



FROM THE DIRECTOR GENERAL

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Dear

The UK waste and resource sector has and is undergoing a significant change in the services it offers and in the facilities it is required to build and operate to manage the range of wastes arising in the UK. Over the last 10 years the sector has helped achieve a reduction in waste to landfill of over 30 million tonnes, at the same time, through one of the deepest recessions on record, continuing to invest billions of pounds in new infrastructure, driving short term jobs in infrastructure construction and long term jobs in the operation and maintenance of the facilities.

Over 17 million tonnes of mixed waste continues to be deposited to landfill in the UK, demonstrating that the works required to complete this transition are far from complete and further significant investment in new infrastructure continues to be required. This large investment (estimates range up to £20 billion) depends significantly on the confidence of investors and developers in the future of this market and we consider that it is imperative that Government understands the scale of works still to be undertaken. This is especially true for the facilities that are designed to recover the energy embodied in the residual waste that remains after minimisation, reuse and recycling. These facilities are some of the most difficult to deliver, taking longest to develop and the most capital to construct.

Contrary to the views of a vocal minority, the UK is heading for a significant capacity gap for residual waste treatment. A number of recent reports have given forecasts of the scale of works still to be completed and have ranged in conclusion from almost 'job done' through to a requirement of many more millions of tonnes of facilities over the next 10 years and beyond. The Green Investment Bank has just published its own analysis which has confirmed the industry's fears of a significant capacity gap. Given this range of uncertainty the parties to this letter consider it necessary to confirm their jointly agreed understanding of the works still required to be completed.

The majority of investment in new residual waste treatment infrastructure has been deployed for municipal household waste. Very little infrastructure has or is being built to service that residual waste arising from the commercial and industrial sector. We believe that the Government should launch a coordinated investigation into how we can deliver the critical waste treatment infrastructure that Britain needs. This would unlock investment, jobs and growth and would keep waste management costs down across the UK thereby supporting the rest of the productive economy.

We the undersigned consider, based on our own data, knowledge and assessments, that development and investment needs to continue in energy recovery from waste facilities, as well as recycling facilities, and that there is a residual waste treatment capacity gap of at least several millions of tonnes that will still need to be delivered though and beyond 2025. This capacity is in excess of those facilities currently expected to be delivered in the next 10 yrs. Government needs to recognise this and continue to work with industry to deliver the necessary data, policy environment and confidence to support this ongoing need.

I am signing this letter with agreement from and on behalf of the organizations and companies listed below.

Yours sincerely

Barry Dennis

Environmental Services Association
Chartered Institution of Wastes Management
Sita UK
Veolia Environmental Services UK Plc
Cory Environmental Services Ltd
Grundon Waste Services Ltd
Renewable Energy Association
Ricardo-AEA