



Policy Brief for the EP Environment Committee EP/IV/A/2003/09/01

## Implementation of the IPPC Directive (96/61):

### Analysis and progress of issues

Brief number 01/2003

By

Patrick ten Brink (IEEP) Andrew Farmer (IEEP)

With

Peter Beyer (Ecologic) and Belén López Precioso and Josu Martínez (Instituto para la Polítíca Ambiental Europea)



Instituto para la Política Ambiental Europea - Madrid

17 October 2003

#### SUMMARY

1 The Integrated Pollution Prevention and Control (IPPC) Directive (92/61/EC) required formal compliance by 30 October 1999, applying to new installations by that date and to existing installations by 30 October 2007. The Directive requires an integrated approach to the environmental protection of air, water and land, through the application of Best Available Techniques (BAT), establishing operating conditions (eg emission limit values) in permits.

2 There are approximately 50,000 IPPC installations in the EU and accession countries<sup>1</sup> combined, varying from around 10,000 in Italy to 20 in Malta. The final count is not complete and, indeed, is sometimes better known for the new Member States, as a result of the accession negotiations. There have been few 'new installations' or substantial changes to 'existing installations'.

3 Most Member States, except Luxembourg, have transposed into national law the Directive, although there are cases of non-compliance for specific provisions. Among accession countries, only Slovenia has not yet fully transposed the Directive. In most accession countries transposition has resulted in major changes in legislation and approach, but in many of the existing Member States, transposition has resulted in amendments of existing legislation and approaches.

4 Progress in issuing permits under the Directive is slower than might be expected. While this is compatible with the requirements of the Directive, there is concern that authorities will have difficulties processing applications as the 2007 deadline approaches. Some countries, eg the UK and Poland, have adopted formal plans to phase-in permit deadlines for different industry sectors. There is wide variability in the length of permit validity, although no specification for this is given in the Directive.

5 There are significant variations in public consultation and participation. The recent amendment to the Directive (2003/35/EC), resulting from the Århus Convention, should improve this situation, although the provisions for consultation are more limited in relation to installations with substantial changes.

6 There has been extensive use of BREFs – BAT Reference Notes, usually reinterpreted into national guidance. Some concern has been raised over the lack of translation of BREFs into the official languages. The emission limit values (ELVs) established in the permits issued to date largely conform to those identified in the BREFs, although local environmental quality standards appear not to have affected permitting conditions to date. Some EU-wide ELVs have been adopted (eg waste incineration) and some consider that further EU-wide ELVs might be required (eg priority substances under the water framework Directive).

7 Implementation has raised a number of issues that should be addressed:

• There is concern over the thresholds for installations in Annex I of the Directive, particularly for low-impact activities, where the costs of regulation outweigh the benefits.

<sup>&</sup>lt;sup>1</sup> This covers the 10 acceding countries, 2 accession countries (Bulgaria and Romania) and 1 Candidate Country (Turkey)

- Some activities, eg mining, sawmills, etc, are not covered by the Directive. Some Member States have brought additional activities into the IPPC regime at the national level.
- Some definitions in the Directive are lacking or unclear.
- The speed of production of BREFs is often too slow, with implications for the definition of BAT Best Available Techniques at installation level.
- The capacity of institutions to implement the Directive effectively is questioned, particularly in many accession countries.

