



**Consultation of Stakeholders about the Communication  
“On the Road to Sustainable Production”  
Progress in implementing Council Directive 1996/61/EC concerning integrated pollution  
prevention and control (IPPC)**

**ORGALIME POSITION**

**12 September 2003**

**I. Introduction**

Orgalime speaks for 32 trade federations representing some 130,000 companies in the mechanical, electrical, electronic and metalworking industries of 21 European countries. These industries employ some 7.3 million people and account for 1200 billion Euro of annual output, which is over a quarter of the EU's output of manufactured products and a third of the manufactured exports of the European Union.

Orgalime is actively participating in the “Seville Process”:

Our experts nominated to the European IPPC Bureau in Seville have been contributing to the work of the technical working groups on the following BREFs of relevance to our industries (some of which are already finalised):

- Ferrous Metals Processing
- Non Ferrous Metals Production and Processing
- Surface Treatment of Metals
- Surface Treatment using Solvents
- Iron and Steel
- Waste Recovery/Disposal Activities
- Waste incineration
- Large Combustion Plants
- Foundries
- Cooling Systems
- Paper/pulp
- Slaughterhouses/Animal Carcasses

Orgalime also forms part of the UNICE delegation to the Information Exchange Forum (IEF).

**II. Orgalime specific comments to the Commission's questionnaire**

Orgalime welcomes the stakeholder consultation on this important issue and is pleased to provide comments to the Commission's questionnaire:

***Question 1a:*** *Is there a need for any additional action at EU level to address implementation difficulties or should current and future Member States deal with them individually?*

Orgalime believes that the implementation of directive 96/61/EC concerning integrated pollution prevention and control in member states should lead to the creation of an as harmonised as possible and level playing field for operators of installations in all EU member states. A harmonised implementation would contribute to a more business friendly investment climate in Europe and ensure the necessary legal certainty for operators of European installations.

Given the list of implementation difficulties and shortcomings summarised under section A, chapter 2 of the published Commission Communication, we feel that the current implementation difficulties and shortcomings should be addressed by further action at EU level. To our mind, such action is not only necessary with a view to the acceding member states, but also within the existing EU member states. However, one must not forget that this directive sets very ambitious requirements, which of course call for sufficient and appropriate timelines for their implementation by member states.

***Question 1b:*** *If there is such a need, what type of action would be appropriate?*

The Communication clearly states that the Commission's key role under Directive 91/61/EC is to facilitate the exchange of information (see page 6 paragraph 2). We believe that the Commission's efforts in this respect have proved to be useful for approaching the objectives of the IPPC directive. To our mind, additional EU action should concentrate on the **improvement and possible intensification of the existing information exchange**. For example,

- The Commission should be in a position to check the progress made in member states on an annual basis. Progress reports should be published annually.
- To our mind, the Commission should provide incentives for member states with an advanced implementation to share their experience with acceding countries and with member states that have not yet reached the same advanced level of implementation. The IMPEL network could provide an important basis for such activities. Industry experts should be taken on board where appropriate.
- Better information or updated measurement data could also be gained from launching pilot projects during the review process of certain BREFs (such as the paper/pulp BREF).
- Activities at EU level should be mirrored by related efforts at international level. We support that the EU should take up the issue at international scale, such as the follow up to the World Summit on sustainable development in Johannesburg.

***Question 2:*** *What support measures should be taken at EU, national, regional or local level to facilitate compliance by installations, in particular SMEs?*

