

Waste Management in Egypt; Not Just A Necessity But A Growing Development Opportunity

Khaled Attia - Partner, Head of Dispute Resolution - Egypt - Litigation / Arbitration / Competition / Projects

k.attia@tamimi.com - Cairo

Hadia El Beshry - Senior Associate - Corporate Structuring

h.elbeshry@tamimi.com - Cairo

Introduction

In recent years, the world has come to recognise the need to direct countries' full efforts towards achieving the Sustainable Development Goals as adopted by all United Nations member states in 2015 having their mission statement being "A blueprint to achieve a better and more sustainable future for all by 2030".

Generating over 2.01 billion tonnes of municipal solid waste worldwide annually with a minimum of 33 percent not being managed in an environmentally safe manner, it is becoming clearer that these goals cannot be achieved without waste management being prioritized as one of the pillars to achieve global sustainable development.

Unmanaged waste including not only municipal waste, but also industrial waste, biomedical waste, and wastewater sludge constitutes a serious threat to health and wellbeing of humans. The rate of waste generation rapidly increases with urbanization and modernization along with the need to deal effectively with these issues. Consequently, there has been a growing global emphasis on reducing waste generation and increasing the effectiveness of all forms of waste management and their procedures.

The need for waste management reform

Egypt, the sixth largest country in the Arab World with over 22 million tons of waste production annually, faces the challenge of waste management increasingly as a developing country with a need for institutional and legal restructuring.

The lack of effective policies and programs at the national level and the dearth of mandatory infrastructure for collection, storage, handling, processing, treatment, recycling, converting waste to energy, amongst others, have hugely obstructed the development of the sector.

The municipalities were generally responsible for solid waste management subject to a legal framework that was scattered in many pieces of legislation. The most significant legislations were:

1. Law no. 38 of the year 1967 on general public cleaning
2. Law no. 4 of the year 1994 for the protection of the environment and its Executive Regulations
3. Prime Minister Decree no. 1741 of the year 2005 amending the Executive Regulations of Law 4 of the year 1994 and addressing regulations for the selection of sites for recycling and landfilling and equipment requirements for waste collection and transfer

4. Law no.10 of the year 2005 establishing a solid waste collection fee system; and
5. Presidential Decree no. 86 of the year 2010 regulating the closure of existing dumping sites and the landfill at Greater Cairo and allocation of five new sites outside the residential and commercial belt of Greater Cairo.

The multiple laws and regulations addressing the waste management issues though showing the importance of the issue were lacking harmonization and unity of the purpose, which highlighted the need for legal reform through issuing a new legislation specifically regulating the issue at hand.

Public and private sector involvement

Prior to recent developments, the responsibility of waste management was divided between the Ministry of State for Environment Affairs, Ministry of Local Development, Ministry of Housing, Utilities and Urban Development, Ministry of Health, Ministry of Water Resources and Irrigation and Ministry of Agriculture and Land Reclamation. Moreover, Ministries of Finance, Investment, Trade and Industry, Communications and Information Technology and Interior as well are considered important stakeholders.

A steering committee was formed of the Ministry of State for Environmental Affairs, Ministry of Local Development and Ministry of Finance handled implementation issues.

While governorates are responsible for all solid waste management activities either directly or by contracting private sector companies, the municipalities are responsible for implementation of the system, monitoring, inspection and training.

Additionally, there is a long-embedded tradition of private sector involvement in waste management, mainly through outsourcing arrangements and informally through solid waste picking and sorting.

During the 1990s, the World Bank promoting sustainable development along with the International Monetary Fund both introduced reform objectives that entailed increasing the involvement of the private sector in operating public projects that was adopted by the Egyptian government.

An example of which came into force years later in 2004 through the official privatization of solid waste services via contracts with multinational companies. However, it was debatable as it threatened the jobs of the informal garbage collectors by removing access to their main asset, i.e. waste garbage.

These attempts, however, have been inadequate to tackle the issue due to their scarcity and rather minimal scale. It was then proven imminent that in order to have a proper waste management system, the country needs institutional, legislative and infrastructure reform.

