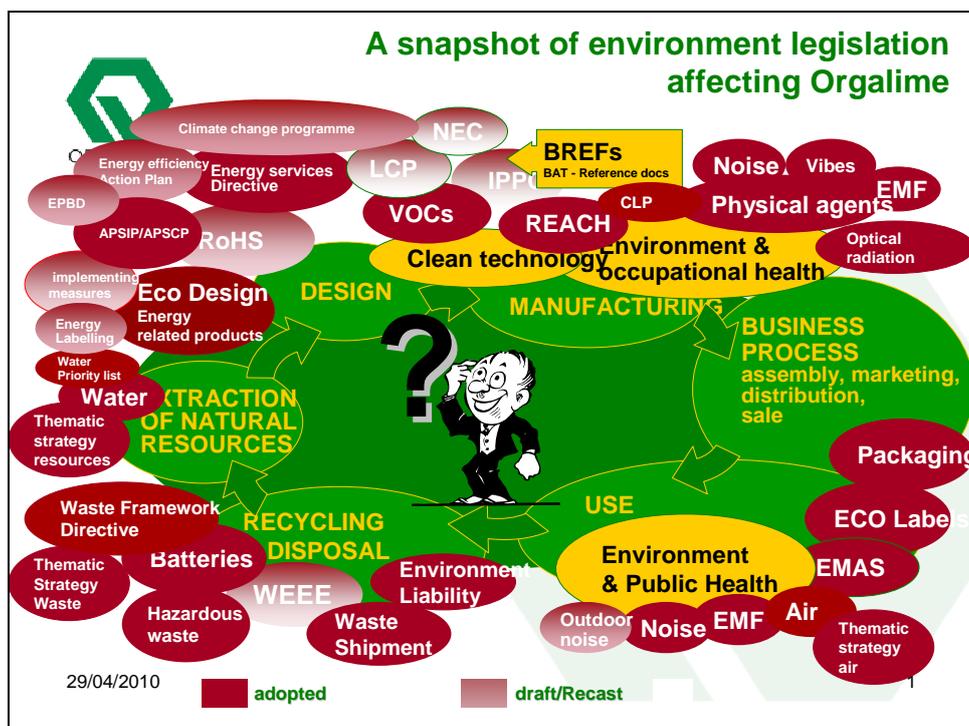


Brussels, 3 May 2010

Orgalime Priorities for the Barroso II Commission in the field of Environment, Energy & Climate Change Policy

Environment, energy and climate change policy issues score high on the agenda of the Barroso II Commission. So do they in Orgalime's day-to-day business.

Numerous environment, energy and climate change related actions and regulations affect European engineering industries, including the following:



Out of the experience of our industry in implementing and applying these Community regulations and with a view to the activities of the Barroso II Commission on environment, energy and climate change policy issues, Orgalime would like to highlight the priorities that it sees occurring in these policy areas for the period 2010-2014 and to underline its core requests to arrive at sustainable policy based on a mix of policy instruments, both, legislative and voluntary.

Orgalime, the European Engineering Industries Association, speaks for 33 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 22 European countries. The industry employs some 10.6 million people in the EU and in 2009 accounted for some €1,427 billion of annual output. The industry not only represents more than one quarter of the output of manufactured products but also a third of the manufactured exports of the European Union.

I. Introduction

Orgalime represents a sector that plays a **key role in economy of Europe** today. The engineering industries are both, major purchasers of materials produced by primary transformation industries and of services, as well as the suppliers of goods and services to all sectors of the economy (such as energy, transport, agro-industry, processing industries, the housing and buildings sector, etc.) and to private consumers.

Ecologically, the engineering industry is **an enabling industry and driving energy and resource efficiency** on a very broad basis (production, distribution and consumption). Furthermore, the sector also provides technology solutions directly aiming at improving the environment, e.g.: equipment for the promotion of renewable energies, waste water treatment facilities or agricultural technology.

Thus, this industry provides **technological solutions** to the challenges that the climate change, sustainable consumption and production and energy security agenda pose.