#### POLICY BRIEF FOR THE EP ENVIRONMENT COMMITTEE EP/IV/A/2003/09/01

#### IMPLEMENTATION OF THE IPPC DIRECTIVE 96/61: ANALYSIS AND PROGRESS OF ISSUES

#### CONTENTS

	Introduction and Background to the Directive	1
	Overview of State of Implementation	2
2.1	Number of IPPC installations in the EU and Accession Countries	2
2.2	Progress in the EU and Accession Countries	2
2.3	Particular Developments	4
2.4	What remains to be done?	5
	Major Developments and Approaches in the Member States and Acceding	5
	Countries	
	Consideration of Sectors Covered	7
4.1	Current requirements	7
4.2	Going beyond minimum requirements	7
4.3	Are there new areas that should be covered?	8
	What are the Obstacles to Progress?	8
5.1	Lack of clear definition of key terms in legislation	8
5.2	Guidance	9
5.3	Other obstacles	9
	Steps Needed to Support Further Implementation	9
6.1	Implementing the existing Directive	9
6.2	Amending the existing Directive	10
	2.1 2.2 2.3 2.4 4.1 4.2 4.3 5.1 5.2 5.3 6.1 6.2	<ul> <li>Introduction and Background to the Directive Overview of State of Implementation</li> <li>2.1 Number of IPPC installations in the EU and Accession Countries</li> <li>2.2 Progress in the EU and Accession Countries</li> <li>2.3 Particular Developments</li> <li>2.4 What remains to be done? Major Developments and Approaches in the Member States and Acceding Countries Consideration of Sectors Covered</li> <li>4.1 Current requirements</li> <li>4.2 Going beyond minimum requirements</li> <li>4.3 Are there new areas that should be covered? What are the Obstacles to Progress?</li> <li>5.1 Lack of clear definition of key terms in legislation</li> <li>5.2 Guidance</li> <li>5.3 Other obstacles</li> <li>Steps Needed to Support Further Implementation</li> <li>6.1 Implementing the existing Directive</li> <li>6.2 Amending the existing Directive</li> </ul>

#### 1. Introduction and Background to the Directive

The Integrated Pollution Prevention and Control (IPPC) Directive (96/61/EC, OJ L257 10.10.96) came into force on 30 October 1996, with formal compliance for new plants required by 30 October 1999, and compliance of existing plants by 30 October 2007. Several of the accession countries have been granted longer implementation periods<sup>2</sup> for certain existing plants (Poland, Slovenia, Slovakia and Latvia, and with requests by Bulgaria and Romania).

Specified industrial activities are to be authorized in order to attain 'a high level of protection for the environment taken as a whole'. This is to be achieved by preventing or reducing emissions to air, water and land, including measures concerning waste and energy efficiency. The overall objective of the Directive is to implement the best available techniques taking into account the local conditions. The Directive differs from previous legislation, which dealt with emissions only to air or water. Manufacturers and authorities thus have to think about emissions to all environmental media and other impacts in the design of the whole plant ('clean technology') rather than relying on 'end-of-pipe' techniques.

The Directive may also be thought of as a 'framework' measure, since it provides for common EC emission limits to be adopted at a later date, and creates a new structure within which certain existing quantitative EC standards are to be applied. Key elements include:

- Requirement for installations to implement Best Available Techniques BAT (by the dates above).
- Requirements for installations to have integrated permits.
- A key decision is whether to set site specific emission limit values (ELVs) that encourage appropriate BATs, or have General Binding Rules (GBR), although, in practice, governments might issue guidance on ELVs that, while not obligatory, are generally incorporated into permit conditions.

The Directive applies to six categories of industry: energy, production and processing of metals, minerals, chemicals, waste management; and 'other'. The 'other' group includes facilities operating in the areas of pulp and paper production, textile treatment, tanning, food production and the intensive rearing of poultry and pigs. Within each category, the scope of the Directive is defined further either by relation to the nature of the process or product (eg refining of oil) or the size of the operation (eg production of ferrous metal above 20 tonnes per day).

To date, there have been two amendments: one amends the provisions on public participation in the permit procedure, following the Århus Convention and the other deals with the EU greenhouse gas emissions trading scheme. EU implementation of the new Protocol on Pollutant Release and Transfer Registers under the Århus Convention will probably lead to proposals for another amendment of the Directive in the near future.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> 2008-2012 for certain plants.

<sup>&</sup>lt;sup>3</sup> The Commission plans to integrate the Decision on the European Pollution and Emissions Register (Commission Decision 2000/479 OJ L192 2000) adopted under Article 15(3) of the IPPC Directive into proposed Regulation on PRTR.

#### 2. Overview of State of Implementation

The European Commission recently published a Communication (COM(2003)354), inter alia examining progress on the implementation of the IPPC Directive and potential future developments. This IEEP report builds on the information in the communication and on a range of other sources, both documentary and expert.

#### 2.1 Number of IPPC installations in the EU and Accession Countries

#### 2.1.1 Existing installations

There are around 50,000 IPPC installations in the EU and accession countries, though the numbers continue to grow as countries develop their installations registers. The country coverage varies significantly – with 20 installations in Malta and 30 in Luxembourg to 6,495 installations in the UK, 7,705 installations in Germany and an estimated 10,000 in Italy. Of the acceding countries, the country with the highest number of installations is Poland, which has 1,970 installations. The Czech Republic has around 1,100; Hungary has 900. Within countries there can be a significant variation across regions. For example in Spain, of the over 4,000 IPPC installations, nearly 1,700 are in Catalonia alone.

