

# GÄSTRIKE ÅTERVINNARE

## ANNUAL REVIEW 2019



Together for a world  
that lasts longer



Gästrikens  
återvinning

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## NORDIC COASTAL CLEAN-UP DAY



Employees of Gästrike återvinnare pick up litter along the water in the T-udden nature reserve in Gävle.

As part of the Nordic Coastal Clean-up Day, we were part of a team of 48,000 people in Sweden who collected 179 tonnes of litter along lakes, beaches and bodies of water.

Together with our residents, we are doing our part to ensure a sustainable future.



## GREETINGS FROM THE DIRECTOR

# A word from the

# director

As new Director, I have the honour of completing my first year in a proud organisation with a wealth of knowledge. It is great to see how our employees work together and across organisational boundaries to achieve the best results for our customers and the environment.

A good result of this is that we have actively worked at our recycling centres this year to reduce the amount of waste sent to incineration in the “Töm säcken” [Empty your bag] initiative. Visitors who had their waste in rubbish bags were asked to empty the bag and sort the contents for recycling in the right container. In combination with new opportunities to turn in books and textiles for recycling, this has already helped save large quantities from being sent to expensive incineration.

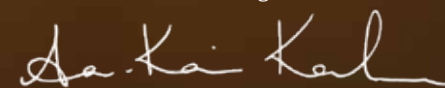
**Making it** “easy to do the right thing” is our guiding principle, and the importance of understanding how we can influence people’s behaviour is becoming increasingly crucial for achieving the desired results. With the experience and results of work from previous years, particularly in multi-family residential areas, we have developed a method to reduce the quantities of combustible waste and get cleaner and better sorted food waste. We have used this method in several contexts during the year, and it will be an important support in our expanded partnerships with municipal and private real estate companies.

**During the year,** we began work to develop a new eco-cycle plan (waste management plan in legal text), where the actual process of how we develop the plan has been an important component. The structure and process of the work is now set, guaranteeing great participation and firm footing among those concerned.

The eco-cycle plan is our most important strategic document, defining how we will contribute to sustainable development and use our resources wisely. We have organised several inspiring seminars during the year, with themes like waste prevention in procurement and how multi-family dwellings can work with waste sorting in recycling rooms. Work with the eco-cycle plan will continue in 2020.

**We see a** continued great need to assist in waste management development in many countries outside of Sweden. Together with the Swedish Association of Local Authorities and Regions (SKR), SIDA and the Swedish Environmental Protection Agency, we have shared our knowledge in places such as Serbia, Georgia and South Africa during the year.

**I am proud** to be part of an organisation that takes action towards achieving the global environmental goals on a daily basis. Gästrike återvinnare works in an area where there is a lot going on – both now and in the future. We will continue to strive to be an organisation that makes an impact and drives development in order to move waste upwards in the waste ladder. We will continue to seek smart solutions and forms of treatment for the future, both inside and outside of Sweden, to contribute to a world that lasts longer.



Anna-Karin Karlsson  
Director



# GÄSTRIKE ÅTERVINNARE AND 2019 IN FIGURES

20

19

A LOT HAPPENS IN A SINGLE YEAR. HERE ARE SOME FIGURES TO LET YOU KNOW MORE ABOUT OUR DAILY WORK AND ROLE

TOGETHER WE CREATE ENVIRONMENTAL HEROES IN EVERYDAY LIFE FOR A WORLD THAT LASTS LONGER

5

WE ARE A JOINT MUNICIPAL AUTHORITY MADE UP OF

THE 5 MEMBER MUNICIPALITIES GÄVLE, SANDVIKEN, HOFORS, OCKELBO AND ÄLVKARLEBY

WE HAVE 24 EL:IN CONTAINERS IN THE REGION FOR THE COLLECTION OF SMALL ELECTRICAL WASTE, LIGHT BULBS AND BATTERIES

WE HAVE A TOTAL OF 12 RECYCLING CENTRES AROUND THE REGION

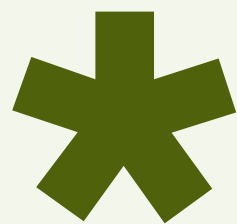
WE NEED 45 VEHICLES AND 60 DRIVERS DAILY TO COLLECT RESIDUAL WASTE, FOOD WASTE, PACKAGING, CONTAINERS, HAZARDOUS WASTE, LATRINE WASTE AND GARDEN WASTE, AND TO WASH BINS AND PICK UP AND DELIVER BINS AND BAGS

2,250,000  
BINS EMPTIED EACH YEAR

9,832  
TONNES OF FOOD WASTE COLLECTED

25,337  
TONNES OF RESIDUAL WASTE COLLECTED

457  
NUMBER OF RECYCLING ROOMS CLEANED



167,000

WE HAVE 134 EMPLOYEES PROVIDING SERVICE TO 167,000 PEOPLE

16,763  
NUMBER OF BINS WASHED

5,760

CUSTOMER CONTAINERS EMPTIED IN 2019

32,000

PHONE CALLS TO OUR CUSTOMER SERVICE

514,000

VISITORS TO OUR RECYCLING CENTRES

WE COLLECTED 430 TONNES OF TEXTILES FOR REUSE OR RECYCLING AT OUR RECYCLING CENTRES

WE COLLECTED 39,900 TONNES OF WASTE AT OUR RECYCLING CENTRES

32

WE PARTICIPATED IN 32 SMALL AND LARGE EVENTS WHERE WE SPOKE WITH ABOUT 2,130 PEOPLE

220

WE COLLECTED 220 TONNES OF FURNITURE AND HOUSEHOLD OBJECTS FOR REUSE AT OUR 12 RECYCLING CENTRES IN PARTNERSHIP WITH 8 REUSE ORGANISATIONS

WE HAVE 515 COMPANY CUSTOMERS WITH RECYCLING CARD

WE EDUCATED 134 SCHOOL CLASSES ABOUT RECYCLING, SORTING, REUSE AND A SUSTAINABLE ENVIRONMENT.

154,945

WE HAD 154,945 VISITS TO A TOTAL OF 206 POSTS ON OUR FACEBOOK AND INSTAGRAM PAGES

WE HAD STUDY VISITS AND PROJECT COLLABORATIONS WITH 26 COUNTRIES

18,666

HAVE LIKED, COMMENTED ON OR SHARED OUR SOCIAL MEDIA POSTS

71,873

NUMBER OF PAGE VIEWS ON OUR WEBSITE





# WHAT WE HAVE DONE IN OUR MUNICIPALITIES DURING THE YEAR

# GÄVLE, SANDVIKEN, HOFORS, OCKELBO, ÄLVKARLEBY

## OCKELBO

School visits  
Participated in Wij Trädgårdar's harvest festival  
Operational meetings with Ockelbogårdar  
Study visit for Ockelbogårdar at the biogas plant and at Nordost  
Co-organised event with Ockelbogårdar, ABF and Hyresgästföreningen  
Visits by groups of new arrivals

## SANDVIKEN

Collaboration with Sandvikenhus to increase sorting  
Restructured and improved the flow of traffic at the recycling centre in Sandviken  
Commended collection of tyres, books and fallen fruit at the recycling centre in Sandviken.  
Participated in events, Barnkalaset, Minibangen and trade fair for tenant-owners' associations  
School visits  
Visits by groups of new arrivals and clubs  
Hosted study visits at the recycling centre in Sandviken  
Coached the Kremlan senior living facility in waste prevention  
Supported the Jernvallskolan school in their work to minimise food waste  
Participated in VGS' [Västra Gästrikland Urban Management Administration] planning committee

## HOFORS

Improved the flow at the recycling centre in Torsåker  
School visits  
Participated in Lilla Blåbärsstoppet  
Visits by groups of new arrivals  
Operational meetings with Hoforshus  
Coached the Hesselgrenska senior living facility in waste prevention  
Theme day focused on recycling for the Solbergaskolan school



## GÄVLE

Restructured things and expanded the opening hours at the recycling centre in Hamrånge  
Commenced collection of tyres, books and fallen fruit at the recycling centre in Gävle  
Helped in the development of the environmental strategy programme  
Hållbart Nordost [Sustainable Northeast] project  
Håll Gävle rent [Keep Gävle clean] project  
School visits  
Visits by groups of new arrivals, clubs and organisations  
Contributed recycling kit to European Athletics U23 Championships  
Participated in the Boskola [Homeowner's school] project for new arrivals  
Study visits to the Gävle recycling centre and the biogas plant in Forsbacka  
Coached Attendo and Humana in waste prevention  
Uppdrag Hållbart Sättra [Assignment: Sustainable Sättra] project  
Collaboration with Trossen  
Expanded opening hours at the recycling centre in Hedesunda  
Jakten på plasten [The hunt for plastic] project

## ÄLVKARLEBY

Study visits to the recycling centre in Skutskär  
Commenced collection of tyres at the recycling centre in Skutskär  
Participated in Fallens dag [Waterfall Day]  
Visits by groups of new arrivals  
School visits  
Participated in clean-up evening organised by Älvkarlebyhus and Hyresgästföreningen  
Ongoing communication and operational meetings with Älvkarlebyhus  
Participated in Centrumdagen i Skutskär [Skutskär Shopping Centre Day] with the municipality and Älvkarlebyhus  
Study visit by Älvkarlebyhus at Nordost

EMPTY YOUR BAG, PLEASE

*We have taken away our combustibles container and replaced it with a new container for non-recyclables labelled “Saker som inte ska återvinnas”*



# “Töm säcken” initiative cut down on incineration!

Asking recycling centre visitors to empty their bags saved 1,600 tonnes from being sent to incineration.

The combustibles container can easily become a catch-all, where people discard everything imaginable. To increase recycling and reduce the amount of combustible waste, recycling centre visitors have been asked to empty their bags and sort their waste into the right container. We have taken away our combustibles container and replaced it with a new container for non-recyclables labelled “Saker som inte ska återvinnas”. This is just one of several measures at the recycling centres that have produced fantastic results over the year.

**As much as 1,600 tonnes were rescued and sent to recycling instead of expensive incineration**

That is equivalent to one container per day for a whole year. We are climbing higher on the waste ladder, while cutting costs by about SEK 1.3 million. These 1,600 tonnes have mainly gone to recycling or reuse of textiles, to recycling in the new fraction for books, and to recycling of packaging.