Orgalime is particularly committed to contribute to the achievement of the EU's targets of 20 % energy efficiency improvement, 20 % greenhouse gas emission reductions, and 20 % share of renewables by 2020. In the framework of the ELECTRA High Level Experts Group, for example, our industry has in cooperation with the European Commission and other stakeholders, developed a series of recommendations, which, if implemented render these targets achievable.¹

The sector is also characterized by its **sheer number of small and medium sized enterprises**. For example, latest available Eurostat figures for the years 2005 and 2006 identified a total number of 202.615 companies acting in the field of "manufacture of electrical and optical equipment" (=NACE classification 30-33). 2205 companies had more than 250 employees, 7462 companies had in between 50 and 249 employees and 9990 companies had 20-49 employees. The remaining vast majority of some 182000 companies employed less than 20 people each.

A 2005 Eurostat publication continues as follows:

"Observing the enterprises in the various sub-sectors by size class, one is struck by the high proportion of micro enterprises. In NACE divisions 30, 31 and 32, micro-enterprises (between one and nine persons employed) accounted for between 77% and 83% of all enterprises in the sector (EU average). In the manufacture of domestic appliances, the proportion of micro-enterprises was somewhat lower, at 66%.

Furthermore, large enterprises (250 or more persons employed) constitute only a fraction of the total number of enterprises. Their share is limited to around 1 % of all enterprises in NACE divisions 30, 31 and 32. Exceptions are Ireland, where 21 % of the enterprises in the manufacture of office machinery and computers are very large, and Austria, where 10 % of the enterprises in the manufacture of radio, television and communication equipment are very large."

Finally, to be able to continue to contribute to a sustainable future for Europe's citizens and environment, European engineering industries need **a healthy home base and level playing field**, and also on a **global basis** the industry needs to have the **right policy and regulatory framework**.

Orgalime provided in its Manifesto "Manufacturing Matters" in November 2009 a vision for a coherent industrial policy for the engineering industry.² In the present paper, Orgalime will point to the issues that are of special importance to the policies and regulations in the areas of environment, energy and climate.

¹ See Electra report available at http://www.orgalime.org/Pdf/Electra-Brochure-Final-LR_25Jun08.pdf.

² See Orgalime Manifesto "Manufacturing Matters" of November 2009 at <http://www.orgalime.org/>

II. Main principles for a successful environment, energy and climate change policy

Successful environment, energy and climate change policy considers the needs of the environment, consumers and industry alike. Against the background of the various Community legislations affecting our industries, and in particular the experience gained with the recent transpositions and implementations of the RoHS, WEEE and Eco Design Directives as well as the REACH Regulation, Orgalime advocates for the thorough application of the following main principles when considering environment, energy, climate change action in our sector:

- **Better consistency of legislation**

Manufacturers are faced with an ever more complex legal environment as the introductory slide demonstrates. It is therefore important to develop consistent legislation and avoid duplication, legal uncertainty and unnecessary administrative burden.

For example, our industry has been recently challenged with a proposal for a recast RoHS Directive although the just adopted EU wide chemicals law, REACH, provides for a comprehensive mechanism for establishing substance restrictions that has already entered into force. Since Orgalime industries fall in the scope of both laws, which address same products and even same substances, they risk being subject to double and/or conflicting requirements in the future.

- **Scientific based policies and impact assessment**

As acknowledged in the European Institutions' own Inter-institutional Agreement³, it is crucial that the consequences, costs and benefits of an envisaged measure are assessed and made available through a representative impact assessment at EU level before legislation is laid down. The assessments of initiatives and also of substantive amendments during the legislative process should be transparent, rigorous and comprehensive and be based on accurate, reliable information and scientific evidence.

For example, the European Parliament and the Council are currently discussing substantial changes to the Commission's recast proposals for the WEEE and RoHS Directives, i.e.: the proposal for an "open scope" of the directives including all electrical and electronic equipment in its scope. However, no impact assessment was carried out concerning these far reaching modifications, which is objectionable in view of the institutions own commitment to Better and Smart Regulation.

- **Clear policy objectives, sufficient flexibility and realistic timetables for implementation**

The policies of the future should provide general incentives or goals rather than establish detailed, over-elaborated technical regulation. For example, the implementation of the Eco Design Directive should not preselect technological solutions, but rather set general requirements to which technological solutions are to be provided by competing companies in the marketplace.

