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Questions and answers VI.

Waste management tools

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1. **What economical tools of waste management do you know?**
2. **What is the payment for the collection of municipal waste?**
3. **What is the municipal wast fee?**
4. **What is the meaning of terms operation of the system for the collection, collection, transport, sorting, recovery and disposal of municipal waste fees?**
5. **What is the duty of waste producer?**
6. **Who does collect the waste disposal fee?**
7. **What is the level of waste deposition fee?**
8. **What is the level of penalties for breaking the rules of waste management?**
9. **What is the period for setting the penalty for breaking rules of waste management?**
10. **What are the deposit-refund systems?**

1.

Economic instruments can stimulate people positively, for example, in the form of financial support or, conversely, negatively by burdening undesirable behavior for the environment with a tax or fee. These are indirect instruments, the freedom of the subject is left to some extent. In addition to the stimulus function, they can also perform the function of fiscal, hedging, eliminating negative externalities. Z. Štěpánek states the following on the use of economic instruments in the field of waste management: "*Economic instruments, together with normative instruments, should create economic conditions for waste producers such that it is most advantageous for them to behave in the above way (e.g. to allow the disposal of waste that is not only short-term but also potentially dangerous in the long term, only by incineration, not landfilling, and at the same time to burden their production with a fee in the incentive amount, i.e. at a level which encourages the producer of the waste to minimise the production of such waste).*

Economic instruments include various fees, levies, taxes, reimbursements, fines, environmental insurance, subsidies, grants and other support. In the Czech Republic, fees are the most widely used, the primary purpose of which is to economically motivate the taxpayer to change behavior.

In the field of waste management, the following economic instruments are used in the Czech Republic:

1. Payment for the collection of municipal waste
1. Waste disposal fee
2. Payment for the use of the municipality's waste management system by business entities
3. Fines
4. Financial security of the landfill accident and financial reserve for reclamation and subsequent care of the landfill
5. Fees to support the collection, processing, recovery and disposal of selected car wrecks
6. Reduced tax rates
7. Grants, subsidies, European funds

2.

One of the municipality's obligations is to designate places where individuals can dispose of waste. The municipality becomes the producer and at the same time the owner of municipal waste at the moment when a natural person disposes of the waste at a place designated for this purpose. Persons living in the municipality or owning real estate can participate in the security of these public goods in

several ways. The first option is payment on the basis of a contract, then a fee for municipal waste and a fee for the operation of a system of collection, collection, transport, sorting, recovery and disposal of municipal waste. The municipality may use only one type of payment at a time.

The legal regulation of the payment for the collection of municipal waste has undergone changes during the period of validity of individual waste laws. It was not until the amendment to Act No. 125/1997 Coll., on Waste, which came into effect on 29 February 2000, that municipalities were given the opportunity to set a generally binding decree fee for municipal waste. The following Act No. 185/2001 Coll., on Waste and on the Amendment of Some Other Acts, in its first version, only directly amended Act No. 565/1990 Coll., on Local Fees, as amended. A fee was introduced for the operation of the system of collection, collection, transport, sorting, use and disposal of municipal waste, the possibility of its determination was within the competence of the municipality. With effect from 1 January 2003, an amendment to the Waste Act came into force, namely Act No. 275/2002 Coll., which extended the possibilities of payment for municipal waste to include payment on the basis of a contract and a fee for municipal waste.

3.

Based on ust. § 17 para. 5 of the Waste Act, the municipality may collect payment for the collection, collection, transport, sorting, recovery and disposal of municipal waste from natural persons on the basis of a written contract. In the case of this contract, the procedure is in accordance with Act No. 40/1964 Coll., the Civil Code, or Act No. 513/1991 Coll., the Commercial Code. The amount of payment must be included in the contract. This is a contract price that is not regulated in any way.

If a municipality chooses this form of payment for municipal waste management, it may face a number of problems. First of all, although this is regulated by a generally binding municipal decree, the conclusion of the contract is not legally enforceable. One of the features of the contract is the free will of both parties, which would be absent in the event of the establishment of obligations and the absence of consent of the other party. For this reason, the contractual relationship is particularly suitable for regulating the relationship between the municipality and the waste producers who use the municipality's system to dispose of their waste.