A more precise picture is emerging as Member States submit reports on implementation of the Directive. The reporting process is not complete yet, however,<sup>4</sup> and indeed not all Member States are in possession of accurate figures of IPPC installations. This is an important weakness, reflecting insufficient effort to identify the full list of installations that need IPPC permits; some Member States are understood to have simply sent out a questionnaire, but not assessed further. Figures relating to the acceding countries appear to be better as these have been provided as part of the accession negotiations.

#### 2.1.2 New installations or installations undergoing substantial changes

There have been few 'new' installations or substantial changes to installations in the EU in recent years. New installations are broadly speaking those installations, which were not operational before 30 October 1999. For the UK it is understood that new installations are of the order of 1 per cent of existing installations and substantial changes also in the order of 1 per cent. In Germany the value is higher, nearer 4.5 per cent for new installations and around 15 per cent for substantial changes<sup>5</sup>.

#### 2.2 **Progress in the EU and Accession Countries**

#### 2.2.1 Transposition

Most countries have now adopted national legislation that transposes the IPPC Directive. Within the EU, Luxembourg has still to do so, and Ireland has recently<sup>6</sup> adapted its national

<sup>&</sup>lt;sup>4</sup> Implementation reports were due to be submitted by the Member States by the 30 September 2003. The Commission has received implementation reports from, *inter alia*, the UK, Spain and Germany, and is to complete its summary report by June 2004.

<sup>&</sup>lt;sup>5</sup> There are 7705 IPPC 'installations' in Germany, covering 9759 IPPC 'activities'. The above percentages have been calculated on the bases of activities, rather than installations; no figures were given for new installations or installations with substantial changes. In some cases there will be more than one substantial change per installation.

<sup>&</sup>lt;sup>6</sup> This took place after the Commission Communication on IPPC (COM(2003)354) was published.

IPC scheme to comply with IPPC. Italy is still applying interim legislation, pending the adoption of new legislation. There are a number of issues of non-compliance for certain provisions that are being pursued by the European Commission through infringement proceedings, etc. Across the 10 acceding countries, only Slovenia has not yet fully transposed the Directive.

Overall, the approaches to transposition vary across countries. Several, and notably the acceding countries, have had a wide-scale update of legislation and change of approach. Other countries have implemented legislation through amendments rather than major new legislation.

#### 2.2.2 Practical implementation – granting of permits

Fewer permits have been issued than might have been expected, and progress is slow. As such this is not at odds with the Directive's requirement to have permitting in place by 2007. It is more an issue of national planning. Some countries - such as the UK and Poland - have developed a formal national phasing-in plan, with different sectors to submit permit applications in different years over the period to 2007. In Spain there is no national phasing-in plan, but some autonomous communities, such as the Basque Country, have agreed on early implementation for specific sectors. Other Member States have not adopted plans, simply requiring applications to be in and authorised by 30 October 2007. Encouragingly many of the accession countries have opted for a systematic approach to ensure that permits are delivered on time.

The 2003 Commission Communication also noted that there is a wide variation across sectors and countries as regards the length of permit validity and the requirements for regular reviews of permits. This is not a formal or legal problem, as the Directive requires only a 'periodic review' to be undertaken. Nevertheless, practice is variable across Europe. Note that variation between sectors would often make sense since some activities need more or less frequent reviews as regards permit conditions.

#### 2.2.3 Consultation and public participation

There are significant variations across countries as regards consultation and public participation, with some countries publishing notices of applications widely and others taking a more limited approach. It is clear that there are cases of weak practice for public participation and encouragement is needed to improve these aspects of the IPPC Directive.

The recent amendment to the IPPC Directive regarding public participation focuses primarily on new installations though there are some weaker provisions for 'substantial changes'. The measures aim to improve the rights of the public, notably through improved information on permit decisions, participation in decision-making by the public and stricter requirements for consultation, notably for transboundary emissions. For 'substantial changes' the new participation rules only apply where there is also evidence of 'significant' pollution, which effectively offers a loophole to weaken public participation in the Directive.