Developments of the legal and institutional framework

As solid waste management has become a momentous concern for Egypt due to the increasing levels of waste generation, changing waste characteristics and impediment in financing apt technology for disposal became a challenge.

In addition to the diversification of waste streams, the involvedness and daunting nature of waste management challenges go beyond the capacity of many Municipalities – in terms of finance, technology, and institutional mandate, resulting in unprecedented adverse impacts on the quality of life, human health, freshwater resources and local environment and ecosystems.

In light of these challenges, in 2015, the decree no. 3005 was issued establishing a new independent authority under the auspices of the Egyptian Ministry of State for Environmental Affairs, the Waste Management Regulatory Authority. This new authority was tasked with setting the policies and strategies for the waste management sector in Egypt.

A significant initiative followed in February 2016 when Egypt launched “Egypt Vision 2030” a national agenda aligned with the Sustainable Development Goals. Having its 5th objective being integrated and sustainable ecosystem, this agenda demonstrates the country’s long term strategic plan to achieve sustainable development goals and objectives in all areas including waste management.

On 13 October 2020, a major leap towards a long awaited legislative reform was taken when Law no. 202 of 2020 was published in the Official Gazette promulgating a new Waste Management Law. The latter regulates waste management collection, transportation and recycling amongst other related issues. The Waste Management Law has also reformed the Waste Management Regulatory Authority. According to the new law, the Waste Management Regulatory Authority’s mission focuses on the three main pillars:

1. Attract: Attracting and promoting investments in the waste management field;
2. Regulate: Regulating and overseeing all the waste management processes; and
3. Strengthen: Strengthening the relationship between Egypt and other states as well as international organizations in the field of waste management.

Major government projects

Having established both a legal and institutional framework, Egypt has started directing its efforts towards developing the infrastructure of the waste system through the establishment of waste stations.

On 15 March 2021, the Egyptian government inaugurated Al-Baragil Intermediate Waste Station at a cost of around 23 million Egyptian pounds. The station was designed to hold 2,000 tons of waste per day serving about 500,000 residents.

The Baragil Waste Station is just one of the projects that brings Egypt closer to its goal of establishing a proper waste management system. Similarly, the previous year, the Egyptian government planned the establishment of nine other fixed intermediate stations in six governorates, along with completing the remaining 20 percent of the infrastructure for Cairo governorate’s waste system.

On another front, the Egyptian government aims at introducing the New Administrative Capital as a model for sustainable urban planning by using solar energy, recycling waste and increasing green areas avoiding the causes of environmental hazards present in Greater Cairo and many other governorates. The mega project, announced in March 2015, is part of the government’s plan to expand urban areas to deal with the country’s rapid population growth rate and improve the nation’s infrastructure.

To that aim, the Egyptian government contracted with a sustainability and environmental services company, that prepared a work plan to be implemented diverting waste using comprehensive and integrated solutions for waste management instead of the traditional ways of resorting to landfills.

Conclusion

It is undeniable that, Egypt has exerted remarkable efforts towards meeting the objectives of Egypt Vision 2030 as well as the Sustainable Development Goals. Contemplating the development of waste

management in Egypt, a significant change is acknowledged in addressing the lack of institutional and legal framework that governs and regulates waste management.

While steps taken have targeted legislative reform, the realization of the fruits of said steps through the attraction of investment and raising the involvement of the private sector allowing for infrastructural reform is yet to be reached.

These efforts which have been put into execution through the Government's mega projects during the past recent years and more of which are planned to follow in the upcoming ones are still requiring a lot of effort in order to achieving the mission of the Waste Management Authority in attracting investments and strengthening cooperation with other countries and international organizations.

Hence, with the doors wide open for investment opportunities in the waste management sector, the question remains as to whether these efforts would be followed by further steps to achieve the required reform and create a better sustainable future for the nation.

For further information, please contact K.Attia@tamimi.com or H.Elbeshty@tamimi.com.