

Croatian draft Waste Management Plan (WMP) including Waste prevention programme (WPP) and “Action Plans”

COMMENTS

DG REGIO, DG ENV and JASPERS

Background:

These comments represent informal views of the Commission services on the draft Waste Management Plan (further “WMP”) including Waste prevention programme (WPP) and “Action Plans” (further “AP”¹) sent by the Croatian administration.

Commission (informal²) feedback to Croatia is intended to help to improve the quality of the plan and related document (and thus speed up the appropriate finalisation and fulfilment of EAC 6.2) as well as to highlight important aspects/ requirements for ESIF/CF funding in order to foster effective and timely delivery of the proposed investments to meet HR 2014-2020 programmes objectives and targets in the field of waste management.

1. General

- Document presents ambition (welcomed) to integrate the EU “Circular Economy Package” elements and the Croatian (HR) targets stemming from the Accession Treaty obligations in the WMP. Promoting separate collection and recycling schemes is welcomed and necessary as well as identifying relevant waste management infrastructure. Plan should approach all waste streams in an integrated way including the needs for basic infrastructure for the waste management.
- Croatia was amongst 8 countries covered by the compliance promotion exercise on waste completed last year. This resulted in a set of concrete recommendations (a roadmap, beginning of 2016) for Croatia regarding actions to take to improve waste management. Please re-check the WMP against the document.
- Although WMP includes ambitious targets, it does not provide a thorough analysis of the status of the current waste management system, as well as the framework for its transition to the proposed new system, in line with EU waste policy. Many of the expected justifications are missing as well as an integrated vision and a realistic timeline of the different transition stages and the effective completion of the necessary underlying investments and sustainable governance structures (considering economies of scale, cost benefit analyses and option analysis). Plan should approach all waste streams (currently the weight seems to be on municipal waste) in an integrated way including the needs for basic infrastructure for the waste management.
- The content of WMP/WPP is specified in Articles 28 and 29 of the Waste Framework Directive. As certain instances of non-conform transposition of Articles 28 and 29 are pursued under infringement case 2015/2160, we remind you to ensure that the content

¹ action plans for the type of projects planned by HR to be financed under HR OPCC 2014-2020

² Formal feedback will follow the CPR procedure: notification on fulfilment of EAC 6.2 through SFC system by MS, followed by COM assessment and formal reply.

of WMP/WPP is in line with the Directive and not the national legislation transposing Articles 28 and 29 in a non-conform manner.

Specific comments / key issues

2. WMP (and APs)

- Unclear presentation of the **current waste management** system: the new plan should present a more detailed overview of all waste generated (by specific stream), e.g., waste quantities and composition to be managed. The new plan should provide a clear framework for complying with waste policy and achieving targets with the steps necessary to move from the current situation to the new one and the time required to do so. Such comparison with the performance of the current waste management system will contribute to demonstrate clearly how the proposed system will achieve its objectives.
- Lack of integration among action plans: The EU encourages the design of integrated waste management projects, which clearly manage the waste flows in a given geographical area: from generation and collection to the final point of disposal, including transfer, sorting, and treatment, as well as residues from sorting and treatment facilities. The new plan does not really explain how the nine action plans are integrated; inserting flow charts would help the reader understand and track the full life cycle of waste. As regards construction and demolition waste, the analysis is not detailed³, as well as the measures to achieve a more sustainable management of this waste stream⁴. The same applies for other significant waste streams, such as agricultural waste, mining waste, industrial waste, etc.
- The new plan should present the new infrastructure as an integrated network of facilities that follow the waste hierarchy logically. The plan should present this proposed combination of treatment methods cohesively for each county / region in Croatia.
- **Capacity for managing residual waste:** there is no clarity on the amount and treatment methods planned for the residual waste (*is there any waste to energy investment planned to be included in WMP, even if not implemented in the end?*).
- The new plan has reduced the capacity of the planned WMCs by 75% and intends to replace the MBT equipment and technologies – although new technology is not yet known /presented in the Plan.
E.g. 8 WMCs⁵ are foreseen (under this draft WMP) with a capacity to manage 14-21% of the current amount of generated waste. HR plans that remainder will be treated in

³ A more detailed analysis can be found at:

http://ec.europa.eu/environment/waste/studies/deliverables/CDW_Croatia_Factsheet_Final.pdf

⁴ Some best practices can be found in a recent study conducted on behalf of the Commission:

http://ec.europa.eu/environment/waste/studies/mixed_waste.htm#deliverables

⁵ Piskornica, Babina gora, Lecevicica, Lucino razdolje, Orlovnjak, Sagulje, Doline, and Grad Zagreb

90 sorting/composting centres (this seems very challenging to achieve given that the recycling rate in 2014 was 17%).

It is unclear what the composition of the remaining waste will be and what kind of treatment technologies will be needed. In addition, the projects to ensure the infrastructure (recycling yards, sorting...) are to be finalised in 2019 the earliest, without explanation how the waste will be treated in the interim period.

- Unclear basis for proposed figures; for example, why does the action plan specify 220 recycling yards? Why would they receive 581,000 t/y of waste? This seems like a very large amount; which types of waste will go there? How do they differ from the recycling centres? Actually, the action plan for recycling yards mentions that the 90 recycling centres will also have recycling yards.

