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The Honorable Paul D. Tonko
2369 Rayburn HOB
Washington, DC 20515

The Honorable David B. McKinley, P.E.
2239 Rayburn HOB
Washington, DC 20515

Dear Subcommittee Chairman Tonko and Ranking Member McKinley,

The American Fuel & Petrochemical Manufacturers (AFPM) appreciates the opportunity to submit this letter for the record for the House Energy and Commerce Subcommittee on Environment & Climate Change's hearing entitled *"No Time to Waste: Solutions for America's Broken Recycling System."* AFPM supports efforts to modernize and invest in our nation's waste and recycling system but has significant concerns with some of the approaches being considered during this hearing. AFPM urges Congress to instead enact policies that recognize the immense societal benefits of plastics, help build capacity to capture waste, and encourage the use of mechanical and advanced recycling technologies to address the issue of mismanaged plastic waste.

AFPM is the leading trade association representing the makers of the fuels that keep us moving, the petrochemicals that are the essential building blocks for modern life, and the midstream companies that get our feedstocks and products where they need to go. Petrochemicals are the building blocks for plastic products that improve the health, safety, and living conditions of humankind and make modern life possible. AFPM members are committed to sustainably and efficiently manufacturing the petrochemicals and derivatives for plastics that growing global populations and economies need to thrive and improving and innovating recycling and reuse rates and technologies.

AFPM members recognize and share society's concern about improper disposal of plastic waste and agree it needs to be proactively addressed. Challenges with global waste management infrastructure and resultant leakage of plastic waste into the environment are unsustainable and devalue the benefits of plastics. To effectively address the challenges of plastic waste management, industry, governments, non-governmental organizations, and consumers must work collaboratively on a holistic approach.

Bans and one-size-fits-all policies will serve only to hinder innovation and risk U.S. global competitiveness, while failing to address the core issues. Bans and restrictions on plastic products that serve important purposes and provide significant efficiency, hygiene, durability, safety, and societal benefits do not address the underlying challenges in waste management and recycling infrastructure. Moreover, they do not consider the full life-cycle impact of the alternatives to plastic, which often result in greater greenhouse gas emissions, less effective consumer benefits, and increased energy and water use. Similarly, restricting operating permits and market access will only serve to ensure growing global petrochemical

demand will be met by competitors based in other regions of the world, denying the U.S. the economic benefits and jobs.

Policies should recognize that petrochemicals are essential in our modern society. Continued demand for fuels and petrochemicals will be driven by improved living standards and population growth, which the UN estimates will swell by an additional two billion people by mid-century.[1] Research by the Brookings Institute further estimates that the world is experiencing a rapid expansion of the middle class, with 160 million people being lifted from poverty each year.[2] With middle class incomes comes demand for modern conveniences, including mobility and products that define our modern life. High-tech petrochemicals are key to light-weighting vehicles, and are core components of electric vehicles, wind turbines, solar panels, and thousands of everyday products including vaccines. In addition, medical instruments made from bacteria resistant propylene are used to prevent life-threatening infections in hospitals, modern military helmets containing polyethylene help keep American soldiers safe in combat, and the masks and gloves that have protected our frontline workers and first responders throughout the COVID-19 pandemic are made from acrylonitrile, butadiene, propylene, xylene, and toluene. Petrochemical products also help achieve other U.S. and U.N. Sustainable Development goals, including supplying the base materials for delivering clean water. Indeed, under the IEA Sustainable Development Scenario, petrochemical demand is expected to grow even as the world consumes less petroleum for personal transportation.

The U.S. industry is well positioned to lead the world in sustainably producing these life-enhancing products. The U.S. refining and petrochemical industries have access to competitive energy and feedstocks, a mature logistics network, highly skilled workforce, and access to export markets. These advantages position the U.S. industries well compared to our international competitors. In fact, over the previous decade, the U.S. refining industry increased product exports by 217 percent compared to the previous decade, with even higher growth trending in 2019 and 2020.[3] Likewise, the petrochemical industry increased exports of ethylene by 317 percent over the previous five years and propylene by 11 percent.[4] The U.S. is the destination of choice for new manufacturing projects, a competitive advantage our policies should promote and leverage, not erode.

AFPM supports the innovation and development of all repurposing technologies that have the potential to recover plastic waste and transform it into usable materials. With consumers demanding more recycled content, consumer brands are committing to lofty goals of recycled content in their products. To achieve these goals, we will need to increase recycling rates by utilizing both traditional, mechanical recycling and “advanced” recycling, which includes molecular or chemical recycling. Advanced recycling technologies expand the scope of materials that can recycled, help preserve the value of resources in our economy, bridge the

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[1]United Nations. (n.d.). *Global Issues: Population*. United Nations. Retrieved June 28, 2022, from https://www.un.org/en/global issues/population

[2] Homi Khara, *The unprecedented expansion of the global middle class: An update*, Brookings Institute, Feb. 17, 2017, available at https://www.brookings.edu/research/the-unprecedented-expansion-of-the-global-middle-class-2/.

[3] AFPM analysis of Energy Information Administration data.

[4] AFPM analysis of S&P Global Platts Analytics.

gap between the supply and demand for high quality recycled plastics, and achieve a truly circular economy for plastics.[5] In fact, leveraging their in-depth understanding of plastics' molecular composition and the manufacturing process itself, AFPM members are investing in recycling technology, infrastructure and partnerships that will reduce mismanaged plastic waste by applying unlocking its value as a feedstock.[6] Since 2017, over 81 mechanical and advanced recycling projects with a combined value of over 8.7 billion have been announced in the United States. These projects have the potential to divert over 6.2 million tons of waste from landfills.[7] To further support advanced recycling technology, policymakers should ensure that innovative processes such as pyrolysis and gasification are not mischaracterized or regulated as waste management operations. They must be treated and regulated as critical manufacturing.

Sincerely,

Chet Thompson
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[5] https://www.mckinsey.com/industries/chemicals/our-insights/advanced-recycling-opportunities-for-growth
[6] https://www.afpm.org/data-reports/publications/sustainability-report
[7] https://www.americanchemistry.com/better-policy-regulation/plastics/advanced-recycling/resources/new-investments-in-modernizing-plastics-recycling-in-the-us