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Construction in the Waste Industry UK 2008-2013

New AMA report provides a significant review of Construction in the UK Waste Industry

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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.com.

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.**

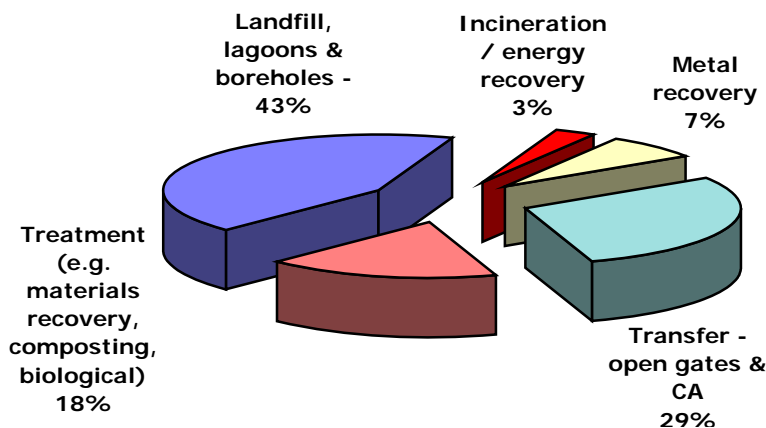
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Keith Taylor or Chris Moore on (01242) 235724.

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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Construction in the Waste Industry - UK 2008-2013

UK Permitted Waste Management Throughput by Method 2006



Underpinned by EU waste and renewable energy directives, most particularly the target requirements of the Landfill Directive, the UK Government has pledged to invest some £10bn plus into expanding and upgrading the UK's solid waste recovery and treatment infrastructure up to 2020. However, industry sources suggest that to meet the Landfill Directive's targets for 2010, 2013 and 2020, possibly as much as £30bn worth of investment could be necessary.

For 2007, Government sources indicate that there was around £550m of capital investment into buildings, transport, plant and other equipment in the solid waste management sector. Of this, around £230m was invested in new building works, up by around 5% on 2006. For 2008, it is estimated that contractors output will have increased by a conservative minimum of 10% to at least £260m. In addition to general legislation aimed at reducing waste being landfilled and at increasing recycling levels, market drivers specific to improving waste treatment and EfW infrastructure include DEFRA's Waste Infrastructure Development Programme - in particular the New Technology Demonstrator Programme - and Waste Infrastructure Capital Grants scheme and WRAP's Organics Capital Programme.

Because of the high levels of capital investment required, and associated levels of risk, 25 -30 year PFI/PPP contracts have become the main route for procuring the delivery of new treatment and EfW facilities. Although there are currently no legal requirements for organisations in the commercial and industrial (C & I) sectors to reduce their waste being sent to landfill, there nevertheless have been a large number of independent initiatives taken by both waste management contractors and businesses in the manufacturing and distribution sectors. These include the development of own-use and merchant recycling facilities.

Over the next 10 -15 years, the key areas of new waste treatment and EfW development will be in large-scale mechanical biological treatment (MBT) plants, advanced biological treatment plants (in particular anaerobic digestion and in-vessel composting), alternative heat treatment systems (such as large-scale merchant autoclaves) and the newest types of technology, advanced heat treatment (gasification and pyrolysis). Most controversial of all has been the Government's support for expanding the UK's network of large-scale EfW incinerators, which many local authorities are also in favour of using as part of their waste treatment and EfW development programmes.

Over the short to medium term, there is likely to be a slowdown in the rate of development, with many programmes being delayed until economic conditions improve. One key factor impacting on the rate of development has been the marked fall in the prices of recyclables, in particular scrap metal, plastic packaging and paper. Over the longer term, with the increased level of investment, will come growth in the number of start-ups, diversification and employment levels.

AMA Research's "**Construction in the Waste Industry – UK 2008 - 2013**" report is available in hard copy or electronic format for £650 and can be ordered online at www.amaresearch.co.uk or by calling 0871 3103450.