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Municipal waste management in Norway and the Netherlands – from in-house provision to inter-municipal cooperation

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Introduction

In this chapter, we describe and compare the institutional development of municipal waste management in Norway and the Netherlands. Our focus is on the period from the 1970s to the present. We explore how local governments have reorganised internally and externally in this period of shifting and varying financial pressures. The guiding assumption of the book is that the organisation of local public services has gone through three developmental stages, from originally being organised in-house, through the New Public Management-epoch of disaggregation, autonomisation and contractualisation (Pollitt et al., 2004), maybe even privatisation, to the contemporary period of post-NPM and re-municipalisation (Wollmann & Marcou, 2010). The research question in this chapter relates to whether these developmental stages can be observed in the field of municipal waste management in Norway and the Netherlands. We compare these two

countries because they are relatively similar in many respects but quite different in terms of crisis experience. While the term crisis may be true in the case of the Netherlands in the 1980s ('the Dutch disease') and the post-2008 period, Norway has so far managed to sail clear of the worst effects of the international regressions, due to its strong oil-lubricated economy (Löffler, 2003: 479; Statistics Norway, 2008). This difference in terms of crisis experience leads us to expect that reform pressures may have been stronger in the Netherlands and thus have resulted in a different reform trajectory or different organisational solutions than in Norway. Furthermore, the local government systems of Norway and the Netherlands show significant similarities but at the same time exhibit important differences. Lidström (1996) for instance labels Norway as North European and the Netherlands as Napoleonic, while John (2001) describes both countries as belonging to the northern group, although he also recognises the legacy of Napoleonic influences on Dutch local government. A basic characteristic of the Nordic welfare states is the dominating role of local government, primarily municipalities in public service provision. The Napoleonic system is characterised by a strong centralised state, detailed control of local government by state prefects and mayors appointed by national government. However, decentralisation reforms have gradually reduced the differences between countries belonging to this group and the Nordic countries (Lidström, 1996), and this is certainly true at the local government level in the Netherlands. These similarities would lead us to expect a similar reform trajectory in both countries.

To address the research question and these expectations, we use a typology developed by Van Thiel (2012). This typology enables us to analyse whether the emergence of organisational forms in the three different stages has occurred in the same or in different ways in the field of waste management in both countries.

We find that the trajectory of reform in Norway and the Netherlands does not match the assumption of the three developmental stages as expected. Moreover, there are

significant differences between the two countries in the way waste management is organised in these stages. In the Netherlands, the most significant NPM-related changes have taken place in the 1970s and 1980s, while in Norway these have taken place from the 1990s onwards. In relation to the last stage, we do not find any convincing signs of re-municipalisation in any of the two countries in the field of waste management. We do however observe a strong tendency towards 'inter-municipalisation' in a variety of forms, in spite of differences in terms of crisis experience.

In the following sections, we first present a typology of agencies before addressing the policy field of waste management. Thereafter, we analyse the three stages of local institutional reform in this field. The chapter concludes with a comparative discussion where we try to explain why the two countries which have marked differences in crisis experience end up with a rather similar institutional response in the policy field of waste management.

Conceptualisation

Describing and analysing public service provision across national borders can often be a challenging task in terms of identifying comparable organisational forms and finding common labels. This is not only a problem of language but also of institutional and legal regulations and traditions. In this section, we present a theoretical framework related to agentification theory and based on a typology developed by Van Thiel (2012). The intention is to make comparison between the two countries easier, irrespective of differences in language and institutional legacy.

Agentification¹ may be defined as a process whereby local government (as principal) starts to disaggregate its service provision into more or less autonomous operative units

¹ We prefer this term instead of agencification in order to underline a link to agency theory and to make the approach more general.

or agencies (agents) and regulates the relationship between itself and these units by contracts or quasi-contracts (Pollitt et al., 2004). Although this perspective was originally applied for analysing processes at the national level, we find it useful for processes at the local level as well. In Table 1 we use this perspective to identify the institutional forms at the local government level in Norway and the Netherlands.

