

# Missouri Market Development Program

# MMDP Enabling Legislation

- Formed in 1990 through SB 530 260.335 RSMo ...(to) fund activities that promote the development and maintenance of markets for recovered materials.

# Recycling Market Development

- Focuses on demand side to encourage manufacturers to use recovered materials instead of virgin resources in their operations.
- Acts as a conduit of information and assistance for the private sector

# MMDP Administration

The MMDP is housed at the EIERA to bridge the gap between economic development and environmental interests. It is a partnership between:

- EIERA
- Department of Natural Resources
- Department of Economic Development

# MMDP Funding

- \$800,000 from the Solid Waste Management Fund annually.

# MMDP Provides

- Financial Assistance
- Technical Assistance
- Informational Services

# MMDP Financial Assistance

- Equipment used in the manufacture of products from recovered materials
- Equipment used in the final processing of recovered materials into feedstock.
- 75% of specific equipment cost up to \$50,000
- Equipment must “add value” to materials

# FA Evaluation Criteria

- Secure source of recovered materials
- Commercially proven technology
- Managerial ability of applicant
- Financial ability to implement project
- Viable market for finished product

# Beyond “Traditional” Commodities

- C&D Waste
- Mixed plastics
- Textiles
- Pharmaceutical bottles
- Food waste
- Wood scrap
- Roof scrap
- Expanded polystyrene
- Carpeting
- Pet Food
- Unusual Plastics
- Butcher waste

# MMDP Technical Assistance

- Plant layout
- Optimizing efficiency of manufacturing processes
- Marketing or business planning
- Product feasibility
- Market analysis
- Scientific Testing
- Etc.....

To help remove barriers to using recovered materials in manufacturing

# Information Services

- Locating and procuring feedstocks
- Locating end markets
- Promoting Missouri recycled-content products
- Recycled Products Directory
- Materials exchange support
- Support for national and regional organizations and initiatives

# Why Does it Matter?

- The greatest environmental benefits of recycling are related not to landfills, but to the conservation of energy and natural resources and to the prevention of air and water pollution when a recycled material, rather than a raw material, is used to make a new product.

# But Beyond That....

- The economic benefits of recycling versus landfill disposal seem negligible at the front end, but as materials flow further downstream, the value of the commodity increases, as do the wages and skilled labor required to turn the commodity into an end product.

# Recycling is a Value-Adding Process!

- Recoverable material destined for a landfill is a leakage from the local economy.
- Recycling is estimated to create nearly 5 times as many jobs as landfilling

# Recovered vs “Virgin”

- Manufacturers that use recovered materials do so in lieu of feedstocks that are mined, harvested or extracted outside of the region. As a result, these businesses create jobs closer to home and have a smaller environmental footprint than companies that rely on raw material extraction.

# MO's Scrap Exports Exceed \$450 Million!

- Recirculation of even a fraction of this within the state would have significant economic benefits for Missouri.
- MMDP acts to counter-balance foreign demand by developing local markets that will in turn create jobs and broaden the domestic tax base.

# MMDP 5 Year Summary

- A \$2 million investment in 41 Missouri businesses helped to **leverage nearly \$13 million** in total investment, **create 184 new full time Missouri jobs** and **divert more than 610,855 tons** from Missouri landfills annually. The avoided disposal cost for the materials used in these projects combines to more than **\$21 million** each year.

# Great Strides, but...

- Much of our recovered material continues to flow out of state, often to other countries where it is used in manufacturing products that are resold to the US
- 1.9 million tons of recyclables are disposed of in MO landfills annually
- End markets, particularly local end markets, for many materials simply do not exist

EIERA

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