Solid Waste Management: Laws, Policies, Institutional Structure and Financial Mechanism

Technical Deep Dive on Solid Waste Management

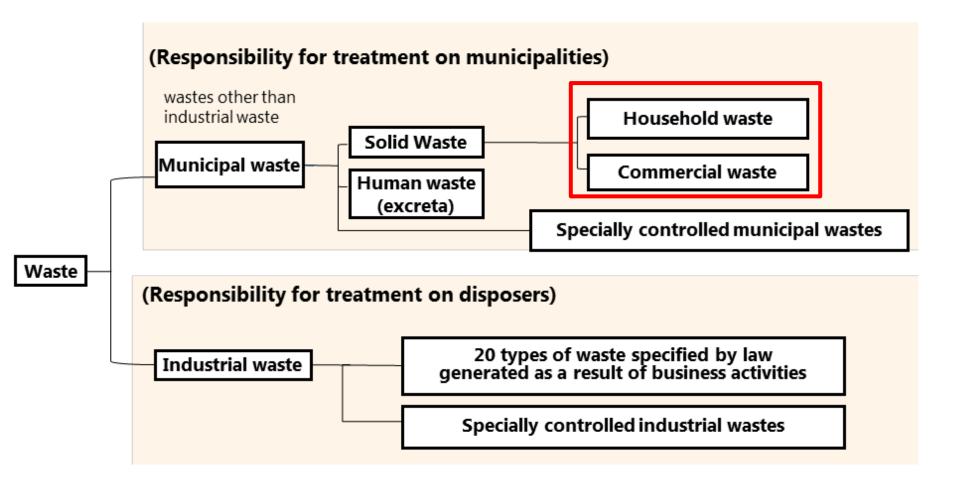
September 24th, 2018

Shiko Hayashi Programme Director, Kitakyushu Urban Centre, IGES

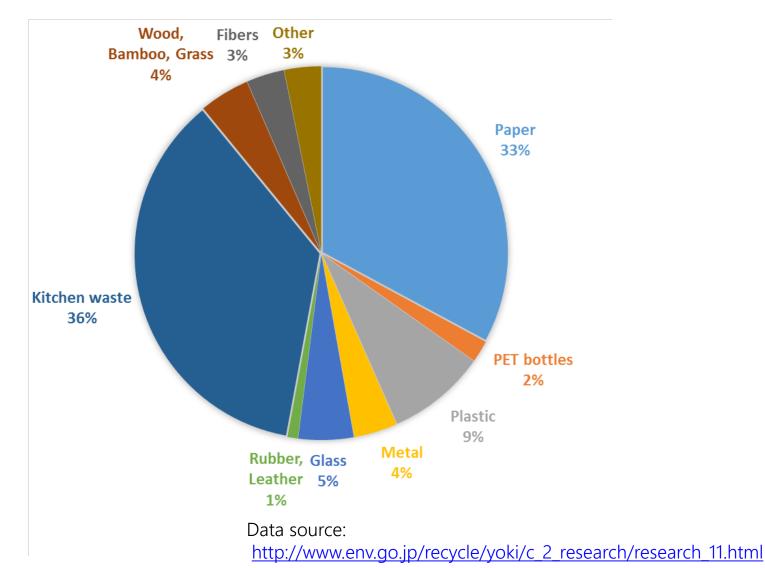




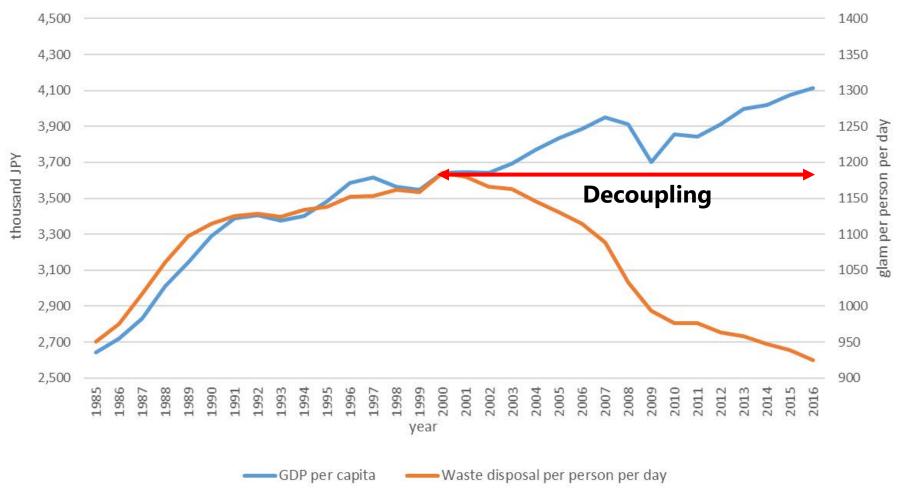
Waste Classifications in Japan



Waste Composition of Municipal Waste in Japan (FY2015)