Also, industry needs realistic implementation timelines that take innovation and development cycles into account. For example, the given deadline of 18 months to transpose the requirements of the initial RoHS Directive into national law of Member States was not respected by almost all Member States, while the compliance date for industry remained the same. Industry was committed to prepare for RoHS compliance in time; however, many crucial elements remained unclear for far too long thereby placing a high level of legal uncertainty on our industry.

³ See Inter Institutional Agreement at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2003:321:0001:0005:EN:PDF>

- **Policies to support sustainable industry initiatives and technology solutions and encouragement of the take up of available sustainable technologies**

“Greening” the economy will only result in opportunities which outweigh the constraints if the innovative products find sufficient market response. Innovation only pays off if consumers, whether private, commercial or public, are both, willing and capable to buy higher performing products. This is unfortunately still not the case today. Measures should therefore be undertaken to better help to stimulate the market uptake of more sustainable, energy-efficient and greener technologies.

For example, if Europe committed beyond the 20/20/20 targets in the absence of similar efforts in other developed countries, carbon leakage risks hitting our sector even stronger.

Commission Decision 2010/2/EU of 24 December established a list of sectors that are deemed to be exposed to a significant risk of carbon leakage. This list already includes numerous

Orgalime branches as candidates for carbon leakage, for example:

the “manufacture of tools, fasteners, screw machine products, chain and springs, other fabricated metal products, engines and turbines, pumps and compressors, taps and valves, non-domestic cooling and ventilation equipment, other general purpose machinery, other agricultural and forestry machinery, electric domestic appliances, office machinery, computers and other information processing equipment, electric motors, generators and transformers, electricity distribution and control apparatus, lighting equipment and electric lamps, medical and surgical equipment or instruments and appliances for measuring, checking, testing, navigating and other purposes, except industrial process control equipment”.

- **Securing of the functioning of the internal market, better enforcement and market surveillance**

Orgalime welcomes the Commission’s clear commitment to the Single Market and the aim to overcome remaining imperfections. Given that the legislation is highly complex, changes frequently and bears considerable application costs, it is important that steps are taken to promote the benefits of the legislation to companies. Thus, simpler legislation as well as proper and efficient market surveillance to ensure a level playing field in the EU is becoming ever more essential. Harmonised implementation and enforcement also play an important role, in particular to secure fair competition.

- **Support for New Legislative Framework (NLF) for environment policy**

The New Legislative Framework has been created with the objective of achieving better consistency of different EU regulations affecting same products. Orgalime supports the NLF as it is promoting the treatment of environmental issues in an integrated manner in companies. Thereby it is a successful tool to move environmental awareness forward in companies. Existing product legislation should be aligned with NLF. For example, the recent RoHS recast proposal makes a first step in the right direction. However, the Commission proposal doesn’t place sufficient emphasis on the role of standardisation to support a successful RoHS implementation process.

The NLF also provides for a consistent basis for market surveillance and enforcement activities, which we support.

- **Consistent application of the “Think small principle”**

Due to the fact that the vast majority of total Orgalime industries are small and medium sized enterprises, we consider it important to pay due attention to practical realities and needs of these kind of companies when coming forward with legislation. In our view, there is still potential in the EU to improve its commitment to “think small”. For example, driving changes for eco design in SMEs is a resource intense and costly process. Timely mandates for developing European standards for implementation could in our view support a smoother transition process. Also, a better harmonisation of producer registration under the WEEE Directive through harmonised reporting and registration formats and procedure, or dropping many member states’ request to companies to have a legal seat in their territory for the purpose of such registration, would be helpful for companies, in particular SMEs.

- **Proper stakeholder consultation**

Last but not least, Orgalime strongly emphasizes the continued need for proper and timely stakeholder consultations. Industry holds the technology and business related knowledge that is vital to develop sustainable policies and legislation. We still regret the in our view unfortunate and insufficiently transparent preparatory process of the WEEE and RoHS recast proposals.