In addition to a major information campaign in connection with the start on 1 March, personnel at the recycling



centres have been hypervigilant about what is discarded in the new container and have informed, explained, encouraged and answered questions. Based on follow-up conversations with personnel, we can note that, although there were some visitors who voiced irritation, many felt it was a good initiative. This change has already been implemented in areas such as Örebro, Gothenburg, Jönköping and Västerås with positive results. We estimate that we will be able to save up to 2,000 tonnes of waste from incineration in 2020 thanks to the “Töm säcken” [Empty your bag] initiative.

To make it easier to do the right thing, the following changes have also been implemented at the recycling centres this year:

**Expanded summer hours** in Hamrånge and Hedesunda.

**Book recycling** now possible in Gävle and Sandviken.

**Began separate** collection of fallen fruit in Gävle and Sandviken so it can be made into biogas and digestate.

**Tyre recycling** now possible at the recycling centre in Skutskär.

**Restructured things** in Sandviken to improve the flow of traffic and make it easier to unload certain types of waste.



## VISIT BY THE MINISTER FOR THE ENVIRONMENT



## Nordost district project impresses the Minister for the Environment

Minister for Environment and Climate Isabella Lövin was given an informative tour of the biogas plant and met the passionate employees of the sustainability project at Nordost.

In a tour of the biogas plant in Forsbacka, the Minister for the Environment got to see how the region's food waste is treated in an efficient and circular system. A system that, among other things, delivers local and fossil-free free in the form of biogas and will help the owner municipalities reach their goal of a fossil-free vehicle fleet.

During the visit in Gävle, the Minister for the Environment was also invited to one of the new recycling rooms in the Nordost district. There, the sustainability project run in collaboration by Gästrike återvinnare, Gavlegårdarna and Rapatac was presented. Increased recycling is one of many goals of the project. Isabella was therefore invited to watch a music

video about recycling created by the young people of Rapatac. On the closing walk through the district, Isabella spoke directly with several of the passionate employees who took part in the Nordost project.

The Minister for Environment and Climate was very impressed by the end of the day and stated that the biogas visit was very educational. She went on to say that the visit to Nordost was both smart and fun, and that she appreciated the entire Nordost project and the music video so much that she wanted to show it to the entire government.

The two visits were posted to Isabella's InstaStory.

## MAKING THINGS BETTER TOGETHER



# Good collaboration will increase recycling

After the successful sustainability project in the multicultural residential area Nordost in Gävle, we are applying our experiences in collaborations with more housing companies.

Focusing on increasing sorting for recycling, we have been working for a number of years with Rapatac and the housing company Gavlegårdarna in the Nordost residential area of Gävle. Solid waste analyses clearly show increased purity in the food waste, and increased quantities of food waste and packaging sent to recycling. At the same time, the amount of residual waste has decreased. The housing company has also noted an increased sense of security and community among the tenants, and that the personnel now have a better working environment. It is mainly thanks to a rewarding combination of improving the physical environment and working actively with behaviours, relationships and communication that the project has shown such positive results.

Many different parties with different areas of expertise have taken part and had their voices heard. Getting the children and adults living in the area involved in the project was a factor of success. Experiences and insights from the project were used during the year in continued work with Gavlegårdarna and in work with Sandvikenhus, Ockelbogårdar, Hoforshus and Älvkarlebyhus. They also provided support in improvement work conducted during the year in a number of tenant-owners' associations. The collaboration will continue in 2020.



Siv and Gunnar from Ockelbogårdar outside of the renovated recycling room at Gäverängen in Ockelbo.

Providing inspiration for sorting and answering questions at our tent during Sandvikenhus' family day at Nya Bruket.



## RECORD-SETTING SUSTAINABLE EVENT

*Our recycling kit was a huge success in combination with solid preparation and the commitment of the event managers and the staff, who picked up litter and emptied the bins during the event. We now hope to share our experiences at even more sustainable events in the future*



*A large part of the success was based on the organiser's willingness to highlight the importance of source sorting and the invitation to collaborate and be involved at an early stage. We knew what kind of waste could be generated where, and had a voice in deciding which products could be eliminated or replaced for an environmentally better option.*

# Recycling record at European Athletics U23 Championships

A recycling record was set when Gästrikre återvinnare's sustainable event kit was tested for the first time.



In 2019, Gävle hosted the European Athletics U23 Championships. As an important aspect of environmental certification of the event, we were on site with our new recycling kit for sustainable events.

To encourage visitors to sort correctly, several recycling bins were positioned at select locations. The bins were different colours and were made highly visible with signs at eye level and images and text in both Swedish and English to make it clear what should be sorted and where. Some recycling stations were set off with a flag portal to frame them in and make them easy to see from a distance. For visitors, there was one single bin for residual waste. This was located in Gästrikre återvinnare's manned event container. There, we took the opportunity to coach, inspire and show the benefits of recycling. Having our staff on site also enabled us to be flexible and make changes as necessary.



**And naturally everyone knew what was expected. To be more specific, 15,690 visitors, athletes, officials and volunteers sorted 85.6% of the rubbish for recycling over 4 days.**

**It also helped Gävle Municipality take second place in this year's Keep Sweden Tidy ranking.**

## FEEDBACK DURING AND AFTER THE EVENT

*"We received praise from both the European and the Swedish participants and leaders"*

Göran Arnell, Gävle Municipal Director in a long thank you email to Gästrikre återvinnare's Director.

*"It was good, well organised"*  
(Visitor talking about the recycling stations)

*"Having so many sorting stations inspires respect"*  
Ralf, Supervisor, EDV.

*"There was just one banana peel, one soda can and one candy wrapper in the stands when we closed down sales on Saturday"*  
Mona Stenberg, Gefle IF.

*"Wow – what a successful event! Thanks a lot for everything! We're received a lot of praise"*  
Sofie Ullström, subproject manager for sustainability issues.





CSI +79



This year's Customer Satisfaction Index shows an increase compared to last year, and gives us a good idea of how we should work going forward.

## Satisfied and involved customers

This year's customer satisfaction survey had a high response rate, and we found that our customers are still very satisfied with our work.

For the third year in a row, we conducted a survey to determine our Customer Satisfaction Index (CSI). This gives us an idea about what our customers think about us, their expectations, and areas of improvement. From previous years, we know that our customers are committed and care about both the environment and our operations. This year, we had a very high rate of participation and we were happy to see that our CSI remains very high. The CSI scale ranges from -100 to +100. Our result of 79 is fantastic proof that we are doing things right for our customers. In the survey, we also ask our customers

open-ended questions where they could freely describe, for example, what they consider our strengths, and what improvements measures and changes we can implement to make customers even more satisfied. We received many good, concrete suggestions that we are now taking forward in the organisation to investigate, develop and, in many cases, implement.

*Something in clear demand this year is better sorting solutions for single-family houses and the option of receiving a text message the day before refuse collection.*

In 2019, we launched a project intended to improve sorting for single-family houses, and we have a technical solution for sending text messages that we hope to be able to offer as early as 2020.

EUROPE REDUCES ITS WASTE



The container social is chosen to represent Sweden in the category Best Activity by a Public Administration or Organisation at the EWWR Awards, the European Week for Waste Reduction.

## Guests and personal meetings at the container social

In connection with the "European Week for Waste Reduction" initiative in November, we invited people to a social in our new event container at Stortorget in Gävle. Over three days, various guests and themes served as inspiration to increase recycling and reuse and to reduce the amount of waste in rubbish bags.

On Tuesday, 19 November, Lasse Wennman from Matakuten was a special guest at the container, and daring visitors performed a blind taste test to figure out how long yoghurt is still edible after the best before date.

On Wednesday, 20 November, high school pupils from Vasaskolan put on a fashion show with their amazing clothing creations made from old plastic packaging. Some of the pupils were also special guests at the container, explaining more about the assignment

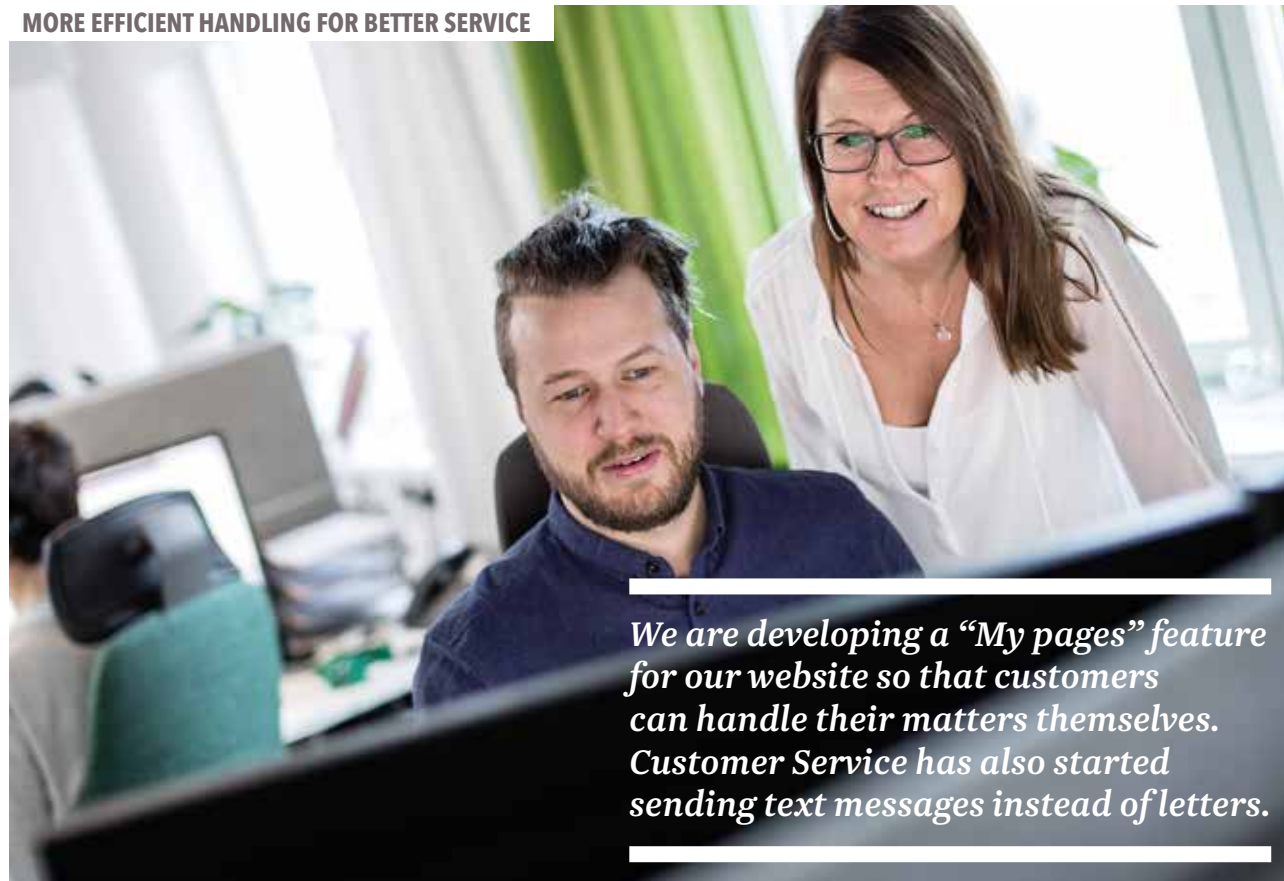
to us, our visitors and a radio station that came by and interviewed us in a live broadcast.

