



Revision of the system for greenhouse gas emission allowance trading within the Union

EurEau relating to Sewage Sludge, Municipal Waste Incineration Installations (MWII) and the EU-ETS

Summary statement

The European Parliament calls for the inclusion of MWIIs in the EU-ETS. EurEau does not support this proposal. Due to regulatory requirements or contamination, sewage sludge may have to undergo thermal treatment, including in municipal waste incineration plants.

If MWIIs were to be included in the ETS, sewage sludge should have a zero greenhouse gas (GHG) emission value as it is overwhelmingly composed of biogenic carbon.

In any event, mono-incinerators of sewage sludge should remain excluded from the EU-ETS.

Justification

The Emissions Trading Directive (2003/87/EC) stipulates that the operation of certain installations with regard to GHG emissions (CO₂, in some cases also perfluorocarbons, nitrous oxide) is to be subject to an emissions trading system.

The European Parliament proposes the inclusion of MWIIs in the EU emissions trading system from 2026. EurEau strongly rejects this proposal. Such a regulation would not have any climate policy steering effect but cause considerable additional administrative burdens and related costs for the companies concerned.

Implications for waste water treatment plant (WWTP) operators

Sewage sludge is an unavoidable by-product of urban waste water treatment. According to article 3.2(b) of directive 2008/98/EC on Waste, **sewage sludge is excluded from the definition of 'municipal waste'.**

Half of the sewage sludge is used as bio-solids on farmland. This does not only close the nutrient loops for phosphorous and nitrogen, it also binds carbon in agricultural soils. In a number of cases, this route is not possible:

- ~ the effective treatment of particularly polluted waste water leads to the contamination of sewage sludge;



~ national policies limit/ban this route, often driven by competition with farm manure.

In those cases, thermal treatment must be available to maintain the functioning of WWTPs and protect public health and the environment. In the case of larger WWTPs, mono-incineration with phosphorous recovery may be a viable option.

However, co-incineration with municipal waste is a wide-spread solution, as building an on-site mono-incinerator is often not economically viable for smaller WWTPs and may affect the affordability of water services.

According to the IPCC¹, **the fossil carbon contained in sewage sludge can be neglected** and many Member States consider the carbon contained in sewage sludge as biogenic with a short carbon cycle. **Its incineration has therefore no significant influence on overall GHG emissions.** Several countries are moving towards thermal treatment as the preferred end-of-life route.

Conclusions

EurEau supports the EU Commission draft which does not foresee the inclusion of MWIP in the emissions trading obligation. If the co-legislators decide to include these installations, **it will have to be ensured that the co-incineration of municipal sewage sludge** - just like other biogenic waste fractions - **is allocated a zero emission value** without proof of sustainability according to the Renewable Energies Directive.

EurEau further requests that **mono incineration plants**, as far as they only use sewage sludge, screenings and screening residues, except for auxiliary and back-up firing purposes, **should not be included in the ETS.** Several Member States have legal obligations for waste water operators to build such incinerators and recover phosphorus from the ashes. **Such plants should be considered as biomass plants burning biogenic carbon** in order to avoid additional costs and disproportionate administrative burdens due to monitoring and reporting obligations for the companies concerned.



¹ 2006 IPCC Guidelines for National Greenhouse Gas Inventories – Chapter 5: Incineration and Open Burning of Waste. - Section 5.4.1.2 FOSSIL CARBON FRACTION (https://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/5_Volume5/V5_5_Ch5_IOB.pdf)