Joint Statement Supporting Alternative Approaches to the EU ETS for Decarbonising the Waste Sector

We, the undersigned associations, would like to express that the EU Emissions Trading System (EU ETS) is not an appropriate solution for reducing fossil-based CO_2 emissions from waste incineration with energy recovery of residual, non-recyclable waste (WI) and, more generally, GHG emissions from the waste sector.

As such, we are committed to actively participating in the ongoing studies, evaluations and impact assessments regarding the potential inclusion of waste management activities in the EU ETS.

We believe that alternative approaches to including WI in the EU ETS would better achieve decarbonisation for the following reasons:

- **WI as an essential service**: WI and other waste management activities are public services essential for waste hygienisation and treatment, necessitating cost predictability for local authorities and citizens/taxpayers that the inherent volatility of the EU ETS is unlikely to offer.
- **Jeopardising the waste hierarchy**: As recognised by the Waste Framework Directive, WI remains the most viable option for energy recovery from residual waste. If WI is included in the EU ETS and in order to reduce their emissions, WI operators may limit the acceptance of waste with high fossil content like plastics. This may result in waste diversion to treatments lower in the waste hierarchy. In order to alleviate this, national instruments covering waste incineration and landfilling could be modulated to incorporate a CO_2 element.
- **Lack of CO_2 emission reduction evidence**: Experience from national and EU ETS schemes has demonstrated that including WI in such schemes does not lead to CO_2 emission reductions. There is no alternative channel for treating unrecyclable waste. Additionally, these schemes have shown no improvement in recycling rates, which are better addressed through enhanced separate collection and recycling practices.
- **Public revenues for integrated waste management**: Public revenues from waste management should remain at local or national levels to support integrated waste

management systems, which are proven to be the most effective in reducing GHG emissions within the waste sector.

- **Support for national solutions**: National approaches are essential to align with the waste hierarchy and sustain investments in recycling, reuse, and prevention efforts. Penalising such initiatives through the EU ETS would undermine progress towards sustainable waste management.

Including WI in the EU ETS would significantly raise costs for citizens and local authorities without offering tangible opportunities for emissions reductions. In fact, this economic burden risks compromising the overall sustainability of WI, disrupting the current balance between environmental and energy recovery benefits and affordable costs for citizens. Moreover, alternatives like exporting waste to existing WI plants would create environmental inefficiencies due to increased transportation emissions, as confirmed by Life Cycle Assessments (LCA).

A carbon price would disproportionately burden new WI plants. This approach contradicts the Commission's Waste Early Warning Report, which identifies 13 Member States at risk of missing the 2035 landfill reduction target mandated by the Landfill Directive[1]. Furthermore, it undermines the self-sufficiency principle enshrined in the Waste Framework Directive and the Waste Shipment Regulation.

We support Member States that have implemented, or are willing to implement, alternatives to including the waste sector in the EU ETS. Such instruments can more effectively drive emission reductions while respecting the waste hierarchy by avoiding competitive disadvantages for higher-ranking waste management options.

We propose defining minimum requirements for such systems, to be included in the forthcoming revision of the Effort Sharing Regulation.

We remain committed to actively contributing to this crucial work for the future of sustainable waste management.

ASELIP represents private companies that employ over 115,000 people, generate an annual turnover of approximately €5 billion, and serve more than 6,200 municipalities and local bodies across Spain. ASELIP's members operate facilities for the collection, transport, treatment, recovery, and disposal of commercial and industrial waste, both non-hazardous and hazardous.

ASSOAMBIENTE is the Association that since 1951 represents, at National and European level, the companies operating in Italy in the waste management (collection, recycling, recovery and disposal), remediation and Circular economy chains.

FNADE, the French Federation of Waste Management and Environmental Service, is a business association that represents the entire French waste industry. The waste industry is a key player in the

[1] https://environment.ec.europa.eu/publications/waste-early-warning-report_en

circular economy, producing recycled raw materials (RRM), fertilisers and green energy to replace natural resources and fossil fuels.

PIGO, the Polish Chamber of Waste Management, was founded in 2003 and represents 83 member companies active in waste collection and management, municipal hygiene, waste recovery, manufacturing and supply of technologies, vehicles, and equipment, as well as consulting and education companies.

VOEB, the Association of Austrian Waste Management Companies, is the independent representation of interests of the Austrian commercial waste and resource management companies in Austria. The association was founded in 1982 and currently represents more than 250 member companies with activities in all forms of waste management.

ZOP, the Slovak Waste Industry Association was founded in 2022. It unites experts, municipalities, industry and businesses to promote cost-effective, environmentally responsible waste solutions. It tracks trends, shapes legislation, builds expertise, and represents its members' interests.