

Waste Framework Directive – EU Compliant Implementation by the Hungarian Act for Promoting Environmental Sound Waste Management

Zoltán Illés

One of the most fundamental changes in the new European Union's new waste management legislation is that the former waste legislation mainly focused on the avoidance of the negative health and environmental impacts, while the new Directive strongly emphasises waste prevention.

Waste prevention does not focus on the *end of pipe solution*. Instead, the goal is to focus on the classical waste management tasks and work on fixing the root of the problem, which includes certain economic and social activities. The increased efficiency concerning the use of natural resources has become part of waste prevention and waste management.

Improving Hungarian situation

These changes are consistently implemented and enforced in the Hungarian waste management legislation.

Transparency, controllability, accountability are all fundamental aspects of the Hungarian waste management legislation. Predictability and equal opportunities for the Hungarian market players are also closely connected to this concept.

In order to achieve the objectives mentioned above, the preparation of the new waste legislation for the whole waste management sector began at the second half of 2010. This waste legislation is based on two main pillars.

The work started with the preparation of two imperative laws. First, the new LXXXV Act of 2011, relating to environmental product fees was accepted by the Parliament which came into effect on January 1, 2012.

The next step was the new waste act, which is under discussion at the Hungarian Parliament after a thorough preparation. This act will presumably be accepted by the Parliament by autumn – possibly during this conference. If passed, the new waste law will come into effect in 2013.

Both legislations fully correspond with the functioning Waste Framework Directive, and correct the significant negative mistakes and deficiencies in the former waste management system. Implementation of new regulations will follow the new laws. According to our predictions, the new waste legislation will implement roughly 40 new laws, which will form a coherent and well-controlled system. Therefore there will not be any obstacles in the implementation of the Waste Law.

It is important to emphasise the issue that the new government had to provide a modern and solid foundation for waste management, which has not been updated since mid-2010. In order to follow the EU requirements, it is necessary to implement waste recovery and address additional issues. It is also important to emphasise that the Waste Framework Directive lets the Member States have a two-year grace period. However, the previous government had not fulfilled this obligation until mid-2010.

The present Hungarian government started the preparation of the whole legislation in the summer of 2010, which is in compliance with the requirements of the Waste Framework Directive.

The former legislation was not fully in line with the EU requirements and did not mitigate environment-polluting tendencies. It is a product of an eight-year-long legislative process, which means that there were several leaders lobbying different interests in the former Ministry of Environment. As a consequence, the preparation was not coherent. Furthermore there was no compliance with the actual EU requirements and included several regulations that were contradictory and difficult to follow.

This was partly the reason why the Hungarian Waste Management had to be radically changed. However, the lack of proper databases and the several contradictions slowed down the revision process and delayed the arrangement of the new system, including the Waste Act.

During the consideration of the urgent tasks two principal decisions were made. First, it was realized that under the former product fee regulation, the waste management goals could not be fulfilled. The former system was not transparent, could not be properly controlled, and the *polluter pays* principle was not successful. To manage these issues, a bigger role is required from the state. Thus, these problems were taken into consideration and the new Environmental Product Fee Act was the result.

The other important decision was that a new Waste Act is necessary. The present one neither follows the Waste Framework Directive (it does not properly include the obligatory EU recovery objectives), nor is in line with the modern aspects of the environment, mainly waste management principles. The new coherent legislation will be based on a solid foundation and be predictable for the key players of the Hungarian waste management even in the medium term.

The implementation of the new Environmental Product Fee Act will address the tasks of waste collection, treatment and utilisation from the products which fall under the *product fee* category from the inhabitant, industrial, commerce and service sectors. The amount of waste from these products exceeds 1.1 million tons/year, which increases every year apart from last year's exception. Nevertheless, Hungary is lagging behind the requirements of the selective waste collection and utilisation which is not only harmful to the environment but also results in the failure of the fulfilment of the EU requirements. As a result of the improper waste management strategy, several investments took place without determined and goal-system approach in recent years. As a consequence, some companies went bankrupt as their statuses become unpredictable in the uneven competition. The market became weaker and many *adventurers* appeared in this key business sector. For instance, there are too many landfill sites in Hungary for its geographical size. Although the present 71 landfill sites comply with the strict EU requirements, the pyramid recovery priorities do not. The present government recognizes this and promotes the waste hierarchy as a priority.

