

Press release

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Decarbonisation of waste management: the sector warns against an ill-suited solution.

Europe has committed to reducing its greenhouse gas emissions in order to achieve the carbon neutrality objective set for 2050. While fully supporting these ambitions, the waste management sector warns about the economic consequences of potentially including municipal waste incineration in the EU Emissions Trading System (EU ETS).

Including municipal waste incineration in the EU ETS would impose a massive additional cost on local authorities for a system that is not suited to the sector and would not reduce emissions.

With a carbon price of around €80 per tonne, such a decision would generate, at the European level, an additional cost estimated at €2.2 billion per year, borne by citizens, local authorities and users of this renewable and recovered energy.

This concern is shared by many national waste management associations in Austria, Spain, France, Italy, Poland, Czech Republic and Slovakia. Together, they have sent a letter to the cabinets of President Ursula von der Leyen and several European Commissioners to express their opposition to extending the EU ETS to municipal waste incineration, as currently being considered in the context of the EU ETS revision expected by July.

An additional cost for local authorities

The signatories warn that including municipal waste incineration in the EU ETS would place a direct financial burden on households and local authorities. In the current international context, such a decision would weaken Europe's energy autonomy and destabilise the circular economy. Indeed, the additional costs incurred could disrupt the hierarchy of waste management options: by abruptly modifying the price signal, municipal waste incineration would become more expensive than landfilling despite the fact that the former is currently prioritised for managing residual waste. Municipal waste incineration is an essential public service for treating household waste and non-recyclable waste. Furthermore, it would not create any real incentive to reduce emissions, since Waste-to-Energy plants (WtE) do not have the ability to choose their inputs or substitute fossil fuels.

A direct impact on the price of heat delivered through district heating networks

This decision would also have a significant impact on the price of heat supplied to urban district heating networks, in a context of strong volatility in fossil fuel prices. In France, waste heat recovered from Waste-to-Energy plants accounts for 30% of the renewable and recovered energy delivered through district heating networks. Half of this heat supplies public buildings and housing, a large share of which belongs to the social housing sector.

District heating networks have significantly increased their share of renewable and recovered energy since 2009 (67% in 2024 compared with 31% in 2009), thanks to major efforts to connect Waste-to-Energy plants to these networks.

The additional costs would therefore undermine their competitiveness and development and act as a barrier to new connections while phasing out fossil fuels is a priority for our energy policy.

No demonstrated reduction in emissions

Existing experiences with including municipal waste incineration in the EU ETS in certain EU Member States do not demonstrate any effective reduction in emissions or improvement in recycling rates. FNADE has published a study showing that the EU ETS is not suitable for reducing carbon emissions from Waste-to-Energy plants and costly for citizens.

For all these reasons, the sector calls for approaches tailored to national circumstances, incorporating a CO₂ price signal while defining common minimum requirements as part of the revision of the Effort Sharing Regulation.

AMORCE, FNADE, FEDENE and SVDU are ready to work with the European Commission on alternative, credible solutions consistent with European climate objectives, placing energy efficiency at the forefront and fully leveraging the future Circular Economy Act as a central pillar of the sector's decarbonisation.

The joint statement sent to the European Commission is attached.

FNADE, the French federation for waste management and environmental services, is the professional organisation representing the private resource and waste management industry. As a major player in the circular economy, the waste industry produces recycled materials, fertilisers and green energy, substituting natural resources and fossil fuels. It provides solutions to major environmental and climate challenges.

FNADE in figures: 269 private member companies; 54 669 employees in France; 11,8 billion in revenues; ~1,1 billion in investments. FNADE is a member of FEAD, the European Waste Management Association.

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FEDENE, the professional federation of companies providing energy and environmental services, brings together 6 syndicates working to improve energy efficiency and building services, and to decarbonise heat and cooling production from renewable and recovered energy sources in cities, housing, the tertiary sector and industry.

Its members include companies of all sizes, from SMEs to large groups. These 1,500 local companies operate across the entire value chain and throughout the country. They employ 50,000 people in France and generate €13 billion in annual turnover.

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SVDU (Syndicat National du Traitement et de la Valorisation des Déchets Urbains et Assimilés) is a member of FEDENE and FNADE. It brings together the main operators specialising in the energy recovery of household and similar waste. Its members operate waste treatment facilities and recover energy from more than 13 million tonnes of residual waste. Located across 110 sites in France, they employ 3,000 people. In 2025, their activities generated 12.7 TWh of thermal energy and 4 TWh of electricity, contributing to the energy transition and national energy sovereignty.

AMORCE brings together more than 1,100 members, including 100% of metropolis, urban communities and 90% of agglomeration communities, as well as numerous energy syndicates. As a network for information sharing and experience exchange, AMORCE supports local authorities and decision-makers in implementing territorial strategies for waste management, circular economy, energy transition and sustainable water management.

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