On Thursday, 21 November, we offered coffee to visitors who brought along their own cup, and tested buying coffee at a café when you bring your own cup. Lars Lindström from JobMeal was a special guest to the container and talked about their work to increase recycling, and what happened when they took away the rubbish bin in the cafeteria at Gävle Hospital.

Curiosity brought a lot of visitors to the welcoming atmosphere of the container decorated with items from the reuse centre for a chat or simply to learn why we were there. We met about 150 people and showed off our activities in a number of social media posts to inspire and spread the word about the week's container social to those who were unable to stop by.



## MORE EFFICIENT HANDLING FOR BETTER SERVICE



*We are developing a “My pages” feature for our website so that customers can handle their matters themselves. Customer Service has also started sending text messages instead of letters.*

## Efficiency work for both employees and customers

This year's work to make efficiency improvements in Customer Service aims to provide a better customer experience.

With cross-functional teams and expertise from several sectors of our operations, we worked during the year to find ways to streamline different aspects of case management at Customer Service. The main improvement was automation of frequently recurring tasks that require manual, monotonous work in our computer systems. While our customers may not notice the automation measures directly, they have already made an impact on the internal flow and saved hours of work at Customer Service. We also implemented measures that make things easier and smarter for the customer. For example, we developed a “My pages” feature for our website to enable customers to handle their matters themselves, and Customer service has started sending text messages instead of letters. Less work for Customer Service and expanded service for customers.

**Factors that made the work successful** were giving the team greater responsibility and applying a process-oriented approach. They thoroughly analysed the problems, found the root causes, and then appraised the problems in terms of time and money. The focus was then on solving one problem at a time.

Thanks to this improvement work, which we conducted over the course of two months, Customer Service's work has been streamlined to such an extent that we now save the equivalent of about 50 working days and SEK 100,000 per year.

**Our Customer Service workers** say that they can see that some tasks go more quickly, and that the time savings are becoming more and more apparent. They can then largely apply these time savings to further improvement work, which not

only is more fun and growth fostering for the employees but also adds value for the customer.



## Assignment: expert advisor in Georgia



A transshipment centre in Tbilisi, Georgia has been rebuilt to be able to collect sorted waste.

Gästrike återvinnare is a pioneer when it comes to waste management and environmental issues, and is successful in communication and changing behaviour. Our expertise is in demand throughout the world, and is something we have been applying for many years “for a world that lasts longer”.

In 2018–2019, we took part in a project in Georgia together with both the Swedish Environmental Protection Agency and Tbilisi Service Group, which has

overarching responsibility for waste management in Tbilisi and surrounding areas. Our role in this was to serve as expert advisor and project partner to strengthen and develop the organisation and their sustainability work. With our help, Tbilisi Service Group implemented changes in several areas, streamlined communication work, and improved logistics. Among other things, they purchased new vehicles. As a result Volvo refuse trucks are now driving around Tbilisi for the very first time. They rebuilt a transshipment centre to be able to collect sorted waste, and

launched a pilot project in an area for the collection of three fractions of recycling waste. They underwent training in how to secure landfills, and conducted a technical study for the procurement of landfill gas during the year. They are now planning to build a recycling centre in Tbilisi modelled after how our recycling centres look and operate.

**On behalf of the Swedish Embassy** in Tbilisi and the Ministry of the Environment in Georgia, we will work with the “Keep Georgia Tidy” initiative to create a regional waste management plan with eight municipalities in the Kakheti region. Using the guidelines and proposals we helped to develop during the year, the governor and the eight mayors have agreed on a cooperation agreement that will form the basis of continued work.

Gästrike återvinnare also helped to create the basis for a project plan and laid the groundwork for the project team that will run the work on site. This work will continue throughout 2020 and part of 2021.

### FACT BOX:

In 2019, our expertise in waste was in demand in a total of 26 countries. We served as project partners in Georgia, Serbia, South Africa, Somaliland, Ireland, Portugal, Spain, Cyprus, Hungary, Poland and Bulgaria. We hosted study visits from Syria, Somaliland, Kenya, Tanzania, Zimbabwe, South Africa, Finland, Estonia, Ukraine, Thailand, Tunisia, Azerbaijan, Brazil, Chile and Argentina.



**They received training in how we work with waste issues and implemented several major changes towards better waste management in Tbilisi during the year.**



PLAN FOR THE FUTURE

# Eco-cycle plan in regional cooperation

The new eco-cycle plan is being created through regional cooperation to find mutual benefits.



*Bollnäs and Söderhamn transporting their food waste to the biogas plant in Forsbacka, Gävle and Söderhamn transporting their residual waste to the incineration plant in Bollnäs, and Bollnäs transporting its landfill waste to Söderhamn are examples of regional cooperation for mutual benefit.*

In 2019, we began work to create new eco-cycle plans for Gävle, Sandviken, Ockelbo, Hofors and Älvkarleby municipalities. In partnership with the municipalities in Hälsingland, the County Council and Region Gävleborg, we are working to find benefits from cooperation, experiences and more efficient work from a regional perspective.

All municipalities are legally required to have a plan that describes how the municipality works to prevent waste, recycle materials and prevent littering. In legal text, this is called the “waste management plan”, but we choose to call it an “eco-cycle plan” since this term better describes the focus of the plan.

The eco-cycle plan applies to each municipality. Gästrikre återvinnare is therefore working in close collaboration with Gävle, Sandviken, Ockelbo, Hofors and Älvkarleby municipalities to create new plans that will apply beginning from 2021. A large proportion of the preparatory work was carried out in 2019, with decisions, project plans and organisation for all municipalities. The work was run in part at the local level in each municipality and in part on an inter-municipal level with collaboration between all eleven municipalities. In 2019, we conducted a joint start-up seminar and organised two additional seminars, one focusing on waste prevention procurement and the other on waste management in apartment

blocks. In 2020, work will continue so as to have eco-cycle plans ready for the municipalities by 2021, with goals and measures for the future.

The new eco-cycle plans are important tools and will contribute to sustainable development, where we use our resources wisely.



GREAT INTEREST IN BIOGAS



## Summer social at the biogas plant

There is great interest in biogas and Forsbacka biogas plant in particular, which was the world's largest plant of its kind when it was built. On Friday, 17 May, Ekogas partnered with Gästrikre återvinnare and Gävle Energi to organise a biogas afternoon with a luncheon social and guided tours of the plant.

The guests got to learn more about the entire value chain, from food waste to biogas and digestate. Invited guests included politicians, decision-makers, representatives of the business community in Gävleborg and the Hälsingland municipalities, and naturally also Gästrikre återvinnare's Council and Board.

### The guests got to learn more about the value chain, from food waste to biogas and digestate



FACT BOX:

During the year, Gästrikre återvinnare gave guided tours of the biogas plant for a total of 325 people spread over 16 different occasions. The visitors varied greatly, with everything from school classes, clubs and housing companies to environmental coordinators, vehicle coordinators and foreign visitors, particularly from Africa.







**Refuse basketball is fun for all ages at this year's "Fallens dag" in Älvkarleby**

## DIRECTORS' REPORT

Gästrikre återvinnare's directors' report describes our organisation and governance model, and follows up on our goals.



# Outlook

The Amazon is burning, Australia is breaking temperature records, and Sweden has a home-grown climate hero who travels by boat all over the world and calls attention to the burning issue of our generation.

What kind of earth do we and our future generations want to live on? It would have been hard to miss all the media coverage linked to climate discussions and the polarised opinions about the issue. 2019 has been a year of continued major environmental focus, and our operations are in the heart of the action since a circular economy, sustainable consumption and littering are high on the agenda of decision-makers.

In late 2018, the European Parliament adopted a directive focused on circular economy and reducing single-use products, which account for a large proportion of the litter in our marine environments. When greater focus is placed on reuse, product refinement, better quality and smart design, this will also impact waste management. The importance will gradually shift more and more from collecting and processing to refining, improving, repairing and reducing resources. Good examples can be found in other countries, such as France and Belgium, which have made more progress than us in terms of reuse, as well as more locally such as TaTillVara in Borlänge and RE:tuna in Eskilstuna.

The Government's decision on kerbside collection of packaging has already started to affect us, and we are already starting to prepare for change. Strategic decisions will be crucial in shaping what kind of organisation we will have in the future. The packaging currently collected at recycling stations must instead be

collected at the properties by 2025. The municipalities are not the principal for this, but Gästrike återvinnare's Board has been clear. Gästrike återvinnare shall be active and hopefully a party in this changeover that will apply from 2021. A good sorting solution that makes it easy for our customers to sort packaging will bring great environmental benefits when it comes to material recycling and circular economy. From meetings with our customers, we know that the knowledge and desire to make a contribution already exist, but our systems and solutions do not match their needs. This means there is an opportunity to reduce the amount of waste sent to expensive incineration. Incineration costs have risen sharply in recent years, and will continue to rise. Costs that impact our operations and the fees we charge.

**Sorting a larger number of fractions at our recycling centres will be an issue for the future. More materials will be recyclable, and demand for clean fractions will increase from different stakeholders.**

During the year, a decision on shareholder contributions to our affiliated company Ekogas AB was appealed and debated. The challenge with biogas is getting the so-called trinity at start-up, i.e. getting the substrate, production and sales in harmony (supply and demand). It is no unique situation that our biogas company has not been economically profitable for some time. This is a general challenge that has led to the Government proposing a new support system to promote biogas nationally for the next 10 years. The future looks very bright for our affiliated company Ekogas AB. New agreements have been signed for both the supply of substrate and the sale of biogas. Through this, we will continue to have a good form of treatment for our food waste. We are convinced that anaerobic digestion of food waste is a better treatment method than incineration and composting. Our national goals also aim to reduce fossil climate emissions, handle phosphorous and achieve a circular economy, all of which are arguments for our biogas. Producing biogas and digestate from our citizens' food waste means that everyone in our region can make a practical difference in their daily life for a world that lasts longer.