Furthermore, the irrational number of the landfill sites may result in some extra capacity, but will lead to improper distribution. Some regions have a low number of landfills while some have a dangerously high number. The government along with the Ministry of Agriculture have to deal with this problem.

Similarly, the Hungarian selective waste collection network is unevenly distributed as well. It does not take into account the size of the population in each region and therefore it is not efficient. In some areas selective waste collection works well while in other locations there is no selective waste collection at all. Nobody has analysed the reasons for this failure. It is also apparent that in the regions where there are selective waste collection bins, the inhabitants tend not to use them. The Ministry of Agriculture highlights the importance of environmental awareness in order to increase the selective waste collection.

The new legislation provides an appropriate framework to resolve the contradictions and to increase the selective waste collection rates even from this year in Hungary. The exemption from the product fee payment was eliminated. Also, in order to ensure efficiency, twenty-three coordinating companies were shut down and consolidated into one. It is now the state-owned National Waste Management Agency Non-profit Ltd. (Országos Hulladékgazdálkodási Ügynökség Nonprofit Kft., OHÜ). This agency ensures the transparency for the Hungarian state, EU representatives and key players through its coordination and control. In addition it ensures the same accountability and participation conditions for the key players. As a result of this processes, a more efficient market can operate in Hungary in which the authentic, controlled and legal companies shall remain. It is important for these companies to focus on real waste management tasks as the conditions stage accountability and motivation.

Additionally a new element in the system is the new National Collection and Utilisation Plan (Országos Gyűjtési és Hasznosítási Terv – OGYHT), which determines the rate of waste collection and utilisation. It also separately calculates the amount of different waste types that fall under the Product Fee Obligation. This ensures state requirements are public and enables the key players to plan operational and business activities to reach their goals.

The Environmental Product Fee Act provides opportunity for the individual performance. This way, either the producer or the business player who first introduces the product to the market can contribute to the goals of the OGYHT. OHÜ, being the only coordinator, will organise and manage the collection and utilisation of waste products that fall under the product fee obligation. These waste products originate from two sources. One of them is the selectively collected waste by inhabitants and the other is from the industrial sector. In the case of the inhabitants, public service companies coordinate the waste collection and transport. They are contracted by OHÜ and follow the same guidelines for collection and utilisation. In the case of the industrial sector, OHÜ can order the service through public procurement process with high attention to the state requirements a while allowing competition on the market. In the new system, the administrative burdens for producers are minimized. It is important to mention that it is difficult for some market players to adapt to a new system due to the stricter control and accountability. This change in the waste management regulation ensures predictability and equal opportunities for the market players.

Another goal is for the provision of data to be much more transparent and easier to follow. In the former legislative system, the market players had to report collection and transmission of the data in different forms along with having to follow different deadlines from several organisations. This made the work of the organisational companies difficult and expensive. Furthermore, the data was never reviewed. There was no *umbrella organisation* which that managed procedures and eliminated contradictions. Uniform requirements for data supply did not exist, so every organisation demanded different forms. For instance the companies operating in the vehicle industry had to report on waste products which fell under the product fee obligation to multiple companies under the same categories. Therefore a vehicle company had to report the five-six data types on the product in different forms to different authorities.

The following are good examples

- the Waste Management Information system (Hulladékgazdálkodási Információs Rendszer – HIR) is a source from the waste producer companies through the ministry responsible for the environment, the 10 environmental regions, natural protection and water management inspectorates,
- the Central Statistical Office (Központi Statisztikai Hivatal, OSAP data request) is also a source. The following table can illustrate the differences between them.

- The data had to be reported to the tax authority as well. However, in many cases even the basic principles of the data were not the same, so the data could not be properly valued.

Table 1: Amount of the transported mixed waste from the inhabitants

	Amount of the transported mixed waste from the inhabitants t		
year	Central Statistical Office	National Environmental Information System, Waste Management Information System (KvVM/VM)*	difference
2006	2,724,451	2,333,976	390,475
2007	2,527,534	2,493,659	33,875
2008	2,510,446	2,600,331	89 885
2009	2,383,797	2,886,739	502,942
2010	2,285,357	3,100,215	814,858

* EWC : 20 03 01

Source: KSH, VM

Another example is the amount of the disposed waste in the counties from the KSH and HIR sources.

