

## **Lessons Learnt from Financing Strategies for Municipal Solid Waste**

### ***Objective***

To prepare a publication which will summarise main findings and lessons learnt from development of realistic municipal solid waste management programs and their financing strategies in some EECCA regions and countries of EECCA; through this publication disseminate the FEASIBLE2 approach to investment and financial planning in the municipal waste sector.

### ***Background***

In 2001-2002 the municipal solid waste module was integrated into the FEASIBLE-2 model. The model was developed through applications in Latvia, Novgorod, Rostov and Yaroslavl oblasts in Russian Federation. FEASIBLE-2 is public domain model for calculating costs and conducting financing strategies for urban infrastructure. It is freely available from DANCEE and the OECD Secretariat of the EAP TF. There are 3 more ongoing projects (in Leningrad and Kaliningrad oblasts and Caucasus Mineral water region) and 1 forthcoming project (in St.Petersburg) to be kicked-off in February, 2004, which all anticipate applying FEASIBLE-2 model for developing a realistic regional waste management plan and financing strategy for it. In the previous case-studies the FEASIBLE model simulations have facilitated a substantial revision of regional waste management plans and revealed many options for consolidation of the planned landfills and waste processing facilities to reduce costs by achieving economy of scale. The analysis has also identified a package of policies that can help reduce the demand for landfills as well as priority capital investment projects, all involving inter-municipal cooperation. In some regions, the analyses found out that the waste management systems in the large cities already generate financial surplus even at current, affordable level of tariffs. This revealed benefits of restructuring of regional waste management companies, which paves the way for more commercial solutions and more private financing in the sector. The country studies conducted so far, if amended with the above 3-4 additional ongoing studies would accumulate a critical mass of experience about rational investment and financial planning of municipal waste management in EECCA countries. This experience needs to be summarized and disseminated in a publication that takes the stock of accumulated experience.

### ***Activities***

- Contact Clients (EU TACIS, DANCEE) and beneficiaries (regional and city administrations) of the already developed and ongoing regional/city financing strategies for municipal solid waste management financing and get permission to use the documents and other materials for preparing a publication;
- Write a publication;
- Disseminate the publication: this includes 2-3 (depending on resources) regional workshops to present FEASIBLE-2 approach and computerised tool, as well as the publication, and train local experts in

### ***Outputs***

- Publication on financing strategies for municipal solid waste in EECCA countries;
- More local experts acquainted with FEASIBLE-2 approach and trained in conducting FEASIBLE simulations.

### ***Benefits/Outcomes***

Increased capacity in EECCA countries for development of realistic municipal solid waste management programmes and their financing strategies, thus promoting more effective financing of infrastructure development.