#### 2.2.4 Inspection

The IPPC Directive says less on inspection apart from the requirement for integrated inspection or at least suitably coordinated inspection to ensure that the 'integrated'

philosophy is maintained. The Recommendation on Minimum Criteria on Inspection (2001/331 OJ L118, 27.4.2001) is an important complement to the Directive. Member States take various approaches to inspection, eg using risk-based criteria. Given the limited number of permits issued to date, any assessment of inspections with respect to IPPC would appear to be premature at present.

#### 2.3 Particular developments

A number of additional or specific developments should also be noted in relation to implementation of the IPPC Directive. They are as follows:

#### 2.3.1 Permits

While few permits have been issued, the quality of the permits received has generally been good. It seems that no complaints have been received. Many countries, notably the Czech Republic,<sup>7</sup> have found that the existence of EMAS can make permit applications significantly easier to complete.

#### 2.3.2 BAT Guidance and the use of BREFs by the regulators

Practice varies across countries on Best Available Techniques (BAT) Guidance and the use of BAT References Notes (BREFs). Some countries adopt their own national guidance documents, though borrowing elements from the BREFs (eg Belgium (Flanders), Finland, Greece, Ireland, Netherlands, Spain and UK)<sup>8</sup>, others rely on the BREF material (eg Portugal) and others intend to continue with national rules and guidance.

Views on the role of BREFs also vary. Some consider them to form a clear statement on what is BAT, while others treat them as guidance. The technical information contained in the BREFs does, however, form an important and concrete influence on the implementation of the Directive. The fact that the BREFs are not translated into all official languages generates mixed responses, with some arguing that this is a hindrance to the exchange of information; others consider it to be a practical necessity.

#### 2.3.3 Benefits of BREFs for technology exchange international

It is too early to say whether there will be any benefits, though it is clear that there is significant international interest in the BREFs.

#### 2.3.4 Coverage of local environmental conditions, local BAT and GBRs

There has been little use of local environmental quality standards in the permits so far. It is clear that from an administrative perspective, General Binding Rules (GBRs) are easier, whereby standard conditions are established at a national level for specified activities. GBRs have a long history of use in regulation in some countries (eg Netherlands), although few have been developed specifically for IPPC (eg those for pig and poultry units in the UK)<sup>9</sup>. There is some real concern that the ELVs emission limit values adopted in the Member States

<sup>&</sup>lt;sup>7</sup> IEEP et al (2003) *EMS and link to permitting, inspection and enforcement.* A background report for VROM for the ENAP-REMAS Conference on EMS and the link to permitting, inspection and enforcement, London. P ten Brink, A Ladefoged, A Farmer (of IEEP) and J Lefevere (Field) June 2003.

<sup>&</sup>lt;sup>8</sup> Source: AEA Technology Report to DGENV: Investigation of National IPPC Permitting, May 2002

could vary significantly and in some cases are too weak and not based on BAT. If this issue is not properly addressed so as to ensure that the environmental objectives are met for certain substances – in other words, if the Member States fail to appropriately implement the Directive - then EU-wide emission limit values may be needed for these substances.

Areas of concern that could be the focus of future EU-wide ELVs include:

- priority substances for the water framework Directive
- dioxins and furans
- other pollutants with transboundary impacts

EU-wide limit values have in some cases already been adopted, eg as part of the waste incineration and solvent emissions Directives. However, it is important to note that such limit values are only minimum standards and do not replace the need for a determination of BAT (which could require a stricter limit).

#### 2.4 What remains to be done?

Arguably the most important issue is that of ensuring that there is no major bottleneck in permit applications in 2007. It will clearly be an unfeasible task if permitting authorities were to get all applications at or near the deadline itself. As noted above, some countries have planned a staged implementation to avoid this problem. Others are aware of the issue, but do not see it as a problem or at least have not addressed it.

## **3.** Major Developments and Approaches in the Member States and Acceding Countries

The implications of IPPC and approaches for implementing IPPC vary significantly between the Member States and acceding countries. Some have tried to follow the Directive closely (eg UK), others (eg Denmark, Sweden) have assumed that IPPC requires little change to business as usual, assuming that as long as the environmental bottom line remains good, the current philosophy and practice of using strict permits will be good enough. Countries that assume IPPC is business as usual might miss some of the additional obligations under the IPPC Directive, notably the integrated approach. There are also country differences due to the national constitutions and role for regions and local authorities that affect both transposition and implementation.