County	Amount of waste disposal 2010 t	
	Database of the KSH	Database of the HIR
Baranya county	141,710	141,405
Bács-Kiskun county	139,437	146,326
Békés county	83,475	106,838
Borsod-Abaúj-Zemplén és Heves county	187,856	336,528
Csongrád county	122,475	227,082
Fejér county	115,930	207,120
Gyor-Moson-Sopron county	198,466	209,325
Hajdú-Bihar county	144,622	315,846
Jász-Nagykun-Szolnok county	111,142	176,883
Komárom-Esztergom county	90,583	97,545
Nógrád county	65,882	60,463
Pest county	659,759	903,241
Somogy county	112,963	225,470
Szabolcs-Szatmár-Bereg county	139,555	125,486
Tolna county	74,660	43,657
Vas county	84,476	81,273
Veszprém county	118,837	878,860
Zala county	78,566	109,155

Table 2:

Amount of the disposed waste in the counties

The same can be seen in this graph as well:

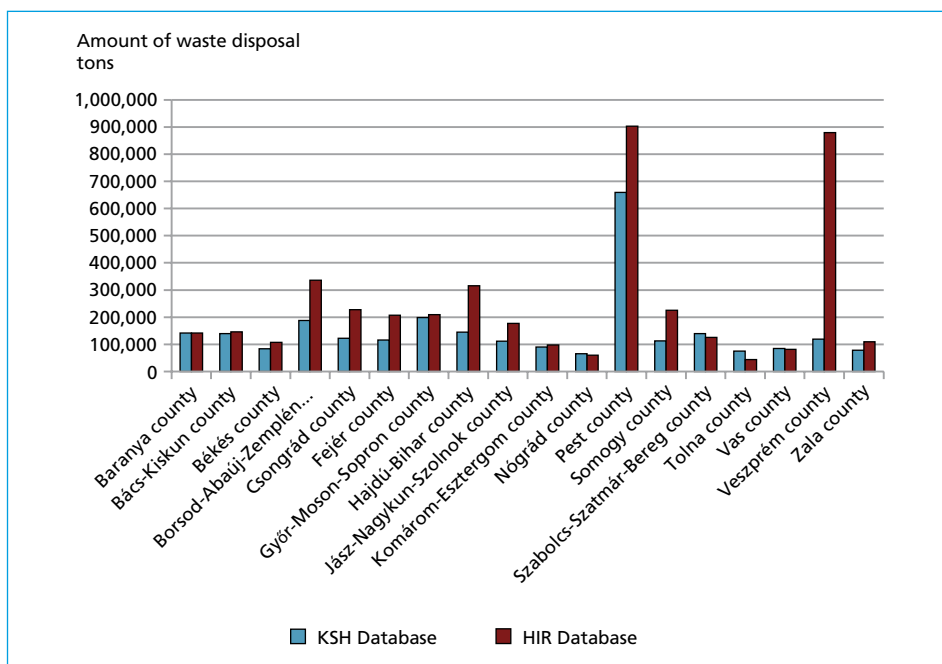


Figure 1: Amount of waste disposal 2010

Source: KSH, VM

There is also contradiction with the database from the Ministry of Agriculture – which is responsible for the environmental affairs – in regard to construction and demolition waste. For example, the amount of soil from the construction and demolition waste (EWC 17 05 04) is different in Southern Transdanubia (Dél-Dunántúl) which is demonstrated in the following table.

Year	Ministry of Rural Development	HIR
	t	m ³
2008	45,000	30,000
2009	36,000	24,000
Difference:		54,000

Table 3:

Amount of the soil from the construction and demolition waste

Another example for the contradiction and the possibility for abuse is that the amount of the extra soil during the construction of the M6-M60 highway was 900,000 m³ from area M6, and 1,300,000 m³ at the M60 area, which is **2.2 million m³** in total. This amount was transported and land filled permitted areas. However, these amounts were not indicated during the highway construction summary so 2,146 million m³ soils is missing from the data supply.

In the new databases these contradictions will be resolved. The data for the industrial strategies will be in line with each other. In this case, the state planning of the waste management will be reasonably predictable which will relate to the market participants as well.

The Waste Act is replacing the Waste Management Act, which will be discussed in the Hungarian Parliament soon. The Waste Act serves the legislative background of modern waste management and together with its implemented regulations will serve the following objectives: the waste management system in Hungary will be predictable in the long term, waste amount will be decreased, recycling rates will be higher, and landfilling will only be the last resort. In order to decrease the landfilled waste, a landfill tax will be implemented in 2013, which will increase gradually every year. This also complies with the practice in the Member States with a high waste management level.