**“To succeed, we all need to work together. With our customers, in our organisation, with our member municipalities, and in smart collaborations with those around us. What we do in everyday life makes a difference.”**

## Together for a world that lasts longer

### OUR VISION

Our vision is “Together we create environmental heroes in everyday life for a world that lasts longer”.

We are passionate about a sustainable future. We believe in everyone's ability to participate and contribute; that everyone can do something. Our most important task is to try to make it “easy to do the right thing”. To support sustainable behaviour. To stimulate sustainable consumption choices. To prevent the production of waste. To sort and recycle as much as possible. For more economical use of resources. For a world that lasts longer.

To succeed, we all need to work together. With our customers, in our organisation, with our member municipalities, and in smart collaborations with those around us. What we do in everyday life makes a difference.



### OUR ROLE

The joint municipal authority Gästrike återvinnare was founded in 2001 by Gävle, Hofors, Ockelbo, Sandviken and Älvkarleby municipalities. Operations have grown and now consist of the joint authority and the group GÅ Tillsammans AB. At present, we have close to 130 employees.

Our role is formulated in our articles of association. We shall be responsible for municipal waste management and shall contribute to sustainable regional development.

We will do this by:  
**Strategically developing** waste management

**Working to achieve** societal, national, regional and local environmental goals.

**Promoting, supporting and developing** our residents' and business sector's knowledge and competence regarding the role of waste management in production and consumption in order to create a sustainable society.

**Contributing to increased** Swedish knowledge and service export in the field of waste and environmental technology in partnership with public, municipal and private players.

**Collaborating with public,** municipal and private players to exchange knowledge and create solutions to achieve the greatest possible benefit for society, customers and the environment.



**The authority is responsible for:**  
The collection, handling and treatment of household waste and other comparable waste from operations which municipalities are obliged to be responsible for pursuant to Chapter 15 of the Environmental Code with associated legislation, either itself or through contracted services.

**Drawing up** a proposal to the waste and sanitation ordinance (waste management plan and local waste management regulations) for the member municipalities, pursuant to Chapter 15 of the Environmental Code.

**Drawing up** a proposal for waste fees for the member municipalities.

**Information to households** within the waste area.



**Planning and follow-up** of the authority’s activities.

**OUR GOALS**  
**The waste management plan is our primary policy document.** It points to three target areas:

**Prevent the waste of resources** – prevent the production of waste

**Reduce the use of hazardous substances** and ensure safe handling of hazardous waste

**Utilise waste** as a resource – increase sorting

**In 2019, our focus** was on target area 3 – Utilise waste as a resource. This area was chosen due to noted shortcomings in sorting that required initiatives to both increase environmental benefit and reduce costs.

GÄSTRIKE ÅTERVINNARE	2019	2018	2017	2016
TURNOVER	226.3	219.3	196.2	186.6
NUMBER OF PERMANENT EMPLOYEES	134	128	123	112



**GOVERNANCE**  
**We are generally governed** like a municipality. We have a Council with four regular representatives from each member municipality, i.e. 20 politicians, and a Board with one regular representative from each member municipality. The Chair is appointed by Gävle Municipality and the Deputy Chair is appointed by Sandviken Municipality. However, all members have one vote of equal weight.

**FUNDING**  
**Operations related to** household waste are funded through the sanitation fee.

**This fee is set by** the respective member municipality. In this part, operations must run on a non-profit basis. At present, this part of our operations,

which accounts for just over 80% of our turnover, is underfunded. The costs exceed the revenue. The bottom line is shored up by our competitive commercial operations. The revenue from this part outweighs the deficit we have in household operations.

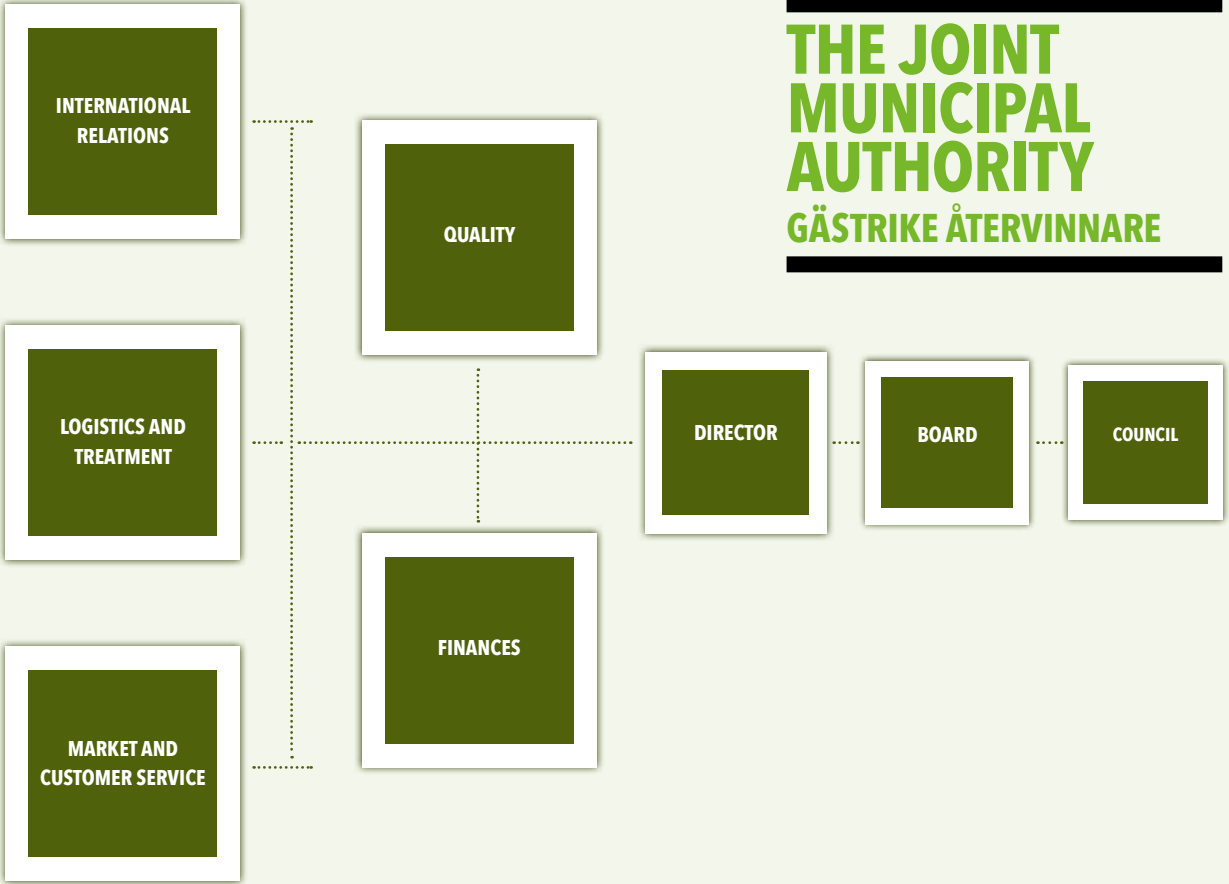
**The sanitation fee consists of a base fee and a variable collection fee. Prior to the start of each year, the fee is reviewed, discussed and decided in each member municipality.**

**Green thinking can affect the fee.**  
A subscriber can reduce their cost by reducing and sorting their waste, thereby also choosing smaller bins and less frequent collection.

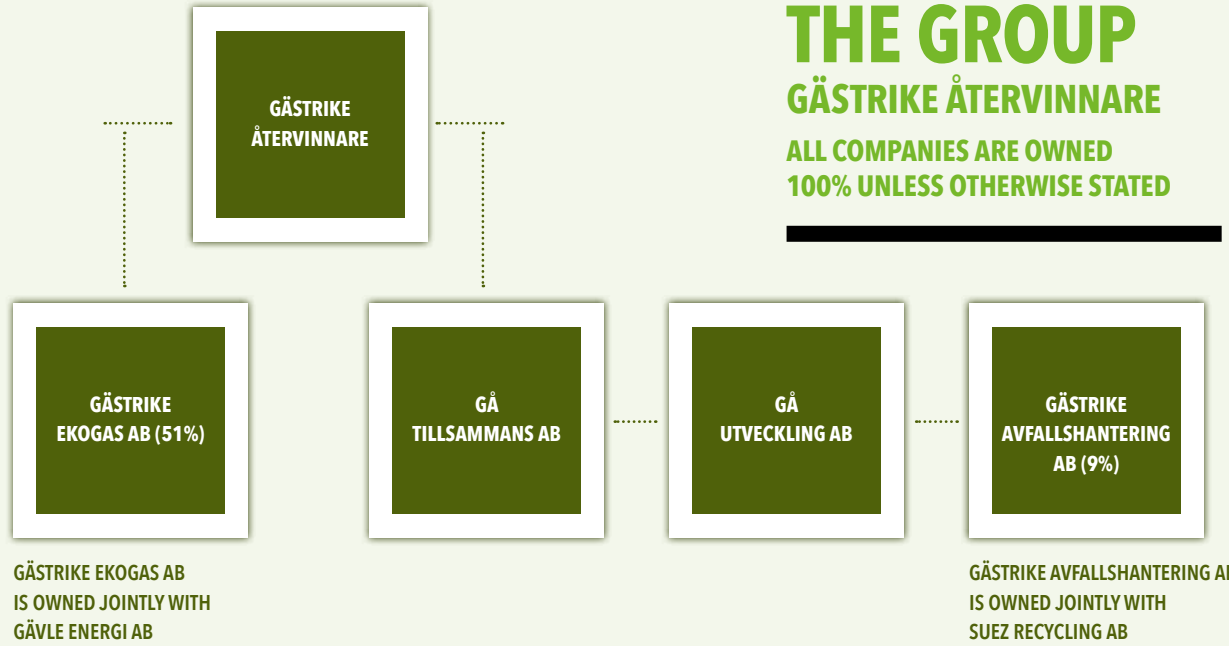
**QUALITY AND ENVIRONMENT**  
**We have been quality and environmentally certified** in accordance with ISO 9001 and 14001 since 2009. This is a stamp of quality confirming that we perform our quality and environmental work in a structured manner.



