

HORIZON 2020 FUNDING PROPOSAL: PREWASTEC
WDA/27/15

Recommendation

That:

1. Members support the Prewastec European grant application; and
2. Agree to MRWA participation in the proposal should the bid be successful.

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Horizon 2020 Funding Proposal: Prewastec
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Report of the Chief Executive

1. Purpose of the Report

- 1.1 This report highlights a European funding opportunity to support sustainable waste management in the Liverpool City Region;
- 1.2 The report seeks Member's support for MRWA to become a partner in the Prewastec project should it be successful and contribute to the work programme to build the waste prevention, re-use and recycling education and skills base within the community. The project would support the move towards a circular economy within the geographical area of the Liverpool City Region.

2. Background

- 2.1 Horizon 2020 is the biggest EU Framework Programme for Research and Innovation ever with nearly €80billion available between 2014-2020 and seen as a means to drive economic growth and create jobs.
- 2.2 One of the themes covered in the Framework is Climate Action, Environment, Resource Efficiency and Raw Materials and will fund research and innovation with the following specific objectives:
 - To achieve a resource efficient and climate change resilient economy and society;
 - The protection and sustainable management of natural resources and ecosystems; and
 - A sustainable supply and use of raw materials in order to meet the needs of a growing global population within the sustainable limits of the planet's natural resources and eco-systems.
- 2.3 One of the main focus areas of the above theme in Horizon 2020 is waste and its use as a resource. The main concern is to support the transition towards a more circular economy which will generate growth and jobs whilst contributing to environmental protection and reducing Europe's dependency on raw materials.

3. Prewastec Proposal

- 3.1 The European Union has called for proposals under Horizon 2020 on the topic: Waste: Promoting eco-innovative waste management and prevention as part of sustainable urban development.
- 3.2 A proposal called Prewastec has been developed by CIRCE (Centre of Research Resources and Energy Consumption supported by the University of Zaragoza, Spain) which seeks €5.0million grant from the €10m funding available. The strategic focus of the project will be to move waste management higher up the Waste Management Hierarchy by supporting activities on waste prevention, re-use, recycling and composting whilst recognising the impact these activities have on the amount of residual waste requiring treatment or disposal.
- 3.3 The project will develop, test and apply on the ground activities with the core aim being the behavioural change of residents through innovative solutions including public awareness and new approaches in waste management in the short and long term.
- 3.4 CIRCE has called for partners across Europe to support and deliver the project. Eleven organisations have been identified from four European regions that are eligible for Horizon 2020 funding. Zaragoza in Spain, Malmö in Sweden, Istanbul in Turkey and the Liverpool City Region in United Kingdom. These represent over 17 million inhabitants with very diverse waste flows, waste composition and human behaviour.
- 3.5 The project will develop case studies in each region that will include implementing innovative community based activities to minimise waste production and encourage the move to the circular economy. These will include urban collection systems where valuable waste materials can be bought directly by citizens and testing of source separation systems in public open spaces.
- 3.6 The geographical area of the Liverpool City Region has been identified as a case study for this project and currently there are three partners involved being C-Tech Innovation, Groundwork and University of Central Lancashire. The case study for the region will focus on reuse and repair and will build on the education and skills base within the community to move towards a circular economy in the City Region. The project will build on the existing levels of campaigns, programmes and education and implement new re-use workshops and monitor the impact on recovery and re-use of products.

- 3.7 MRWA have been invited to participate in developing the proposal and delivering the project. The Authority has significant experience to bring to the partnership in developing and delivery of waste prevention and re-use projects especially through our work on the Community Fund and the Waste Prevention Programme plus our extensive knowledge and experience in recycling, treatment and disposal of waste in an urban environment.
- 3.8 The benefits of being a partner in the project, should it be successful, are:
- Opportunity to draw in approximately €1.47 million (£1.1million) EU funding to deliver on the ground waste management projects in the City Region over a 42 month period;
 - An estimated €276,120 (£193,284) of the €1.47 million budget proposed for the work programme in the City Region is specifically to fund MRWA staff and resources over the 42 months of the project.;
 - Ability to develop, deliver and extend existing projects in re-use, repair and waste prevention with residents in line with the objectives of the Joint Recycling and Waste Management Strategy.
 - The projects would support the delivery of key activities within the Authority's proposed Re-Use Strategy Report WDA 28/15) which is currently before Members for approval);
 - Developing new larger scale projects in the community (for residents and businesses) to support skills training in re-use and waste prevention activities (such as cookery skills, sewing and upholstery, upcycling of furniture) which can offer economic benefit to the region through transferable skills and supporting enterprise;
 - This project would contribute to the development of the Circular Economy in the City Region and develop the research base in this area and be an opportunity for partnership working with key stakeholders in the region including the districts, LEP and Universities;
 - Build a relationship with other regions in Europe including Malmö, Sweden which was identified as a best practice case study for waste management in the Mayoral Commission on Environmental Sustainability published earlier this year. 98% of Malmö's household waste is re-used or recycling into new material or energy and since

2014 food waste has been used to produce biogas that fuels the city's buses, refuse trucks, taxis and cars.