In Hungary the potentially recyclable waste (glass, paper, plastic and metal) from the municipal solid waste could reach 40 %. In order to reach as high a rate as possible, the Ministry of Rural Development and the OHÜ will promote the selective waste collection. From packaged waste, the planned recyclable amount is 465,786 tons for this year, which is approximately 10 % of the total municipal solid waste (MSW). The collection and recycling rate of the packaged waste in 2012 according to the OGYHT was 15 % from the inhabitants and 85 % from the industrial, commercial and service sectors. With the present system not even 5 % is recycled from MSW collections from inhabitants. This amount was 62,000 tons in 2010. The plan for this year is 80,000 tons according to the activities of the public service companies who contracted by the OHÜ. If this amount is reached and further increases in the following years as a result of the selective waste collection from the public sector, 5 – 6 % more packaging waste can be accounted for.

The government wishes to achieve this through an increased rate of selective waste collection and a decreased rate of land filling. In Hungary, the most common waste *treatment* technique is landfilling. The implementation of the Waste Act will necessarily work to change this.

The following was drawn from EUROSTAT data: the waste management system is poor in the countries where the rate of land filling is high and in sophisticated countries where the rate of recycling, composting and incineration is high, landfilling tends to be much lower.

Expected trends in the Hungarian waste management sector

In Hungary the amount of the waste generated by the population continues to grow. Therefore, selective waste collection and recycling becomes increasingly important. In order to improve the natural and environmental status of Hungary, the following three conditions must be ensured:

1. The highest percentage of waste (even in the medium term) must be selectively collected and recycled. .
2. Nationwide environmental awareness is required for the selection, collection and recycling as well as modern infrastructure. The present Environmental Product Fee Act contributes to this goal as it determines the amount of budget which must be spent on environmental awareness. As a part of it there are several events, campaigns and the Ministry of Rural Development is planning to involve small children to promote the environmental behaviour.
3. A utilisation base is required near the selective collection locations, in order to shorten the distance from the nearest processing plant.

This has already been launched by the current Environmental Product Fee Act and strengthened by the Waste Act. The increased rate of the state ownership is a very important element as well. Furthermore, it addresses the minimum 51 % state/municipal ownership in the public service companies in order to achieve the required goals. It is important to mention that the majority of the public service providers are already

Waste Framework Directive – EU Compliant Implementation in Hungary

Table 4: Municipal waste, 2009

	Municipal waste generated	Total municipal waste treated	Municipal waste treated			
			Landfilled	Incinerated	Recycled	Composted
			%			
	kg per person		%			
EU27	513	504	38	20	24	18
Belgium	491	486	5	35	36	24
Bulgaria	468	450	100	–	–	–
Czech Republic	316	274	83	12	2	2
Denmark	833	833	4	48	34	14
Germany	587	564	0	34	48	18
Estonia	346	285	75	0	14	11
Ireland	742	730	62	3	32	4
Greece	478	474	82	–	17	2
Spain	547	547	52	9	15	24
France	536	536	32	34	18	16
Italy	541	594	45	12	11	32
Cyprus	778	778	86	–	14	–
Latvia	333	333	92	0	7	0
Lithuania	360	342	95	–	3	1
Luxembourg	707	707	17	36	27	20
Hungary	430	427	75	10	13	2
Malta	647	643	96	–	4	–
Netherlands	616	520	1	39	32	28
Austria	591	591	1	29	30	40
Poland	316	264	78	1	14	7
Portugal	488	488	62	19	8	12
Romania	396	308	99	–	1	0
Slovenia	449	495	62	1	34	2
Slovakia	339	311	82	10	2	6
Finland	481	481	46	18	24	12
Sweden	485	480	1	49	36	14
United Kingdom	529	538	48	11	26	14
Iceland	554	520	73	11	14	2
Norway	473	467	14	42	28	16
Switzerland	706	706	–	49	34	17

Data for the EU27, Denmark, Germany, Spain, France, Italy, Cyprus, Luxembourg, Netherlands, Romania, Portugal and the United Kingdom are estimated.

0 equals less than 0.5 %

– indicates a real zero

Source: Eurostat News release 37/2011, 8 March 2011

in public ownership, projected to the number of inhabitants operating successfully. Therefore the new requirement for the ownership will not cause any problems and will be in line with the state and EU requirements. The Hungarian public service companies can operate with the same ownership system, which is already operating in other countries, such as Austria. This way, the solid waste management system performance and its accountability are directly ensured. According to a recent survey in Hungary 61,42 % of the public service companies are completely or predominantly in municipal ownership, and they serve appr. 60 % of the inhabitants. (The survey was made based on the data of 70 % of the public service companies.)