- **At EU level,**
  - a) Orgalime proposes that the Commission should develop a handbook of member states and special sectors concerning the practice of BREF measures taken in the different member states. Such a "BREF in practice" handbook could explain the circumstances under which an individual member state applied a particular BREF in a certain way. It could also describe the individual measures taken, put them into a broader context and properly analyse their costs and results. Such a handbook would also help companies, in particular SMEs, who do not necessarily have capacities or resources to monitor or evaluate all existing fairly complex and extensive BREF documents, to better understand what they are expected to do.
  - b) We believe that the sharing of experiences between industry, authorities and other stakeholders is an important tool for raising awareness throughout the EU, and acceding countries in particular. In this context, the Commission could consider taking the initiative to bring together experts from different countries with acceding countries by organizing expert exchange forums (such as conferences or the installation of a "twinning" expert network with a view to stimulate exchange programmes among experts).
  - c) EU and national support programmes should help in providing appropriate information to companies on how to comply with IPPC, in particular SMEs. Such information could to our mind take the form of booklets or seminars or be exchanged on an Internet forum.
- **At national level,** we feel that the installation of common reference points for industry could guarantee ad hoc assistance to interested parties and could contribute to running information and

awareness campaigns. Such reference points should preferably be the responsible ministry or otherwise central points similar to IMPEL.

- **At regional and local level**, authorities should promote discussion exchange platforms to facilitate effective up stream communication on key challenges and experiences concerning best available techniques and the implementation of BREF documents.

***Question 3:*** *What role can the Directive and its exchange of information on best available techniques play in the international arena to promote sustainable production?*

- For the sake of the competitiveness of European industries, Orgalime supports a harmonized approach towards addressing the challenge of sustainable production, first amongst member states and in parallel, on an international scale.
- If the objectives of the IPPC directive and the related BREF documents were applied world wide, this would not only provide more environmental benefit, but also guarantee equal framework conditions in this area for European and Non-European operators.
- If authorities would bear in mind the costs of applying BREF measures in the context of international negotiations, the movement of production facilities to third countries would be less attractive, while at the same time the environment would gain. Orgalime industries take their responsibility for proper resource management seriously. Authorities should consider this issue in their international negotiations, so as to ensure an equal level playing field for operators in all countries.

***Question 4:*** *Is the information exchange on best available techniques optimal and are the BREF documents an effective implementation tool?*

Implementing Directive 91/61/EC is a challenge for both, authorities and industry. In particular, BREF documents may include several hundred pages of technical details and the different language versions may well diverge from each other and consequently cause irritation during the implementation phase. Notwithstanding their potential for improvement, Orgalime believes that the BREF documents generally constitute an effective implementation tool. In particular, the information exchange concerning best available techniques seems to be performing well. However, we would like to stress that time is needed before a technique is commonly accepted as the ‘best available technique’ since it has both to prove that it works in practice and that it is cost-effective.

Orgalime appreciates the working method of the Seville process, which allows industry experts to bring in their practical experience and knowledge when elaborating BREF documents. We encourage the Commission to continue along this path.

***Question 5:*** *Is the scope of the Directive, in terms of activities and thresholds, appropriate to address the most significant environmental impacts of production processes?*

As far as Orgalime industries are concerned we believe that the current scope of the directive is appropriate to address the most significant environmental impacts of manufacturing processes.

When starting the discussion on a possible extension of the directive, we believe that the following key principles must be considered:

1. **Consistency of EU legislation**: If legislation already exists and the area of concern is therefore already regulated, Orgalime takes the view that proper application of existing legislation should precede the adoption of new legislation. Orgalime cannot accept overlapping and incoherent legislative provisions.
2. **Harmonized legislation rather than individual initiatives**: If it has been demonstrated that legislation does not exist to address the environmental problem in question, Orgalime prefers a harmonized rather than individual approach in what soon will be an EU of 25 member states.
3. **Common production processes**: Such a harmonized approach should address production processes that are most common in EU member states.

4. Proper cost-benefit analysis and impact assessment: We believe that prior to considering further legislation, the environmental impact of the production process has to be demonstrated. In particular, a balance between the potential for improvement and the damage claimed has to be achieved.

***Question 6:*** *In which cases do Community-wide emission limit values as minimum requirements help achieve a high level of environmental protection and prevent distortions of the Internal Market?*

In practical terms, we believe that the use of the same unit of measurement when referring to limit values in BREF documents could help prevent distortions of the internal market.

