presentation

ALBERTA PLASTICS



## **END-MARKETS & BROKERS**

Please note: End-markets have their own purchasing specifications and requirements. Some may buy directly from generators of grade PSI 52 while others may use their existing sourcing network or the brokers/traders listed below to purchase their volumes of post-consumer cartons.

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#### **UNITED STATES**

- Fox River, De Pere, WI
- Great Lakes Tissue, Cheboygan, MI
- ReWall, Des Moines, IA

#### ASIA

- Daewang Paper Co. Ltd., Gunpo-si, S. Korea
- Daewon Paper Co., Pochun, S. Korea
- Samjung Pulp Ind. Co. Ltd., Godeokmyeon, S. Korea
- Shin Chang & Paper Industry Co. Ltd., Chungchongnam-Do, S. Korea
- Kyungbo Paper, S. Korea
- Ssangyong C&B, S. Korea
- Kleannara, S. Korea
- Prince, S. Korea
- Sinchang, S. Korea
- Fiber Pattana\*, Bangkok, Thailand
- Paper Corea, Gunsan, South Korea (Expected Jan. 2018)
- Deluxe Recycling, India
- \*These end-markets consume used aseptic loads only

#### **MEXICO**

Mills consuming cartons:

- Biopappel, Tres Valles, Veracruz State
- Celupak, San Juan Del Rio, Queretaro State
- Fabrica de Papel San Jose, Texcoco, Estado de Mexico
- Imerssa, Zumpango, Estado de Mexico
- Kimberly-Clark, Orizaba, Veracruz State
- Reciclados del Izta, San Rafael Tlamanalco, Estado de Mexico
- SCA, Ciudad Sahagun, Hidalgo State
- Ziklum, Acolman, Estado de Mexico

### CONSUMERS OF POLY/ALUMINUM AND POLY RESIDUAL:

- Ecolaminados, Morelia, Michoacan State
- Ecomadera, Jiquilpan, Michoacan State
- Grupo Tea, Zumpango, Estado de Mexico
- IMERSSA, Zumpango, Estado de Mexico
- PLACOVE, Toluca, Estado de Mexico
- Q.F. Mex, Mexico D.F
- **Ziklum**, Acolman, Estado de Mexico Ecolaminados, Morelia, Michoacan State

COMPANY	LOCATION	CONTACT
Ace Fibers Ltd.	Mississauga, ON	acefiberItd@gmail.com
Berga Recycling	St-Eustache, QC	gates@bergarecycling.com
Canada Fibers Ltd.	Toronto, ON	toml@canadafibersltd.com
Colin Johnston Trading	St. Catherines, ON	colin@colinjohnstontrading.com
Ekman Recycling	Brockville, ON	bill.renkema@ekmangroup.com
ICF Global, Inc.	Temecula, CA	paulchung01@gmail.com
Newport CH International Llc	Orange, CA	chahne@newportch.com
North South Fibers	Brossard, QC	emurphy@northsouthfibres.com
Recyclage Laroche	Candiac, QC	gerry@larocherecycling.com
Potential Industries, Inc.	Wilmington, CA	tony.fan@potentialindustries.com
Recyclable Materials Marketing (ReMM)	Brantford, ON	atul@remm.ca
Westrock	Montreal, QC	mike.quinn@westrock.com
Storelli Recycling Company	Ft. Lauderdale, FL	vstorelli@bellsouth.net
The Paper Tigers	Bannockburn, IL	nhalper@papertigers.com

The brokers listed above are known to the CCC as brokers of post-consumer cartons (PSI-52 grade). The list is presented for consideration only and does not contain all available options. Please conduct proper due diligence when selecting a broker to ensure pricing and services are competitive and suited to your needs.