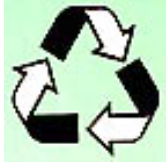


PET bottle-recycling rate drops below 20 percent

By Steve Toloken, PLASTICS NEWS STAFF

CHARLOTTE, N.C. (Sept. 11, 3 p.m. EDT) – The PET bottle-recycling rate fell below 20 percent in 2002, reigniting a debate about how to turn around rates that have fallen markedly since 1995.



The group that calculates the rate, the National Association for PET Container Resources, said the drop points up the need for more investment in community recycling programs. Environmental groups, on the other hand, said PET recycling has stagnated and more bottle-deposit laws are needed.

Whatever the preferred solution, the report did not paint an encouraging picture of PET recycling last year.

The rate fell to 19.9 percent, from 22.1 percent in 2001. That's about half the 39.7 percent rate in 1995.

Somewhat surprisingly, the amount of PET collected for recycling also dropped substantially, to 797 million pounds, from 834 million pounds in 2001. It's the first time since 1996 that the amount of PET recycled also fell substantially. Typically, the amount increases, even when rates drop, because PET packaging use has skyrocketed.

Charlotte-based NAPCOR pointed to several factors:

- * The poor economy resulted in less demand for recycled PET from fiber and sheet manufacturers. Low prices for quality virgin material in 2002 contributed to a "dramatic drop" in recycled PET used in those two markets, NAPCOR said.

- * Relative maturity in some key PET packaging markets.

- * More single-serve containers, particularly in water and juice markets, that are consumed away from home and thrown out rather than being recycled.

"We need to continue to emphasize single-serve collection," said Luke Schmidt, NAPCOR president.

Also, he said, "Communities are not investing in upgrading their systems. There's a big lack of education and promotion. That has to come back in a big way if we're going to see a reversal."

While many domestic markets were weak last year, with the possible exception of PET recycled back into bottles, NAPCOR said export markets continued to be strong.

The amount of recycled PET exported grew 18 percent in 2002, to a record high of 275 million pounds, with most of that going to China. In 1998, by comparison, just 89 million pounds were exported.

"2002 continued to highlight the emergence of the Far East, particularly China, as the predominant factor influencing the U.S./North American PET recycling industry," NAPCOR said, adding that the rising strength of Asian markets could leave the North American industry in a tight spot.

"[Asian buyers'] ability/willingness to outbid U.S. reclaimers for feedstock and sell the resulting products back into the U.S. markets at discounted prices, coupled with the inelasticity of bale supply, puts most North American reclaimers in a precarious position should these conditions continue," the group said.

Environmental groups said the best way to collect more PET is to expand bottle bills, a step that industry groups oppose.

Jenny Gitlitz, research director with the Arlington, Va.-based [Container Recycling Institute](#), said PET recycling has essentially stagnated since 1995.

In 1995, 775 million pounds of PET were collected for recycling, out of about 1.95 billion pounds used in PET bottles.

By comparison, in 2002, about the same amount of PET was recycled — 797 million pounds. But the amount of PET used in bottles skyrocketed to 4 billion pounds. That means that nearly three times as much PET was thrown out in 2002, compared with 1995, she said.

"We haven't made any progress," Gitlitz said.

[CRI](#) said much of the growth in PET use is coming in water bottles, juices and other packaging not covered by most bottle bills. Environmentalists argue that expanding deposit systems, as California did in 2000, would bring in much more material.

"If you look at the last three years, California is the only major bright spot," said Lance King, chairman of the nonprofit group Community Solutions in Arlington, and a longtime bottle-bill advocate. "The California experience suggests that the easiest way to turn around the collection side would be to extend the deposit systems to include these new types of beverages."