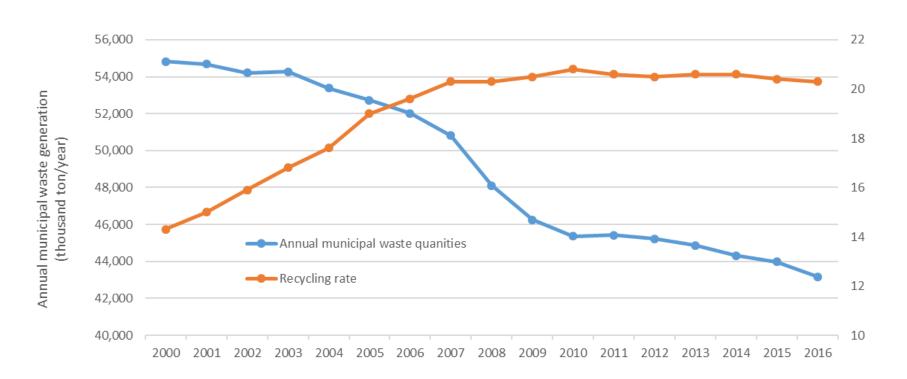


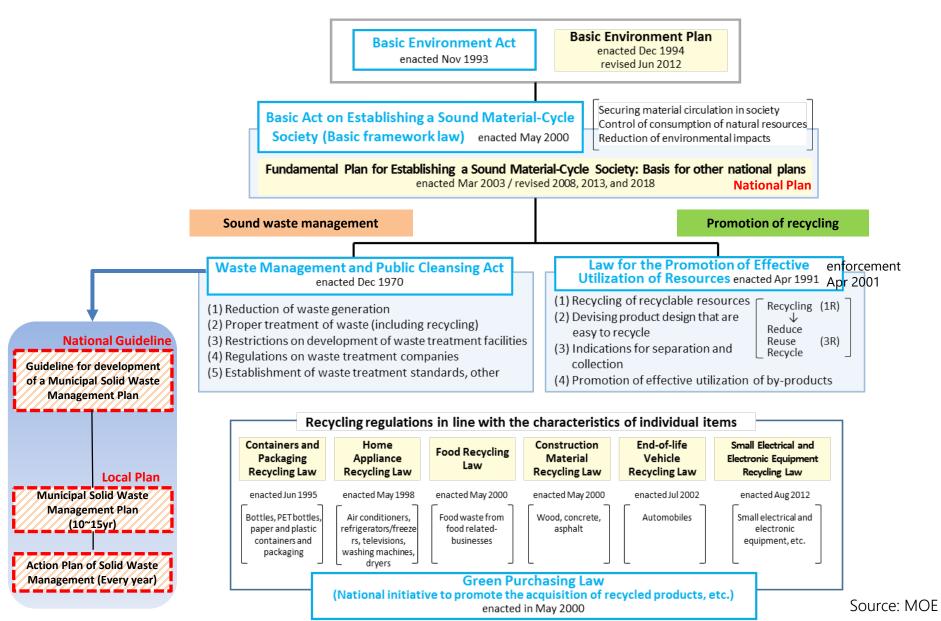
Transition of waste generation and GDP



Data source: MOE (2018)

