

1.0 Summary of Recommendations

Considerable progress appears to have been made in recent years against the targets in the directives, such that Slovenia has a good chance of fulfilling the recycling target of 50% by 2020. In view of the amendments to legislation, the establishment of regional waste management centers, and the presence of a landfill tax, landfilled quantities of waste are expected to decrease. However, issues with the waste management data mean that it is not possible to be sure as to the performance of the systems currently in place.

Recommendations for Slovenia – which should help ensure it meets the targets - can be summarised as follows:

1. Particularly if the cost of residual waste treatment remains relatively low, local authorities should be assigned recycling targets. Sanctions are suggested to give substance to the targets; as an alternative, Slovenia could introduce a residual waste levy such as is in place in Wallonia.
2. Particularly if targets are not devolved to the local level, Slovenia should act to increase the cost of residual waste treatment and disposal:
 - a. By increasing the current rate of landfill tax (leaving in place a lower rate of tax for the stabilised output from MBT systems)
 - b. By introducing a residual waste tax on the other non-recycled outputs from MBT systems (including outputs to thermal treatment).
3. Undertake a review of the performance of the producer responsibility scheme. This should cover the costs of the scheme, including consideration of whether the current centrally determined price structure is constraining investment in recycling. In addition, options should be explored to ensure quantities reported by producers match the quantities placed on the market and to reduce the amount of 'free riders'.
4. Increase the capacity of the Waste Division to ensure it has sufficient resources to fully implement the operational programme and associated plans as well as carry out related projects
5. Actions to support re-use activities, tackling such streams as food waste, plastic bottle waste, alongside credits for third sector organisations to support the activities of the re-use centres
6. Improvements to data capture and management systems
7. Review performance of biowaste collection systems
8. Nationwide roll out of PAYT schemes

2.0 Potential Issues with approach to Waste Management

Number	Potential issue	Description	Reasons for the issue
1	Lack of financial incentives at a local level to improve performance	Although some municipalities are performing very well, the performance of waste management systems varies at a local level throughout the country with respect to levels of recycling.	<p>An active NGO sector has helped to create positive role models through promoting the take-up of zero waste policies. Other campaigns have also helped to raise awareness in the population with regard to waste issues. These activities have helped to significantly improve the performance in some areas.</p> <p>However, local authorities bear the brunt of the costs of implementing the producer responsibility system. The cost of the system is largely centrally determined as government sets the fees for the producer responsibility schemes. In addition, targets have not been devolved to the local authorities and local authorities do not have the freedom to invest in improving their systems. Furthermore, the level of landfill tax is relatively low (at €11 / tonne). There is currently no clear plan to increase this, and there are no plans to tax the other non-recycled outputs from the MBT systems.</p> <p>There is thus a lack of incentive to improve performance at a local level.</p>
2	Delays in responding to legislative requirements	Slovenia has received a letter from the European Commission relating to a formal notice for infringement of Directive 2008/98 / EC on waste, as it has not yet adopted a waste prevention program, although this is due to be in place in January 2016.	A relatively small division of the Ministry of Environment and Planning is responsible for many aspects associated with the development and implementation of waste planning and legislation, and appears to be somewhat under-resourced.

Number	Potential issue	Description	Reasons for the issue
3	Issues with data consistency, leading to a lack of accurate data on performance	<p>There are differences between the Eurostat data and the figures used in the Operational Programme.</p> <p>The Ministry is currently responding to a report by the Court of Auditors which indicates there are inconsistencies between the different datasets. Although not all of the issues raised in the report necessitate a change in the current approach (such as the need for additional incineration capacity), analysis undertaken in this project confirms data inconsistencies exist. Therefore it is difficult to be sure whether performance is as good as that indicated in respect of the performance against waste framework directive targets. The operational performance of biowaste collection systems is similarly unclear, making it difficult to ensure that future treatment capacity will be adequate.</p>	<p>Different definitions appear to be used in the different datasets, and the rationale for differences is not always clearly stated.</p> <p>Figures for the amount of packaging placed on the market are inconsistent with the amount of material appearing in the waste stream when calculated from the composition data – the latter being a much larger amount. Not all of the separately collected material is actually recycled material, and there appears to be a considerable gap between the quantities of waste generated and treated, which, in turn, affects the calculation of recycling rates. As a result the rates of plastic waste recycled also appear to be unrealistically high (consistent with this being calculated from the lower, “treated” figure).</p> <p>For biowaste, the authorities do not have a clear idea of the quantities of food and garden waste captured as no waste sampling appears to have been undertaken at a local level; current values used to assess performance are based on estimates.</p>
4	Cost of waste management not covered by the original waste producer	<p>Waste charges are not directly connected with the actual waste generated (e.g. in households or stores) or with the actual waste management cost associated with each type of product.</p>	<p>The extended producer responsibility (EPR) scheme is limited to the legally required waste streams and the scheme fees do not cover all the costs of managing the packaging (as above, local authorities bear the brunt of the cost). It is estimated that a considerable amount of packaging waste is not correctly accounted for (free riders, underestimation of packaging placed in the market).</p> <p>PAYT schemes are currently in place in some areas of the country, but are linked solely to the cost of the residual waste bin, based on its size.</p>

