

PRESS RELEASE

Waste: first tariff method by the end of the year

two measures have been merged and the timeframe has been set to allow local authorities and environmental service providers to incorporate the method into the next TARI financial plans, with effect from January 2020. A consultation document by the end of July

Milan, 10 July 2019 - The first tariff method for the waste sector will be the subject of a specific consultation document by the end of July and will be available by 31 October, with effect from 1 January 2020, in order to unify the complexity of tariffs and taxes on municipal and similar waste, including separated waste.

The deadlines are laid down in **Resolution no. 303/2019/R/ref**, published today, which formally combines two previous measures - 225/2018/R/ref and 715/2018/R/ref - whereby the Authority initially began the procedure to define the tariff method and subsequently introduced the monitoring of the existing tariffs for 2018 and 2019.

The importance of today's resolution lies in the timing of the requirements that the Authority has set itself and in the number of parties and processes involved in the next tariff method, first and foremost local authorities and operators in the sector.

In fact, by the end of the year, as the resolution states, the municipal councils must approve the TARI (tax on waste) tariffs in accordance with the urban waste management service's financial plan.

In publishing the tariff method by the end of October, ARERA therefore intends to provide the necessary information to include the principles already in the tariff approval phase for 2020, combining the initiatives undertaken by the Authority with the timeframe provided for by current legislation on the evaluation process and the determination of the withdrawal methods.

In today's resolution, prompted by the simplification of administrative procedures and compliance with the deadlines for current tariff decisions, the Authority highlights some of the main steps that will inspire the next regulatory action on waste:

- the definition of criteria for monitoring and recognising efficient costs, to be applied for the years 2018 and 2019, in any case covered by the granting of regulatory functions to the Authority;
- the introduction of an initial tariff methodology for the recognition of cost-effective waste cycle management costs from 2020 onwards;
- the launch of adequate information and, where necessary, training activities for the correct adoption of the financial plans required by the end of the year, in order to ensure effective and rapid application, at the various institutional levels, of the above regulations;
- the launch of interinstitutional comparison exercises, aimed at defining data validation procedures and the procedures for approving financial plans and fees, in order to ensure, on

the one hand, truthfulness, clarity, completeness and fairness of the information and, on the other hand, consistency between fees and efficient costs.

*"The Authority is aware of the necessary commitment to support the momentum outlined by today's resolution - says the president of ARERA, **Stefano Besseghini** - An effort will be necessary on the part of institutions, local authorities and managers of environmental hygiene services. However, the news shows daily how pressing the issue of waste is on the verge of a crisis and we are certain that clear rules for tariffs, definition of standard costs, efficiency of the service and infrastructure provision in the Country are some of the main factors to be established in order to overcome this situation".*

The resolution is published on the website www.arera.it