Table 5: Ownership distribution of public service providers – 31.12.2011

Owner of the public service provider	Served settlement		Served citizen		Public service provider	
	piece	%	person	%	piece	%
100 % municipality-owned	551	26.25	3,851,856	53.11	39	55.71
Controlled by the municipality	340	16.2	493,828	6.81	4	5.71
Total	891	42.45	4,345,684	59.92	43	61.42
Majority of private	463	22.06	1,556,615	21.46	12	17.14
100 % privately-owned	745	35.49	1,350,002	18.61	15	21.43
Total	1,208	57.55	2,906,617	40.07	27	38.57
Sum total	2,099	100	7,252,301	100	70	100

Source: Köztisztasági Egyesülés, January 2012

The landfill tax will also be implemented in Hungary, which has already been implemented in other EU countries. It also serves the recovery of generated waste. The landfill tax is included in the Waste Act and the amount of it will be increased gradually between 2013 and 2016. The Waste Act is under discussion in the Hungarian Parliament, and determines the tax for HUF 3,000 (appr. 10 EUR) for 2013 which will be HUF 6,000 in 2014 (appr. 20 EUR), HUF 9,000 in 2015 (appr. 30 EUR) and HUF 12,000 in 2016 (appr. 40 EUR). It can be seen that it will take 4 years to reach a 40 EUR tax. To put it in perspective, the present tax in Sweden is 43 EUR, which is 37 % of the 107.49 EUR tax in The Netherlands. This demonstrated in graph 5.

With gradually increasing fees, the Hungarian legislation aims to reach a higher amount of waste recovery and a decreased amount of land filled waste. By implementing the landfill tax, the policy makers want to avoid any disturbance in the market and for inhabitants. In the new waste management system a cautious preparation will prevail. This will not be an obstacle for consistent accountability.

To summarize, on one hand the new waste management system in Hungary will ensure nationwide planning and implementation from 2012 and on the other hand, it takes into account the local needs and possibilities. The guarantees for this system are the two new laws, which influence the whole waste management market. The laws also implement a nationwide coordination, which ensures that the inhabitant, industry, commerce and service sectors can participate in the same high level conditions in order to reach the environmental and natural protection objectives. The key players in the implementation of the legislation are aware of the fact that the success of the new waste management system depends highly on the individuals.

