

Agenda

- Introduction
- Short presentation of the map
- Presentation of the Sofia case
- Presentation of the Polish case
- Questions & answers

EU funds and the EIB

Structural and cohesion funds:

€347bn for 2007-13 = 36% of EU budget

€177bn for CEE-10 = 2.5x more annually than in 2004-06

European Investment Bank:

EU's public bank

Total annual portfolio: €53bn in 2006

Status and costs of projects

Status of projects	Total cost	EU funds
● Approved: 6	€2.7bn	€0.5bn
● Planned: 35	€14.5bn	€9.0bn
● Potential: 9	€4.8bn	€0.6bn
TOTAL: 50	€22.0bn	€10.1bn

**€9bn = 5% of all EU funds for CEE countries for 2007-13 (€177bn)
= 4 times more than all EU funds allocated for energy efficiency**

EU funds and EIB	Total cost	EU funds
EU funds (+ sometimes EIB): 44	€16.7bn	€10.1bn
EIB (and no EU funds): 6	€5.3bn	--

Types of projects and controversies



18 waste incinerators

- face local protests → absorption risks
- at the expense of recycling which is better for both the environment and economy



14 motorways

- routed through residential zones or valuable natural areas
- alternative routes disregarded



8 water management projects

- channelling and damming of rivers: destroys valuable natural sites
- often economically dubious

What is controversial about the projects?

- Harm to the environment (all)
- Economic ineffectiveness
- Legal deficiencies
- Public opposition

Types of projects and controversies



Sofia waste management project/crisis

- 1.3 mln people, roughly 1 200 t/daily municipal waste ~ 480 000 t/y
- the only landfill closed after protests in 2005,
- in 2005 following the example of Naples (Napoli) – baling of waste started, leaks smells, expensive – corruption and Mafia run the waste management
- landfill reopened in 2007 after EC started infringement procedure, few days ago Bulgarian court declared reopening was illegal
- incinerator company Fichtner contracted to propose a system (2.5 mln euro) – estimated project costs above 210 mln euro
- 4 alternatives – 2 include RDF (refuse derived fuel), 1 incinerator and one stabilisation of waste and landfilling; roughly 35% recycling at maximum

Types of projects and controversies



Sofia waste management project/crisis 2

- Not real public opposition (except close to the current level) – everyone wants it finally solved – no time
- NGOs fight for NO-BURN solution - bridge to Zero Waste – need for good alternative – realistic and ambitious (75 % diversion from landfill)
- EC supports binding recycling target for Sofia at the level of 50% by 2020 to potentially reclaim EU funds back; EC in favor of RDF :(
- Environmental Impact Assessment started – NGOs try to include 5th alternative – still needs to be developed in details
- problems – mafia runs collection; corruption (big infrastructure = more money); low participation in separate collection; no ambition of the authorities – every push is because of Brussels

Types of projects and controversies



CEE Bankwatch Network and Friends of the Earth Europe present:

RegioScar Award

1st place

to

Nine waste incinerators, Poland

The most ill-conceived project planned for EU funding in CEE countries in
2007-13.

This project in its current form deserves 0 euros from the EU budget.
Alternative options should be assessed first.