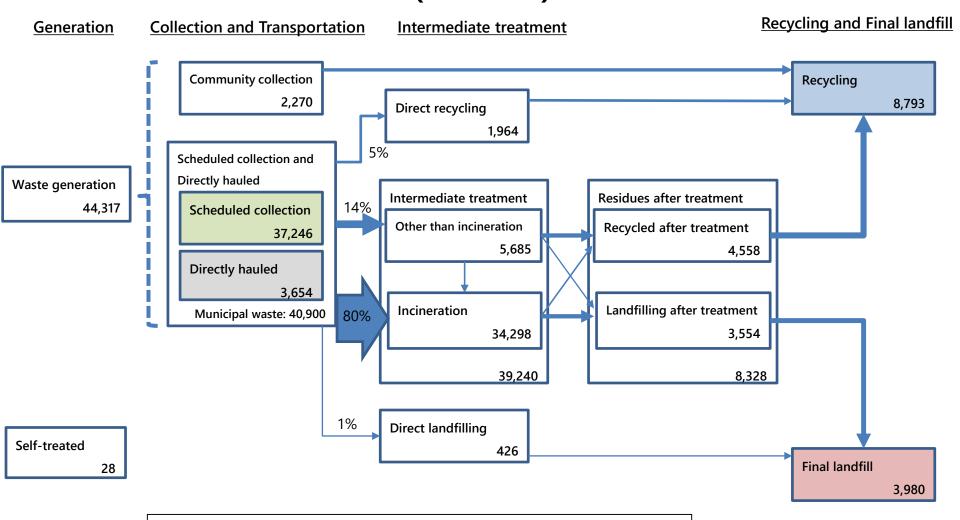
Transition of waste generation and recycling rate





Municipal Waste Flow in Japan (FY2016)

Unit: thousand ton/year

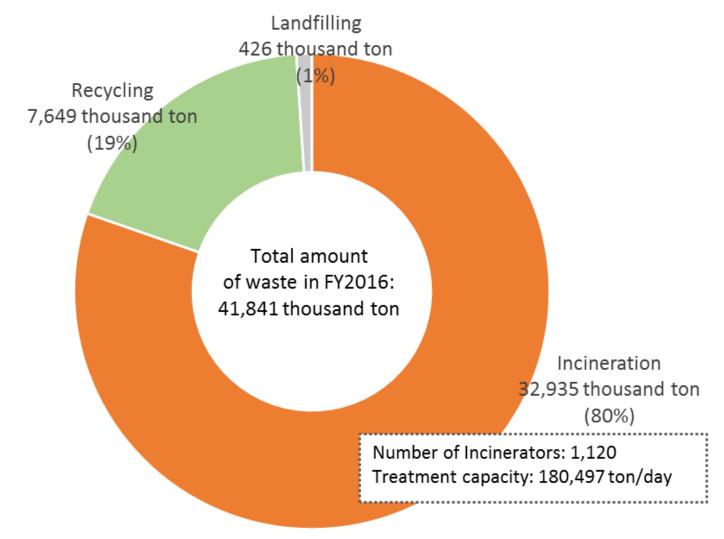


Other than incineration:

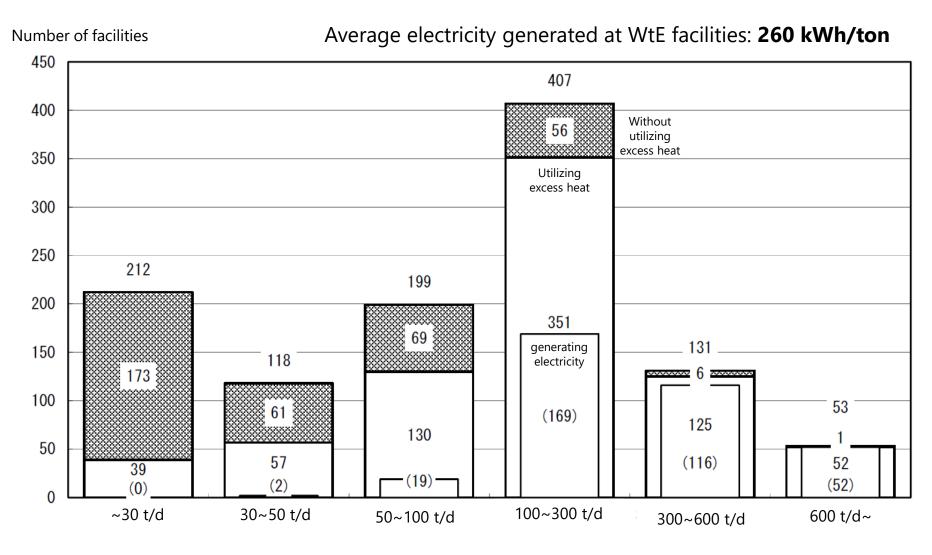
large article treatment (30.7%), composting (3.0%), feedstock making (0.1%), anaerobic digestion (1.0%), waste to fuels processing (11.6%), others (53.5%)

Data source: MOE (2018)

Breakdown of Treatment and Recycling in Japan (FY2016)



Incineration facilities and energy recovery (FY2016)



Source: MOE (2018)

City budget (∼10%)

Cost burdens on national and local governments for a construction of WtE facility in Japan (an example)

Total cost

Financing an construction cost

Cost share between national and local governments

Total construction cost of WtE facility (CAPEX)

* Local gov't can issue bonds maximum 90% of the cost which is not covered by national government.

