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Advanced Biological Treatment – UK 2010-2014

New AMA report provides a major new review of the Advanced Biological Treatment Market

“Although the new Coalition government has stated that cuts to DEFRA’s budget will not affect waste infrastructure development programmes, some local authorities already have reduced their waste management budgets. However, landfill capacity will soon be saturated, and there is no option other than to modernise the UK’s waste treatment and disposal infrastructure.”

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at sales@amaresearch.co.uk.

Editors Note:

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

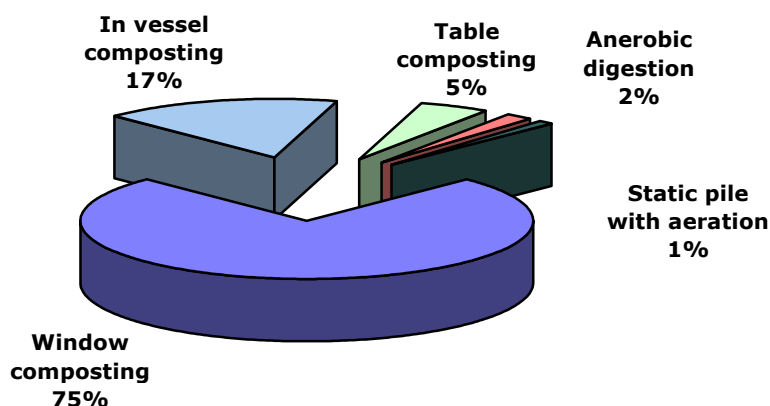
If you would like to receive an extended summary or would like to speak to an author of this report, please contact Chris Moore or Keith Taylor on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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ADVANCED BIOLOGICAL TREATMENT UK 2010-2014

Volume of Source Segregated Organic Waste by Types of Treatment 2008/09



Over the next 10 years, there is expected to be substantial growth in the development of the UK's waste treatment infrastructure. Somewhere between 1,000 and 2,000 new waste treatment and recovery facilities will be required by 2020 in England alone, if the UK is to meet interim targets set by the EU Landfill Directive and the Renewable Energy Directive.

While energy recovery incinerators will account for a reasonably large element of new capacity– the focus will mainly be on treatment facilities in particular materials recovery facilities, mechanical biological treatment, **advanced biological treatment (ABT - anaerobic digestion (AD) plants and in-vessel composting (IVC))** and gasification.

It is estimated the annual arisings of biodegradable waste are around **45 million tonnes**, excluding exempt activities such as spreading manure. The largest fractions are food waste, paper and car and garden waste. Although government waste legislation has largely been focused on the municipal sector, the commercial and industrial sectors account for a larger proportion of organic waste arisings.

The main method for treating source segregated organic waste is windrow composting, which processes around 75% of this. Data from the Association for Organics Recycling indicates that IVC treated around 17% in 2008/09 and AD, around 2%, although this is probably an underestimate.

Both the previous Labour government and the current Coalition government both support the use of AD, in particular, as a means of both contributing towards reducing the volume of organic waste being sent to landfill and as a key source of renewable energy (biogas).

Currently, the solid waste AD sector is very small, with around 40 on-farm plants and around 12 commercial-facilities in operation at September 2010. The government's plans are for around 100 commercial-scale plants and 1,000 on-farm facilities. Over the next 12 months, there are some £600 -800 million worth of contracts in the development pipeline.

There are several barriers that could constrain the market development of ABT; a complex and time-consuming planning system; delays in being granted access to the National Grid system; an unwillingness of banks to lend credit for plant construction; lack of understanding among the general public about the benefits of AD and IVC ('nimbyism') and perceived inadequate FiT and RHI tariff levels. Ultimately, over the short to medium term, the key factor is the possible length and severity of the current economic downturn. Although the new Coalition government has stated that cuts to DEFRA's budget will not affect waste infrastructure development programmes, some local authorities already have reduced their waste management budgets. However, landfill capacity will soon be saturated, and there is no option other than to modernise the UK's waste treatment and disposal infrastructure.

AMA Research's report "**Advanced Biological Treatment Market – UK 2010-2014**" is available in hard copy or electronic format for £650 and can be ordered online at www.amaresearch.co.uk or by calling 01242 235724.