The capacity and selection of the new waste management facilities should be based on sufficient information and location criteria based on the forecasts of future waste streams as well as the associated needs for new collection schemes, recovery and disposal installations. The new plan should present a concrete list of sites for waste facilities or a detailed set of criteria for site identification.

- **Absence of option analysis and cost-benefit analysis (CBA):** the new plan would build a larger number of smaller facilities (e.g. 90 recycling (sorting/composting) centres). Usually, smaller facilities cost more to build and operate (on a per ton basis) as they do not benefit from economies of scale. Management of separately collected waste should be clarified (concessions?). The new plan should at a minimum review various options for separating and sorting waste and justify the choice of one option based on a rigorous CBA.

All of the Plan's components should be subject to similar CBA. For example, one of the action plans specifies a €32 million investment in home composters; Home composters benefit the waste management system; however, their impact in reducing the quantity of biodegradable waste is usually very small.

- The current level of analysis does not sufficiently justify the reduction in treatment capacity: More data are required to match the quantity and composition of waste to be managed with the new system of collection, sorting, recycling and recovery. What would be the new technology required and what would be its investment and operating costs? Before coming up with final decisions, the plan should evaluate the economic consequences of the investments and operating costs and the future level of user fees and charges.
- The new plan should evaluate each initiative and measure in terms of their economic consequences and include them in a final overview showing the cost of achieving the objectives.
- The new plan would require significant future investments. To estimate these investments on a reliable basis and overcome forecast uncertainties, the plan could consider a number of scenarios with variations in waste generation and treatment.
- Inconsistencies in figures to be checked; e.g. why does the waste composition differ between Tables 9 and 1? Paper/cardboard is 23.2% in Table 1 and 20% in Table 9; plastic is 22.9% in Table 1 and 18% in Table 9.

- Basis for the scenarios to be clarified: what is the basis for the assumptions used to estimate the quantities of waste separately collected (78% of the plastic –14%/18%; 80% of the paper/cardboard –16%/20%)? They seem to be rather optimistic. PET (polyethylene terephthalate) bottles are relatively easy to recycle, but many other types of plastic are not and the plan should take this into account. The last column of Table 9 should also take into account the sorting efficiency – always less than 100%, probably close to 60-70% depending on the operation of the sorting plants and on the efficiency of separate collection; residues from sorting plants will have to be landfilled or sent to an energy recovery facility.
The plan also assumes that 50% of the 390,000 t of bio-waste will be collected separately and treated biologically. How will this separate collection be implemented (including islands?)? Where will this bio-waste be treated?
- Measures to achieve targets don't even always follow the targets. They are vague, not detailed and developed enough, and mostly stating what needs to be while not responding on how it will be done (seems like goals, not measures). Most measures include changes to the legislation which makes the implementation more difficult in the short/medium run⁶. Deadlines for the local administration according to the plan do not follow its ambitions (most deadlines are for 2019).

3. Waste prevention programme - WPP

- Although being one of the main criteria, Waste prevention programme within WPP is limited to two pages and does not include sufficient details to understand the actions that will be undertaken to achieve a reduction of the waste. It does not take into consideration mining sector, productive industries, service providers or consumers. Regulatory strategy is missing without any reference to taxes, incentives, pay-as-you-throw scheme, extended producer responsibility, Eco design...
- WPP needs a higher level of ambition and clearer links with the WMP.
- Croatian authorities are invited to consult the European Commission guidelines for the preparation of the WPP:

<http://ec.europa.eu/environment/waste/prevention/pdf/Waste%20prevention%20guidelines.pdf>

4. ESIF/CF investments

- General: HR needs to progress with urgency in development of quality project pipeline in line with the OP and ESIF funds requirements. *COM already invited HR⁷ to assess the impact of policy change on the current waste project pipeline and propose actions for sufficiently mature ESIF project pipeline to be delivered in due time (in 2014-2020 programming period).*

⁶ In particular given the current political situation in Croatia.

⁷ EAC 6.2 delay letter Ref. Ares(2016)2053469 - 29/04/2016

- Investments under WMP planned to be financed under OPCC (SO waste (6i):
All investments planned to be financed under OPCC 2014-2020 should be in line in line with the OP and ESIF funds requirements and should support meeting the objectives and targets defined in the performance framework (cf. indicators for 2018 and 2023).

Proposed investments (Action plans for WMCs, recycling yards, composting etc..) are fragmented and not justified: there is no clear/integrated approach in planning the necessary infrastructure in specific region/area (covering all waste streams), the needed capacity for basic infrastructure should be clearly specified as necessary for planning of EU projects, - no economies of scale. Proper justification is missing with CBA and option analysis for the chosen investments.

Following to the definition of (realistic) project pipeline and investments (that could be implemented within OPCC 2014-2020) selection criteria should be developed with clear link to contribution to OP results and targets.

Please note: Action plan/ Concept for the EU planned investments could be annexed to the WMP or provided to DG REGIO as separate document (for justifying OPCC SO 6i planned investments) but it has to be prepared in line with a.m. approach (e.g. integrated approach with CBA and option analysis).

In parallel with development of new/revision of planned infrastructure projects, HR should speed up implementation of ongoing projects: WMC Bikarac (phased from 2007-2013 OPE) and new Biljane Donje project (WMC, Zadar county), as well as remediation of landfills (e.g. “hot spot” Sovjak pit project and others in the pipeline). Further projects could be defined and developed (in line with a.m. requirements) in the field of waste prevention, recycling and re-use.