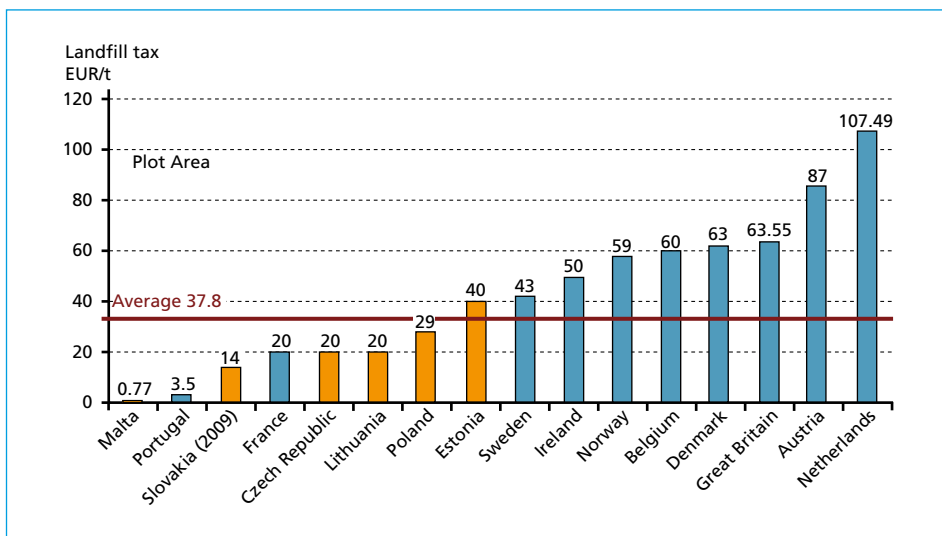
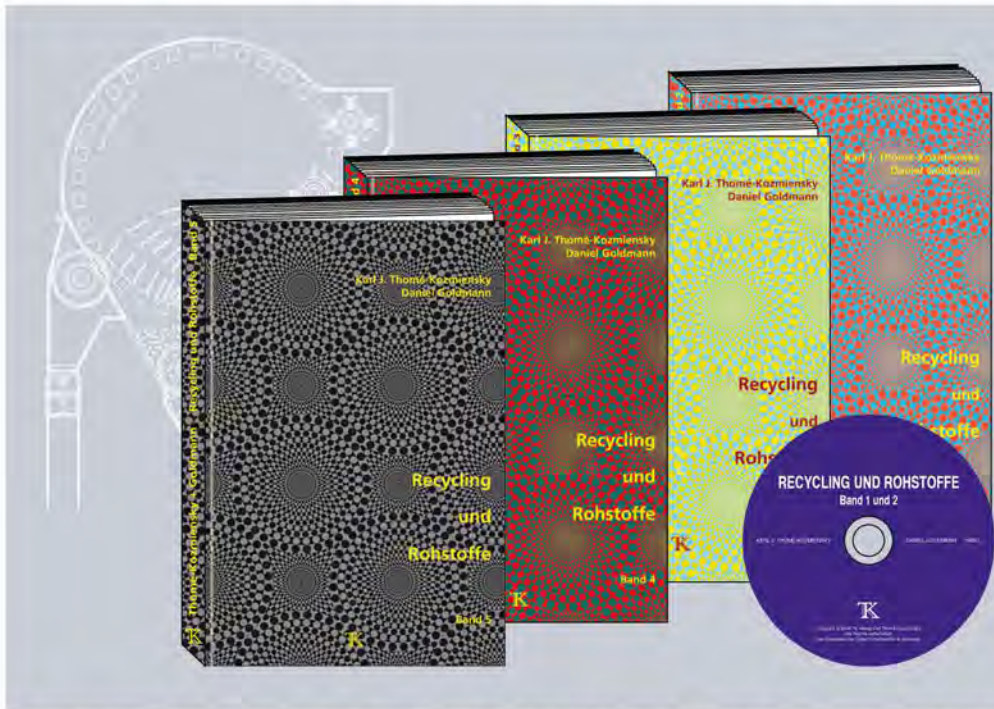


Figure 2: Landfill tax (mostly in 2011)

Source: CEWEP

Recycling und Rohstoffe



Herausgeber: Karl J. Thomé-Kozmiensky und Daniel Goldmann • Verlag: TK Verlag Karl Thomé-Kozmiensky

CD Recycling und Rohstoffe, Band 1 und 2

ISBN: 978-3-935317-51-1
Erscheinung: 2008/2009
Preis: 35.00 EUR

Recycling und Rohstoffe, Band 2

ISBN: 978-3-935317-40-5
Erscheinung: 2009
Gebundene Ausgabe: 765 Seiten
Preis: 35.00 EUR

Recycling und Rohstoffe, Band 3

ISBN: 978-3-935317-50-4
Erscheinung: 2010
Gebundene Ausgabe: 750 Seiten,
mit farbigen Abbildungen
Preis: 50.00 EUR

Recycling und Rohstoffe, Band 4

ISBN: 978-3-935317-67-2
Erscheinung: 2011
Gebundene Ausgabe: 580 Seiten,
mit farbigen Abbildungen
Preis: 50.00 EUR

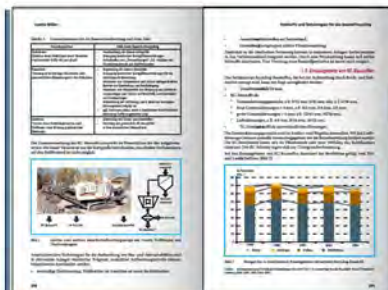
Recycling und Rohstoffe, Band 5

ISBN: 978-3-935317-81-8
Erscheinung: 2012
Gebundene Ausgabe: 1004 Seiten,
mit farbigen Abbildungen
Preis: 50.00 EUR

145.00 EUR
statt 220.00 EUR

Paketpreis

CD Recycling und Rohstoffe, Band 1 und 2 • Recycling und Rohstoffe, Band 2
Recycling und Rohstoffe, Band 3 • Recycling und Rohstoffe, Band 4 • Recycling und Rohstoffe, Band 5



Bestellungen unter www.vivis.de
oder

Dorfstraße 51
D-16816 Nietwerder-Neuruppin
Tel. +49.3391-45.45-0 • Fax +49.3391-45.45-10
E-Mail: tkverlag@vivis.de

vivis
TK Verlag Karl Thomé-Kozmiensky