



EUROPEAN UNION

Delegation of the European Union

Skopje, 25 April 2012

**Strengthening the central and local level administrative  
capacities for implementation and enforcement of waste  
management legislation**

***(EU-funded project)***

Speech  
Aivo Orav  
Head of Delegation  
European Union Delegation

**Dear Minister Ademi,**

**Ladies and Gentlemen,**

It is an honour to welcome you today at the EU InfoCentre. I would like to extend a warm thanks to all of today's speakers and participants.

EU waste management policy aims to reduce environmental and health damages of waste and improve Europe's resource efficiency. It is one of the most difficult policies and very costly to implement. The sector is important in the accession process. The implementation of waste management legislation is part of the Accession Partnership short term priorities.

The country is receiving assistance from the EU through the Instrument for Pre-Accession, but the major financial burden lays on the national budget. Implementation of the environmental acquis needs large investments. These costs pose an enormous challenge for the country.

In order to assist the difficult process of reforms in the environmental sector the EU is continuing to provide assistance both for the transposition and implementation of the law:

- In the past period, 47.6 MEURO from CARDS Programme managed by the European Agency for Reconstruction were spent to support the country. This assistance was used in approximation of environmental legislation, implementation of legislation, construction of infrastructure facilities, supply of necessary equipment, contribution to sustainable development of municipalities and NGOs in the cross-border areas.
- The EU assistance in the environment sector is continuing under the IPA Programme. Up to date, 54 MEURO are dedicated for institution building activities as well as for investment projects.

The main challenge in the waste management sector now is related to:

- 1) continuous legislative alignment with the acquis;
- 2) enhanced administrative capacity of institutions to implement environmental legislation; and
- 3) improved capacity to plan and implement investment projects.

Effective implementation and enforcement needs involvement of all stakeholders.

The current discussion is a step towards the right direction. To get the support and active involvement of the national authorities and the stakeholders is of immense importance for the success in the establishment and implementation of the integrated waste management system. There are two important aspects of waste management financing to be considered:

- 1) how to finance capital investment expenditure for the provision of waste management facilities and equipment; and
- 2) how to finance the recurrent costs incurring during operation.

Accordingly, a policy for recovering the costs of waste management needs to determine:

- the total amount of recurrent funding needed each year; and
- how this will be provided.

The minimum amount of recurrent funding must cover: 1) the direct operating expenditures and 2) debt service obligations. Sufficient revenues must be generated to cover annual cash outflows. The objective for a facility or service is

to become self-financing. This requires facility to generate and set aside funds sufficient to maintain asset values, finance long-term liabilities and provide a return on investment.

Today's event is a part of the process of stakeholders involvement and should contribute to the better understanding of the "polluters pay" principle. This, in turn, will allow to better apply the new approach on waste management financing in the future.

*Ladies and Gentlemen,*

Implementation of waste management legislation is a complex and demanding process, but it will bring the citizens closer to EU standards in the field of environment. I strongly encourage you to share your opinion on this important topic.

Thank you!