## THE JOINT MUNICIPAL AUTHORITY GÄSTRIKE ÅTERVINNARE



## THE GROUP GÄSTRIKE ÅTERVINNARE ALL COMPANIES ARE OWNED 100% UNLESS OTHERWISE STATED







## Environmental educator Karin Brolin gets Hofors residents to play refuse basketball at Första Blåbärsstoppet



## Target areas

Presentation of the target areas we have focused on during the year

### PREVENT WASTE IN OUR MUNICIPALITIES

In 2019, each resident of our five municipalities threw away an average of 405 kg of household waste, 209 kg (or about half) of which was residual waste and food waste. Other materials were newspapers and packaging and bulky waste. There is a positive trend, i.e. the total household quantities per person have decreased slightly.

**Preventing the production of waste is complex and dependent on other actors, producers and consumers. It also has strong ties to the state of the market.**

Avfall Sverige has developed a method for how businesses can prevent waste from being produced in their flows. Good examples, particularly in Gothenburg, show that the work can lead to great savings for the businesses, municipalities or departments that want to take part and work with this approach. Both financial and environmental savings are a win-win situation. We consider the

method an important tool in supporting our municipalities in their work towards sustainable communities. It takes time to build up and inform the businesses of the municipalities about what we have to offer, but we are seeing increased interest among both decision-makers and committed businesses.

### COLLECT WASTE

The part of our operations that collects and transports waste for treatment is very extensive. It is a tough challenge to work as smart and cost-effectively as possible in daily operations. It is a complex logistics and transport operation that comprises more than 45 heavy vehicles, 600 containers and 60 drivers. We have approximately

40,000 subscribers and each year handle 115,000 tonnes of waste from households and businesses and empty about 2,250,000 bins.

We investigate and gradually implement different measures to optimise logistics in different ways. A major investigative project is underway for "route optimisation" and we have already achieved some effects. However, a larger and more comprehensive approach requires further investigation. The project is studying opportunities for various kinds of IT support. Digitalisation of case and information flows, driving orders, etc. has been implemented and will be further developed over time.







#### RECEIVE WASTE

We have 12 recycling centres with a total of about 514,000 visits per year and 515 customers with a recycling card. We receive approximately 40,000 tonnes of waste during the year, 400 tonnes of which is hazardous waste. In addition, we collect about 430 tonnes of textiles and just over 220 tonnes of furniture and smaller items for reuse.

**The aim is to create movement up the waste ladder, and reduce both the percentage of waste sent to landfill and the amount of residual waste sent to incineration. This not only produces environmental benefits, but also reduces treatment costs.**

#### INCREASE SORTING

Previous solid waste analyses indicate that up to two-thirds of rubbish bags with residual waste consist of materials that should not be there. This relates mainly to packaging and food waste that should be sorted for recycling instead of being sent to incineration. Improper sorting has a huge environmental impact and leads to huge costs – all unnecessarily. The cost picture is accentuated by the exceptionally high level currently prevailing in the incineration market. The increased treatment costs that can be attributed to the volume of improperly sorted material amounts to approximately SEK 13 million annually for Gästrikre återvinnare.

To reach the goal of increased quality of waste sorting, we launched a major communication initiative in 2017 with the campaign #hursvårtskadetva [#howhardcanitbe]. This continued into 2019. We now have three environmental educators who focus on meeting and communicating with school children in our five member municipalities. This

should help to establish good attitudes and behaviours in regards to sorting and environmentally conscious consumption from an early age.

To combat improper sorting and increase sorting, we are working faster and more proactively with feedback to our customers. Not least with penalties in the form of improper sorting fees.

With the support of and in collaboration with Gästrikre återvinnare, several property owners have begun methodical work to increase sorting. Among other things, we have conducted site visits, inventorying and measurements in collaboration with the five municipal housing companies, one private housing company and a number of tenant-owners' associations. Information and training initiatives for personnel and tenants have been conducted. Documentation in the form of checklists and information material have been created and are being launched as a separate concept in 2020.

#### MARKET

Our marketing department, which works with businesses and property owners, is continuing to improve and become more efficient. During the year, we continued developing collaborations with companies based on their needs. We have worked together to develop new services that improve sorting and create more environmental benefit – something in demand in the market. We have worked extensively with our customers with training and sorting knowledge to reduce costs for the companies and improve the environmental impact throughout the flow. Revenue from our market operations has shown a positive trend in recent years and have helped to offset the underfunding we have seen for the past few years in our fee-funding household operations.

#### INTERNATIONAL RELATIONS

Gästrikre återvinnare has built up a great reputation through our work with international projects. In 2019, we continued our work to develop five municipalities in Serbia, where we are supporting their process to develop their municipal competence to reach the EU standard. The project is a collaboration with SKL International. In early 2019, IR performed development work together



with Tbilisi Service Group in Georgia. They visited us on two occasions and have taken inspiration from how we work. They have now initiated several changes in which we have been part of the processes.

In connection with this work, we were asked for our expertise in a project that will result in a regional waste management plan in the Kakheti region of Georgia. In 2019, IR was lead partner in two major EU projects, Circulink and Family circle, aimed at developing the circular economy in Europe.



**In South Africa, we are continuing our collaboration with Buffalo City, the DEA (Department of Environmental Affairs) and the Swedish Environmental Protection Agency to build a collection system for hazardous waste. We expect to be able to start collection in 2020.**

Eleven European countries are participating in the projects. Environmental benefit and societal benefit are IR's main focus, but the financial results were also very good this year. In addition, we had some ten international visits during the year.

#### PERSONNEL

There is a shortage of qualified professional drivers throughout the country. We have our basic staffing in place, but in the summer we have trouble getting enough substitutes for holiday coverage. Postponement of holidays and the hiring of substitutes for prolonged periods bring about increased costs. When it comes to our administrators, a number of highly qualified administrators are continuously subjected to a high workload.

To reduce the workload for supervisors and ensure good and reliable staffing at the recycling centres, a new staffing solution was introduced during the year. We now no longer hire short-term substitutes but instead contract them via staffing agencies. During the year, we had quite a bit of staff turnover among our administrators. Restaffing review has been conducted and some of the positions were filled during the year.



We get many qualified applicants to our permanent positions within all occupational categories. We have high rates of sickness absence in certain occupational groups, which raises our average absence rate (5.2%). Health surveys were conducted during the year. These show that there are areas we need to work with in coming years. The need to focus on preventive activities, and health and wellness care for our employees remain important.

#### QUALITY AND ENVIRONMENTAL WORK

Our organisation is certified according to ISO 9001 for quality management and ISO 14001 for environmental management. This is a stamp of quality confirming that we perform our quality and environmental work in a structured manner. To be able to keep up with an ever faster world, we must be able to improve our operations with the resources we have. We made many good improvements during the year that have benefited our customers, our environment and our finances. A very good example of this is the “Töm säcken” [Empty your bag] project, which helped to further increase recycling and reduce the waste we send to incineration.

Moving waste up the waste ladder is a huge gain for both the environment and our finances. Financially speaking, this increased recycling has made it possible to reduce costs by approximately SEK 1,289,000.

The waste we collected has saved 12,000,000 kg in CO2 emissions compared to what would have been produced from virgin material. This is an additional 2,250,000 kg compared to the previous year.

Another good example of quality



work is the process development work in progress. In Customer Service, we have automated flows and thus reduced several manual work steps. A “My pages” feature for our website, where customers can handle their matters themselves, is under development. So far, this improvement work has reduced Customer Service’s workload an equivalent of about 250 working days, which equates to approximately SEK 550,000 in savings per year. Resources that can be used to create added value for our customers.

**Biogas – collaboration in relation to doctoral student**

GÅ Utveckling AB contributes to the funding of a doctoral student at the University of Gävle with a specialisation in biogas. This is a collaboration with Stiftelsen Gästrikeregionens Miljö, Gävle Energi AB and Gästrikre Ekogas AB. The doctoral student’s work focuses on various possibilities for optimising biogas production at Ekogas AB’s plant in Forsbacka. This work is progressing according to plan.

**Since the sale of Gästrikre Avfallshantering AB to SUEZ AB on 1 April 2002, GÅ Utveckling AB continues to have a contracted responsibility for the metal hydroxide sludge landfill at Forsbacka Miljöcentrum. This entails regular monitoring measurements to ensure that there is no leakage from the landfill. In connection with the sale of Gästrikre Avfallshantering AB to SUEZ AB on 1 April 2002, GÅ Utveckling AB committed to continue to bear responsibility for the former ash landfill until it has been deemed finally covered. In 2019, discussions were held with Gästrikre Avfallshantering AB and the County Administrative Board regarding what measures are required to enable such a decision to be made. An action**

plan was agreed on and GÅ Utveckling AB estimates that responsibility for the ash landfill can be transferred to Gästrikre Avfallshantering AB in the coming years.

**In 2018, GÅ Utveckling AB began participating in work initiated through KFS Branschråd Återvinning for the development of a model for describing and ensuring the qualifications needed in a number of professional roles in the waste and recycling industry. The aim is to create a model according to the Swedish SeQF standard, which is handled by the Swedish National Agency for Higher Vocational Education and follows the European EQF standard.**

**This work is being carried out in collaboration with – in addition to the joint municipal authority Gästrikre återvinnare – the municipal employer organisation Sobona (which KFS merged into in 2018), Nordiskt Valideringsforum AB, BORAB and Söderhamn Nära AB. Work in this project continued in 2019.**

#### GÄSTRIKE EKOAS AB

(51% ownership)

**Gästrikre Ekogas AB’s biogas plant was inaugurated in September 2017 and has been in operation ever since. During the start-up period, the company faced**

challenges in finding sales for all of the biogas produced before a sufficiently large regional market was built up, which resulted in sales being lower than budgeted in both 2018 and 2019. As a result, the company’s liquidity has been impaired and the owners decided in favour of shareholder contributions.