Subsidy from national government (33%)

Local government bond (60%)

paid-back by local allocation tax (30%)

paid-back by local government (30%)

* Local gov't bares only about 10% of the total cost when it is constructed.

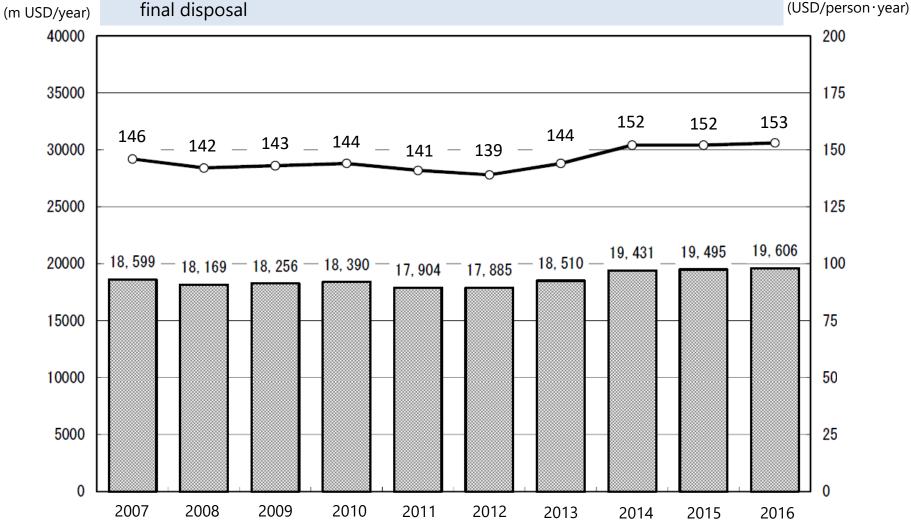
Cost burden on national government (63%)

Cost burden on local government (37%)

Costs of waste management

include costs of construction, operation and maintenance (incl. labour costs)

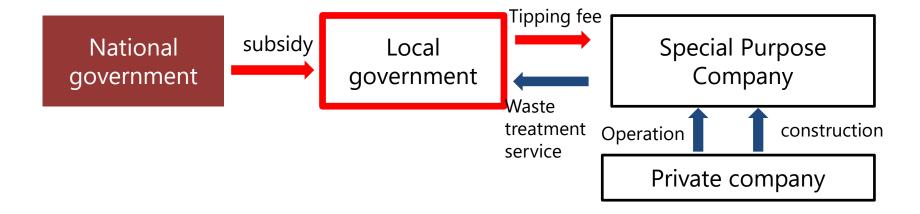
 include costs of collection & transportation, intermediate treatment, and final disposal assume 1USD=100JPY



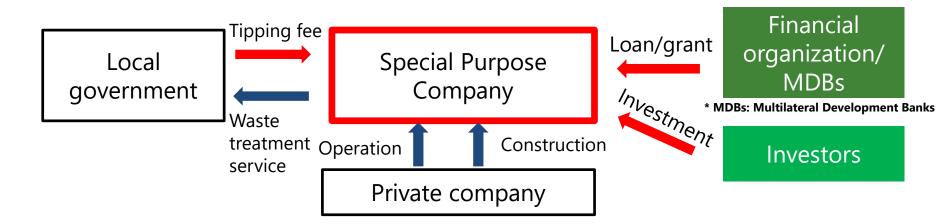
Source: MOE (2018)

Financing Scheme of MSW Treatment Facility

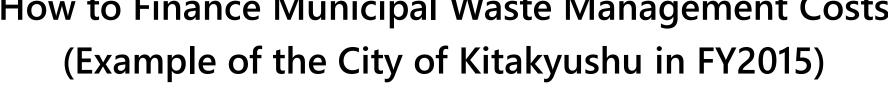
Publicly financed facility (Japan)