Examples of different country approaches are noted below:

a) Germany has implemented the Directive in several different laws including the Bundes-Immissionsschutzgesetz (Federal Emissions Control Act) concerning mainly air pollution control and the different water acts at the Federal and Länder levels, concerning the permission of water pollution. To fulfil the requirements of the Directive, different authorities have to issue different permits. The procedures and the permits have to be coordinated. Traditionally ELVs are set in the individual permits, but the competent authorities deliver permits according to the 'Technische Anleitung Luft', which contains ELVs. The BAT-Notes

<sup>&</sup>lt;sup>9</sup> IMPEL 2001. The Application of General Binding Rules in the Implementation of the IPPC Directive. EU Network for the Implementation and Enforcement of Environment Law, Brussels. 32pp. Available at: http://europa.eu.int/comm/environment/impel/gbr.htm

have been integrated into the revised Technische Anleitung Luft. The piecemeal approach of the implementation is due to the distribution of competencies between the Federal level and the Länder, the latter being competent for the water sector. Arguably, this might not fully comply with the integrated approach of the Directive. However, this is difficult to clarify and it is expected that the end results will be, at least, very good.

b) Spain – Catalonia was the first autonomous community to transpose the Directive (reflecting in part the high number of IPPC installations in the region). A 2002 national law transposed the Directive for the rest of the autonomous communities. This law establishes the general framework for integrated pollution control, with an integrated permit that modifies some pre-existing rules concerning water, air or waste. National authorities are competent for freshwater; so they have to issue a binding report which has to be taken into account to give the integrated permit. Autonomous communities are competent to issue the integrated permit because they have the competence on environmental management. However, the final decision on whether a facility can operate is assigned to the local authorities (which can never give a licence if the integrated permit has been denied). In addition, the national law compels autonomous communities to integrate, as far as possible, regulation on Seveso II and Environmental Impact Assessment. The range of types of activities in the national law and in the Directive is the same. A few autonomous communities have also issued their own rules within the framework of the national law (for example, Castilla y León). The Spanish government has been concerned about some of the autonomous communities being too lax in their interpretation of BAT and therefore has sought to set national standards in the form of general binding rules for whole sectors.

c) Sweden has an integrated system, but appears to consider that the philosophy of IPPC requires few major changes, as permit limits are strict and the environmental bottom line is very good.

d) The UK transposed the Directive late, due, in part, to a rigorous examination of how the detailed requirements of IPPC compared to the existing regulatory systems. This has resulted in a better appreciation of the 'philosophy' of the Directive than in many Member States. The UK introduced a timetable for IPPC applications and, therefore, a number has already been processed. Applicants are required to give the full information required by the Directive and an integrated assessment is made of environmental impacts. ELVs in permits issued to date largely fall within the range indicated in the BREFs.

e) Acceding countries – As noted above, most of these countries have seen the IPPC Directive as a major development, not just to the law, but also to the process of regulating installations and the role of the permitting authorities. The issue of how to come to judgements as to setting ELVs so as to safeguard the local environment and how to deal with 'trade-offs' across environmental media are changing traditional approaches. This is also a major challenge to these countries and is requiring considerable capacity building.

#### 4. Consideration of Sectors Covered

#### 4.1 Current requirements

The current requirement for sector coverage and installation coverage is set out in Annex I of the Directive. For some sectors thresholds are given (eg 50 MW for power plants), but for others no thresholds are set. These definitions result in a minimum range of installations that should receive IPPC authorisation and implement BAT, but countries can go beyond this.

There are three key problems with the current formulation within the Annex, as follows:

- i) installations that have relatively significant environmental impacts may fall outside the scope of Annex I of the Directive, eg mining activities.
- ii) in some cases there are no thresholds or thresholds are set too low, such that the costs of regulating small or low-impact installations may be disproportionate (for both the regulator and operator) to the benefits.
- iii) there can be significant variation in interpretation between Member States, risking distortions of the internal market.

# The threshold issue should be explored in greater depth to ascertain the need for new thresholds, for raising existing ones or for reducing existing ones, depending on the sector/process.

Note that the Commission will launch an assessment on this issue and is considering a minor amendment to address Annex I. Such an amendment is likely to give specific focus to the waste management sector. Proposals for alignment of Annex I of the IPPC Directive to the waste incineration Directive (2000/76/EC) can be expected.

