



MUNICIPALITY OF BURGAS

Designing a 'Pay-As-You-Throw' (PAYT) system for the Municipality of Burgas - Bulgaria

FOLLOW-UP NOTE

POLICY LEARNING PLATFORM MATCHMAKING SESSION

DATE: THURSDAY 22 JUNE 2021 – 10:00-12:00

BENEFICIARY: MUNICIPALITY OF BURGAS, BULGARIA

TOPICS: PAY-AS-YOU-THROW (PAYT) SCHEMES, SEPARATE WASTE COLLECTION, WASTE MANAGEMENT, CIRCULAR ECONOMY

PARTICIPANTS

Hosts

- Velichka Velikova, Head of International cooperation and Integrated Territorial Investments Department, Municipality of Burgas
- Vesselina Dimitrova, Legal Advisor, Strategy Development Directorate, Municipality of Burgas
- Mariela Garkova, Chief Expert, Municipality of Burgas
- Stefka Ivanova, Deputy Mayor of the Municipality of Karnobat (Bulgaria)

Peers and Experts

- Teresa Guerrero Bertran, Head of Separate Collection Promotion, Waste Management Agency of Catalunya (Spain)
- Gemma Nohales Duarte, Technical Expert for Separate Collection Promotion, Regional Waste Management Agency of Catalunya (Spain)
- Francesco Lembo, Managing Director, Association of Cities and Regions for sustainable Resource management, ACR+ (Belgium)
- Eva Gijsegom, Project Officer for Waste Management Networks, Interafval / VVSG (Flanders, Belgium)

Interreg Europe Policy Learning Platform (PLP)

- Astrid Severin, Interreg Europe PLP Thematic Expert, Environment and Resource Efficiency
- Marco Citelli, Interreg Europe PLP Thematic Expert, Environment and Resource Efficiency
- Katharina Krell, Interreg Europe PLP Thematic Expert, Low-Carbon Economy
- Eugénie Suplissons, Interreg Europe PLP, Event Expert
- Elena Ferrario, Interreg Europe PLP, Thematic Manager

OBJECTIVES OF THE MEETING

To discuss options for the design of a 'pay-as-you-throw' (PAYT) scheme that could be implemented by the Municipality of Burgas (Bulgaria) to improve its separate waste collection performance, supplementing other measures to move towards a more sustainable waste management system.

Key questions and challenges were described in a note prepared by the Municipality of Burgas (attached).

KEY TAKEAWAYS

- PAYT schemes are a key component of a wider set of measures to improve waste management. They are generally applied to tax the collection of residual fractions primarily to promote waste sorting and higher recycling rates, reduce residual waste and possibly home composting. **They are crucial to determine the evolution of waste collection systems.**
- Data from the peers show that **wherever PAYT schemes are applied the average quantities of residual waste decrease and the collection rates of separate fractions increase substantially**, thereby reducing the amounts of waste that is disposed off (e.g. landfilled, incinerated) and increasing recycling and reuse.
- PAYT schemes normally foresee two elements. A **fix charge** based on the number of components of a household and a **variable fee** that may be determined either by the volume or weight of residual waste collected as well as by the quantity of bags being collected or their collection frequency.
- PAYT schemes are associated with 'door-to-door' (DtD) collection systems, and they require the use of bags or individual bins. **Bags are the easiest and cheapest solution to implement PAYT** but they do not allow for data collection, which is instead enabled by individual bins with integrated RFID chips.
- Households can be given 'prepaid bags' covered by the fixed charge and be required to pay for any extra bag that might be needed to collect the residual waste fraction. Similarly, when individual bins are used, a certain number of 'emptying' can be covered by the fix charge and any additional 'emptying' is used for the computation of the variable charge.
- **The fee structure of a PAYT scheme is conceived to encourage sorting while allowing households to save money.** In this sense, home composting is rewarded with a tax deduction while the collection of organic kitchen waste is generally penalised by a higher service price. At the same time, it is advisable to set fees at a level that does not risk running counter the objective pursued and encourage illegal waste dumping practices.
- **PAYT schemes can be supplemented by 'Pay-As-You-Participate' (PAYP) measures** to reward with a tax deduction a series of responsible behaviours, such as the conferral of specific waste fractions (e.g. bulky waste) to civic amenity sites.
- **DtD collection is implementable in small and medium-sized cities as well as in metropolitan areas, to serve single properties and large multi-apartment buildings alike.** It is always advisable to test DtD collection in a given area (e.g. historical center) during a pilot phase and expand it progressively to other urban and peri-urban areas.
- Evidence shows that in coastal cities such as Ostend (Flanders) characterized by significant tourist flows, DtD collection can be integrated by the operationalisation of **underground waste collection systems**,

shielded from vandalism and accessible by non-permanent residents via QR codes system enabling digital payments.

- PAYT schemes are economic instruments. To maximise their effects and push waste generation in the desired direction, they may be accompanied by other economic instruments (e.g. fines, landfill taxes and subsidies), an ambitious regulatory framework (e.g. strict municipal regulations, EPR schemes) and effective social instruments (e.g. tailor-made services, a transparency and communication).
- PAYT works best when an active dialogue with citizens is entertained and communication campaign and awareness raising initiatives are conducted to engage them in a participatory way. To motivate citizens to commit to separate collection, it is advisable to use the revenues generated by PAYT schemes to reduce the fees of services that are visible to households (e.g. electricity and water bills, street clearing) instead of redirecting them to the general taxation.
- Experts are of the view that **the Municipality of Burgas, having already taken substantial steps towards sustainable waste management, could implement a PAYT scheme rather rapidly.**
- The starting point would be to **implement a separate (DtD) collection system for household waste**, after which it should be possible to **revise the structure of the waste tariff** currently imposed to households. Once this is done, a properly functioning PAYT scheme may be deployed in the course of 1-2 years.
- **Prepaid bags are the easiest option that could be put in place.** While this is being done, efforts should be stepped up to foster citizens' participation and the dissemination of good practices. However, there is no 'one-fits-all' solution: different options and flexible approaches could be combined and localised pilot actions could be considered.

SOME KEY PRACTICES IDENTIFIED

Interreg Europe projects:

- WINPOL, [PAYT in Argentona](#): this good practice outlines how the Municipality of Argentona (Catalunia, Spain) introduced a DtD collection system in 2004 and is applying a PAYT scheme since 2010 based on the use of prepaid standard bags both for households and commercial activities.

Other relevant good practices on PAYT schemes can also be found in the [Interreg Europe Good Practices database](#), such as:

- WINPOL, [PAYT \(Pay As You Throw\) to reach 80% recycling](#): this good practice illustrates how the Municipality of Seveso (Lombardy, Italy) was able to dramatically increase its separate waste collection rate thanks to the introduction of a PAYT scheme.

ADDITIONAL ACTIONS

All participants exchange contact details for possible follow-up actions on bilateral basis.

Note circulation: All attendees.