

## Launch of Forfás Waste Management Benchmarking Report

Forfás today (13 June 2006) published its first Waste Management Benchmarking Report. This report assesses Ireland's comparative performance in meeting the needs of enterprise across a number of key indicators such as waste treatment options, costs and capacity.

While much progress has been made in the area of municipal waste recycling in recent years, as the share being recycled increased from 13 percent in 2001 to 33 percent in 2004, many of the challenges facing the enterprise base, which were highlighted in previous Forfás reports in 2001 and 2003, remain. In particular, there has been limited progress in addressing waste infrastructure deficits.

Speaking on the launch of the report, Martin Cronin, Chief Executive, Forfás commented, "Continuing increases in waste generation due to a growing population and economy, lengthy delays in rolling out planned infrastructure, and an increasing dependence on exporting have led to concerns over the ability of the Irish waste system to cater for further economic expansion and to provide competitively priced waste management solutions".

Mr Cronin added, "Maintaining economic progress and competitiveness in Ireland is contingent on a good environment and the availability of modern waste management facilities. Since 2001, Forfás has monitored the growing concerns from industry over the lack of adequate waste infrastructure available in the country to cope with the demands from industrial, commercial and household waste generation. Waste management and the associated costs continue to be a key issue for enterprise in Ireland."

In spite of its importance, particularly for some of Ireland's key strategic sectors such as pharmaceuticals and life sciences, waste management is the area of the National Development Plan (NDP) where least progress has been made. The investment target for waste management infrastructure in the current NDP was €825 million, including €571 million of private investment. However, combined government and private investment to the end of 2005 was of the order of €250 million, most of which has been private investment.

### Key Findings from the report:

Ireland performs poorly relative to competitor countries on a number of indicators:

- *Waste Generation:* Ireland has the highest municipal waste generation per capita of the countries surveyed with a figure of 777 kg per capita. The next highest is Singapore which generates 710 kg per capita. Manufacturing waste generation per employee is also relatively high.

Ireland has the third lowest hazardous waste generation per capita of the eight countries benchmarked, generating 83 kg per capita. Ireland's low per capita hazardous waste level can be attributed to the profile of the industrial base in Ireland and the absence of heavy industrial activity.

- *Waste Treatment:* Ireland has made significant progress in the area of municipal waste management in recent years, with the share being recycled increasing from 13 percent in 2001 to 33 percent in 2004. However, Ireland performs relatively poorly with a recovery rate of 35 percent for industrial waste, highlighting Ireland's dependence on landfill as a waste management solution. A significant amount of industrial waste is now land-filled on-site by the bigger companies rather than being land-filled in municipal landfills.
- *Waste Costs:* Of the countries benchmarked, Ireland has the highest waste management costs for non-hazardous landfill and biological waste treatment. Recycling costs and hazardous waste treatment costs are also higher than most competitor countries because of Ireland's reliance on export markets for the treatment of recyclable materials. The vast majority of Ireland's recyclable materials are exported for further treatment. Additional transport costs are directly impacting on the waste costs for the enterprise sector.
- *Waste Capacity:* Shortfalls in capacity have been identified for both municipal waste and hazardous waste - Ireland exports 30 percent of municipal waste and 70 percent of hazardous waste. The EU Landfill Directive requires reductions in the amount of biodegradable municipal waste being land-filled. This effectively requires the replacement of landfill capacity with infrastructure of a different kind. Many of Ireland's competitors have already put in place such infrastructure and will have a competitive edge in this regard until such time as the waste treatment capacity required in Ireland is delivered.
- *Ownership of Waste Collection:* Ireland is almost unique among the benchmark countries in having private services directly involved in the collection of waste without any municipal involvement in establishing the contract and determining what happens to the waste.

The benchmarking analysis highlighted a range of areas where Ireland performs poorly compared to the other selected countries in meeting the waste management needs of the enterprise base. The policy priorities from an enterprise perspective are set out below:

#### *Waste Prevention and Minimisation*

Ireland has the highest level of municipal waste generation per capita of all the benchmark countries and manufacturing waste generation per employee is also relatively high. By not generating waste, we can eliminate the need to handle, transport, treat and dispose of waste. We can also avoid having to pay for waste management services. Investing resources in waste prevention and minimisation offers potential long-term benefits for the competitiveness of enterprises of all types. It is imperative for Ireland's future economic

growth and environmental sustainability that the necessary resources and commitment to implement the *National Waste Prevention Programme 2004-2008* are provided.

#### *Infrastructure Deficits*

Ireland's dependence on landfill remains high relative to other countries. This is mainly due to the limited progress that has been made in delivering waste infrastructure in preferred waste treatment options such as thermal treatment and biological treatment. Ireland's comparatively poor performance on key indicators such as costs and capacity can be traced back to the failure to deliver key waste management infrastructure in recent years. Ireland's infrastructure deficits are also likely to affect Ireland's ability to meet the targets set down in the EU Landfill Directive. Ireland will be restricted to landfilling 75 percent of the municipal biodegradable waste produced (by weight) in 1995 by 2010. This means Ireland must reduce its 2004 biodegradable waste levels by almost 340,000 tonnes.

#### *Effectiveness of Existing Implementation Mechanisms*

The lack of national co-ordination on waste management issues is a major challenge from an enterprise/competitiveness perspective. Up to now, decisions on the roll-out of infrastructure have been made mainly within county boundaries, rather than being based on national criteria such as industry economies of scale, the development of critical mass and the existence of transport corridors.

Specific infrastructure requirements identified in the *National Hazardous Waste Management Plan*, the *National Strategy on Biodegradable Waste* and the regional waste management plans have not been implemented. This is mainly due to lengthy delays in the planning process. While the publication of the Strategic Infrastructure Bill is a welcome development, many of the most protracted delays to decisions on infrastructure have been due to legal challenges to planning decisions. This issue needs to be addressed also.

Ends.