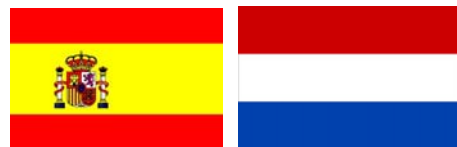
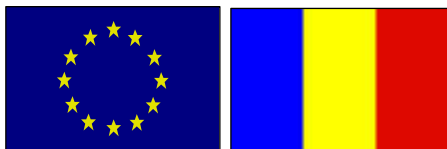
 Twinning Project
PHARE RO/06/IB/EN/06
Romania - North Eastern Region



Implementation and application of the environmental acquis focused on domestic waste management

**Twinning Project romanian-spanish-dutch in REPA Bacău
For Region 1 North-East/Moldova , Phase II**

Activity nr: 4.1

**Benchmarking of Municipal Solid Waste management for local
authorities**

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Benchmarking of MSW management for local authorities

Introduction

Benchmarking municipal waste managements is common practice in the Netherlands. Every year 30 to 40 municipalities take part in this Benchmarking to compare their performances but even more to learn from each other. To look for best practices. Not only in the field of waste management, but also for other activities of municipalities, like Parking, Fire brigades, Waste water treatment plants, Public libraries, Art education, Public schools, Sewers, Public social security and Building supervision.

- Local governments feel a certain sense of urgency to measure and improve performances
- More transparency as a substitution for market mechanism: citizens are entitled to know the performance of their own municipal service
- Communities want to improve the quality of their services in a cost-efficient way
- Communities needs for more credibility

In this Twinning project a benchmark was developed to compare the 6 Counties of the North-East region.

What is Benchmarking?

Benchmarking is a buzzword which is heard increasingly. There is a lot of confusion about what the term benchmarking exactly means. Too often it is understood as a process of comparing and ranking different organisations. But benchmarking is more than just comparing and ranking; this is only the starting point for a real benchmark.

It is important to realize that benchmarking is as specific form of comparing performances. There are different types of comparing performances which differ according to their purpose. Benchmarking is a type with the main purpose on learning. Other purposes are:

- Offering transparency to the surroundings (the council and citizens).
- (horizontal) Justification to the surroundings. In this case the performances are not only just published but the council and the civilians get an active possibility to give a judgement of the performances.
- comparing supervision: local authorities are vertically supervised by higher government (national or provincial) through comparing their performances.
- yardstick competition: a type where the results of the comparison (of local authorities) are used by higher government tot finance the local authorities (Local authorities are payed) according to performance.

Benchmarking in its purest way is comparing to learn. Some organisations use benchmarking also for offering transparency and horizontal justification to the surrounding. But vertical supervision by higher government (through supervision and yardstick competition doesn't match with the primary purpose of benchmarking, that is learning and improving. When benchmarking becomes an obligation (is not voluntary), organisations are more stimulated to strategic behaviour with the selection of performance indicators and the collection of data.

Benchmarking can be defined as:

The process of improving performances by continuously identifying, understanding, and adapting outstanding practices and processes found inside and outside the organisation.

Key-elements in the process of benchmarking are best practices, comparing and improving and identifying, understanding and adapting.

Best-practices

An important element in benchmarking is 'the best (or better) practice'. The purpose of benchmarking is to improve from others best practices; and a best or better practice is used as a reference point.

An example of best practices

A good example for this key-element is a boy of 5 years who wants to play football/soccer as good as his father. He listens to his father's stories about football and copies his techniques. His father is his reference point or best practice. When this boy grows up and becomes 18 he gets better than his father. His father can't teach him no more. Johan Cruyff, a professional football player, is his next reference point. He watches TV, visits football matches and tries to copy his techniques. So the boy tries to improve himself by comparing and learning from the best practices from he knows at that moment. The core idea of benchmarking is to identify best practices and try to adopt them to its own organisation in order to improve the own organisation.

Comparing and Improving.

Another important element in the definition is improving. Distinguishing element in the instrument benchmarking is the equal attention between comparing and improving. Benchmarking is often confused with monitoring. Monitoring also uses key-performance indicators but the focus is on comparing (you compare with your performances from last year or with your goals). Other instruments like the "Balances Score Card" are focused on improving. Only the instrument benchmarking has equal attention on comparing and improving. Benchmarking is an improvement tool based on comparing and learning from others best practices.

