enabling new business

Australia: Market Snapshot
Energy from Waste

Australia is one of the largest producers of municipal waste per capita and the volume of waste is continuing to increase due to **population growth, urbanization** and the **expansion of key waste producing industries** (e.g. building and construction).

The **'recycling crisis'** resulting from the China National Sword waste import restrictions introduced in January 2018, led the federal government to update the National Waste Policy to focus on reducing waste, increasing recycling, and **exploring energy from waste (EfW) projects.**

EfW is gaining momentum as an alternative waste treatment technology in Australia, with federal, state/territory & local governments supporting and funding more large and small-scale projects. Since 2015, the federal government has invested over A$179m (~CHF109m) in bioenergy projects through the Clean Energy Finance Corporation (CEFC).

KEY FACTS – WASTE MANAGEMENT IN AUSTRALIA

- In 2017-18, Australia generated 54.5MT of 'core waste' (equivalent to 2.2 tonnes per capita); by 2050, the volume of core waste is predicted to almost double to reach ~100MT per year.
- Energy is recovered from only ~3% of waste; ~40% is disposed to landfill and ~55% is recycled.
- Bioenergy accounts for ~4% of total energy consumption in Australia, less than half the EU average.
- The CEFC estimates the long-term potential for electricity from biomass to be as much as 72,629 GWh/year by 2050, roughly 40x the current level.

At present, there are **two large-scale EfW projects in development in Australia:**

→ Kwinana Energy from Waste Project - Australia's first, A$696m (~CHF438m) thermal EfW facility near Perth that will process ~400,000 tonnes of waste per year to produce 36MW of baseload power; and

→ East Rockingham Resource Recovery Facility (ERRRF) – A$495m (~CHF312m) facility near Perth that will recover 28.9MW of power by processing up to 330,000 tonnes of residual waste per year.

The EPC contract for the ERRF was awarded to a consortium which includes a Swiss company also. Overall, there is evidence of ***strong demand and a general preference in Australia for proven, world-class European EfW expertise*** *– which other Swiss companies should also capitalize on.*

RECOMMENDATIONS

- Swiss companies should seek to become involved in the early phases of EfW projects where possible - acknowledging that the project development cycle (from conception to construction) for large-scale EfW projects in Australia is currently a relatively slow process (~7-10 years).
- Swiss companies are also encouraged to visit the market to gain a better understanding of the local landscape.
- Key industry events to consider attending in 2020 include the Australian Clean Energy Summit / Energy Next in Sydney (14-15 July), and Waste Expo Australia / All-Energy Australia in Melbourne (21-22 October).

Opportunities on the Horizon

→ The federal government's Australian Recycling Investment Fund (managed by the CEFC) is investing **A$100 million** (~CHF61m) in large-scale projects/technologies that reduce landfill. This will create more opportunities for Swiss technology providers to partner with local companies in the sector.

→ At present, there are **over 30 EfW projects proposed across Australia** at different stages of development, which present varying levels of opportunity for Swiss companies to become involved.

→ Australia's first **National Bioenergy Roadmap** (due mid-2020) is also expected to spur growth.

→ **Landfill monitoring, management and remediation solutions** and services that minimise pollution are needed, especially as more landfill sites across Australia reach capacity.

→ **Innovative recycling solutions** will also continue to be in demand – including technologies for upcycling different waste streams (e.g. plastics, construction waste, E-Waste, tyres).

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