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Drastic changes on Polish waste market

The increasing landfill tax has caused a disposal bottleneck in the Polish waste management system. The most dramatic indication of this development was an increasing number of landfill fires in the past months. In the years to come, more than 3 billion EUR should be invested in over 600 waste infrastructure projects.

The Polish waste market is on the move. The immediate trigger of the current market distortion is the increase of the landfill tax. By 2020, the tax will amount to over 60 EUR per ton. This increase is accompanied by the abolishment of special rates for pretreated waste.

This hike mainly affects the around 170 mechanical-biological treatment plants (MBT plants) in Poland. In the residual waste segment, they reach a market share of about 90%, which translates into a treated amount of around 8 million tons of mixed MSW.

Most of the MBT plants' output continues to go to landfill. Between 2017 and 2020, the landfill tax for presorted waste will almost quadruple. In early 2019 already, disposal fees for pretreated MSW reached or even exceeded 100 EUR per ton at many locations – and prices can be expected to increase further until the beginning of 2020.

In order to reduce the landfilled amounts, considerable investments are planned to increase the material and energetic recovery as well as the organic treatment of waste. According to the plans of the 16 Polish voivodeships, between 2016 and the mid-2020s, way more than 3 billion EUR should be spent for over 600 waste infrastructure projects.

Almost 400 existing plants should be modernised. On the one hand, sorting plants and biological treatment units are envisaged to be expanded in order to be able to handle the increasing amounts of separately collected MSW. On the other, almost 140 treatment lines in existing MBT plants should be retrofitted (again, mainly for the growing separately collected MSW amounts). At the same time, the pretreatment of mixed waste should decline. The plans furthermore include the construction of more than 130 new treatment units for material recovery and almost 80 new lines for composting and fermentation.

The highest investments, however, are planned in the thermal waste treatment segment. According to the waste plans of the voivodeships, 34 additional thermal treatment plants should be developed in the years to come. The far majority of these projects are power plants for the incineration of refuse-derived fuel (RDF). Even though we consider many of these projects to be unrealistic, as their envisaged dimensions are just too large, it is a fact that the currently high disposal costs are causing a planning boom for waste incineration projects.

ecoprolog has analysed the Polish MSW market in detail. Amongst others, we identified 2,100 plants and treatment units for MSW disposal and assessed sites, operators, capacities and throughputs.

The new study "The Market for Municipal Waste Management in Poland" can now be ordered at www.ecoprolog.com.

As a respected industry expert, ecoprogram accompanies clients from Germany and from abroad in dealing with implementation-oriented management issues with political, technical or economic backgrounds in the environmental and energy technology segments. We work in the fields of strategy consulting, market and competition analyses as well as multi-client studies.