Also, the comitology procedure does not foresee a structured stakeholder involvement, which we consider a step backwards from the EU's transparency and Better Regulation principles. In practice, substantial differences in the way and level of stakeholder involvement exist between the different Commission services when preparing comitology decisions. We propose to consider the practice of Directorate General Energy (TREN) of the implementation of the Eco Design Directive, and in particular of the Consultation Forum, as an example for all Commission services.

III. Legislative initiatives of particular relevance to Orgalime

- **Climate Change**

Main concerns:

- Discussions on climate action are intense, multiple, complex and often slow. Our industries feel that opportunities to drive a change are often not explored. Especially, we feel that the opportunities to implement the advantages that already existing technologies can bring, need to be better and more rapidly explored. E.g.: The Electra report clearly demonstrated that the achievement of the EU's 20/20/20 targets would already be possible with existing technology. However, to date there are hurdles that prevent sufficient market response to such equipment. Also, in the buildings sector, where 80% of the housings existing today will still exist in 2020, the recent recast of the Energy Performance of Buildings Directive could have been more ambitious.
- While we of course acknowledge the EU's responsibility to drive climate action, we feel that there is the risk that the EU's ambition, especially when considering stand alone activities and commitments, can easily result in drawbacks, such as leakage and competitive disadvantages at global scale, for EU industry, which can no longer be repaired at a later stage. In particular, if a company decided to leave Europe, it will hardly be possible to motivate its return at a later stage.

Main proposals:

- To prevent carbon leakage it is vital that existing legislation is implemented properly. For the EU Emissions Trading Scheme, this implies the allocation of emission allowances based on appropriate methodologies.
 - At an international level the EU should focus on building alliances for a comprehensive global agreement on climate change. Countries receiving financial support for climate change adaptation and mitigation measures should agree with international monitoring of their greenhouse gas emissions.
 - The EU should not alone commit to a 30% emission reduction goal if other developed countries do not commit to similar efforts.
 - Cost effective measures with short pay-back-times should be taken first.
- As part of its climate change strategy, the EU should create the appropriate framework conditions and encourage investment in technologies that would contribute to growth in production and jobs in Europe. A revised EU strategy on climate change should focus on providing opportunities for European business to be world leaders in environmentally sound technologies developed in Europe and marketed globally, for example by:
- o encouraging private consumers, industry and the public sector to take up energy efficiency solutions using already existing advanced technologies, through ensuring more innovation-friendly market framework conditions, fiscal incentives and regulatory approaches.

- developing breakthrough technologies and markets for carbon intensive processes and products which can be applied worldwide, leading to major global emission reductions. In order to deliver this technological leadership, a significant increase of financial support in R&D, pilot and demonstration projects within the EU is needed.
 - Europe needs to direct investments to sustainable technologies, e.g.: the SET plan needs to be sourced with a sufficiently high budget, or revenues coming from the CO₂-auctions should be directed into investments in sustainable technologies.
- **Action Plan Sustainable Industrial Policy and Sustainable Consumption and Production (SIP/SCP, including Eco Design Directive 2009/125, Eco Label Regulation 66/2010, EMAS Regulation 1221/2009)**

Main concerns:

- Consistency of legislation: The Eco Design Directive addresses all environmental aspects of products throughout their whole life cycle, which we support. However, prior to the adoption of the Eco Design Directive already a series of environmental regulations targeting one particular environment aspect existed (e.g.: the RoHS Directive which addresses substance aspects in EEE, or the WEEE Directive, which tackles the waste management of end of life EEE). Only little time after the adoption of the Eco Design Directive the EU adopted the REACH Regulation, thus providing Europe with a harmonised framework for the EU wide management of chemicals, which also applies on Orgalime industries. It is therefore of utmost concern to our industry that these regulations should be consistent with each other and that their implementations, which is supposed to be driven by different Commission services depending on the subject, also strive for consistency. Continued overlapping and conflicting legislation hinders legal certainty and the achievement of the pursued goals.
- The extension of the scope of Eco Design Directive could easily impact the ongoing implementation process for energy using products, which have been the first targets under the Directive. The implementation process of the new Eco Design Directive should not undermine the efforts and investments taken by our industry, whether voluntary or mandatory through various implementation measures.
- Resource efficiency is considered increasingly important in the context of the EU's Sustainable Consumption and Production policy. Resource efficiency as one parameter of the environmental performance of a product should, however not be taken in isolation from other environment aspects related to the product (e.g. energy efficiency, substance use or waste generation), since arbitrary environmental results could be the consequence. For example, the amount of copper used in electric motors immediately impacts the energy efficiency performance of the motor.
Action on resource efficiency of products should also take into account further relevant product performance and in particular safety characteristics to guarantee the fitness for purpose of the product. Therefore, when improving resource efficiency of products a life cycle approach is most important to avoid adverse environmental effects. Likewise, all three pillars of sustainability including socio economic considerations need to be considered in order to avoid disproportionate negative consequences on the economy or society.

