

Written Testimony of Charles Levell Hairston
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Before the United States Senate
Committee on Environment and Public Works
Hearing on Legislative Proposals to Improve Domestic Recycling and Composting Programs
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Chairman Carper, Ranking Member Capito, Senator Boozman, and distinguished members of the Committee, thank you for the opportunity to speak today. My name is Levell Hairston and I am Vice President and General Manager of Recycling for International Paper. I've worked at International Paper for 15 years in various roles that began in a manufacturing facility in Selma, AL to now leading our recycling team that provides high quality recovered fiber to our company's operations and our domestic and global customers.

International Paper is a leading global supplier of renewable fiber-based products. We produce corrugated packaging products that protect and promote goods and enable worldwide commerce, and pulp for diapers, tissue and other personal care products that promote health and wellness. Headquartered in Memphis, Tenn., we employ approximately 27,000 colleagues in the United States. We serve customers worldwide, with manufacturing operations in North America, Latin America, North Africa and Europe.

In our business, "recovered fiber" refers to paper and fiber-based packaging products that have served their primary purpose and are now ready to be collected and recycled. In addition to manufacturing, International Paper recovers more than 7 million tons of recovered fiber annually. Our 18 locations in North America collect and process recyclable materials for their highest value end use. These facilities service commercial entities, manufacturers and governmental organizations, helping them to reduce transportation costs and meet sustainability goals. With our value-added services around document destruction, office and distribution centers and non-fiber recycling materials capability, we offer a complete recycling solution. International Paper is also one of the world's largest purchasers of recovered fiber. This recovered material flows into our mills like in Cedar River, Iowa, where International Paper is proud to operate the largest 100 percent recycled corrugated packaging mill in North America.

We also recycle from our own manufacturing processes. One example is our use of industrial clippings called Double Lined Kraft Cuttings (DLK). DLK is industrial clippings generated from trimming rolls of paper for packages. We collect the trimmings and use them in our mill system, increasing circularity and avoiding waste. The use of recovered fiber in all forms is vital to our process of manufacturing sustainable and circular packaging for our customers in the U.S. and around the world.

I am pleased to share our support of the Recycling and Composting Accountability Act (RCAA) and the Recycling Infrastructure and Accessibility Act (RIAA) today and some insights into International Paper's recycling business and the paper industry's commitment to circularity and

sustainable practices. End markets for recovered paper products are strong thanks to significant private investments by our industry over many decades and an established value chain of customers. We support market-based approaches, like the provisions in RCAA and RIAA, to improve the nation's recycling system.

Paper Recycling Is a Success

The paper industry is a leader in recycling with about 50 million tons of recovered paper recycled every year — totaling more than 1 billion tons over the past 20 years. According to the EPA, by weight more paper is recovered for recycling from municipal waste streams than plastic, glass, steel, and aluminum combined. Our industry has an ownership stake in the recycling system and 80 percent of paper mills use some amount of recycled fiber.

Paper recycling rates have continuously grown over recent decades and remain consistently high, at or above 63 percent since 2009; in 2020, nearly 66 percent of paper and 89 percent of corrugated boxes were recycled. The paper industry has planned or announced approximately \$5 billion in manufacturing infrastructure investments by the end of 2023 to continue the best use of recycled fiber in our products. These investments will help increase the amount of recovered paper used by U.S. paper and paperboard mills by approximately 8 million tons. As a frame of reference, 8 million tons would represent about a 25 percent increase in U.S. recovered paper consumption over 2020 levels.

As the demand for corrugated packaging grows to support ecommerce and our customers across various essential industries, we will need a strong supply of quality recovered material to complete the circularity of our products. Contamination in the recovery stream remains a concern, which is why we supported the RECYCLE Act provisions in the Infrastructure Investment and Jobs Act that is now federal law. We appreciate the Senate's leadership in advancing the RECYCLE Act so that consumers will better understand how and what to recycle. We believe that educating consumers on the best way to recycle will increase the yield of clean material coming into the system and further grow the recovery rate.

Sustainable Practices are the Foundation of our Industry

The paper industry is a leader in sustainability. We are circular by nature. We make essential products from renewable and recycled resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiatives.

In 2020, International Paper released our Vision 2030 goals which demonstrate our commitment to building a better future for people, the planet and the company. Through the goals, International Paper plans to advance its contributions to the circular, low-carbon economy while building on its commitments to its people and communities.

The company has committed to achieving the following goals by 2030:

- **Healthy & Abundant Forests:** Lead forest stewardship efforts globally
- **Thriving People & Communities:** Promote employee well-being by providing safe, caring and inclusive workplaces and strengthen the resilience of our communities

- Sustainable Operations: Improve our climate impact and advance water stewardship
- Renewable Solutions: Accelerate the transition to a low-carbon economy through innovative fiber-based products

Each International Paper 2030 goal includes one to three specific, measurable targets, enabling the company to track its progress throughout the decade. The targets include commitments to reduce greenhouse gas emissions by 35% from 2019 levels, to reduce water usage by 25% and to create innovative products that are 100 percent reusable, recyclable or compostable.

We are committed to driving significant progress in the low-carbon circular economy and leading our industry toward a more sustainable future. International Paper is proud to announce that our 35% Greenhouse Gas reduction target has been approved by Science Based Targets initiative (SBTi) as consistent with levels required to meet the goals of the Paris Agreement. The targets covering greenhouse gas emissions from International Paper's operations are consistent with reductions required to keep warming to well-below 2°C. Additionally, International Paper's target for the emissions from its value chain meet the SBTi's criteria for ambitious value chain goals, meaning they are in line with current best practice. SBTi is a collaboration between the Carbon Disclosure Program, United Nations Global Compact (UNGC), World Resources Institute (WRI), World Wide Fund for Nature (WWF) and one of the We Mean Business Coalition commitments.

