

## Passing the Paper: Shifting U.S. Wastepaper Exports

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*A range of factors has impacted the export trends of U.S. wastepaper (recyclable paper) from 2020 to 2024, with total exports declining and new markets emerging as top destinations. Since China fully implemented its strict contamination policy in 2021, U.S. exports of wastepaper have shifted to other countries.<sup>1</sup> India has become the leading destination for U.S. wastepaper; however, India and other key countries have also instituted stricter import policies related to contamination. Additional factors, such as the global pandemic, have influenced U.S. exports and the international paper recycling industry.*

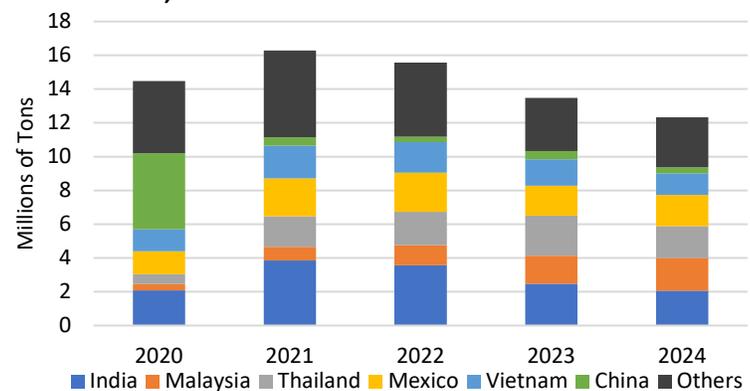
The United States was the largest global wastepaper exporter in 2024, accounting for 29.6 percent of global exports by volume.<sup>2</sup> U.S. wastepaper exports peaked in 2021 at 16.3 million tons and declined in subsequent years, falling to 12.3 million tons in 2024 (figure 1).<sup>3</sup> This decline was driven by stricter import policies in destination markets and increased domestic wastepaper processing in the United States.

**U.S. Wastepaper Exports to China:** China's policy changes have caused significant shifts in U.S. export trends, as the country transitioned from being the largest destination for U.S. wastepaper exports to a minor one. Beginning in 2018, China implemented strict contamination restrictions on wastepaper and other solid wastes, adopting a phased regulatory approach that culminated in the "National Sword" policy in January 2021.<sup>4</sup> In 2020, China accounted for 23.0 percent of total U.S. exports, but its share dropped to 2.5 percent in 2021 and has remained at approximately that level in subsequent years.<sup>5</sup>

**Shifting Top Destination to India:** The United States

is the principal source of wastepaper imports to India despite U.S. exports of wastepaper to India declining between 2021 and 2024. In early 2020, India adopted a low contamination threshold of 1 percent, prompted by high-profile incidents involving contaminated shipments originating in the United States.<sup>6</sup> This policy significantly curtailed India's imports from

**Figure 1. U.S. Wastepaper Exports, by Top Five (plus China) Destinations, 2020 to 2024**



Source: USITC DataWeb/USDOC, HS 4707 (accessed December 4, 2025).

<sup>1</sup> Contamination refers to the unwanted or foreign substances (impurities) mixed in with the desired material, which would negatively impact the recycling process.

<sup>2</sup> Global wastepaper exports decreased by 6.6 percent from 2020 to 2024. During that time, the U.S. share of global wastepaper exports declined by 2.9 percent (from 32.5 percent in 2020 to 29.6 percent in 2024).

<sup>3</sup> U.S. wastepaper exports grew slightly (1.2 percent) in the first two quarters of 2025, compared to 2024. U.S. wastepaper collections have faced contamination issues due to inadequate separation from other materials. These issues have resulted in collections being sent to landfills rather than exported for recycling.

<sup>4</sup> China's 2018 policy included bans on mixed paper (unsorted waste and scrap) and imposed strict contaminant level limits of 0.5 percent on materials such as old corrugated containers (OCC) and old newspapers. China's 2021 "National Sword" policy is a strict ban on importing 24 types of solid waste, including mixed wastepaper. Two Executive Briefings on Trade discuss the initial effects of China's stricter contamination thresholds on the U.S. recycling industry. Scott, "[China's Recycled Wastepaper, Part 1](#)," USITC Executive Briefing on Trade, April 2018 and Scott and Ireland, "[China's Recycled Wastepaper, Part 2](#)," USITC Executive Briefing on Trade, November 2019.

<sup>5</sup> China moved from the largest U.S. export destination in 2020 to tenth largest in 2021.

<sup>6</sup> These shipments were initially rejected by Indonesia and subsequently re-exported to India rather than returned to the United States.

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the United States beginning in 2021.<sup>7</sup> However, India’s domestic wastepaper supply remains insufficient to meet its growing demand, necessitating continued reliance on U.S. imports.