Main proposals:

- If the implementation process to the Eco Design Directive demonstrates that the use of a specific substance in a given product category is of significant importance and needs to be restricted, the relevant substance restriction should be adopted under the REACH Regulation (please see also main proposals concerning RoHS Directive).
- The recently launched review study of the VHK methodology to select product groups for the implementation of the Eco Design Directive must not "change the rules of the game" for our sector, which has been working towards compliance and proactive

implementation of the Directive with significant investments of both, financial capital and human resources.

- Not only the Eco label but equally the Energy Label should be considered a reference when determining criteria for green public procurement. The Eco Label is still too limited in use to foster the necessary and urgent change of consumption patterns while the Energy Label is much better known by consumers and has already delivered successes.
- Orgalime believes that carbon footprint labelling cannot be used for all products. We are particularly worried about the feasibility of using carbon footprint labelling on the products that we manufacture. While a multiplication of labels risks confusing the consumer, there is no acknowledged methodology for measuring the CO2 footprint of as complex products as mechanical, electrical and electronic engineering products.
- Orgalime proposes not to introduce an Environmental Technology Verification Scheme in Europe.

- **Review of the Thematic Strategy on the Sustainable Use of Resources**

Main concerns:

- Manufacturing in Europe depends on easy, continuous and affordable access to raw materials. Higher raw material prices in Europe than other parts of the world hamper the competitiveness of European engineering industries on world markets.
- Due to the complexity of the matter, there is no solid common understanding or knowledge base on the issue of sustainable use of natural resources and resource efficiency today.
- Sustainable Use of Resources, including resource efficiency, is not a standalone issue but is intimately linked with other policy areas.
Resource efficiency is one aspect of sustainable use of resources, and it is one environment parameter “only” when assessing the environmental performance of a product. Looking at resource efficiency of products isolatedly risks undesired environmental results. Also, other important product characteristics, such as safety, reliability and performance, need to be taken into account when considering action on resource efficiency of products.
- Target based resource policies can easily result in negative implications on innovation and require cautious examination. This is particularly true for simple numerical targets, such as a universal resource productivity target, a target on the content of recycled materials or a target limiting the use of specific resource.
- Recovery and markets for secondary materials have a key role to play in improving the EU’s resource efficiency and productivity. However, the promotion of recovery and recycling needs to be realised through fair framework conditions for all economic operators, including the manufacturers and other actors that intervene on the waste management of products that contain valuable resources and raw materials (see also separate entry on WEEE recast).

Main proposals:

- Secure continuous and competitive access to raw materials for European engineering industries and avoid that EU action in that field leads to additional increases in raw material prices.
- Involve all stakeholders in a transparent manner in the gathering of information and in the consensus building process on a common understanding on the matter.
- Provide an integrated policy approach that would strive for maximum coherence between the Thematic Strategy and other EU initiatives, such as the Action Plan SIP/SCP.
- Address the issue from a full life cycle perspective, in particular in the area of resource efficiency of products and take into account all pillars of sustainability, as done in the Eco Design Directive.