In the publication How to (not) pay for household waste there is also a negative evaluation from practice: "... where a system of payment for the volume of waste actually produced is in place, so-called black landfills are set up much more frequently and to a greater extent, because citizens try to dispose of the waste in a different way and elsewhere than in their garbage cans, for which they have to pay."

4.

The fee for the operation of the system of collection, collection, transport, sorting, recovery and disposal of municipal waste is a local fee within the meaning of Act No. 565/1990 Coll., on Local Fees, as amended. The fee is paid by natural persons with permanent residence in the municipality and natural persons – owners of buildings intended or used for individual recreation, in which no natural person is registered for permanent residence.

For a household, the fee may be paid by a common representative, for a family house or apartment building by its owner or manager. The common representative, owner or administrators also have a reporting obligation, which consists in notifying the name and date of birth of the persons for whom the fee is paid, to the municipality.

In the case of such a fee, its maximum amount shall be fixed. The fee consists of two parts. Amounts up to CZK 250 per person per calendar year and from the amount, the maximum amount of which is currently also CZK 250, which is derived from the actual costs of the municipality for the collection and collection of unsorted municipal waste for the previous year. In a generally binding decree, the municipality stipulates the allocation of costs for the collection and collection of unsorted municipal waste per person.

5.

The producer of the waste is obliged to pay a fee for the disposal of the waste in a landfill, even if the producer of the waste is himself the operator of the landfill and the landfill is on his own land.

The Act on Local Fees implies the possibility for the municipality to provide for concessions and possible exemption from the fee by means of a generally binding decree. Therefore, the possibility is given to the municipal council, the decision is made in an independent competence. The fee can also be waived due to the removal of hardness.

6.

The fee is collected by the landfill operator when the waste is deposited in the landfill and then pays the collected fees to the recipient of the fee. The income from the fee is divided between the municipality in whose cadastral territory the landfill is located and the State Environmental Fund. The municipality has a basic component, the State Environmental Fund has a risk component.

7.

- up to CZK 1700 per 1 tonne of hazardous waste deposited,
- up to CZK 500 per 1 tonne of other waste stored.

8.

The Waste Act currently regulates fines imposed on business entities and individuals. The recipients of fines are either municipalities in whose cadastral territory the violation of the Waste Act occurred, or they share part of the fine with the State Environmental Fund.

The distribution of fines is as follows:

- If the fine is imposed by the Czech Environmental Inspectorate, 50% is the income of the municipality in whose cadastral territory the violation of legal regulations occurred, and 50% is the income of the State Environmental Fund.
- The fine imposed by the Czech Environmental Inspectorate directly on the municipality is the entire fine by the state environmental fund.
- If the fine is imposed by the municipal authority of the municipality with extended competence, it is entitled to 50% of the amount of the fine, another 50% is the income of the municipality in whose cadastral territory the violation of legal regulations occurred.
- The fine imposed by the municipal authority of the municipality with extended competence on the municipality is income from 50% of the State Environmental Fund and the remaining part is the income of the municipality with extended competence.
- The fine imposed by the municipal authority is the income of the municipality.

The range of fines that are regulated by the Waste Act is very wide. Fines are divided according to the severity of the threat to the environment into fines with an amount of up to CZK 300,000, which can be imposed by the municipal authority, up to CZK 1,000,000 imposed by the Czech Environmental Inspectorate or the relevant municipal authority of a municipality with extended competence, and fines of up to CZK 10,000,000 and CZK 50,000,000 imposed only by the Czech Environmental Inspectorate. The stated maximum amount of the fine is doubled if there is a violation by a legal entity or a natural person authorized to conduct business within 1 year of the final imposition of a fine for the same obligation.

9.

The time limit for which proceedings for the imposition of a fine may be imposed is 1 year from the date on which the administrative authority became aware of the breach of duty. The deadline is 3 years from the date on which the breach occurred.

10.

Deposit-refund systems are based on the principle of responsibility of producers or importers for the handling of their produced or imported goods after their end of life. In current legislation, these are waste oils, packaging, batteries and accumulators, tires, discharge lamps and fluorescent lamps, electrical and electronic equipment. The involvement of producers or importers may take the form of an advance scheme, recycling fees or a product charge. In the Czech Republic, the fulfillment of the obligation to take back and recover packaging waste has been operating for many years with the authorized company EKO-KOM, a. s. In recent years, collective systems for financing and handling electrical and electronic equipment and electrical waste have also been approved.