



EVALUATION OF THE EFFECTIVENESS AND IMPACT OF THE ACTIVITIES OF THE ENTERPRISE RESOURCE EFFICIENCY MEASURE “SUPPORT FOR RECYCLING OF WASTE” AND “SUPPORT FOR THE PREPARATION OF REUSE OF WASTE”

SUMMARY

THE PURPOSE OF THE STUDY

In 2017, the Ministry of the Environment issued the measure “Energy and resource efficiency of enterprises”, the activities of which 4.3.5. “**Support for waste recycling**” and 4.3.6. “**Support for the preparation for re-use of waste**” are funded by the European Regional Development Fund under the priority axis “Growth entrepreneurship and internationally competitive research and development” of the Operational Programme for Cohesion Policy Funds 2014—2020. During the period 2017—2020, the Environmental Investment Centre provided support in the total amount of **9.05 million euros under the measure with a total of 14 successful applications submitted** (currently 11 projects finalised in total grant amount of 1.29 million euros, two in implementation phase in total grant amount of 7.6 million euros and one in the grant amount of 137 thousand euros under inspection process).

The purpose of this evaluation is to **assess the effectiveness and impact of the planning and implementation of the measure**, assessing the actual contribution of the supported projects to the achievement of the result indicators of the Strategic Objective II of the National Waste Management Plan 2014—2020 and the objectives of the measures 4.3.5. and 4.3.6. The work provides an overview of what needs to be changed when handing out grants that **promote waste recycling and preparation for reuse**. The evaluation focused on **relevance, effectiveness, and impact assessment criteria**.

METHODOLOGY

This evaluation included an introductory meeting and introductory interviews with the representatives of the Environmental Investment Centre and the Ministry of the Environment, document analysis, collection and analysis of statistical data and interviews conducted in the penultimate phase of the evaluation. The results of the interviews were separately analysed. **A total of 13 interviews were conducted with grant beneficiaries, representatives of local governments, applicants who did not receive support and representatives of trade unions**. The final stage of the evaluation resulted in the final results and policy recommendations.

RESULTS

A total of **36 applications** were submitted after two application rounds, with 8 applications submitted in the first round and 28 applications in the second round. In the first round, six applications were non-compliant, **one application was implemented under the activity 4.3.6.** and one project was withdrawn. In the second call, there were nine non-compliant applications, six projects were cancelled, and **13 projects received a positive funding decision**, out of which currently 11 projects finalised and two in the implementation phase.

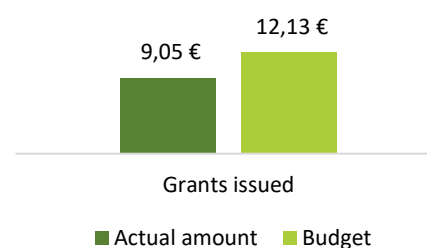


FIGURE 1. THE TOTAL AMOUNT OF GRANTS ISSUED COMPARED TO THE BUDGET, MILLION EUROS

Grants have been issued in a total amount of **9.05 million euros**, which means that 74.5% of the grant budget has been used as of the time of this study. The total cost of the projects with own-financing is **15.13 million euros** at the time of this study. It is important to note that the amount of the grant awarded is given in accordance with the financing decision and therefore, the actual amount may differ.

Evaluation results of the activity 4.3.5:

- **Relevance** – the activity "Support for waste recycling" can be considered partially relevant, as 11 out of 13 funded projects (14.5% of the total grant amounts) are aimed at waste collection, which does not directly ensure its recycling, but certainly plays an important role in indirectly contributing to it. As of 31 October 2020, an amendment to the Regulation entered into force, according to which the construction, expansion and acquisition of inventory of civic amenity sites and waste houses are no longer supported by the activity of the measure 4.3.5. "Support for waste recycling".
From the point of view of environmental awareness, the activity "Supporting waste recycling" can be assessed as relevant, as an increase in the activity and awareness of the population in waste sorting has been observed in the areas where the investments are implemented.
- **Effectiveness** – the activity "Support for waste recycling" can be assessed as effective, as the number of funded projects has met the target level set for the 2020 output indicator.
- **Impact** - although it can be assumed that the 2023 targets of the Operational Program for Cohesion Policy Funds will be achieved, it is currently not possible to assess the impact of the activity "Supporting Waste Recycling" due to the lack of data for calculating the 2020 levels of the National Waste Management Plan Strategic Objective II performance indicators.

Evaluation results of the activity 4.3.6:

It is not possible to assess the relevance, impact, and effectiveness of the "Support for the preparation of reuse of waste" subsidy, as the only project funded under the activity ran into difficulties. Representatives of the company could not be reached for interview during the evaluation. The KIK has initiated inspection proceedings.