Identifying and adapting

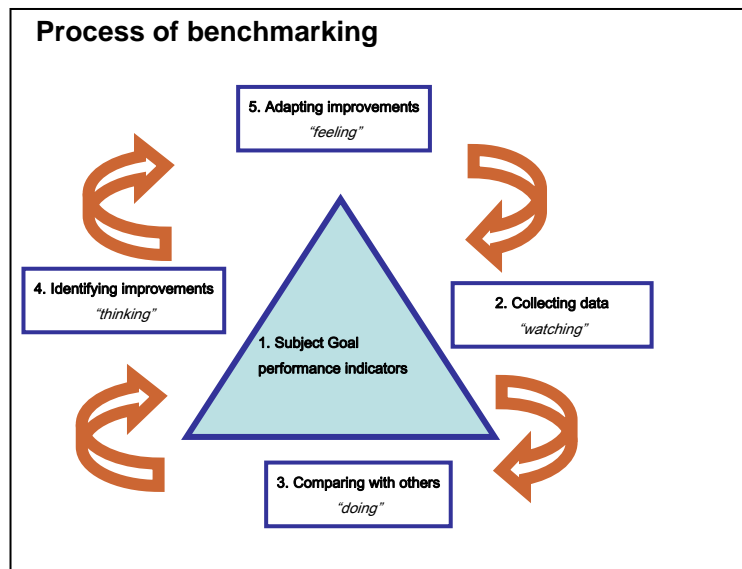
The last key-element of benchmarking is identifying and adapting. A performance benchmark is a good diagnostic tool to find out where you stand, whether you're doing it right, and which are the areas that need improvement. But identifying is not enough. You can recognize an area of improvement however the pure comparison of indicators does not tell anything about the why of the performance gap and about how to improve. In a good benchmark you don't only compare but you try to identify and analyse and understand why someone else is better than yourself.

Then this best practice can be adapted and implemented. In the MSW benchmark of SenterNovem identifying and understanding in worked out in so-called benchmark meetings.

The process of benchmarking can be divided in 5 steps as shown in FIG #:

1. In the first phase the subject and goals of the benchmark have to be determined. In this phase the performance indicators have to be selected and defined.
2. In the second phase the data are collected and the performances of each participant are determined.
3. In the next phase the performances are compared with each other.
4. The comparing, and analysing and understanding the differences, lead in the fourth phase to identifying improvements.

- In the final phase the improvements are adapted and the process starts all over again.



Preconditions for benchmarking

According to this process and the purpose of benchmarking which is learning, there are a few preconditions for a good benchmark: voluntarily, confidence, openness (sincerity), no ranking and a benchmark is not public. The participant can decide after the benchmark is finished to publish the results. But the process of benchmarking should not be public.

Lets end this first part with an alternative description of benchmarking:

Benchmarking is the practice of being humble enough to admit that someone else is better at something, and being wise enough to learn how to match and even surpass them at it.

Benchmarking in the public sector

Benchmarking in the public sector is very popular. Benchmarking is a tool that is being supported by EU policies, national government (ministry of internal affairs) and by the Association of Dutch local authorities. In the Netherlands there are more than 30 benchmarks for local authorities. The VNG (association of Dutch municipalities) is afraid that too many of them are established and fears for the quality of all these benchmarks. As a reaction VNG develop a central databank on performances of local authorities. So each citizen can see how his municipality performs.

What are the reasons for benchmarking of local authorities? Reasons for benchmarking in local authorities (are basically the same as for private companies). Local governments feel a certain sense of urgency to measure performances, improve performances and publish performances. More transparency is a substitution for market mechanism. Communities want to improve the quality of their services in a cost-efficient way. Reasons for local authorities are among others cost pressure and the need to increase transparency towards the government and towards the public. This leads to more credibility and a better focus on the needs of civilians

Quality mark

The association of Dutch local government gives an quality mark for good benchmarks. According to their opinion the participants in a benchmark play a major and active role. Criteria VNG uses are:

- participants are positive about the benchmark
- participants stay owner of the data
- participants are involved by defining the purpose an the benchmark process
- performance indicators are defined together with the participants
- different angels or dimensions of comparison are used
- participants discuss their performances in meetings
- improvement is the main purpose
- participants can participate more years
- the benchmark is evaluated
- participants can make their own interpretation of the results
- the data are validated

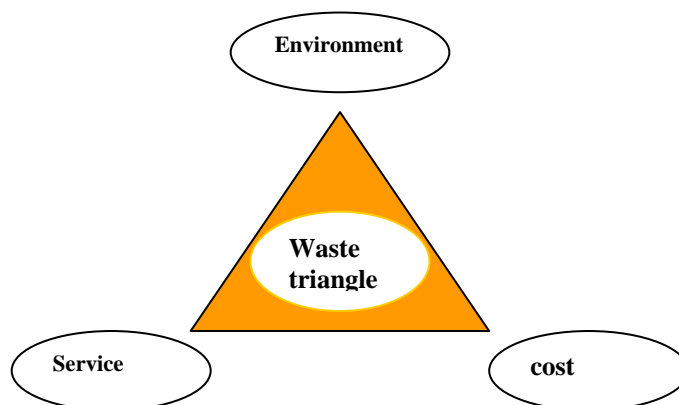
The Dutch Benchmark on municipal solid waste management