**During the year, a two-year agreement was signed with Borlänge energi. As a result, sales for the year were better than ever. An agreement with Vy Buss has now been signed and will be operational in 2020. A bus depot with slow refuelling will be prepared in 2020. The bus agreement will provide stable revenue once the bus depot is in operation. For substrate quantities, an agreement was signed with Härnösand Municipality for the delivery of 4000 tonnes of food waste from October 2019 and one year going forward. A new CEO and substrate manager were recruited to the company during the year. In all, 2019 has been a year where the foundation was laid for a positive financial forecast and for stabilised operations. There is now a regional market with demand for the local gas that well meets the food waste that needs to be treated.**

# The Group as a whole



#### GÅ UTVECKLING AB

The company was formed when the majority of shares in Gästrikre Avfallshantering AB (GAAB) were transferred from municipal to private ownership on 1 April 2002. The majority shareholder of Gästrikre Avfallshantering AB is SUEZ Sverige AB, with just under 91%. The remaining 9.875% is owned by GÅ Utveckling AB, which is a wholly-owned subsidiary of the joint municipal authority Gästrikre återvinnare via its holding company GÅ Tillsammans AB.

**GAAB was jointly owned by Gävle, Sandvikens, Ockelbo and Hofors municipalities, i.e. the four of the five current member municipalities of Gästrikre återvinnare. GAAB was in charge of operations at the Forsbacka landfill, which is now called Forsbacka**

Miljöcentrum. In connection with the transfer of GAAB to SUEZ, funds from the purchase price were allocated to GÅ Utveckling AB and Stiftelsen Gästrikeregionens Miljö.

**According to its articles of association, GÅ Utveckling AB shall own and manage shares in companies in the waste and recycling industry, and conduct development activities in this area.**

**Thus, operations currently comprise part ownership in GAAB, where the company holds three positions on the GAAB Board. These are held by the Chair, Deputy Chair and CEO of GÅ Utveckling AB, who also serve as Chair and Deputy Chair of the Gästrikre återvinnare Board and the Director of Gästrikre återvinnare.**





# GOALS AND FOLLOW-UP

GENERAL GOALS	GOALS 2019	FOLLOW-UP 2019
Prevent waste in collaboration with the municipalities	Measures according to Avfall Sverige's waste prevention method in 4 of the municipalities' operations	2 completed, 1 in the final phase and 1 in the start-up phase
Reduce the amount of newspapers and packaging in residual waste	25% (solid waste analysis)	37.1% (value from latest measurement 2018)
Reduce the proportion of food waste in residual waste	22% (solid waste analysis)	24.8% (value from latest measurement 2018)
Increase purity in the food waste	99% (solid waste analysis)	95.8% (value from latest measurement 2018)
Collect waste	<b>Delivery reliability</b> - Driving lists, 100% correctly performed per day  <b>Improved efficiency</b> - Implement route optimisation project	<b>Delivery reliability</b> - 84.8% of driving lists performed correctly on average  <b>Improved efficiency</b> - Made routes more efficient corresponding to 0.5 vehicles
Receive waste	Reduce the amount of combustible waste by 500 tonnes compared to the previous year	Reduction by 1,557 tonnes (24%)
Prevent waste	Reduce the amount of food waste and residual waste per person by 25% up through 2025 compared to 2015	Reduction by 4.26% (reconciled against the goal, which must be met by 2025)
Increase sorting	Increase the amount of collected food waste by 2,000 tonnes compared to the previous year (moved from residual waste to food waste)	Increase by +376 tonnes
Reduce operating expenses	Stay within budget with savings requirement of SEK 3 million	Operating profit for 2019 indicates that we have achieved
Require profits from commercial operations	10% profit margin	12.2% profit margin
Increased customer satisfaction index (CSI)	CSI = 80	CSI = 79 (CSI = 78 previous year)
Increased employee satisfaction index	5.5	5.3 (5.5 previous year)
Increased quality work	Implement a methodical approach for continuous improvements	Methodical approach tested and initiated in a project
Reduced environmental emissions	Reduce the amount of CO2 equivalents per quantity of waste handled compared to 2018	Recycling and treatment of all waste has prevented 12,000,000 kg of CO2 compared to what would have been produced from virgin material. An improvement of approximately 2,250,000 kg or 23% CO2 compared to 2018

# FINANCIAL REPORT



# Financial analysis

The Gästrike återvinnare Group's earnings amounted to MSEK -11.1 (-9.2), of which the joint municipal authority accounted for MSEK -17.8 (-17.2). (Last year's figures in parenthesis)

GÄSTRIKE ÅTERVINNARE'S KEY FINANCIAL INDICATORS OVER TIME					
TURNOVER, SEK THOUSANDS	2019	2018	2017	2016	2015
	226,272	219,254	196,229	186,611	180,147
PROFIT MARGIN %	-	-	0.6	0.9	1.6
EQUITY/ASSET RATIO %	36.9	47.4	58.7	49.4	55.3
DEBT/EQUITY RATIO, TIMES	1.7	1.1	0.7	1.0	0.8
OPERATING PROFIT/LOSS, SEK THOUSANDS	-2,031	-632	1,686	1,966	3,035
PROFIT/LOSS FOR THE YEAR, SEK THOUSANDS	-17,783*	-17,160*	1,259	1,619	2,809

\*The significantly negative earnings for the last two years are due to write-down of the shares in Gästrike Ekogas AB.

## GROUP EARNINGS

The Gästrike återvinnare Group is made up of the joint municipal authority Gästrike återvinnare, which in turn owns 51% of the shares in Gästrike Ekogas AB (the remaining shares are owned by Gävle Energi AB), and 100% of the shares in GÅ Tillsammans AB. GÅ Tillsammans AB, in turn, wholly owns GÅ Utveckling AB.

Consolidated earnings amounted to SEK -11.1 (-9.2) million for financial year 2019. The Group's share of Gästrike Ekogas AB's earnings amounts to SEK 9.0 million.

## GÅ TILLSAMMANS AB

GÅ Tillsammans AB is a holding company that is wholly owned by Gästrike återvinnare. The company's operations are ownership and management of shares in subsidiaries in the waste management, reuse and recycling sector. These companies shall form part of the Group organisation through a decision by the Gästrike återvinnare Council.

The company owns all shares of GÅ Utveckling AB.

The balance sheet total in GÅ Tillsammans AB amounts to SEK 1.8 (1.8) million. No operations beyond the ownership of shares were conducted in the company in 2019, and the company reports negative earnings amounting to SEK 22.9 (-16.1) thousand.

## GÅ UTVECKLING AB

GÅ Utveckling is wholly owned by GÅ Tillsammans AB. GÅ Utveckling AB, in turn, owns 9.875% of the shares in Gästrike Avfallshantering AB (GAAB), which conducts operations at the waste treatment plant Forsbacka Miljöcentrum (the majority shareholder of GAAB is Suez recycling AB).

In connection with the sale of GAAB and the waste treatment plant in Forsbacka a number of years ago, GÅ Utveckling AB remains responsible for the closed metal hydroxide sludge landfill in Forsbacka. A few years ago, the decision was made to increase sampling and examinations to ensure that unwanted leakage from the

landfill was not possible. This sampling has continued at the same intensity ever since.

GÅ Utveckling AB's operations are primarily to support and run development projects within the collection and waste treatment field. The company shows negative earnings amounting to SEK -278 (-378) thousand. Equity amounts to SEK 1.5 (1.8) million.

## GÄSTRIKE EKOAS AB

Gästrike Ekogas AB sells self-produced refined biogas to local bus services, company vehicles and private vehicles from filling stations located at Sörby Urfjäll in Gävle and Forsbacka. The biogas is produced from food waste at the Forsbacka biogas plant and through refinement of raw gas from the Duvbacken refinement plant. In addition to biogas sales, the company provides waste treatment services and sells a certified digestate.

The Swedish Board of Agriculture has granted the company a production subsidy for the production of refined

biogas for the period October 2018 to May 2020. In 2019, Gästrike Ekogas AB signed a further agreement for food waste treatment and increased its production rate by approximately 60%. The total volume of foot waste treatment is now approximately 17,000 tonnes per year. The company also signed an agreement in 2019 for further sales of biogas. In 2020, the company will increase deliveries of biogas to the city buses in Gävle from the equivalent of 15 buses to 53 buses.

In the long term, the company is working to fulfil statutory aspects regarding food waste treatment and important parts of Gävle Municipality's environmental strategy programme by delivering biogas to city and regional buses. The establishment of additional filling stations in Gävle is important, particularly for the customer groups taxi and companies/municipalities with large vehicle fleets. In January 2019, the company obtained all permits for the establishment of another filling station at Teknikparken in Gävle. In addition to Teknikparken, the company is looking into the establishment of filling stations in other areas of the region, such as Söderhamn, Sandviken and Bollnäs.

The digestate that the company sells is certified in accordance with SPCR 120. The company is now working to get it approved for organic farming in 2020.

## GÄSTRIKE ÅTERVINNARE

The joint municipal authority's earnings

The authority's earnings amounted to SEK -17.8 (-17.2) million. The significantly negative earnings were mainly driven by a write-down of the shares in Gästrike Ekogas AB. The write-down has been converted to net worth amounting to SEK 16 million.

Fuel prices have risen sharply, and costs for tyres and repairs have increased. Fuel prices have increased steadily over several years, and the trend is not expected to turn downward.

## Revenue

The authority's total revenue amounted to SEK 226.3 (219.3) million, which was SEK 5.7 million better than budgeted and higher than 2018. In order to partially meet the cost increases the joint municipal authority was facing in 2019, a 2% fee increase was implemented. However, this fee increase did not cover the actual cost increase.

The majority of the authority's revenue (approximately 68%) consists of fee revenue, with fees from households amounting to SEK 154.0 (148.8) million during the year. The fee revenue is made up of basic fees and collection fees. The basic fees are intended to cover the costs of recycling centres and administration. The collection fees for household waste, sludge and fat are intended to cover the costs of all waste collection.

A small portion of the authority's operations are funded through revenue from companies, organisations and materials from our recycling centres that we choose to sell to various recycling companies. This revenue helps to fund our core operations so we can keep the fees as low as possible for our customers. This segment has contributed to a revenue increase over several years, and we hope that the increase continues for years to come.

The increase in revenue compared to budget is attributable not only to the increase in fees, but also to our haulage operations continuing to generate higher revenue than expected. By contrast, scrap metal – the largest revenue fraction from the recycling centres by far – had a lower outcome than budgeted, mainly due to falling metal prices in 2019.

## Production costs

Production costs amounted to SEK 62.5 (63.2) million and primarily consist of costs for treatment, contracting and transport. There are a large number of fractions treated, and they come from the recycling centres, fee-based collection and haulage operations.