Table 1. Types of agencies at the local level in Norway and the Netherlands

Type	Definition	Forms at the local level
0	Unit or directory of the local government	Traditional in-house provision: decentralisation rather than agentification
1	Semi-autonomous organisation, unit or body without legal independence but with considerable managerial autonomy	In-house provision by ‘agentified’ units or municipal companies (in N: <i>resultatenheter</i> and <i>kommunalt foretak</i> (KF); in NL: <i>gemeentebedrijven</i>) and forms of inter-municipal cooperation that are not legally independent ²
2	Legally independent organisation with managerial autonomy (in principle public law based)	Inter-municipal companies (in NL: <i>Gemeenschappelijke Regeling</i> (GR), in N: <i>interkommunalt selskap</i> (IKS))
3	Organisation established by or on behalf of the local government such as a foundation, corporation, company or enterprise (private law based)	Limited companies (in N: aksjeselskap (AS); in NL: <i>overheidsvennootschappen</i>)
4	Tendering and contracting out to public (for example other municipalities) or private organisations	

Source: based on Van Thiel (2012: 20).

Type 0 agencies are actually not agencies and not at arm’s length from local government. This type comprises traditional in-house provision. Type 1 agencies are at arm's length from local government but do not have legal personality, while type 2 and 3 agencies do have legal personality. Type 2 agencies are public law based, while type 3 agencies are

² We discuss the different types in the two countries in the next sections.

private law based. With regard to type 4 agencies, the local government that contracts out to a public or private organisation does not have an ownership relation with that organisation as is the case in type 2 and 3 agencies.

The policy field of waste management

In most Western European countries waste management is a municipal responsibility, although in some cases (Ireland, Italy, Spain and the UK) the service is split between, for instance, the county/province and the municipality (John, 2001: 36). In Norway, this responsibility is primarily linked to household waste where municipalities also have a monopoly. The Pollution and Waste Disposal (PWD) Act of 1981 instructs municipalities to 'make arrangements for the collection of household waste' (§ 30), and no one may collect this type of waste without the consent of the municipality. The law has been amended several times, the last time in 2013. The Norwegian Environment Agency (NEA)³ has the supreme authority to oversee and regulate how the municipalities practice their obligations according to this law. It may also order municipalities to collect special waste and oblige owners/manufacturers of this type of waste and industrial waste to deliver it to a municipal waste treatment centre. Over time, public regulations have gradually become stronger and more detailed, for example, requiring separate collection and treatment of different types of refuse. Fees for household waste are determined by the municipal councils and should not exceed the actual total cost of providing the service.

In the Netherlands, traditionally household waste collection has been the concern of municipalities and was practiced initially only on a small scale. With the increase in the amount of waste, the Dutch central government thought it necessary to develop a more integrated approach to waste disposal. With the Waste Act of 1979 (integrated into the Environmental Management Act in 1994) public bodies at various government levels

³ Miljødirektoratet.

were given legally specified tasks and responsibilities regarding the formulation, operationalisation and implementation of waste policy (De Jong & Wolsink, 1997). The provinces were responsible for formulating plans on the disposal of household waste, while municipalities were responsible for the implementation of these plans (*Vereniging van Nederlandse Gemeenten*, 1979). Dutch waste collection policy focuses on prevention and separation of waste and specific recycling circuits. Prevention is one of the main priorities of waste policy. Since 1994, municipalities have had the obligation to supply an infrastructure for separate collection of organic waste. In addition, they have to provide facilities for the separate collection of glass, paper, textiles, electronic products and hazardous materials. Furthermore, local authorities are free to decide how citizens have to pay for waste collection, on the basis of a volume-, frequency-, bag- or weight-based pricing system.

Institutional set-up of municipal waste management

A major challenge in describing and analysing the organisational development of waste management is the lack of research in the field (Smith, 2014). At this stage, therefore, we have to resort to a combination of general description of municipal service provision organisation, case studies and public statistics.

Public-centred delivery

Norway (pre-1990s)

During the 20-25 year period from the mid-1960s to the mid-/late 1980s, Norwegian municipalities went through several reforms intent on enabling them to harness the task of implementing ambitious national welfare policies: the amalgamation reform in 1964 and the reorganisation reform in the 1980s, aligning four political subcommittees and administrative structure. Public services, especially within the dominating policy areas of education and health and social services, requiring formal professional training and authorisation, were placed in the hands of public employees (type 0). As for technical

