Global WtE plant market remains strong

The current edition of ecoprog’s Waste-to-Energy (WtE) study is published in the light of more active waste incineration plants than ever and more facilities under construction than ever. Forecasts have improved especially for the national WtE markets in India, Thailand and Australia. At the same time, the technology market in Europe is recovering slowly.

Today, more than 2,200 waste incineration plants are operational throughout the world. They have an installed treatment capacity of about 280 million tons of waste per year. Within the next 10 years, approximately 550 new plants with a capacity of about 150 million annual tons will be constructed.

The WtE market thus remains strong, as it has in the past years. This market development, however, differs considerably in the different regions. Asia continues to be the driver of worldwide growth.

In late 2014, almost 200 plants with a capacity of more than 60 million annual tons were active in China. Back in 2000, there were only 6 operational facilities. No other country in the world is currently incinerating more waste. By the end of 2015, another about 35 facilities will be commissioned, increasing the overall capacity to almost 75 million annual tons. The current Five-Year Plan will expire in late 2015 and the defined goal of expanding waste incineration to 112 million annual tons will definitely not be reached. This means that the WtE sector will probably be developed further in the years to come.

Other Asian states have just begun with this development. In the past months, a planning boom has especially developed in India and Thailand. The Thai Ministry of Natural Resources and Environment counted more than 51 projects in the country in early 2015.

The development of WtE plants in Europe remains moderate. Around 3 million annual tons of new capacity will go online this year, about 50% of which in the UK. The market still is far from returning to a status as in the booming years around 2000, when up to 5 million annual tons were commissioned. Prospects, however, have improved. Apart from the British market that continues to be dynamic, new incineration capacities are now being planned again in France, for the first time in many years. In this country, as well as in others in Eastern Europe, the future demand will mainly refer to RDF power plants. An EU-wide landfilling ban is discussed for the time after 2020, which would especially stimulate the WtE markets in South and Eastern Europe.

The WtE markets outside of Asia and Europe continue with their modest development. In the US, where WtE plants are not only struggling with low landfilling costs but also with low energy costs, the number of waste incineration plants has decreased once again. However, the recently announced climate package of the Obama administration, which also includes proposals for reducing methane emissions of landfill sites, has yielded new hope.

The Brazilian market also turns out to be disappointing. The reforms of the waste sector, which were decided in 2010, are implemented sluggishly. Additionally, the emerging countries are
inhibited by the slowdown of global economy, which is in the medium term the most severe threat to the global WtE market as well.

Another risk, at least from the established European and Japanese technology providers’ view, is the growing market share of the Chinese manufacturers. They are increasingly active in the emerging growth markets in Asia, e.g. in India, where they are successful also for financial reasons. “Most established technology providers have now accepted this competition”, says Mark Döing, CEO of ecoprog GmbH, “they take advantage of it as licensees in price-sensitive countries, for instance in China.”

A positive development can be observed in Australia, where in the light of increasing landfill taxes in some states thermal waste recovery seems to become competitive for the first time.

The 8th edition of ecoprog’s study “Waste to Energy 2015/2016” has now been published and comprises about 1,000 pages. It is the world’s largest data collection on thermal waste recovery. Please go to www.ecoprog.com for further information.

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