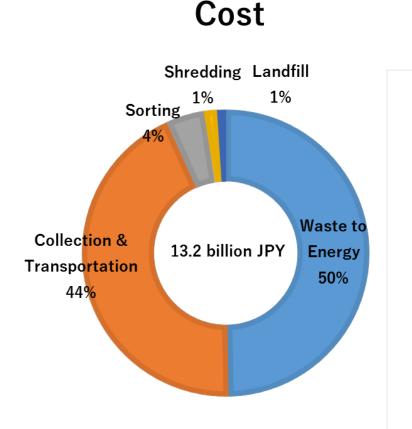


<u>Public Private Partnership: Project finance (other countries)</u>

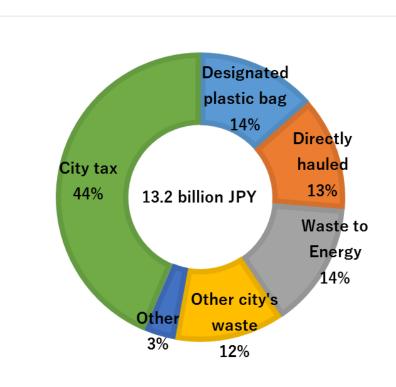


How to Finance Municipal Waste Management Costs (Example of the City of Kitakyushu in FY2015)

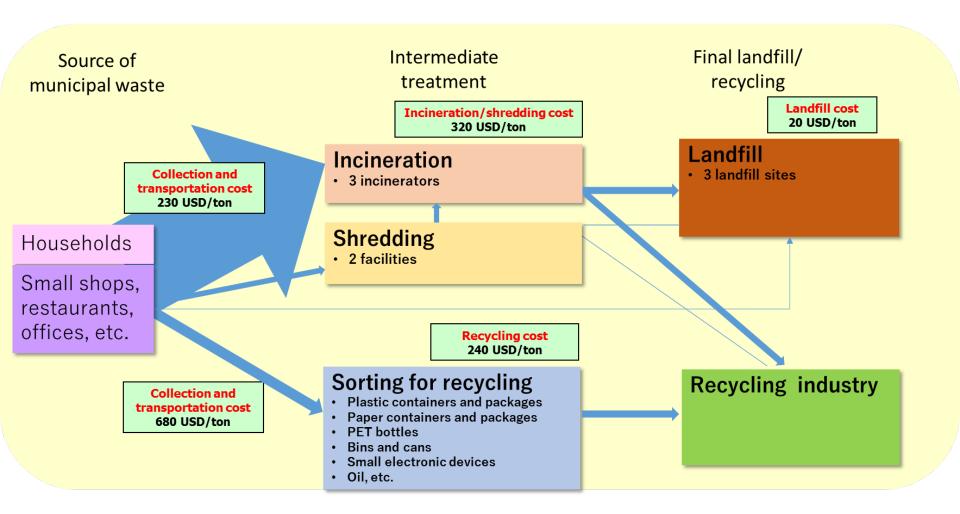




Finance



Average Costs of Municipal Waste Management (Example of Nagoya City)



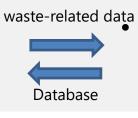
Relationship Between National and Municipal Governments on Municipal Waste Management in Japan

Local governments

National government

1. Survey on the state of MSW management

 Data collection and submission of the wasterelated data



Collecting data from local governments and summarizing as a database

2. Basic plan on MSW management

 Development of a basic plan on MSW management



Provision of the guidelines for a basic plan on MSW management

3. Implementation of the basic plan

• Development of waste treatment facilities



 Provision of subsidies on a development of waste treatment facilities (1/3 of construction costs and 1/2 if high efficiency WtE facility)

4. Mutual understanding of the state of both governments

 Collect and submit opinions of local governments through Japan Waste Management Association and etc.



 Exchange human resources between national and local governments

Indicators for Monitoring WM Performance

Category	Objective to be measured	Indicator	Unit
Establishing recycling-based society	Waste generation	Waste generation per person · day	kg/person · day
	Recycling rate	Recycling rate from waste	% (ton/ton)
	Thermal recycle	Energy recovery from waste	MJ/ton
	Final Disposal	Proportion of waste sent to landfill-site	% (ton/ton)
Prevention of global warming	GHGs emission	GHGs emission per a person a day associated with waste disposal	kg/person · day
Public service	Residents' satisfaction for waste treatment	Degree of Satisfaction of residents	_
Economy	Cost-effectiveness	Annual waste treatment cost per a person	JPN yen /person · year
		Cost of recycling	JPN yen/ton
		Cost of thermal recycling	JPN yen/MJ
		Cost associated with waste reduction service	JPN yen/ton

Thank you.

For more information, please go to "Japan Case Study of Municipal Solid Waste Management: A Roadmap for Reform for Policy Makers" or contact to hayashi@iges.or.jp