- Avoid target based policies, such as the introduction of a universal resource productivity target, a target on the content of recycled materials or a target limiting the use of specific resource.
 - Ensure harmonised and sound implementation of the Waste Shipment Regulation across Member States as well as ensuring effective enforcement and control of shipments in order to combat illegal exports. Implementation of the regulation should primarily focus on waste shipments with high economic significance in respect of recyclable material content as well as those with high environmental concerns.
 - Promote innovation in market driven new recycling technologies.
- **Recast of Directive 2002/96/EC on Waste Electrical and Electronic Equipment (WEEE)**

Main concerns:

- WEEE management is a multi-stakeholder process in practice, involving consumers, retailers, distributors, any other collector of WEEE, traders, recyclers, WEEE take back schemes and of course producers. Successful WEEE management depends on a fair cooperation between all these actors, as well as their readiness to exercise their roles and powers in a responsible manner in accordance with the directive. Producers alone cannot deliver the task. This has unfortunately been ignored in the Commission recast proposal of December 2008.
- Legislation can only be effective if its provisions are clear cut and enforceable (such as in the most relevant areas of scope, definitions or registration) and if it addresses the right stakeholders with the right tools and targets throughout the process of adopting legislation at European level, when transposing it into national law and most important when enforcing it at a national level. This has unfortunately neither been achieved in the Commission recast proposal.

Main proposals:

- No extension of the scope without impact assessment; In particular, professional goods are a separate waste stream already taken care of, which should not be included
- Harmonise the scope throughout Europe in the WEEE Directive itself (a shift of WEEE scope provisions to the RoHS Directive as proposed by the Commission has no effect in that respect)
- Introduce a distinct set of scope exclusions (including military equipment, “another type of equipment” clause, fixed installations, large scale industrial tools, mobile machinery, means of transport, fixed parts of buildings, filament light bulbs, infected and implanted medical devices)
- Apply the collection rate on member states and calculate it on the basis of “WEEE generated”
- Do not extend financing obligations on producers to the collection from the private household to collection facilities, since it has no environmental benefit but just increases costs.
- Codify the financing and registration obligations of distributors in case they knowingly sell WEEE from a non-registered producer or transfer products from one member state to another (intra Community trade).
- Harmonise registration and reporting procedures and formats at EU level.
- Introduce a local WEEE representative to avoid the need for companies to have a legal seat in each member state.
- Delete article 16.4, which stipulates that the register can be operated by collective responsibility schemes.
- Do not introduce a de-minimis clause for SMEs, since it would cause loopholes for free riding and unfair competition.
- Address nanomaterials within the horizontal framework of REACH instead of in the WEEE Directive, since nanomaterials are used in a broad range of different applications far beyond the EEE sector.

- Prioritise acting as a Guardian of the Treaty against Member States that do not implement the directive timely or correctly, in particular foster member states activities on controls of waste shipments.
- **Recast of Directive 2002/95/EC on the Restriction of Certain Hazardous Substances in EEE (RoHS)**

Main concerns:

- Orgalime is highly concerned with the following proposals, which are not in line with Better Regulation principles:
 - o Proposals for an open scope (to cover all electrical and electronic equipment) in the absence of an impact assessment,
 - o Proposals for new substance restrictions in the absence of scientific evidence and impact assessment,
 - o Insufficient alignment with the REACH Regulation.

- Bringing forward a recast proposal at a moment in time where the implementation of the REACH Regulation is constantly gaining in speed, including in the area of substance restrictions, is in our opinion unnecessarily creating double legislation and administrative burden and costs:

We are particularly concerned with the increasing overlaps and inconsistencies between the RoHS recast proposal and the REACH Regulation. In particular, we feel that it is inappropriate that there should be an own RoHS methodology to evaluate substances before their restriction when such a methodology already exists under the REACH Regulation. It would be particularly worrying to reduce such a RoHS methodology to the waste phase, which would be conflicting with the life cycle evaluation carried out for the same substances under REACH and thereby provoking conflicting requirements for same substances in same products.

In addition, RoHS and REACH need to be sufficiently aligned in the area of RoHS exemptions and REACH authorisations, which is not yet the case today.

Also, addressing nanomaterials in the RoHS Directive is in our view the wrong place, since nanomaterials are used in a broad range of different applications far beyond the EEE sector and would therefore require a horizontal assessment and, where identified necessary, a horizontal legislative approach. Nanomaterials are within the scope of the REACH Regulation, thus already being covered by legislation.

