



The Secretary General

Mr. Günter Verheugen
Vice-President of the European
Commission
European Commission
B – 1049 Brussels

Brussels, 31 October 2007

Review of Directive 1996/61/EC on Integrated Pollution Prevention and Control

Dear Vice President,

Orgalime is contacting you today to seek your support on the current discussions on the review of the above mentioned directive. While we welcome the envisaged strengthening of reporting obligations for member states on the implementation of the directive, Orgalime believes that a series of proposals included in the present draft proposal for an industrial emissions directive (IPPC) would, if brought forward without further modification, translate into fundamental changes to the nature, character and principles of the IPPC directive and thereby risk severely hampering the competitiveness of European engineering industries.

The currently discussed proposals that we consider detrimental to manufacturing industries still operating in Europe are outlined in the annex to this letter.

Considering the complexity and cost intensity of the implementation of the existing IPPC directive, for which a significant number of member states has, in its accession treaties been granted significant derogation periods, Orgalime requests your support for a focus of the review that would ensure legal certainty for companies operating in the EU, rather than significantly changing requirements without awaiting the full implementation and effectiveness of existing legislation. This position was commonly shared and expressed by industry stakeholders at the various Commission stakeholder consultations; however, to our regret, industry's comments have not been taken into account to date in the Commission's preparatory work on the IPPC review.

While our industries are committed to actively contributing to the realisation of the EU's environmental objectives and in the light of the Commission's growth and jobs agenda, Orgalime seeks your support for avoiding that the IPPC review should result in bureaucratic burden, costs, especially for SMEs. Causing further competitive disadvantage for European engineering companies cannot be the way to progress.

We remain available for any further information that you may require.

Yours sincerely,


Adrian Harris
Secretary General

Cc: Mr. Behrndt, Ms. Szychowska, Ms. Soewarta, Mr. Kerstens, Mr. Tenreiro, Ms. Nikolay
Mr. Zourek, Ms. Le Bail, Mr. Koopman, Mr. Catinat, Mr. Montoya, Mr. Brunzema

The European Engineering Industries Association

ANNEX:

ORGALIME COMMENTS ON REVIEW OF DIRECTIVE 1996/91/EC ON IPPC

Orgalime considers the following proposals as detrimental to manufacturing industries still operating in Europe:

- The proposed limitation of the necessary **flexibility of accommodating technical characteristics, geographical location and local environmental conditions** in the permitting process for industrial installations, coupled with the proposal that **BAT documents should in the future be of mandatory nature**, in our view, loses sight that the IPPC directive indeed addresses emissions that have a local effect, for which consequently geographical conditions need to be considered. Furthermore, we consider it vital to allow (justified) deviations at the level of member states and to keep the character of BAT documents as guidance documents.
- The proposed **extended powers for competent authorities on determining best available techniques** will lead to arbitrary discrimination and be detrimental to the EU internal market. Indeed, the present rule that allows member states to set emission values without, however, describing the use of one specific technology should in our view continue to apply.
- While today the implementation of the existing IPPC directive is far from being complete, DG Environment proposes a **significant extension the scope** of the directive from installations with a total rated thermal input exceeding 50 MW to such installations exceeding 20 MW. Considering that small combustion plants account for rather limited percentage of environmental impacts, the inclusion of such plants would cause unnecessary burden and costs, which we doubt could be compensated by the proposed emission trading mechanism. In addition, the **impacts of the proposal for an EU-wide emission trading mechanism for NOx and SO2** have not been fully assessed.
- **Merging the existing directives** on large combustion plants, titanium dioxide, waste incineration and co-incineration an organic solvents **into one industrial emissions directive (IPPC)**, in our view rather increases **confusion and legal uncertainty** than simplifies EU legislation as envisaged in the EC's Simplification rolling programme
- The proposal for **extended information obligations to the public**, i.e.: beyond the content of the permitting decision, as foreseen in the present draft IPPC amendment, would oblige EU companies to make available confidential business information to their competitors, which we therefore oppose.
- The proposed **limitation of the use of environmental management systems to the European management scheme EMAS only**, clearly runs counter to the reality of the business of European engineering industries that act on highly competitive global markets with complex global supply chains and for that reason mainly opt for other management systems, and ISO/EN standards in particular. We therefore do not support such a proposal.
- The proposal to introduce in permit **requirements a periodic monitoring requirement in relation to the contamination of the soil and the groundwater** at the site of the installation is, in our view, unnecessarily bureaucratic and risks overlapping with present discussions on a Soil Framework Directive. It should therefore be removed from the present text of the proposal.