International Paper is also among a growing group of companies embracing the concept of the circular economy. Our Renewable Solutions goal includes a target to create innovative products that are 100% reusable, recyclable or compostable – a metric designed to accelerate the transition to a low-carbon economy throughout the company's value chain. We work throughout the value chain, with suppliers and customers to develop more circular solutions – from sourcing and purchasing to the reuse, recovery, and recycling of materials – evolving the design of our products so that they can enjoy multiple lives through continuous cycles of recovery and reuse. International Paper works to develop innovative products with a focus on design for recyclability like ClimaGuard® containerboard, which meets the Fibre Box Association's (FBA's) certification standard for recyclability and repulpability.

Legislation like the Recycling and Composting Accountability Act will help companies like International Paper reach our goals. As a data-driven company we understand that to improve something, you must be able to measure it. International Paper proudly developed stretch goals and it will take resources like the bill's data around recycling, reuse and composting to help us achieve them.

Industry-wide, paper and paper-based packaging manufacturers are making commitments across the board. We have come together in our industry association – American Forest & paper Association (“AF&PA”) – to commit to [*Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future*](#), which builds on our success and continues our commitment to manufacture sustainable products for a sustainable future. Included in our 2030 goals are commitments to strengthening the role our industry plays in advancing the circular economy

through innovations in manufacturing processes products and packaging; increasing the utilization of recycled fiber and wood residuals in manufacturing across the industry to 50%; increasing the percentage of our products that are recyclable or compostable; and collaborating with stakeholders and educating them on the value of renewable materials.

The Paper Industry's Research Initiatives

Our industry prioritizes data collection to improve recycling rates and we have long invested in research into the current state of paper recycling and how we can improve. I will discuss two examples that AF&PA has completed in the last year.

AF&PA recently released a new report indicating that the vast majority of Americans, 94 percent, have access to community paper and paperboard recycling programs. The [2021 AF&PA Access to Recycling Study](#) is a comprehensive national report that tracks and measures the growth of consumer access to community paper and paperboard recycling in the U.S. The study also finds 79 percent of Americans now have access to residential-curb-side programs making it easier to recycle paper at home. This represents an increase of more than 14 million people since 2014, when the previous edition of the Access Study was conducted. With such a high rate of collection, Americans can feel confident knowing that paper products, whether it's the shipping box that lands at your doorstep or the box delivering your next pizza, can and should be recycled.

Second, last year, AF&PA released The Design Guidance for Recyclability. This guide provides data for packaging designers and consumer brands to better understand how non-fiber elements, such as coatings and additives, impact the recyclability of paper-based packaging. This is another example of our industry's commitment to circularity.

The Recycling and Composting Accountability Act

International Paper is pleased to support the RCAA, along with the American Forest & Paper Association, and we applaud the leadership of Senators Carper and Boozman. Although we know that paper recycling is strong, there is always room for improvement. The bill underscores Congress' support for recycling and notes how industrial efforts are part of the circular economy. It will help further increase and improve recycling and composting in the United States by helping the Environmental Protection Agency (EPA) to improve measurement, data and reporting tools. It supports EPA's National Recycling Strategy by putting data collection needs into legislative text and ultimately law.

The bill will require EPA to prepare an inventory of U.S. public and private materials recovery facilities, including the number of materials recovery facilities by state and locality and a description of the materials that each materials recovery facility can process. We applaud the bill's provision that commits to protecting confidential business information.

The bill will calculate the number of community curbside recycling and composting programs, understand barriers, and the inbound contamination and capture rates of community curbside recycling, drop-off recycling, or composting programs. As discussed above, the 2021 Access to

Recycling Study shows that the vast majority of Americans, 94 percent, have access to community paper and paperboard recycling programs. The bill should help determine rates for other commodities.

The bill will require EPA to conduct a study of recyclable materials in commercial and municipal waste streams that, during each of the 10 calendar years preceding the year of submission of the report, were diverted from the circular market. We believe that this study will highlight the strong recycling rates of paper and paper-based packaging and will help clarify why our current paper recycling rates are reaching a practical maximum that regulations cannot improve. For example, products like wall tape used in construction or soiled tissues are not intended for recovery.

Lastly, the bill will assess the recycling and composting rates reported by Federal agencies, including the total annual percentage of products containing recyclable material, compostable material, or recovered materials purchased by all Federal agencies. This study asks for recommendations for updating the comprehensive procurement guidelines and the environmentally preferable purchasing program. International Paper would like to caution that any reconsideration of the post-consumer recycled content requirement must incorporate industry input so the EPA can understand any potential unintended consequences of changes. Raising the percentage of recycled content above certain levels may be impractical and could lead to market distortions. One of the attributes that makes fiber based packaging a desirable material is its ability to be used multiple times. Recycled paper fibers can be reused 5 to 7 times to make new products. However, packaging does require some amount of new fiber periodically to ensure strength of the packaging.

The Recycling Infrastructure and Accessibility Act

International Paper is pleased to support the RIAA, along with the American Forest & Paper Association, and we applaud the leadership of Senator Capito. The bill would improve recycling accessibility in communities, including in underserved communities, by increasing the number of transfer stations, expanding curbside recycling collection programs where appropriate, and leveraging public-private partnerships to reduce the costs associated with collecting and transporting recyclable materials in underserved communities.

Thank you again for the opportunity to share International Paper's perspectives with the committee. We are pleased to support the Recycling and Composting Accountability Act and the Recycling Infrastructure and Accessibility Act and appreciate the work of Senators Carper, Boozman, Capito and their staff to further improve recycling nationwide.