Main proposals:

- No extension of the scope or setting of new substance restrictions without impact assessment and scientific evidence; in particular, professional goods have particular safety and reliability issues which need to be properly taken into account.
- No introduction of new substance restrictions without scientific evidence and impact assessment
- Fully implement all REACH criteria and procedural elements for establishing any further substance restrictions in EEE. In particular, fully apply articles 68-73 REACH for the evaluation of new substances and all the responsibilities that REACH assigns to the European Chemicals Agency and various committees involved in the process of establishing substance restrictions.
- Assess the option of integrating the RoHS Directive into the REACH Regulation during the upcoming REACH review.
- Handle RoHS exemptions on a case by case basis and secure all criteria included in the Commission RoHS recast proposal and REACH Regulation.
- Introduce a transition period when an exemption is going to expire definitely.
- Avoid that companies have to seek RoHS exemptions and REACH authorisations for the same use of a substance in EEE in parallel.
- Address nanomaterials at a horizontal level, i.e.: in the REACH framework.
- Support the further alignment of the RoHS Directive with the New Legislative Framework:

In particular, mandate European Standardisation Committees to develop the details of RoHS compliance, such as on the basis of the definition of “homogeneous material” and the maximum concentration values established directly in the legal body of the RoHS Directive.

- Support the establishment of a continuous and structured stakeholder consultation process for the implementation of the RoHS Directive.
- Prioritise acting as a Guardian of the Treaty against Member States that do not implement the directive timely or correctly

- **Implementation and Review of Regulation 1907/2006 (REACH)**

Main concerns:

- While the REACH regulation provides for an EU wide harmonised chemicals management system, including also a separate title VIII for establishing substance restrictions, the Commission is still proposing sectoral substance restrictions via other EU Directives, such as the RoHS recast proposal of December 2008, instead of striving for a consistent use of the REACH regulation in this field. This provokes legal uncertainty in our sector, since REACH and RoHS target the same products and substances.
- The complexity of the REACH Regulation requires sufficient time for companies to prepare for compliance. In particular, there is no timeline at all for the implementation of the obligation of art.33 REACH to provide information regarding those substances included in the article that are listed on the candidate list. As soon as a new substance is added to the list, these information obligations apply immediately. However, our industries are producing complex products with hundreds and thousands of different components, which are sourced around the globe. Gathering the requested information is an intense process, which also requires time.
- The extent to which REACH also covers the waste phase has lead to misleading interpretations. I.e.: it is often erroneously claimed that because of the exemption of waste from the scope of REACH, also characteristics of substances at the end of life/waste phase would not be assessed under REACH.
- In spite of being a regulation, the implementation of the REACH legal text suffers from a lack of harmonisation. While some Member States have experienced difficulties in removing existing legislations, interpretations of others do not stick with the legal text, i.e. the interpretation of the 0.1% w/w threshold given in article 7.2 and 33 REACH. This lack of harmonisation as well as the challenge of some REACH requirements would result in negative impacts on the internal market, creating trade barriers and legal uncertainty in our sector.

Main proposals for REACH implementation:

- Maintain the guidance document on substances in articles in the area of the 0.1% w/w threshold given in article 7.2 REACH
- The existing ECHA guidance on information requirements and chemical safety assessments, chapter “R.18: Estimation of exposure from waste life stage” includes a section “R.18.5.2.3 Emissions from milling vehicles and electrical/electronic good” and “other waste operations” such as landfill, incineration and dismantling processes or the release from other waste treatment operations”.
The ongoing development of further implementation documents concerning “Exposure scenarios” should equally specify that end of life aspects have to be addressed in exposure scenarios.
- Considering the different structures in and characteristics of different industry sectors, there should be no mandatory single format for REACH communication requirements that would be forced on companies. Communication via electronic means should be fully allowed since the candidate list is intended to be a growing list, which will require continuous update of the information even for existing products.