The benchmark on municipal solid waste management is a project of the STAP program. This program, which is financed by the ministry of environment has the purpose to stimulate municipalities with optimising the separate collection of household waste. The STAP program is a year-program which is carried out since 2001 and consists of about twenty projects each year. Key-elements of the program are:

- informing municipalities (congress, internet, magazines),
- knowledge development by studies and research,
- knowledge exchanges between municipalities by meetings and benchmarks,
- financial support for municipalities with strategic plans and implementation

The benchmark on municipal solid waste is carried out since 2002. In the first year the benchmark tool was developed and in 2005 the benchmark was performed for the third time. The purpose of the benchmark is to optimize separate waste collection and the benchmark is focused on waste policy and municipal policymakers.

The base of the benchmark is formed by the waste triangle which consists of three performance areas. In the first year the participating municipalities decided that environment, costs and service where the main performance areas. Each performance area is a key performance indicator and these 3 indicators are divided in almost 50 performance indicators.



The benchmark uses an internet application: participants fill in the data, get their results and can compare their results with others. The participants meet at benchmark meetings to identify, understand the performance gaps and adapt them. This is the real process of benchmarking.

The performance indicators are selected and described in a document. The production of this document is a very important step in the development of a benchmark. If you don't exactly describe the indicators you compare different things.

The process of the benchmark on municipal solid waste

The benchmark starts with a meeting where all the participants meet. After the meeting the participants go home and collect data and fill them in the benchmark tool on internet. An average participant needs 2 or 3 days to collect all data.

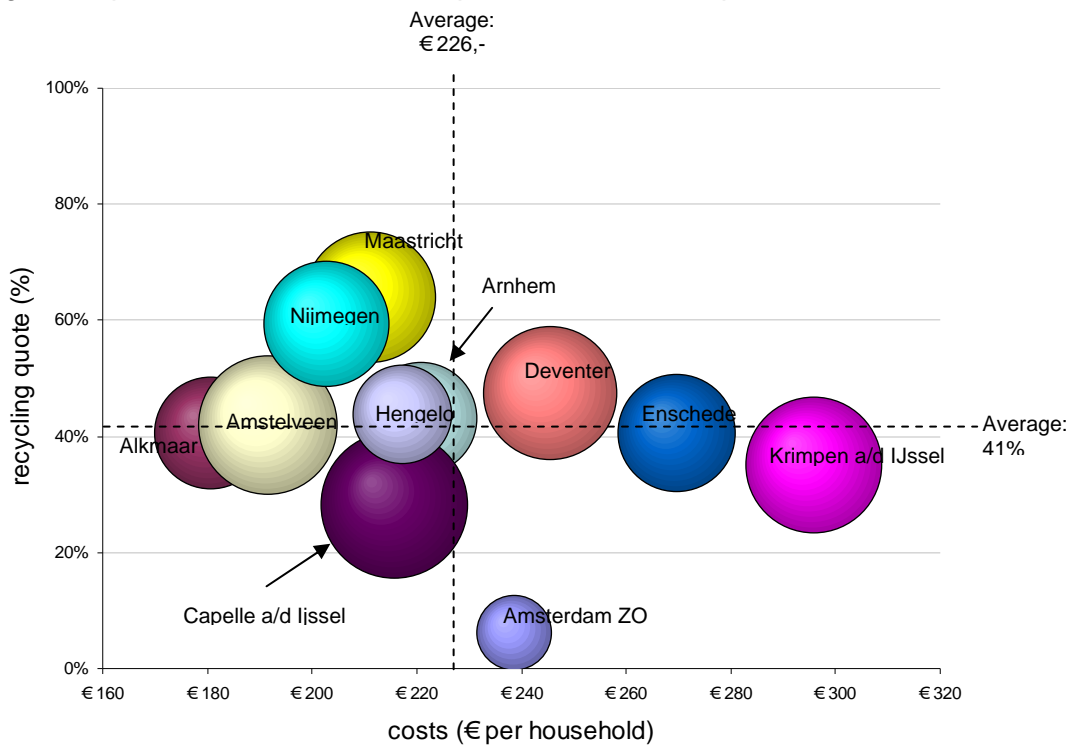
In the benchmark meetings the municipalities search for the best-practice and try to analyse and identify why this participant is a best practice. The meetings are the most important step in the benchmark process. They are used to identifying and understanding the performance gaps and selecting the best practices to be adapted. The participants do this in small groups by self-assessment.

All these activities are written down in reports. At the end the benchmark is evaluated and improved for next year. In the benchmark two reports are produced: (1) the benchmark reports per circle or group and (2) a personal waste profile-report for each participant.

