

## Orders for waste to energy capacity continue to decline in Europe

### Updated Vaccani study finds that the UK remains by far the largest market

(EU) – The UK remains far and away the largest European growth market for new thermal waste treatment capacity. The country accounted for 56.5 per cent of all new orders placed in Europe last year, according to a new study from the Swiss consulting firm Vaccani, Zweig & Associates. All in all, however, the total number of new plant construction projects continues to slide in Europe. According to Vaccani, 12 orders for thermal waste treatment capacity totalling 9,793 tonnes per day (tpd) were placed in 2012 in Europe (including Russia and Azerbaijan) and in the Middle East last year. This figure is 3 per cent lower than in 2011 and is well below the long-term average.

The study provides an overview of the evolution of the European plant market since 1995. As in previous studies, the consulting firm compiled data on all new incineration facilities larger than 3.5 tonnes per hour in the period from 1995 to 2001 and 2003 to 2012 based on reference lists and other information from manufacturers. Major modernisation projects at existing facilities, such as grate system replacements, were included in the statistics at 50 per cent of the plant's capacity.

According to the study, the average order volume for new thermal waste treatment capacity in Europe stood at 11,121 tpd over the past ten years. The European plant market peaked in 2007 when plant builders landed orders for 14,482 tpd of capacity. After new orders collapsed in 2008 (7,494 tpd), ordered capacity bounced back in the next two years to reach 10,264 tpd in 2010. Since then, new orders for treatment capacity have declined, first to 10,092 tpd in 2011 and most recently 9,793 tpd.

According to Vaccani, stronger demand from the UK for waste to energy capacity prevented an even sharper drop in order volumes. As in 2011, the UK was the leading market for new incineration capacity in 2012 with 56.5 per cent of awarded capacity. Denmark took second place with 17.2 per cent, followed by Poland (16.3 per cent) and Switzerland (10.0 per cent). These four countries were the only ones where any contracts for new thermal waste treatment capacity were concluded last year.

Viewed longer-term, Germany continues to lead the list of the most important plant markets. Germany accounted for 24.7 per cent of the total volume of 111,208 tpd ordered over the past decade. Demand was especially strong in Germany right around 2005 when it became illegal to landfill untreated municipal waste. The UK holds second place with 19.7 per cent, followed by France (7.8 per cent) and the Netherlands (6.1 per cent).

In addition to figures on order volumes, the new study again includes a separate evaluation of the market share held by each plant supplier. The Japanese technology firm Hitachi Zosen Corporation was once again the market leader in 2012 with a share of 28.3 per cent. Its Swiss subsidiary Hitachi Zosen Inova (HZI) was acquired from AE&E at the end of 2010.

The German plant builder Martin and its French technology partner CNIM together booked the second-largest order volume, accounting jointly for around 27.0 per cent in 2012 (2.3 per cent Martin and 24.7 per cent CNIM with Martin technology). In the period between 2003 and 2012, Martin and CNIM were even market leaders, having together landed 22.6 per cent of contracts awarded over the course of the decade, followed by HZI (20.7 per cent), Keppel Seghers (13.8 per cent) and Fisia Babcock Environment GmbH (11.4 per cent).

The study reported that plant builders in Europe had order backlogs of 27,305 tpd of thermal waste treatment capacity at the end of 2012. This compared with 28,622 tpd one year earlier and the long-term average of 29,384 tpd since 2001. The "European Market Share Analysis of Thermal Waste Treatment Plants" costs €3,500 and can be ordered from Vaccani, Zweig & Associates. Vaccani is offering the report to EUWID subscribers at the discounted price of €3,000.