

Materials Management Advisory Committee – Market Development
Subcommittee

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Proposed Scope of Work

Objective: Identify shortcomings in existing diversion materials end markets and propose options to support and enhance those markets in Illinois.

Market Development Subcommittee's Areas of Responsibility. The Market Development Subcommittee's work will help achieve the following elements of the report that must be submitted to the General Assembly:

- Analysis of the markets available for materials diverted from landfills. 415 ILCS 15/4.5(j)(4);
- Recommended actions to increase landfill diversion rates. 415 ILCS 15/4.5(j)(6)
- Recommended achievable landfill diversion rates. 415 ILCS 15/4.5(j)(8)

The Subcommittee's primary focus area will be conducting an analysis of the markets available for materials that can be diverted from landfills. Illustrative examples of divertible materials include food scraps and other organic materials, plastics, all paper grades, glass, and OCC. This analysis will include an evaluation of the existing commodities markets, recent trends in those markets, existing users of end market materials in Illinois, and the existing infrastructure within Illinois to provide feedstock for those markets. The subcommittee will also evaluate the status of existing reuse markets in Illinois and examine the impacts of reuse opportunities in other jurisdictions. Some of this work will be dependent upon work undertaken by the Infrastructure Subcommittee highlighted in its scope of work.

This Subcommittee contemplates working closely with the other four groups on two of the three reporting deliverables identified above. The available viable markets and emerging markets with growth potential will necessarily inform the selection of materials to target for diversion from landfills, the achievable landfill diversion rates over time, and the actions necessary to accomplish those diversion rates. This market analysis described above and a collective evaluation of the recommendations of each of the other subcommittees, likely near the conclusion of the Committee's term.

Proposed Scope of Work. The following is the proposed scope of work for the Market Development Subcommittee.

1. Work with the Infrastructure Subcommittee evaluate the scope and scale of existing end and reuse markets in USEPA Regions V and VII for recyclables, compost, and other divertible materials.

- a) IEPA to circulate requests for information to Region V and VII colleagues for statewide market development surveys conducted within the last ten years.
 - b) Review recent Illinois Recycling Economic Information Studies to compile list of existing end markets for divertible materials.
 - c) Evaluate the need to conduct a comprehensive recycling markets study and develop the necessary award and funding documents to solicit external expertise for the study.
 - D) Evaluate impact of recycled content requirements implemented in other states, identifying materials which have seen demonstrable increases in diversion rates tied to legislative mandates
- 2) Employ the data gleaned from completing deliverable 1 to identify materials for which there are viable instate end markets, viable regional end markets, struggling instate and regional end markets, and for which there are no end markets.
- a) Determine whether the root cause(s) of market struggles are linked to the complete lack of end markets, the lack of localized end markets, or other procedurally internalized costs.
 - b) Examine whether public or private entities in other areas of the country have successfully overcome similar barriers and evaluate whether those solutions could be replicated in Illinois.
 - c) Identify the appropriate entity or entities in Illinois to implement any necessary market support.
 - d) Evaluate any necessary legislative or regulatory enhancements necessary to adequately support markets for divertible materials generated in Illinois.
- 3) Utilize the information derived from deliverables 1 and 2 to work with other subcommittees to identify materials to target for landfill diversion, diversion goals, and necessary steps to accomplish those goals. This evaluation should include a cost-benefit analysis that accommodates the recognition that some materials may not have viable end markets and that creating those markets may deplete resources that could support or enhance otherwise workable markets.