We feel that sometimes local authorities which issue permits adopt emission limit values which are not based on emission values associated with BAT and which would take into account environmental, economic and technical conditions. It is essential that BAT interpretations are uniform within the EU. It is also important to promote an intensive cooperation network between authorities (whether local, regional or national), industry and the Member States.

***Question 7a:*** *In order to achieve EU environmental objectives for large industrial and agricultural installations is any action needed to ensure optimal consistency between this Directive and other existing or potential instruments used at EU or national level?*

Orgalime industries are currently faced by several new legislative initiatives, which some BREF documents risk to overlap with:

- On 1 August 2003, the Commission presented a proposal for a directive establishing a framework for the setting of Eco design requirements for energy using products and amending directive 92/42/EEC. We strongly call upon the Commission ensure coherence between this “EUP” directive and any future BREF. In particular, with respect to the envisaged future horizontal BREF concerning generic energy efficient techniques, we take the view that our industries should be excluded from its scope.
- As indicated under question 5, existing legislation should prevent from the extension of the scope of a BREF. For example, dismantling operations should not fall under the waste management BREF as, for our industries, the treatment of waste electrical and electronic equipment is regulated under Directive 2002/96/EC (WEEE) and linked to the provisions of Directive 2002/95/EC (RoHS).
- We are extremely concerned about a possible inconsistency of the IPPC directive and the future Registration, Evaluation and Authorization of Chemicals system in the EU (REACH). We understand that REACH will not only provide more information on chemicals used in industrial facilities (as indicated on page 27 of the consultation document), but that it will also set up a kind of permit system for chemicals that will decide whether a chemical substance can be used in an industrial processes or not.
- We share the Commission’s view that there is a considerable degree of overlap in scope between the IPPC directive and directive 96/82/EC (Seveso II) and that there is a need for coordination of future activities under the Action Plan on environmental technologies.
- We also believe that there should be consistency between the IPPC Directive and the Solvents Emission Directive. In order to enable an easy comparison between the BREF recommendations and the SED requirements, it is also necessary that same units (preferably “consumption” or “input”) are used and that emission levels are structured along the same process-definitions.

***Question 7b:*** *In particular, how can the EU further promote complementary use of market-based instruments, including national emissions trading, and voluntary instruments?*

In some Member States, voluntary agreements promoted by the relevant Ministries and compulsory agreements complement each other and can lead together to an improved environmental performance. It is advisable that the Commission acknowledges the value of industry's voluntary measures (where these exist) and promotes their implementation.

**Other comments or suggestions of relevance to the subject of the Communication:**

- Orgalime believes that BREF documents act as voluntary instruments, in particular in comparison to mandatory policy tools, and provide sufficient flexibility for industry without favouring one technology at the expense of another.
- To our mind, the information exchange forum is a good example of successful cooperation between authorities and industry, which one could consider also applying for other policy areas, such as waste policy.
- Regarding the practicability and efficiency of the further work on BREF documents, we take the view that ongoing BREFs should be finalized before starting the revision of existing BREF documents or launching the drafting elaboration of new BREFs. In addition, our industry would generally prefer a focus from the Commission on issues that need clarification within the Directive (correct adoption of emission limit values, co-ordination between different licence issuing authorities, etc...) rather than revising the Directive itself.
- The possibility for Member States to depart from the provisions of the IPPC Directive -due to its legal base of Article 175 of the EC Treaty- should to our mind not result in a situation where the internal market is at risk.
- The implementation of Directive 96/61/EC on Integrated Pollution Prevention and Control is a challenge for existing Member States, but will require particular efforts from acceding countries. For the sake of the proper functioning of the internal market, it is essential that acceding countries take all necessary efforts to meet in time their obligations agreed in the framework of their accession to the European Union.
- It is of utmost importance that the Commission should provide information on the progress of implementation within the Member States and that this information is circulated widely. We understand that clear and adequate information on implementation requires proper cooperation between all the parties involved, authorities, industries and others.
- Finally Orgalime wishes to stress once again that the building of “the Road to Sustainable Production” requires that equal importance should be given to the three pillars of sustainable development- environmental, economic and social.