



NATIONAL AUDIT OFFICE

Public audit report

PERFORMANCE OF REGIONAL WASTE MANAGEMENT SYSTEMS

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Full audit report in Lithuanian is available on the website of the National Audit Office: www.vkontrole.lt

EXECUTIVE SUMMARY

With a view to meeting EU requirements and creating a modern waste management system in Lithuania, 10 regional waste management centres were established over the period 2000–2006 which were supposed to ensure performance of waste management tasks and to organise creation of the entire waste management system efficiently using support of the EU.

Local authorities organise municipal waste management systems necessary for the management of municipal waste generated on their territories, ensure their functioning, and administer provision of the municipal waste management service. The majority of local authorities have delegated the creation and development of municipal waste management systems to regional waste management centres, hence they have become one of the key players in the waste management system.

Pursuant to waste management hierarchy, the first priority is avoidance of waste generation and application of other waste prevention measures, meanwhile waste which cannot be avoided should be prepared for reuse, recycling or other kind of use that minimises disposal of waste in landfills and other waste disposal facilities.

Municipal waste disposed of in regional landfills is still sorted improperly, municipalities do not have advanced systems for the collection of secondary raw materials, there are no biodegradable waste separation and recycling systems, regional waste management centres have different functions and responsibilities, municipalities apply different waste management and billing systems. This situation shows that Lithuania has to take measures to address waste management problems.

The audit was carried out following the provision that the performance of waste management systems should be sustainable, meeting ecological, economic, and social objectives of the public, i.e. waste has to be disposed of according to environmental requirements, observing the “polluter pays” principle, and the waste management fee should be based on necessary waste management costs.

The main objective of the audit was to assess sustainability of the performance of the waste management systems answering the following questions:

- do regional waste management systems ensure proper management of waste in the regions;
- is waste management performance affected by different waste management billing systems used in different municipalities.

The audit entity was the Ministry of Environment, which regulates and administers the management of all types of waste, controls the implementation of the established requirements and tasks, coordinates activity of other public and municipal bodies in the area of waste management. The audit period was 2009–2012. Information was collected from the 58 municipalities, each of the ten regional waste management centres, and six waste management companies.

The public audit conclusions and recommendations provided below were drawn upon the assessment of the audit findings.

AUDIT CONCLUSIONS

Regional waste management systems do not ensure sustainable waste management that would include environmental, economic, and social objectives of the public, and implementation of the “polluter pays” principle because:

1. Waste management systems do not encourage the use and recycling of waste, not all waste holders have a possibility to sort waste by separating secondary raw materials

and other recyclables, therefore the amount of landfilled municipal waste in 2009–2011 accounted for about 85 per cent, meanwhile the average EU amount of landfilled waste makes up approximately 35 per cent of total waste.

2. There is a lack of measures to separate biodegradable waste and delay in the implementation of projects on mechanical biological treatment. If Lithuania fails to fulfil biodegradable waste management tasks, it can be subject to EU sanctions.
3. Regional waste management centres, which administer the regional waste management system, organise waste management (collection, transportation and handling of waste in landfills, inventory of waste holders and waste; also, administer fees for waste management), so both municipalities and regional waste management centres have a greater impact on waste management as compared to areas where municipalities have delegated the functions of organisation of waste management systems, except for the operation of landfills and inventory of landfilled waste, to waste carriers. Consequently, in some cases the administration and control of waste management by municipalities in these regions is insufficient.
4. There is no accurate and reliable inventory of waste holders and waste in the country, institutions responsible for the inventory have different information on waste holders, the amounts of generated, collected and landfilled municipal waste and its composition, which may lead to unreasonable strategic decisions concerning the selection of waste management techniques.
5. As on 24 July 2013, there was no methodology for the calculation of waste management fees approved by the Government of the Republic of Lithuania, so regional waste management centres and municipalities were applying different fee calculation methods for the calculation of waste management fees, which determined different fees and prevented the implementation of the “polluter pays” principle.
6. Municipalities which have chosen a tariff billing system are less able to influence the distribution of fees for waste management than municipalities which apply charges; besides, waste management fees are not related to the actual amount of waste in many municipalities.
7. The actual costs of waste management are not available in many regions, so it is not possible to compare these costs in different regions, and neither municipalities nor regional waste management centres are able to control and influence the actual waste management costs. Such situation gives a good reason to doubt whether the “polluter

pays” principle has been made operational in practice and to suspect that conditions are provided for waste management companies to gain profit at the expense of excess amounts paid by waste holders’ for waste management.

CHANGES WHICH TOOK PLACE AFTER THE AUDIT

On 24 July 2013, the Government of the Republic of Lithuania approved the Methodology for the setting of charges or other fees for the collection of municipal waste from waste holders and for the management of waste¹.

AUDIT RECOMMENDATIONS

To the Government of the Republic of Lithuania and Ministry of Environment:

With a view to ensuring that regional waste management systems safeguard sustainable management of waste, including ecological, economic, and social objectives of the public, we recommend:

- to provide for measures and methods to encourage recovery and recycling of waste;
- to ensure accurate and reliable inventory of waste holders and waste;
- to achieve that the public municipal waste management service is provided at cost-based prices using the same methods and principles and encourages waste holders to sort waste;
- to provide for measures ensuring supervision and control of municipalities, regional waste management centres and other waste handlers.

¹ Resolution No. 711 of the Government of the Republic of Lithuania of 24 July 2013 on the approval of the Methodology for the setting of charges or other fees for the collection of municipal waste from waste holders and for the management of waste.