The authority's commercial operations continue to develop, which means increased revenue for many fractions. As more material comes in for treatment, the authority's costs for this also increase. In combination with a larger purchase of material for food waste treatment than calculated, this is the largest difference compared to budget. A larger number of food waste subscribers and increased sorting of food waste is the reason why more material than planned was purchased during the year.

Prior to 2018, a new agreement for the treatment of residual waste was signed. This agreement caused costs for this to almost double for the authority, which meant a cost increase of approximately SEK 12 million. The agreement has a three-year term and thus is still valid. This does not negatively impact treatment costs compared to budget, but it does affect revenue since the fee has not fully followed this cost.

## Other operating expenses

Other expenses amounted to SEK 58.2 (56.3) million and primarily consists of costs for vehicles, IT, premises and office expenses, and external services. Other expenses were budgeted at SEK 54.6 million, which exceeds the outcome by SEK 3.5 million. (However, a new assessment of other expenses was made in the forecast, amounting to SEK 57.6 million. This is more on par with the outcome.)

The difference in outcome compared to budget is partly due to increased vehicle costs. Fuel prices have risen sharply, and costs for tyres and repairs have increased. Fuel prices have increased steadily over several years, and the trend is not expected to turn downward. This development has a hard impact on the authority's cost development and there is no possibility of influencing this to any great extent.

The costs for renting premises increased in connection with renovation of the office space in Gävle.



Move-in took place at the end of October 2018. The premises are owned by Gavlefastigheter AB.

**Personnel expenses**

**Personnel expenses amounted to SEK 91.2 (85.9) million**, which was SEK 0.6 million lower than budgeted. Personnel expenses are the authority’s single largest cost item, and the annual salary review accounts for just over SEK 2 million of the increase between years.

**There have been a number of** administrator vacancies. Resource mapping was carried out in 2018 and the necessary recruitment was carried out in late 2018 and in 2019. At the same time, changes continued in relation to administrators as new vacancies opened up. These vacancies are expected to be filled in 2020.

**The national driver shortage** is hitting the authority hard, particularly during the winter months, when there is a lot of sickness absence, and during the summer holiday time period. Like last year, drivers were encouraged to move their holidays from the most critical period. This was well received again this year, and the authority did not have to hire as many extra staff as would have otherwise been needed.

**Gästrike Ekogas AB’s** personnel expenses are handled by the authority and then invoices to the subsidiary monthly.

**Both short and** long-term sick leave remain at relatively high levels, although slightly lower than last year. The authority worked in close collaboration with Feelgood in relation to health issues during the year.

**Overtime costs** also remain at a relatively high level, which can be attributed to the driver shortage and sick leave. Demands to lower these costs are high, which has resulted in increased awareness of what overtime is and when it is applicable. However, overtime costs exceed budget for the year. Management continues to take this seriously, and is continuing the work already begun to find measures to reduce our rates of sick leave and overtime.

**Financial income and expenses**

**Financial items consist** of interest expenses for long-term loans and interest income from bank and penalty interest. In 2019, financial expenses also included write-down of the shares in the subsidiary Gästrike Ekogas AB. The write-down has been converted to net worth amounting to SEK 16.0 million. Gävle Energi AB, which is the other co-owner of the company, also carried out the same type of write-down of shares in the company.

**A valuation of** Gästrike Ekogas AB was carried out at the end of 2019/start of 2020. The valuation shows that there is no reason to write down the value of the company’s assets.

**Assets, liabilities and equity**

**The authority’s balance sheet total** decreased from SEK 142 million to SEK 134 million. Despite the write-down of shares in Gästrike Ekogas AB, the change in balance sheet total is not to the same extent. This is because the authority also made investments during the year that were greater than the write-down.

**Equity in the** authority remains at a good level, despite a couple of years with negative earnings as a result of the write-down of shares. Equity in the Group was positively affected by the shareholder contributions made by Gävle Energi AB in 2019.

**Investments for the year**

**Investments for the year** consisted mainly of vehicles, which were purchased according to plan. As previously, several refuse trucks were leased, paid off and became the authority’s property in 2019. At the time of budget planning, it is difficult to determine exactly how long each vehicle investment will take. In addition, the authority is trying to keep existing vehicles as long as possible. As a result, the costs for investments may be delayed somewhat, and the costs are therefore not as high as planned. The investments made in properties primarily relate to the renovation of recycling centres. Some of these were postponed by one year, resulting in the budget being somewhat higher than the outcome.

**Key figures**

**Gästrike återvinnare measures** three key financial indicators on an ongoing basis – profit margin, equity/asset ratio and debt/equity ratio.

**The equity/asset ratio, i.e. the long-term** ability to pay, has dropped since last year and totals 37% (47%), but still exceeds the target of 30% by good margin. The main reason behind the drop in the equity/asset ratio is the write-down of shares in Gästrike Ekogas AB having a negative effect on equity in the amount of SEK 16 million.

**The debt/equity ratio, i.e. the total liabilities** divided by equity, amounted to 1.7 (1.1) times, where the goal is to not exceed 2.3 times. The profit margin is severely negative due to the negative earnings. The goal is to not exceed 0%.

**Two of the three** financial targets were met at year-end.

**With the exception of the previous year**, the authority showed positive earnings and strong equity. The financial plan shows that earnings will be positive in coming years.

A write-down of shares (as previously indicated) was carried out in 2019. The Council cites special circumstances as to why this should not burden the authority going forward, and it should therefore not be included in the assessment of the balance requirement.

**PROFIT/LOSS FOR THE YEAR IN RELATION TO BALANCE REQUIREMENT 31/12/2019**

<b>PROFIT/LOSS FOR THE YEAR</b>	<b>MSEK -17.8</b>
<b>PROFIT/LOSS FOR THE YEAR AFTER BALANCE REQUIREMENT ADJUSTMENT</b>	<b>MSEK -17.8</b>
<b>BALANCE REQUIREMENT RESULT FOR THE YEAR</b>	<b>MSEK -17.8</b>



**The future**

**We have set the bar high** with our goals to increase recycling and improve sorting, but solid waste analyses and the waste statistics from recent years are unfortunately pointing in the wrong direction. Increased costs for waste treatment and transport are also being seen in the outside world. We have the financial challenge of managing the increased costs while maintaining sufficient resources to work more preventively to help and meet our customers and give them the right guidance in everyday life.

**In the near future**, the waste industry is facing something that is sometimes referred to as a paradigm shift. New producer responsibility regulations have been introduced regarding the collection and sorting of newspapers and packaging in order to increase recycling and make it easier for citizens to sort correctly. Gästrike återvinnare has been tasked by the Board to work towards becoming a contractor for the producers. In order for us to become a contractor, we must plan, prepare and implement measures in 2020 to be ready when the new regulations go into effect on 1 January 2021. The details about prerequisites are still unclear, but we know that the changes will affect large parts of our operations and that our financial conditions will be affected.

**On 1 April 2020**, new regulations go into force in relation to an incineration tax and reduced emission rights. In this first stage, the authority will be negatively impacted as suppliers will raise their prices for incineration. The



**Investments for the year consisted mainly of vehicles, that were purchased according to plan. As previously, several refuse trucks were leased, paid off and became the authority’s property in 2019.**

new waste incineration tax regulations aim to achieve more resource-efficient and non-toxic waste management, and to work towards fulfilling the national goals of ensuring Sweden is a climate and environmental pioneer, becoming the world’s first fossil-free welfare, and for Sweden to not have any net greenhouse gas emissions to the atmosphere by 2045. The tax will be introduced in phases in the coming years.

**Prior to the start of 2020**, the fees were thoroughly reviewed and a fee increase proposal was presented to the primary municipalities in autumn 2019.

The new fee is more environmentally steering than before, and means that the customer can more clearly influence their refuse collection costs than before. Those who sort properly will hardly see any increase at all, while those who do not sort will see a more substantial increase in their refuse collection fee.

**We are continuing to** develop our internal work methods, with more digital flows and more efficient processes in order to improve our daily work with better service to customers, better management and follow-up of operations.

<b>INVESTMENTS FOR THE YEAR, SEK THOUSANDS</b>		
	<b>OUTCOME 2019</b>	<b>BUDGET 2019</b>
<b>VEHICLES</b>	<b>17,213</b>	<b>20,057</b>
<b>PROPERTIES</b>	<b>1,630</b>	<b>2,170</b>
<b>MACHINERY &amp; EQUIPMENT</b>	<b>6,054</b>	<b>6,160</b>
<b>TOTAL</b>	<b>24,897</b>	<b>28,387</b>





INCOME STATEMENTS

	NOTE	GROUP 2019	2018	AUTHORITY 2019	2018
<b>OPERATING INCOME</b>					
Basic and collection fees		154,356	149,111	154,356	149,111
Other operating income		79,227	76,059	71,915	70,143
<b>Total operating income</b>		<b>233,583</b>	<b>225,170</b>	<b>226,271</b>	<b>219,254</b>
<b>OPERATING EXPENSES</b>					
Production costs		-65,147	-67,082	-62,522	-63,168
Personnel expenses	2	-91,195	-85,885	-91,196	-85,885
Other expenses		-66,102	-61,232	-58,152	-56,420
Depreciation and amortisation	3, 4, 5	-21,856	-19,562	-16,432	-14,413
<b>Total operating expenses</b>		<b>-244,300</b>	<b>-233,761</b>	<b>-228,302</b>	<b>-219,886</b>
<b>Operating profit/loss</b>		<b>-10,717</b>	<b>-8,591</b>	<b>-2,031</b>	<b>-632</b>
<b>INCOME FROM FINANCIAL INVESTMENTS</b>					
Financial income	6	385	359	385	359
Financial expenses	7	-849	-1,011	-16,137	-16,887
<b>Total profit/loss from financial investments</b>		<b>-464</b>	<b>-652</b>	<b>-15,752</b>	<b>-16,528</b>
<b>Profit/loss after financial items</b>		<b>-11,181</b>	<b>-9,243</b>	<b>-17,783</b>	<b>-17,160</b>
Deferred tax		87	76	-	-
<b>Loss for the year</b>		<b>-11,094</b>	<b>-9,167</b>	<b>-17,783</b>	<b>-17,160</b>

In the near future, the waste industry is facing something that is sometimes referred to as a paradigm shift. New producer responsibility regulations have been introduced regarding the collection and sorting of newspapers and packaging in order to increase recycling and make it easier for citizens to sort correctly.



