

TECHNICAL ANNEX 3

INSTITUTIONAL ARCHITECTURE AND DRAFT OUTLINE OF THE “WASTE AND CIRCULAR ECONOMY CODE

This technical annex complements the National Strategy for the Transition to a Circular Municipal Waste Management System and the two previous technical annexes (on KPIs and the digital platform). It proposes:

- a framework model of the national institutional architecture in the field of waste and circular economy;
- a draft outline of the structure of a future framework law—the “Waste and Circular Economy Code” (hereinafter, the Code), intended to consolidate fragmented regulation and establish common principles and a hierarchy of responsibilities.

The document is intended for use in the preparation of legislative initiatives, organizational reform, and further detailing of the powers of public authorities and system participants.

1. Principles of the institutional architecture

- Central coordination while maintaining a meaningful role for municipalities: strategic and regulatory functions are concentrated at the national level, while implementation of a significant part of measures is at the level of municipalities and regional corporations.
- Transparency and accountability: the allocation of powers and responsibilities among public authorities must be clear, and key decisions must be available for public oversight.
- Integration of waste and circular economy policy: waste is considered not in isolation, but in connection with climate, industrial, social, and spatial policy.
- Stakeholder participation: municipalities, business, NGOs, and the academic sector should be represented in governance and advisory bodies.
- Phasing and flexibility: the architecture should allow gradual expansion of functions and adjustment of mechanisms without losing the underlying logic.

2. National Waste and Circular Economy Authority

A key element of the institutional architecture is proposed to be a specialized body—the National Waste and Circular Economy Authority (hereinafter, the National Authority). The body may be established as a separate agency or as an autonomous structure within the Ministry of Environmental Protection with a clearly закрепленным mandate.

2.1. Mandate and functions of the National Authority

- Strategic planning: preparation and updating of national strategies and programs in the field of waste and circular economy;
- Regulatory and methodological support: development of secondary legislation, standards, methodological recommendations, classifiers, and guidelines;
- Coordination of infrastructure development: planning, coordination, and monitoring of projects in sorting, recycling, composting, AD, WtE, etc.;

- Management of economic instruments: participation in setting landfill levy rates, regulation of EPR and deposit systems, management of the Circular Fund;
- Management of the national digital platform and monitoring system (see Technical Annex 2): definition of data requirements, control of reporting quality, KPI calculation;
- Control and supervision: licensing of certain types of waste-related activities, inspections, sanctions for violations;
- Education and communications: national campaigns, support for educational programs, methodological materials for municipalities and NGOs;
- International cooperation: interaction with international organizations, participation in projects and programs, exchange of experience.

2.2. Organizational structure of the National Authority (framework)

At the design stage, the following basic division into departments may be envisaged (with subsequent detailing):

- Department of Strategic Planning and Policy;
- Department of Regulation and Legal Support (including work on the Code and secondary legislation);
- Department of Infrastructure and Technologies (recycling, organics, WtE, landfills, hubs);
- Department of Economic Instruments and the Circular Fund;
- Department of Data, Digital Platform, and KPIs;
- Department of Control and Inspections;
- Department of Education, Communications, and Public Engagement;
- Administrative and Financial Unit.

3. Inter-ministerial coordination

Waste and circular economy policy affects the competencies of various ministries: environment, finance, interior, economy, agriculture, transport, health, etc. To coordinate actions, it is advisable to establish an inter-ministerial council on waste and circular economy.

3.1. Inter-ministerial council on waste and circular economy

The Council operates as an advisory and coordination body under the government or under the National Authority. Its tasks:

- review of strategies, programs, and major infrastructure projects;
- coordination of reforms of economic instruments (taxes, EPR, deposits, subsidies);
- discussion of key regulatory changes (changes to the Code and secondary legislation);
- consideration of climate, industrial, social, and regional agendas in decision-making;
- ensuring regular dialogue with associations of municipalities, business, and civil society.

The Council is recommended to include: representatives of relevant ministries, the National Authority, associations of municipalities, regional corporations, business associations, NGOs, and the academic community.

4. Role of municipalities and regional corporations

Municipalities are the key level for implementation of waste policy. Their powers and obligations must be clearly specified in the Code and accompanying legislation.

- planning and organization of the MSW collection system, including separate

collection;

- concluding contracts with operators for collection, haulage, sorting, recycling, and landfilling;
- ensuring participation in national EPR and deposit systems;
- creation and support of local circular hubs (independently or jointly with NGOs/business);
- communication and work with the public, local educational campaigns;
- provision of data to the national digital platform and participation in KPI monitoring;
- participation in regional corporations and consortia to optimize infrastructure.

Regional corporations, where they exist or will be created, assume functions for development and operation of inter-municipal infrastructure (sorting facilities, landfills, organics treatment facilities, WtE, etc.), and also serve as partners to municipalities in implementing separate collection and circular economy programs.

5. Role of the private sector, EPR operators, and civil society

For sustainable functioning of the waste system and development of the circular economy, active involvement of the private sector and civil society institutions is required.

5.1. Private sector and EPR operators

- producers and importers—bear extended responsibility for products and packaging across all stages of the life cycle;
- EPR operators—organize collection, recycling, and reporting for specific waste streams (packaging, WEEE, batteries, tires, etc.);
- operators of infrastructure facilities—ensure efficient and safe operation of sorting facilities, recycling, composting, WtE, and landfills;
- innovative companies and startups—develop new solutions in eco-design, reuse, sharing, and digital services.