Main proposals for REACH review:

- Strive for consistency of sectoral regulations with the REACH Regulation, notably the RoHS Directive and REACH, i.e.: assess the option of integrating the RoHS Directive into the REACH Regulation during the upcoming REACH review (please see also main proposals concerning RoHS Directive).
Also, the expertise gained under REACH should be fully used for the implementation of the Industrial Emissions Directive and its future Emission Limit Values/B.A.T.s.
- Introduce a realistic timeline for application of Art.33 REACH-information obligations for substances in articles.
- Related with the previous indent, introduce a realistic timeline for the update of the candidate list, i.e.: every second year.
- Maintain the 0.1 w/w threshold in article 7.2 REACH.

- **Recast of Directive 2002/91 on Energy Performance of Buildings (EPBD)**

Main concerns:

- 80% of the buildings existing today will also exist in 2020. The EU's energy and climate change objectives can therefore only be realised if the energy performance of these buildings is massively improved and incentivised. Different calculation methods in different member states (and often different national regions) negatively impact the functioning of the internal market. I.e.: through different methods certain products that have been legally placed on the market in the EU are not allowed being installed in certain regions.
- Changes in consumption patterns are also a vital prerequisite for achieving energy efficiency improvements.

Main proposals:

- Strive for an as harmonised as possible implementation of the just recasted Directive
- In particular, improve the harmonisation of calculation methods and development of European standards to promote an as consistent and effective implementation throughout Europe as possible and develop the criteria for common calculation method without delay.
- Introduce a fully harmonised approach during the next recast.
- Promote financing programmes for renovations and updates of buildings.
- Raise awareness of the consumer on the energy consumption of his building in making consumption data available, publishing benchmark data and servicing all equipment by qualified personnel to ensure the maintenance of performance improvement.
- Prioritise acting as a Guardian of the Treaty against Member States that do not implement the directive timely or correctly.

- **Recast of Directive 96/61/EC on Industrial Emissions (IPPC/IED)**

Main concerns:

- Surveys have shown that the implementation of the Directive in different Member States is not uniform. A major reason for this has been the differences in approach to granting derogations from Best Available Technologies (BATs).
- We acknowledge that the two new criteria proposed by the EP Rapporteur in second reading for establishing minimum requirements constitute a positive way forward. Nevertheless, we believe that they are not sufficient to convince our industries about the workability of Union-wide minimum requirements. We remain concerned with the content and the level on which the minimum requirements would be set.
- Imposing on operators to submit a quantified baseline report to the competent authority would lead to disproportional cost for soil monitoring.
Periodical soil monitoring and comparison of these with the initial base line report holds significant risk of making land owners liable for clean-up of soil pollutions they did not cause.

- Environmental inspection: We feel that the timeframe of 18 months for site visits, even with the possibility to extend the frequency by further 6 months, is too short a period causing administrative burden mainly to Small and Medium Sized Enterprises. Also, scarce authority resources for inspection will not be optimally utilized if the ability to differentiate inspection frequencies is this narrow.
- The existence of an Environmental Management System (EMS) is a valid criterion for reducing inspections frequencies. However, if only EMAS or certified EMS is accepted as grounds for reduced inspection frequencies, then SME's will not be able to live up to the requirement. Again the result will be administrative burden to SME's and sub-optimal use of resources for inspection. As a matter of fact, our industries since acting globally, are often implementing international environmental management systems instead of EMAS, which is not taken into account in the Commission proposal or Common Position.

Main proposals:

- Add an obligation for member states to report their major derogations from BAT associated emission levels as part of their reporting on directive implementation.
- Introduce the obligation to make the opinion of the forum on the proposed content of the BAT reference documents (BREFs) publicly available.
- In order to assure the practical workability of the minimum requirements, add the obligation to consult interested parties through the Information Exchange Forum (IEF) process when determining them.
- Requirements on soil are immediately linked to national law; keep them as a national competence.
- Allow for up to 36 months periods between inspections if all criteria for reducing the inspection frequency are met.
- As the inspection frequency is a matter for the inspecting authority to decide, allow the inspecting authority to also decide whether an Environmental Management System is good enough for reducing the inspection frequency or not, compared to the size and complexity of the installation. EMAS should not be the only Environmental Management System to be allowed to be taken into account, but international Environmental Management Systems should be allowed, too.

