

Global Alliance for Incinerator Alternatives
Unit 330, Eagle Court Condominium
26 Matalino Street, Barangay Central
Quezon City, Philippines 1100
Telefax: +632 - 436 4733

28th February 2013

To the European Commission – Climate Action,

GAIA welcomes the opportunity to respond to the “Consultation on structural options to strengthen the EU Emissions Trading System”.

GAIA is a worldwide alliance of more than 800 grassroots groups, non-governmental organizations, and individuals in over 93 countries whose ultimate vision is a just, toxic-free world without incineration. Our expertise lies in the fields of waste management, renewable energy, and resource efficiency. Our mission is to prevent the spread of incinerators and other polluting, end-of-pipe waste technologies, as well as to reinforce the movement for environmental justice, local green economies, and creative zero waste solutions.

We have been following the development of the EU ETS in recent years, as our growing concerns have confirmed that the system has not only failed to meet its own aims to reduce GHG emissions in the EU, but has also undermined successful waste policies that are delivering real emission reductions both at the European level and internationally. GAIA has presented our testimony about the EU double standard on waste and climate policy to the European Commission on multiple occasions, together with several members of the European Parliament, but unfortunately no action has been implemented to correct the various identified flaws.

On the one hand, the EU policies on municipal solid waste (MSW) management are articulated around the principles of the Waste Hierarchy, which prioritises waste reduction, reutilisation, and recycling. Furthermore, MSW management in Europe is successfully taking steps towards more organic waste diversion from landfills and increasing recycling rates, in the spirit of developing an increasingly efficient use of natural resources.

On the other hand, the EU Emissions Trading System (ETS) undermines these waste management policies in two major ways:

1. The EU ETS allows member states to buy Certified Emission Reductions (CERs), generated by projects developed under the Clean Development Mechanism (CDM)—including landfill gas systems (LFG) and waste incinerators, the very disposal methods at the bottom of the Waste Hierarchy.

Please see attached the GAIA report [*The EU's Double Standards on Waste and Climate Policy*](#), that clarifies how, by buying carbon credits from CDM-backed MSW projects, the EU is actually fostering the generation of toxic emissions, jeopardising current practices of recycling and composting, and filling up the EU ETS with carbon credits that are in reality “non-additional”—that is, carbon

credits that do not represent real GHG emission reductions. Ultimately, the EU is supporting waste management projects in developing countries that would be illegal on European soil. **Therefore, CERS from landfill gas systems and incinerators need to be banned in the EU ETS without delay.**

This report has been [presented at the European Parliament](#) with the support of all the major political parties and the contribution of the DG Climate Action. Further conversations around this matter have led ten MEPs and more than 50 civil society organizations to support this [letter](#) to the European Commission demanding an explicit ban to CERs from landfills and incinerators.

2. The EU ETS allows the use of municipal solid waste as fuel in cement kilns and it considers this incineration activity to be carbon-neutral, resulting in the systematic underreporting of the emissions in this sector. As showed in the second attached report to this letter, *Cement, waste and climate change. Problems related to waste incineration in cement kilns under the EU ETS*, the use of municipal solid waste as fuel in cement kilns has become a major source of toxic pollution, social unrest, and an obstacle to real sustainable waste management options that prioritize prevention, reuse, and recycling. Thus, on top of the over-allocation of EUAs enjoyed by the cement sector, the cement industry is saving up to 50% of its EUAs, thanks to this methodological mistake. In short, the cement industry has not reduced emissions as it claims, and their climate strategies are an obstacle to the development of truly sustainable policies and projects in the waste sector.

Regarding this issue, GAIA, Ecologistas en Acción and the Coordinadora Estatal en contra de la Incineración de Residuos en Cementeras, recommend that:

1. **The burning of waste be excluded from the EU ETS;**
2. **Accounting of biogenic emissions be a requirement for any activity included under the EU ETS, and “hot air” resulting from previous inaccurate accounting be cancelled out; and**
3. **The freely allocated allowances given to the cement sector be retired, and the criteria to include them under the “carbon leakage” category be revised.**

We hope that this feedback is instrumental in the proper development of European climate policies. GAIA will be available to provide any further information you may request.

Sincerely,



Mariel Vilella
GAIA Climate Policy Director