5.2. Civil society and the academic sector

- NGOs and initiative groups—participate in education, development of local hubs, monitoring, and public oversight;
- academic institutes—conduct research (morphology, food waste, impact assessment, policy analysis), participate in methodology and KPI development;
- public councils and participation platforms—provide a feedback channel on projects and reforms.

6. Draft outline of the structure of the “Waste and Circular Economy Code”

The Code is proposed to be treated as a framework law that:

- replaces or systematizes fragmented waste legislation;
- закрепляет key principles and the waste hierarchy;
- defines powers and responsibilities of system participants;
- serves as a basis for the development of secondary legislation and technical standards.

Below is an indicative plan of the Code with a brief description of chapters.

CHAPTER 1. General provisions

Objectives and tasks of the Code; scope (municipal and other waste, including special streams); key terms and definitions; basic principles (waste hierarchy, “polluter pays,” extended producer responsibility, precaution, protection of vulnerable groups, etc.).

CHAPTER 2. Waste hierarchy and circular economy

Establishment of the hierarchy: prevention – preparation for reuse – recycling – other recovery (including energy recovery) – landfilling. Inclusion of concepts of eco-design, reuse, repair, sharing, service economy, and other elements of the circular economy.

CHAPTER 3. Rights and obligations of participants

Rights and obligations of the state, municipalities, producers, operators, citizens, NGOs. General obligations to prevent illegal dumping, prohibition of waste burning outside permitted facilities, obligations to participate in separate collection, etc.

CHAPTER 4. National Waste and Circular Economy Authority

Legal status, mandate, functions, and structure of the National Authority. Powers for strategic planning, regulation, control, management of economic instruments, and the digital platform.

CHAPTER 5. Powers of other national bodies

Allocation of functions among профильные ministries (finance, interior, economy, agriculture, transport, health, etc.), their interaction with the National Authority, and participation in the inter-ministerial council.

CHAPTER 6. Municipalities and regional corporations

Status, powers, and obligations of municipalities and regional corporations. Requirements for local waste plans, separate collection, infrastructure, and education. Possibility of inter-municipal cooperation and coordination.

CHAPTER 7. Waste prevention and circular models

Legal frameworks for eco-design, reduction of single-use products and packaging, development of sharing and service models, support for repair and extension of product lifetimes, prevention of food losses.

CHAPTER 8. Collection and transport of municipal waste

General requirements for collection systems (mixed and separate collection), container stock, collection schedules, service quality, occupational safety and sanitary standards. Municipal powers to establish collection schemes and operator responsibilities.

CHAPTER 9. Special waste streams and EPR

Regulation of specific streams: packaging, WEEE, batteries, tires, vehicles, oils, HHW, construction waste, textiles, etc. Framework provisions on EPR systems: goals, targets, producer obligations, requirements for EPR operators, reporting, and control.

CHAPTER 10. Organic waste

Phased introduction of mandatory separate collection of organics; requirements for

composting and anaerobic digestion facilities; product quality (compost, digestate) and their use; gradual ban on landfilling untreated organics.

CHAPTER 11. Landfill disposal and final landfilling

Requirements for landfill facilities, licensing, monitoring, and control; phased reduction of landfilling; recultivation and post-closure monitoring measures; regulation of construction and other specialized landfills.

CHAPTER 12. Waste-to-Energy (WtE)

Framework conditions for using WtE as a “bridging” technology; requirements for prior removal of recyclable fractions; capacity and throughput limits; emissions and monitoring standards; priority of organics and reuse over WtE.

CHAPTER 13. Economic instruments

Landfill levy and other environmental payments; PAYT systems; framework provisions on municipal tariff policy; structure and principles of the Circular Fund; subsidies and grants for infrastructure and innovation.

CHAPTER 14. Green procurement and financial support measures

Requirements for “green” state and municipal procurement; criteria for supporting recycling and circular economy projects; linkage with broader climate and innovation policy.

CHAPTER 15. Data, reporting, and the digital platform

Reporting obligations for municipalities, operators, EPR systems; legal status of the national digital platform; open data requirements; protection of personal and commercial information.

CHAPTER 16. Control, inspections, and liability

Inspector powers, types of inspections, coordination mechanisms with other oversight bodies; types of violations and sanctions; case review and appeals procedures.

CHAPTER 17. Access to information, participation, and public oversight

Rights of citizens and NGOs to access information on waste and facilities; procedures for public hearings on infrastructure projects; establishment of public councils and complaint mechanisms.

CHAPTER 18. Environmental justice and protection of vulnerable groups

Principles of fair distribution of environmental risks and benefits; requirements for impact assessment on vulnerable groups when siting facilities; compensation mechanisms and socio-economic support for territories bearing the main burden.

CHAPTER 19. Transitional and final provisions

Procedure for phased entry into force of the Code; harmonization and repeal of previously adopted laws and secondary legislation; transitional periods for municipalities, operators, and business; mechanisms for monitoring implementation of the Code and its periodic revision.

7. Conclusion

The proposed institutional architecture and the draft outline of the structure of the Waste and Circular Economy Code do not claim exhaustive detail. They provide a framework for further legal and organizational work and may be adapted in light of

political decisions, administrative capacity, and the results of stakeholder consultations.

At the next stage, the following may be prepared:

- a detailed “roadmap” for drafting and adopting the Code;
- draft amendments to existing laws and secondary legislation;
- schemes for allocation of powers and resources between the National Authority, municipalities, and other bodies;
- assessment of administrative and бюджетных implications of the proposed reform.