**Other Top Destinations:** Several Asian countries have emerged as key destinations for U.S. wastepaper shipments, helping to offset some of the decline caused by reduced U.S. exports to China and India. U.S. wastepaper exports to Malaysia, Thailand, and Vietnam have all increased in recent years, with the United States as the top source of wastepaper imports for each. However, in recent years, these markets have also introduced policies affecting U.S. wastepaper exports:

- In March 2024, the Malaysian government lifted its moratorium on manufacturing license applications for paper industry enterprises with the goal to stimulate investments in the domestic industry and promote circular economy initiatives. U.S. wastepaper exports to Malaysia grew by 16.1 percent during the remainder of 2024 (March to December) compared to 2023.
- In April 2025, Thailand adopted a lower contamination rate policy (2 percent limit for sorted paper and 3 percent for mixed paper). However, this new policy has not yet curtailed U.S. exports to Thailand.
- Vietnam announced a ban on imports of mixed paper—a common type of wastepaper—in 2020, effective in 2022. Since then, U.S. mixed paper exports have fallen by 88.3 percent, dropping from 10 percent to 2 percent of total U.S. wastepaper exports in 2024. Old corrugated containers (OCC), which remain allowed and constitute most U.S. wastepaper exports to Vietnam, decreased by 22.2 percent from 2022 to 2024.

**Paper Shortage:** A significant global paper shortage resulted from supply chain disruptions caused by the COVID-19 pandemic, mills shifting production toward packaging for e-commerce, and a tight labor market from 2022 through early 2024. These factors led to higher prices and significant delays. For example, with offices and schools closed during the pandemic, wastepaper collections declined while increased online shopping increased demand for packaging. The insufficient supply of feedstock, shipping problems, mill production shifts to packaging, and other pandemic-related issues caused price volatility—characterized by an initial collapse followed by increases for certain grades of wastepaper (such as OCC), virgin pulp, and finished paper products.

**Unit Prices:** U.S. wastepaper unit prices rose from \$167 per ton in 2020 to \$204 in 2024—a 22.1 percent increase—peaking at \$210 during the pandemic in 2022 (table 1). Following the post-COVID spike, prices softened in 2023 as demand eased, partly due to customer destocking. Prices rebounded in 2024 as new domestic mills increased demand for recycled containerboard and tightened supply. In 2025, unit prices slipped below 2024 levels amid weaker box demand and announced domestic papermill closures but remain above pre-pandemic levels.

**Table 1: Unit Prices of U.S. Wastepaper Exports (US dollars per Ton), Annual (2019 to 2025)**

Period	2019	2020	2021	2022	2023	2024	2025
Unit Price	\$161	\$167	\$200	\$210	\$186	\$204	\$184

Source: USITC DataWeb/USDOC, HS 4707 (accessed February 26, 2025)

**Domestic Capabilities:** Despite increasing export unit prices and the identification of new export destination markets for U.S. wastepaper, the domestic processing industry has also grown in response to challenging trade dynamics. From 2019 to 2025, U.S. paper processing capacity has expanded to consume over 4.5 million additional tons of recycled paper, reducing the nation’s reliance on export markets. Recycled paper made up 44.4 percent of all fiber used in U.S. paper mills in 2024, which totaled 32.7 million tons—an increase of 1.29 million tons from 2023.

Sources: AF&PA, “[U.S. Paper Recycling Rates](#),” August 12, 2025; AF&PA, “[Investing to Improve](#),” 2026; McLellan, J., General Kinematics, “[Recycled Paper Exports](#),” March 21, 2024; MIDA, “[Paper and Paper-products](#),” 2025; Nation Thailand, “[Thailand sets new standards](#),” May 16, 2025; Pulp and Paper Times, “[The U.S. Tariff War](#),” April 4, 2025; Pyzyk, K., WasteDive, “[India to enforce 1% contamination rate](#),” January 15, 2020; Socialist Republic of Vietnam, “[List of Waste Permitted for Import](#),” September 24, 2020; Staub, C., Resource Recycling, “[Imports of Mixed Paper](#),” November 3, 2020; and Staub, C., Resource Recycling, Inc., “[India’s mixed paper import](#),” January 14, 2020; UNEP, China, “[Prohibiting the Entry of Foreign Garbage](#),” July 18, 2017.

<sup>7</sup> India’s total wastepaper imports decreased by 2.0 percent from 2020 to 2024. The United States’ share of Indian imports (its largest source) dropped from 31.3 percent in 2020 to 29.8 percent in 2024. The second largest source of imports to India, the United Kingdom, accounted for 16.1 percent in 2020 and 13.9 percent in 2024.

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