CONCLUSIONS AND RECOMMENDATIONS

CONCLUSION	RECOMMENDATION
Complicated and unclear application conditions (C2)	R1: Create guidance materials and provide consultation In order to increase the attractiveness of the measure, it is recommended to compile comprehensive guidance materials for each application round, explaining as simply as possible the rules and conditions for granting state aid established by the European Union. In addition, it is useful to provide advice to potential applicants, either in person or through an external partner, by the Environmental Investment Centre's coordinators to map a suitable target group, present the conditions of the support measure, assess project potential in the context of the measure and help to think application conditions, including state aid requirements.
Funded projects do not cover problem areas (C3)	R2: Consult with potential applicants to identify their needs It is recommended that the planners of the measure's activities carry out preliminary consultations through the formation of working groups and communication with trade unions and local governments. There is a need for more frequent and regular organization of working groups, surveys / (panel) interviews and involvement in the measure development process.
Short preparation time for applications (C4)	R3: Implement applying on a continuous call Keep application rounds open until the budget is reached. Such an arrangement would give companies enough preparation time to prepare a high-quality project and submit a proper application.
Complicated and unclear application conditions (C2)	R4: Implement flexibility in the evaluation of applications according to the specific project For example, in the case of a three price offers requirement, apply flexibility in the case of highly innovative solutions where it is not possible to submit

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	three comparable offers. If it is not possible to submit three comparable offers, the application must be accompanied by an explanation. It is recommended to prepare more detailed instructions that should be included in this explanation (document form, control questions).
Low level of knowledge on waste management (C5)	R5: Support awareness activity as a part of the project As recycling starts from people's awareness, great emphasis must continue to be placed on supporting information work. Awareness raising as an activity is recommended to be supported as part of the project, i.e., applying for funding only for awareness activities would not fulfill the purpose of the measure.
Not enough activities are aimed at reducing waste generation (C6)	R6: Support projects that contribute to the prevention or reduction of waste Investments related to waste plants should continue to be supported, but to reduce waste generation, activities must also be carried out that are outside the scope of local government administration.
Long evaluation time for applications (C4)	R7: Shorten the evaluation time and / or bring forward the project eligibility period It is recommended to be able to start the project activities before receiving the funding decision. It is possible to add a condition that before receiving the financing decision, the applicant may not conclude any binding agreement before receiving the financing decision to fulfill the incentive effect condition of Article 6 of the General Block Exemption (GBER) Regulation. If necessary, the beginning of the earliest possible eligibility period can also be defined depending on the type of state aid. It is recommended to analyze further the project evaluation process to shorten it. For example, organize more activities to be carried out in parallel.
The number of projects as an indicator does not show how much waste is actually recycled (C7)	R8: Add additional indicators and monitor the amount of waste recycled If there is a desire to achieve greater recycling of waste, additional indicators must be set to meet the objective of the measure. For example, the number of projects as an indicator does not show how much waste is actually recycled. Therefore, additional indicators need to be set to assess the real quantities of waste recycled (additional indicators for the new period measure are already foreseen, such as "Waste collected separately" (t / year) and "Primary raw materials saved by projects" (t / year)).
The lack of data does not allow monitoring the effectiveness of the measure (C8)	R9: Advise local governments on operating civic amenity sites To support local governments, offer them advice, organize training days or workshops for the Environmental Investment Center, where local governments can share best practices.
The expected impact of the measure and the budget are not balanced (C9)	R10: Give priority to projects offering waste recycling solutions Greater emphasis should be placed on supporting activities that specifically create new products from waste to recycle the material. One option would be to change the evaluation criteria so that additional points are awarded for the specific activity and / or waste code that are currently most critical. Additional points could also be awarded to projects that complete the recycling chain, i.e., collect waste and market the products made from it.
The measure does not guarantee the recycling of waste (C10)	R11: Take further steps by the state to create a market for recyclable materials Conditions must be created to encourage recycling in public procurement. The evaluation criteria for public procurement should be changed so that the state creates demand for recycled materials.
Activities supporting the waste sector are not enough aligned (C11)	R12: When given grants, take into account a long-term and comprehensive action plan While grants were provided in the current funding period to enable local authorities to set up waste collection facilities for separate collection, the next call should support, inter alia, activities related to the recycling of separately collected types of waste that have already received support. It must be ensured that the

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	various support measures are mutually supportive and that the whole waste hierarchy is jointly covered, so that no link in the chain remains a bottleneck in the implementation of investments and their impact.

The recommendations should be implemented following the timeframe below:

1. Recommendations to implement **as soon as possible** for the new call (listed according to their importance):
 - R1: Create guidance materials and provide consultation
 - R7: Shorten the evaluation time and / or bring forward the project eligibility period
 - R3: Implement applying on a continuous call
 - R10: Give priority to projects offering waste recycling solutions
 - R2: Consult with potential applicants to identify their needs
 - R4: Implement flexibility in the evaluation of applications according to the specific project
 - R5: Support awareness activity as a part of the project
2. Recommendations to implement in **next 2-3 years** (listed according to their importance):
 - R8: Add additional indicators and monitor the amount of waste recycled
 - R6: Support projects that contribute to the prevention or reduction of waste
 - R9: Advise local governments on operating civic amenity sites
 - R11: Take further steps by the state to create a market for recyclable materials
 - R12: When given grants, take into account a long-term and comprehensive action plan