



## Finance of Aftercare

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#### Finance of aftercare

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### Legislation Aftercare





**Environmental Management Act** 

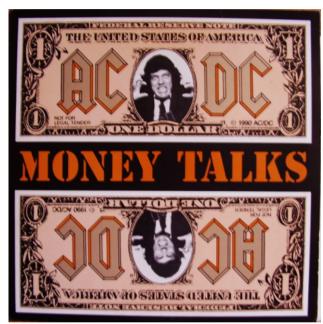
**Technical measures in Chapter 8** 

- •Art. 8.47 (3) protection of soil and (ground)water. Linked with the Soil protection act
- •Art. 8.49 describes the measures to be taken and the obligation for an aftercare plan with Decision of the Authority.
- •Art. 8.50 Provincial Executive is the authority for aftercare





## Legislation Aftercare





#### Aftercare laid down in:

**Environmental Management Act** 

#### Financial measures chapter 15

- •Art. 15.44 Provincial Executive set fee for aftercare this includes interest and investments in a Provincial owned fund
- Art. 15.45 Financial responsible landfill operator
- •Art. 15.46 bank guarantee from landfill owner
- Art. 15.47 rules that the fund must comply with
- Art. 15.48 Fund can be a jointly by multiple provinces
- •Art. 15.49 unforeseen circumstances after the Decision are for cost of Province



### Legislation Aftercare





- check is complied with license obligations
- special-purpose assets reached
- settlement by additional Provincial levy
- Decision on aftercare plan



Art. 15.49 unforeseen circumstances after the Decision are for cost of Province!



#### Polder model: the Dutch way





# Polder model: the Dutch way





#### **Bottlenecks Provinces**



- Landfill operator does not know his own landfill (transfer of ownership and bad administration)
- Multiple "owners" for liability: site owner, top-cover; monitoring, others
- Operator does not comply with license obligations
- Determine the levy for 20 years
  - Discussion about height of levy, due to crisis account rates (5%) are under pressure
- Aftercare plan revised every 5 years (does not happen in practice)
- Collision with other legislation eg. Soil protection Act.



#### Bottlenecks landfill operators



- The provinces have almost unlimited power.
- The account of provincial decisions must be paid by the operators. (Provinces have zero pain from bad investments)
  - Lowering the account rate by 0.5% -1.5% (starting from the 5%) means an increase in the special-purpose assets by 30 - 130%
- A shrinking and now national market demands uniformity in Provincial policy (EMA Art. 15.48)
  - Lack of uniformity leads to an uneven playing field and financial risks for landfill operators.
  - Management of the aftercare funds can be run professionally and with fewer risks through scale and spreading of investment risks



### Next steps



Secretary of State
Ms. Stientje van Veldhoven

#### Mediator needed:

- •The strict transfer of management and risk of a closed landfill at the time of formal closure
- The different policies of different provinces
  - for the aftercare funds
  - the calculation of the account rate
  - the calculation of specialpurpose assets

Secretary of state is asked to mediate between landfill operators and Provinces