Benchmark reports per group

In this report the performances of each participant in the group on every performance indicator is reported in graphics. These graphics are the input for the benchmark meetings. The conclusions (the text) are written afterwards. FIG 1 shows as an example the performance of the municipalities on the three performance areas.

Fig1: The performances of 11 municipalities on the three performance areas



On the horizontal axes are the costs (in € per household) and on the vertical axes is the recycling quote. The size of the circle indicates the score on service. FIG 1 is divided in 4

parts; the best part is the part in the left corner above, i.e. best environmental performance and lowest costs. Municipalities can see in which direction they have to develop.

Waste profiles

Besides these benchmark reports per group a report is produced for each municipality individually: the waste profiles.

These reports show in only four graphics the performance of the municipality compared to the average performances. These reports give a direct insight in performance gaps and where and how to improve.

Fig2: Personal waste profile city of Arnhem

In FIG 2 the city of Arnhem is given as an example. The first graphics shows that Arnhem scores better than average on the performance area environment but lower on costs and services.

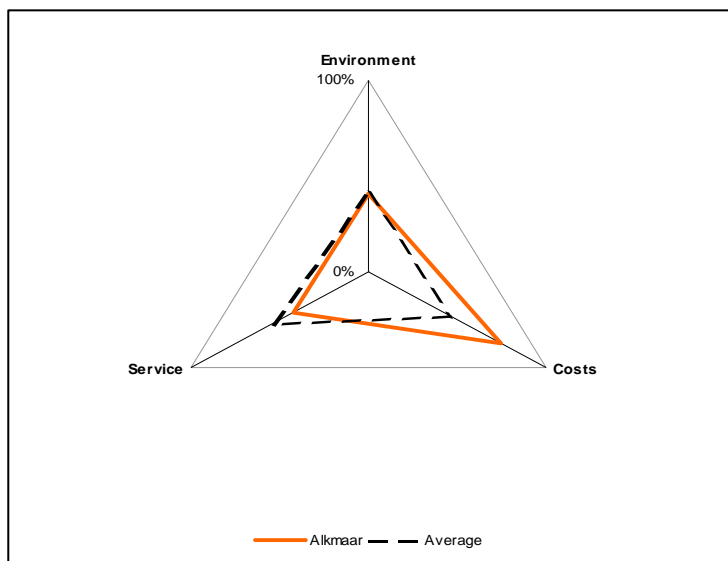
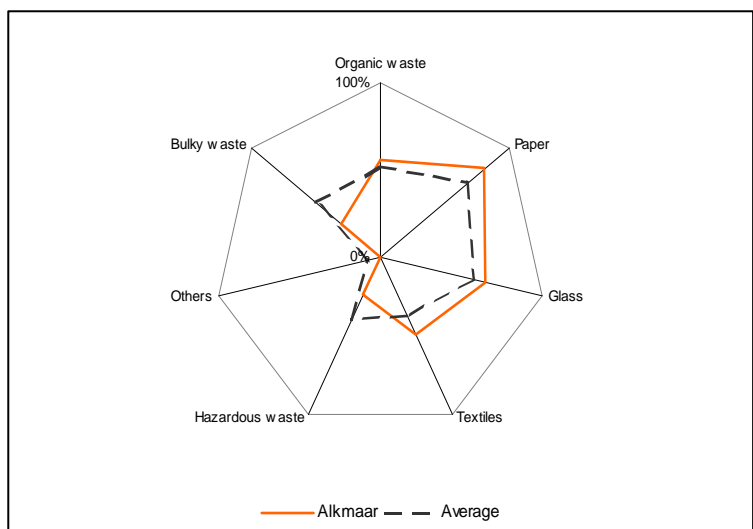


Fig 3: Performances on Environment Arnhem

When we focus on the performance area environment (graphic 2), we see that the good score of Arnhem on environment is caused by the separate collection of bulky waste and textiles. Paper and glass aren't that good (points for improvement)



Application of benchmarking in Romania

In the context of the Twinning Project RO-06-IB-EN-06, focussed on providing support in the domestic waste management domain, [two seminars](#) discussed the topic of benchmarking and its application to improve the performance of the counties of the North-east Region of Romania. The presentations and excel file used [can be downloaded from here](#).

The main obstacle found in the process was the statistical data needed, which very often was either not comparable from one county to other, or not available, or based in some national average standards which for the sake of benchmarking are not applicable. Good quality data regarding waste management in the counties constitute an essential basis not only for benchmarking, but also to establish a correct dimensioning of waste management systems and their associated infrastructures.

Thus, a first basic step to take is to perform the required statistical surveys, for each county, to have a knowledge of the real starting situation of each county. If they are not performed, many problems will come afterwards due to an improper dimensioning of the infrastructures and collection systems.



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