Case study: Poland

9 municipal waste incinerators

Total cost: € 1 053 million
Cohesion Fund: € 579 million

Anna Dworakowska
Institute of Environmental Economics

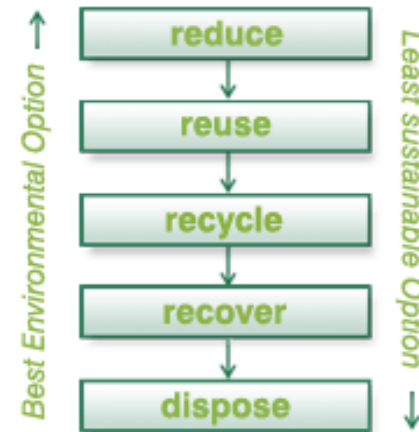


9 municipal waste incinerators to be built from the EU funds in Poland



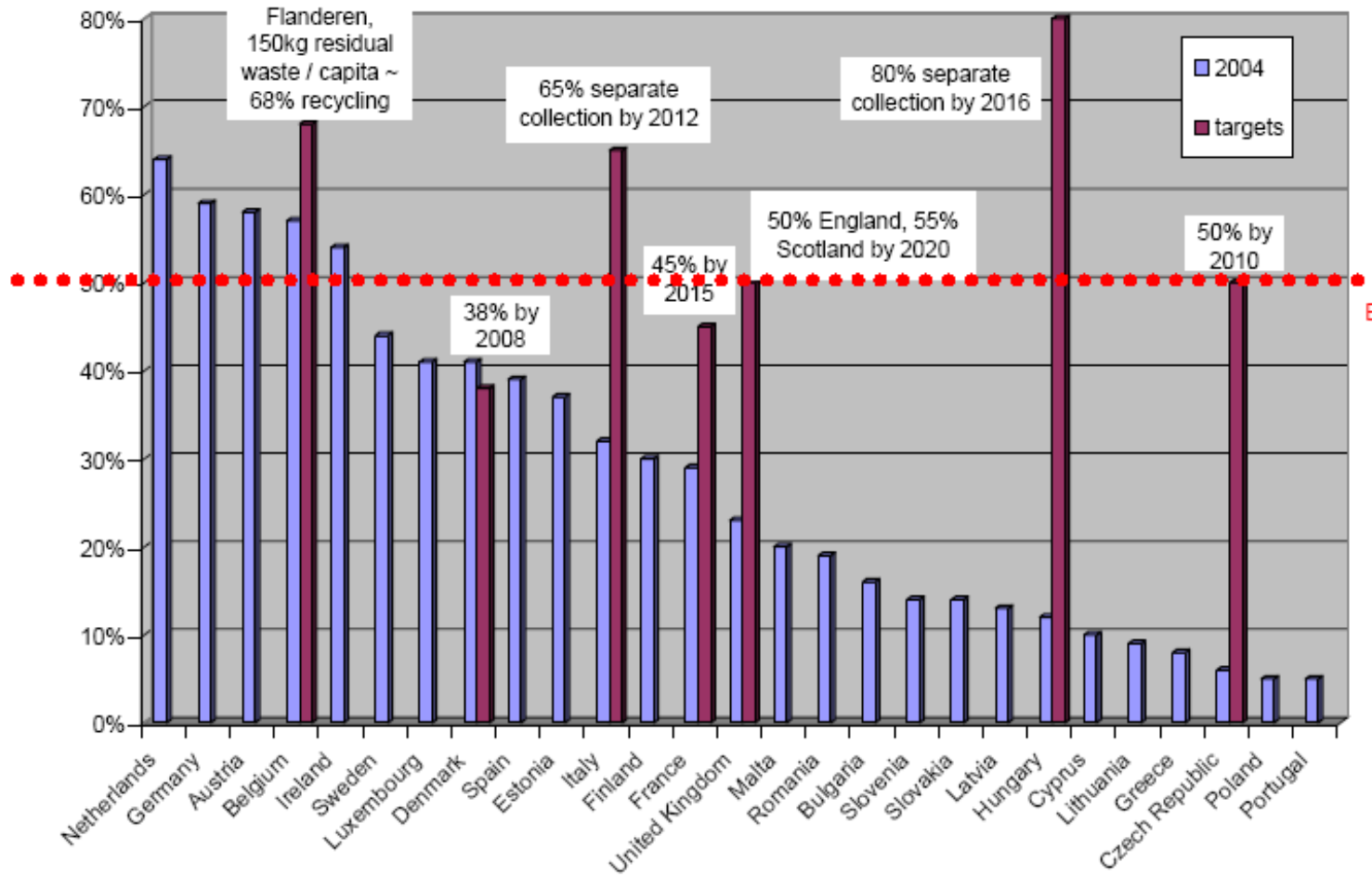
44% of all EU funds for waste management in Poland

CONTRADICTION of the EU waste hierarchy (EU and Polish law)



Poland – a recycling slowcoach – will this ever change?

National MSW recycling in 2004 and some future targets



Source: European Environment Agency

Case study: Kraków



Citizens of Kraków fly black flags in protest against the waste incinerator to be built with EU funds in their city.

Incinerator will burn 250 000 ton of waste per year = 140% of burnable waste (ZERO recycling level)

Once built requires a constant and stable input of waste, otherwise **COSTS GROW**

Recycling level in Krakow < 7%

ALTERNATIVE (already implemented in Poland): 45% recycled, 30% composted, 25% landfilled – **SAVES RESOURCES, ENERGY AND MONEY**

Cost of the incinerator: € 150 million

Cost of the alternative: € 25 million



Thank you for your attention

anad@bankwatch.org

hlebarov@bankwatch.org

www.bankwatch.org