3.9 The funding proposal has already passed the first stage submission and has now gone back for its final assessment to the EU. Confirmation of MRWA's partner status would only add considerable "weight" to the bid. It is anticipated that only two of the ten proposals going forward will receive approval. The indicative timetable is that successful projects will be informed in spring 2016 followed by contract negotiations with the project beginning in August 2016 with on-the-ground projects commencing in February 2017. A percentage of the grant would be awarded following commencement of the project with further payments awarded over the timeframe. The agreement to be signed by the Authority would include clauses on procedures to follow should the Authority no longer wish to participate in the project or transfer to another legal body should the governance of waste management change before the project ends in Winter 2020.

4. **Risk Implications**

4.1

Identified Risk	Likelihood Rating	Consequence Rating	Risk Value	Mitigation
Failure to benefit from European grant aid to support and deliver waste management and resource efficiency in the City Region	3	4	12	Identify appropriate EU funding streams and projects which will provide appropriate levels of resources to support the Authority to deliver its core aims and objectives.
Failure to understand the value of resources in the Liverpool City Region	2	4	8	Research into the value of materials currently being disposed of and promoting the benefits of increased re-use and recycling to the City Region
Failure to address and	3	4	12	Sourcing appropriate funding and

manage EU proposals to increase targets to support resource efficiency and the circular economy.				resources to develop the Circular economy and enable the City Region to meet potentially challenging waste management targets
Failure to support education, training and skills development the City Region to benefit the Circular economy	2	4	8	Work with partners to co-ordinate on the ground activity to ensure residents and businesses have the skills and training to adapt to the needs of a circular economy.

5. HR Implications

5.1 There are no immediate HR implications. Should the grant be awarded, the funding will pay for existing MRWA staff resources required for the project (estimated at 0.4FTE for 42 months). Additional support from the UK project partners (C-Tech Innovation, University of Central Lancashire and Groundwork) will allow a significant increase in delivery of on the ground projects which MRWA would not have been in a position to resource alone.

6. Environmental Implications

6.1 The project proposal is in line with the corporate objectives of the Authority and the Joint Recycling and Waste Management Strategy to move waste up the statutory hierarchy and the benefits of effective resource efficiency.

7. Financial Implications

7.1 There are no immediate financial implications but should the grant be awarded this will draw in an estimated £193,284 to fund MRWA resources over 42 months (estimated between August 2016 and January 2020 but subject to budget negotiations) as a share of an overall UK budget of approximately £1.1m. This funding would directly benefit the City Region in community re-use education and skills development to support the circular economy up to 2020. The total funding would also be a gearing of

more than fifteen to one of inward investment to support re-use projects in the City Region through the Authority plus any additional savings through reductions in household waste arisings as a result of the project.

8. Legal Implications

- 8.1 There are no immediate legal implications at this stage. MRWA would be required to consider and sign a legal Grant Agreement should the project be approved by the European Commission in 2016. An Agreement would need to be completed by all partners before the project could formally commence and grants awarded to participating organisations.

9. Conclusion

- 9.1 The Horizon 2020 European funding programme has called for proposals on the topic: Waste: Promoting eco-innovative waste management and prevention as part of sustainable urban development.
- 9.2 A proposal called Prewastec has been developed by CIRCE in Spain which seeks €5.0m grant from the €10m funding available. The project proposes case studies in four European cities: Zaragoza in Spain, Malmö in Sweden, Istanbul in Turkey and the Liverpool City Region in United Kingdom which represent over 17 million inhabitants.
- 9.3 The UK case study will focus on reuse and repair and will build on the education and skills base within the community to move towards a circular economy in the City Region. The project will build on the existing levels of campaigns, programmes and education and implement new re-use workshops and monitor the impact on recovery and re-use of products.
- 9.4 MRWA has been invited to participate in the project as a partner alongside C-Tech Innovation, Groundwork and University of Central Lancashire because of our waste management knowledge in the region and our expertise in waste prevention and Community Fund programmes and experience in the WastEcoSmart project.
- 9.5 The benefits from being a partner in the project including direct grant funding for MRWA participation (estimated at £193,284 over 42 months (between summer 2016 to Winter 2020) and helping to draw in over £1.1million for investment in the City Region on re-use skills training and activities in re-use. This would be a ten-fold increase on the financial resources for re-use in the current Authority budget plus any additional financial benefits associated with reductions in overall waste arisings as a result of the programme.

- 9.6 The proposal has already reached the second stage of the application process. The participants will know by spring 2016 if the project has been successful and the project would commence in August 2016 with delivery projects beginning in February/March 2017.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.