A year of development and excitement has come to a close

2019 has given way to 2020. Just like the summer of 2018, fires and climate change are on the lips of both citizens and the media. January offers temperatures of 12 degrees, mushrooms in the forest, and newly hatched chicks.

My commitment to the environment has never been stronger, and being able to be part of and lead the organisation in our region that makes the clearest difference in people's local environment, every day, could not feel more important.

Climate change is the biggest challenge that humanity is facing. It will take new technology, new priorities and doing things differently than we have done before to meet this challenge. Last year, the political regime changed in many

municipalities after the 2018 election, and Gävle Municipality's new majority has decided that Gävle shall be a climate neutral place by 2035. This is our way of taking responsibility and showing that a different future is entirely possible. One way to achieve higher environmental and climate ambitions is the Riksdag's decision that all residents should be able to sort all waste near their home, referred to as kerbside collection.

One of Gästrikre återvinnare's most important decisions last year was to launch an investigation into what waste management should look like in our municipalities in the future. How do we create the best, simplest and most efficient refuse collection for our citizens? How do we create the greatest

climate and environmental benefit with our waste and our operations? It is my firm opinion that we do this by making it easier to do the right thing. Two-thirds of what is found in the rubbish bag can be recycled. We need to change this! In 2020, we need to put our foot down and steer things in the right direction.

I am really looking forward to continuing this journey with Gästrikre återvinnare's new Director Anna-Karin Karlsson and the leadership she represents.

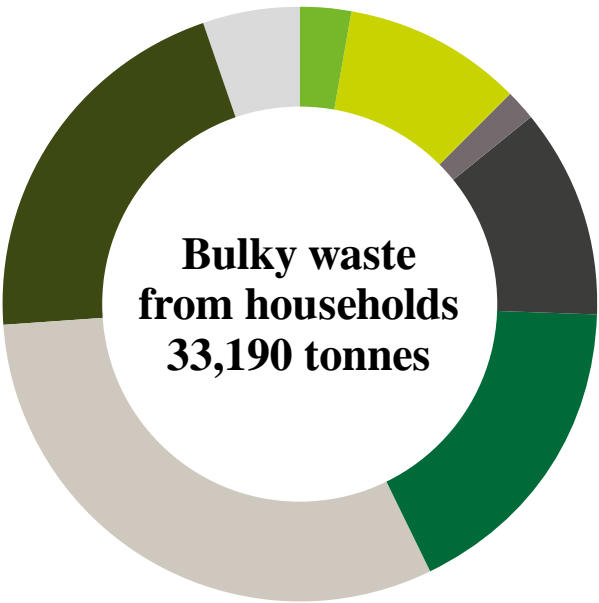
Therese Metz

Therese Metz  
Board Chair

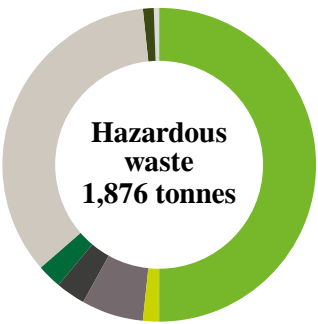


# The result of together

It is through our combined efforts that we make a difference together.  
To take the trouble to sort waste on a daily basis is the meaning  
of being an environmental hero in everyday life.

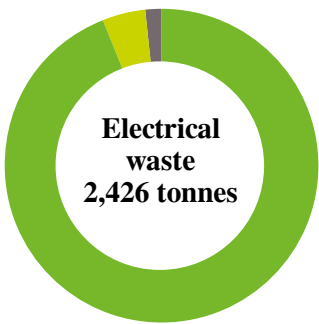


- Corrugated cardboard 1,136 tonnes
- Metal scrap 3,154 tonnes
- Plaster 811 tonnes
- Construction waste 4,682 tonnes
- Garden waste 5,091 tonnes
- Wood 11,192 tonnes
- Combustible waste 5,854 tonnes
- Landfill 1,270 tonnes



### Hazardous waste

- Hazardous waste 1,876 tonnes
- Small chemicals 68 tonnes
- Water-based paint 103 tonnes
- Solvent-based paint 133 tonnes
- Household waste, oil based 103 tonnes
- Treated wood 1,435 tonnes
- Asbestos 25 tonnes
- Other household hazardous waste 9 tonnes



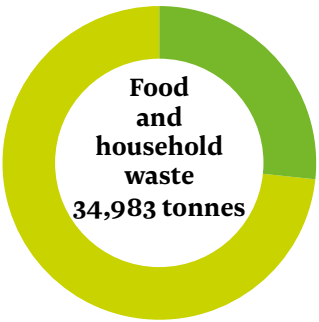
### Waste from Electric and Electronic Equipment

- Waste from Electric/Electronic Equipment 2,426 tonnes
- Batteries 49 tonnes
- Car batteries 147 tonnes



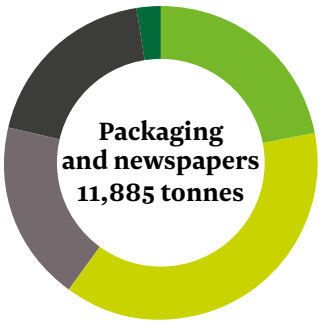
### Sewage sludge and fats

- Sewage sludge 24,706 tonnes
- Industrial fat and grease 2,646 tonnes
- Latrine 37 tonnes



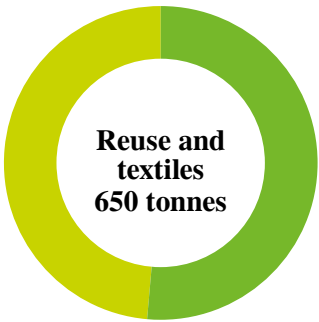
### Food and household waste

- Food waste 9,646 tonnes
- Household waste 25,337 tonnes



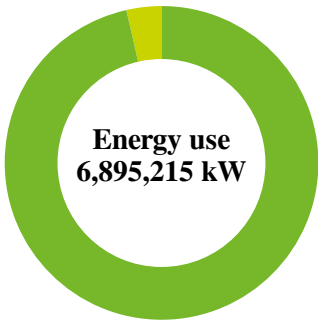
### Packaging and newspapers

- Glass packaging 3,412 tonnes
- Magazines and newspapers 3,458 tonnes
- Paper packaging 2,845 tonnes
- Plastic packaging 1,803 tonnes
- Metal packaging 367 tonnes



### Materials collected for reuse

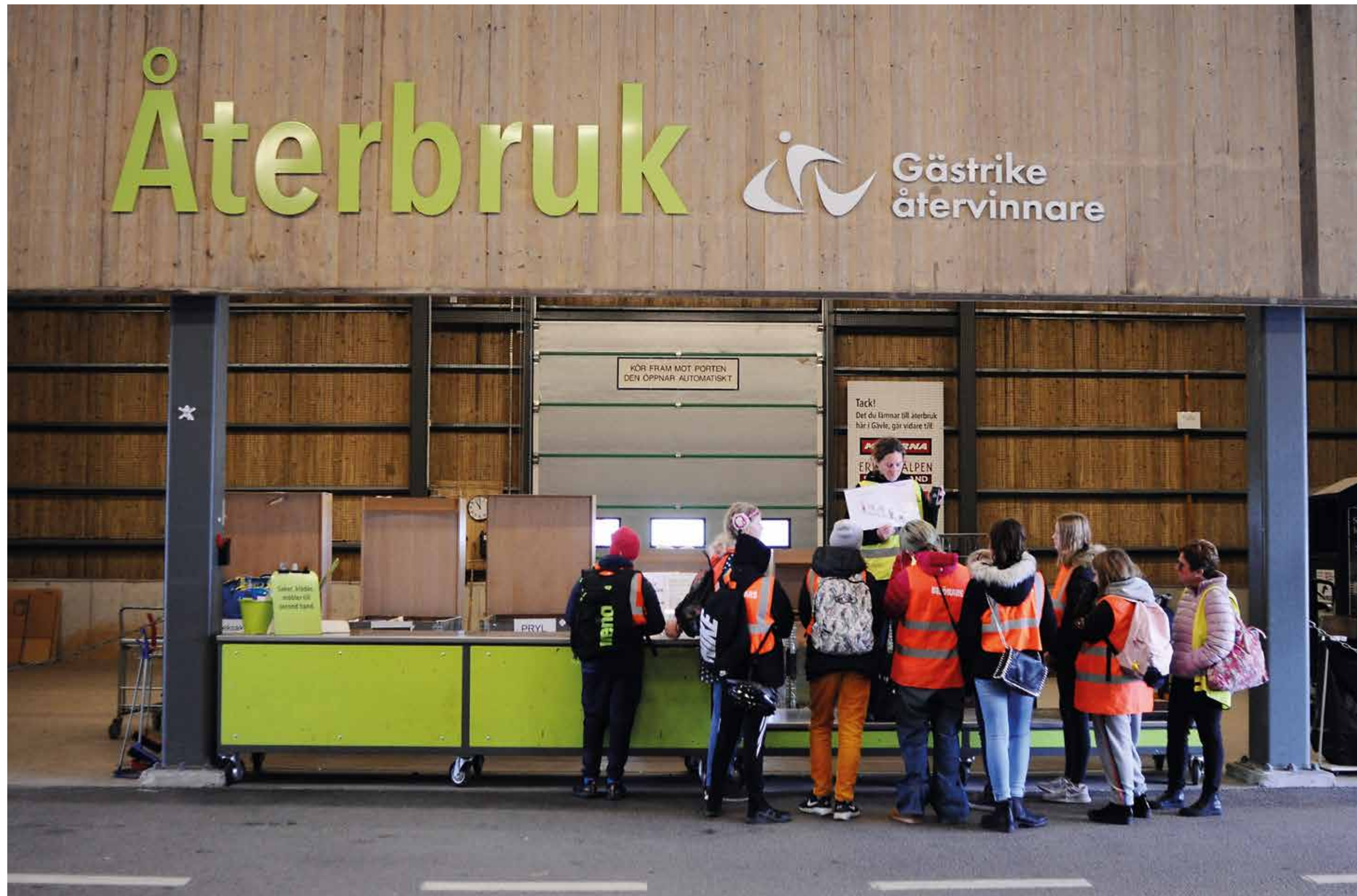
- Total materials collected for reuse 230 tonnes
- Textiles collected for reuse 430 tonnes



### Fossil-free fuel in the vehicle fleet

- Energy use, other renewable 5,486,613 kWh
- Energy use, biogas 1,408,602 kWh







**For a world that  
lasts longer**

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