3.0 Recommended Measures

Measure	Type of instrument	Responsibility	Estimated costs	Available EU funding	Anticipated impact
1) Increase capacity of the Waste Division					
Increase the capacity of the waste division to ensure it has sufficient resources to fully implement the operational programme and associated plans, as well as carry out related projects.	Administrative	Government Republic Slovenia	Low cost	n/a	Will address issue 2.
2) Provide increased incentives for local authorities to improve their recycling systems					
Particularly if the cost of residual waste treatment remains relatively low, local authorities should be assigned recycling targets so that those responsible for waste collection can ensure that the service delivery, and the structure of incentives, is of a standard that delivers the required performance. It is suggested that sanctions are needed to give substance to the targets. An alternative is to put in place a residual waste levy, such as has been introduced in Wallonia.	Administrative	MOP	Low cost	n/a	Particularly if undertaken in conjunction with recommendation 3, will address issue 1, thereby improving recycling rates in those areas that are currently underperforming.
3) Review of Extended Producer Responsibility System					

Measure	Type of instrument	Responsibility	Estimated costs	Available EU funding	Anticipated impact
<p>Undertake a review of the performance of the EPR scheme. At a minimum the costs should cover the cost of the separately collected fraction; ideally the full costs of collecting the non-recycled fraction would be covered for all streams (including that within the litter and residual waste fractions). Options should be explored to ensure quantities reported by the producers match the quantities placed on the market and to reduce the amount of 'free riders'. The review should also consider whether the current centrally determined price structure is constraining recycling, taking into account the relative costs of sorting waste and the comparative cost of residual waste in different municipalities. If this is found to be the case, government should consider a redesign of the scheme to allow municipalities more control over the costs such that they have more freedom to invest to improve the system.</p>	Administrative /Legal	MOP / Company for management of packaging waste (DROE)	Low cost to government; costs for producers may increase	n/a	More funding for recycling schemes at a local level, thus helping to address issue 1. Will also tackle issue 4 by linking the cost of collection service more closely to the fees paid by the producer.
4) Taxes applied to Residual Waste					
<p>Particularly if recycling targets are not devolved to local authorities as described above, the current rate of tax applied to landfill should be progressively increased in future years, to a level sufficient to act as an appropriate financial incentive to recycling. Tax rates should be lower for the stabilised outputs from MBT systems. Tax levels should be announced a number of years in advance.</p>	Fiscal	MOP	Waste producers will bear the costs	n/a	Increased incentive for recycling activities through increasing the cost of alternatives, thus helping to address issue 1.

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A tax should also be introduced to cover the other non-recycled residual treatment outputs, announced for a period of years ahead, at increasing levels. This should cover waste sent to thermal treatment, including that sent overseas for treatment from MBT systems at incineration plant – this can be done by taxing the output from these systems.	Fiscal	MOP	Waste producers will bear the costs	n/a	Increased incentive for recycling activities through increasing the cost of alternatives, thus helping to address issue 2.
5) Improvements to data capture and management systems					
Undertake a review of calculation methods, including the definitions used when undertaking the calculations. Associated documentation should ensure transparency of calculation methods, and that there is read across between the different systems subject to the differing reporting requirements.	Administrative	MOP / Statistical office	Low cost to government	n/a	Clearer understanding of performance against national and European targets. Will address issue 3.
6) Actions to support an increase in re-use and prevention activity					
Government should consider integrating re-use activities into the existing EPR scheme. Other activities that should be reflected in the forthcoming waste prevention plan include actions tackling plastic bottles and food waste – in the case of the latter, the recent work in Ljubljana provides a good case study. The Re-use centres could be supported by developing a system of re-use credits supporting the activities of the third sector.	Administrative / fiscal	MOP	Low / moderate cost to government	Funding available for capital items	Will assist in the achievement of future targets, as well as contribution to landfill directive and waste framework directive targets.

Measure	Type of instrument	Responsibility	Estimated costs	Available EU funding	Anticipated impact
7) Review performance of biowaste collection system					
Undertake a review of performance of the biowaste collection system. This should cover collection system performance – including the capture rate of food and garden waste – as well as treatment infrastructure requirements. Performance should be benchmarked against schemes operating in other countries such as Italy.	Administrative	MOP	Dependent upon the outcome of the review	EU funding available for capital items if required	Improve performance against landfill directive targets.
8) Nationwide roll out of PAYT schemes					
PAYT schemes should be rolled out once the separate collection system (based on door to door collection schemes) is in place in each area and fully operational. Differential charges should be in place for residual waste, organic waste and recyclables. Government should provide guidance to the municipalities on how to structure the charging system, although municipalities should have freedom to set their own charges.	Administrative/Legal/ Fiscal	MOP in consultation with municipalities	Dependent on the system to be implemented.	Maybe be able to use structural Funds	Improve waste charging, which will be directly connected with waste generation. This way recycling will be promoted while at the same time waste producers will cover full cost for the management of the waste they generate. Will help to tackle issues 1 and 4.

3.1 Timeline for introducing the Proposed Measures

	2015	2016	2017	2018	2019	2020
Increase capacity of waste division		Complete				
Increased incentives for local authorities		Announcement	In place			
Review of Producer Responsibility scheme		Announcement		In place		
Taxes applied to residual waste		Announcement			In place	
Review of data systems		Complete				
Supporting re-use activities				In place		
Review performance of biowaste collection systems				In place		
Rollout of PAYT schemes			Announcement		In place	