



Highlights of [GAO-08-599](#), a report to congressional committees

Why GAO Did This Study

In 2006, the U.S. Postal Service (USPS) discarded about 317,000 tons of undeliverable-as-addressed advertising mail. Such mail can be disposed of using incineration, landfills or through other methods. USPS recently committed to minimizing the agency's impact on every aspect of the environment. Recycling undeliverable advertising mail can help USPS achieve this commitment, while generating revenue and reducing its costs and financial pressures.

In response to the 2006 Postal Accountability and Enhancement Act, this report addresses (1) recent mail-related recycling accomplishments (initiatives) undertaken by USPS, the mailing industry, and others and (2) additional recycling opportunities that USPS could choose to engage in, or influence mailers to undertake. To conduct this study, GAO analyzed relevant data and documents, visited USPS and other facilities, and interviewed about 40 stakeholders.

What GAO Recommends

GAO recommends, among other actions, that USPS (1) require managers at other facilities to adopt applicable lessons learned from its New York City recycling pilot and (2) adopt the opportunities identified in this report that are feasible, compatible with USPS' mission, and appropriate in view of cost and other considerations. USPS agreed with three of GAO's recommendations and stated that it is acting to implement them. USPS also agreed, in principle, with the remaining recommendation to adopt lessons learned from its pilot.

To view the full product, including the scope and methodology, click on [GAO-08-599](#). For more information, contact Katherine Siggerud at (202) 512-2834 or siggerudk@gao.gov.

U.S. POSTAL SERVICE

Mail-Related Recycling Initiatives and Possible Opportunities for Improvement

What GAO Found

USPS and the mailing industry have undertaken numerous initiatives to increase (1) the recycling of mail-related materials and (2) the amount of mail with environmentally preferable attributes, such as mail that uses recycled paper. USPS has five key recycling-related initiatives underway. For example, USPS recently established annual goals to increase its revenue from mail-related recycling from \$7.5 million to \$40 million from fiscal years 2007 to 2010. However, by excluding savings that result from lower waste disposal costs—which accompany increased recycling—the goals do not reflect the full financial benefit attributable to mail-related recycling. USPS also has launched a pilot recycling program in New York City, but it is not known whether USPS will require its managers elsewhere to adopt applicable “lessons learned” from the pilot. Representatives of the mailing industry and other stakeholders also have undertaken a wide range of initiatives to, among other actions, increase the amount of mail that is recycled. For example, three mailing industry associations recently introduced separate awareness campaigns to encourage mail recipients to recycle their catalogs, envelopes, and magazines. In addition, the Direct Marketing Association—whose members collectively send about 80 percent of all Standard Mail—is undertaking several initiatives, including an effort to encourage mailers to use environmentally preferable mail attributes.

USPS, mailing industry, and other stakeholders GAO interviewed identified five opportunities that USPS could choose to undertake to increase its recycling of mail-related materials and to encourage mailers to increase the amount of mail with environmentally preferable attributes. The five opportunities stakeholders cited most frequently were for USPS to: (1) implement a program for recognizing mail-related recycling achievements; (2) increase awareness among mail recipients that mail is recyclable and encourage them to recycle their mail; (3) collaborate with parties interested in increasing the supply of paper fiber available for recycling; (4) establish a special, discounted postal rate—or “Green Rate”—as a means of inducing mailers to adopt environmentally preferable attributes; and, (5) initiate a “mail take-back” program in locations that do not have access to municipal paper recycling. Each of these opportunities appears to be consistent with the agency's long-standing commitment to environmental leadership and the Postmaster General's recent commitments to minimize the agency's impact on every aspect of the environment and to act as a positive environmental influence in U.S. communities. Based on GAO's analysis, however, USPS would need to assess several factors including cost, feasibility (including logistical considerations), and mission compatibility in deciding whether to adopt these opportunities. For example, depending on the magnitude of variance between the expected costs and revenues, USPS may find implementing one or more of the opportunities unacceptable. This is, in part, because USPS faces multiple short- and long-term pressures in improving its operational efficiency, increasing its revenues, and controlling its costs—some of which are increasing faster than the overall inflation rate.