#### 4.2 Going beyond minimum requirements

Many EU Member States have included installations and processes under the national IPPC scheme, even though not required to do so by the IPPC Directive. Examples include:

- *Extension by modifying thresholds* making them more demanding than in the Directive. Member States include: Sweden, Denmark, Finland, Germany, Luxembourg and the Netherlands. The waste management sector has seen the most 'extensions'.
- *Extension by including additional sectors* countries that have done this include Denmark, Germany and Sweden. Additional sectors include vehicle manufacturing, tar distillation, sawmills, quarries, grain storage and motor racing facilities.

The reason for this lies mainly with the fact that past national or regional legislation already covered these installations and it made more sense to continue to include them rather than to have two systems running in parallel, or to reduce coverage. Note that there is no problem with countries deciding to expand the sphere of application of IPPC. Indeed, in the right circumstances this should be encouraged.

#### 4.3 Are there new areas that should be covered?

Arguments have been raised that a number of new sectors/processes should be included to fall under the IPPC Directive. These include, *inter alia*, intensive aqua/fish farming; intensive rearing of cattle; crematoria and mining.

The Commission's view on mining is that this is already dealt with through the current strategy of updating the Seveso Directive and given the new Directive on Mining Waste (which includes some provisions for BAT).

# There are merits for considering extending the sectors covered by Annex 1 of the IPPC Directive.

#### 5. What are the obstacles to progress?

#### 5.1 Lack of clear definition of key terms in legislation

There are a number of weaknesses with the existing legislation in terms of definitions, as ambiguities can give rise to difficulties in implementation. These are noted in the Commission's Communication, and include:

- Threshold criteria in the list of activities to be covered by the IPPC Directive there is some confusion as to whether installations are covered by the provisions of the Directive or not. Importantly, concern has been raised by industry and some Member States that in some areas thresholds are too low. As noted above, under 4.1, the Commission is to launch an impact assessment on the different options of thresholds to ascertain how many installations would be affected and where the thresholds should be set. Note also that the European Pollution and Emissions Register should give a better indication of emissions and so facilitate the discussions.
- **Installation boundaries and definition of 'installation'** there is a need for clarity as to what does and does not form part of the installation. This is currently left for the Member States to decide. Some requests for guidance have been received from the accession countries.
- **Substantial** what should be regarded as a 'substantial change' and hence requiring an updated permit? This applies particularly to increases in the scale of operations, rather than to refurbishment.
- **Deriving emission limit values from BAT** the BREFs can give a wide range of BAT with a wide range of effective ELVs. In some case the differences can be an order of magnitude. This gives a broad scope for setting emission limit values in permits.
- Returning the site to satisfactory state this requirement in the Directive is interpreted very differently across countries, with some countries using historic reference years and hence requiring clean up of historic pollution. The Netherlands requires a return to 1976 levels; Ireland requires some clean up. Others, for example the UK, use the date of the first IPPC application as the reference year. This has potentially major implications for liabilities for clean up, as companies need to make provisions for when installations close. At least one country does not require companies to make such provisions on the grounds that the site should be in a satisfactory state during its operation.

- Permit conditions for accidents, waste minimisation and energy efficiency it is not clear how these should be set. Note that an IMPEL project is looking at the waste issue.
- **Monitoring and inspection** how often should inspections be carried out and what information should be included in the monitoring reports.

#### 5.2 Guidance

In addition, a concern has been raised that the rate at which the BREFs are produced is too slow and hence does not offer adequate timely input to clarify BAT. Equally important is the timing of the revision cycles.

#### 5.3 Other obstacles

The lack of national phasing-in plans, in some countries, for permits to ensure that all are submitted and processed by 31 October 2007 is regarded as a key obstacle. This is appreciated by some countries, such as the Netherlands, which recognise the need for additional and early encouragement to ensure that no bottleneck arises.

In the French legislation, there appears to be a fundamental flaw as the legislation appears to 'allow' installations to submit permit applications after the October 2007 end date – indeed in some cases up to 2011. Whether this will cause a problem in practice depends on national initiatives to ensure 'early' (relative to national law; on time relative to IPPC) permit applications. If there is no request and encouragement by the authorities as many as 40 per cent of IPPC installations may miss the deadline.

Concern has been expressed by the Council, Parliament and Commission over the institutional capacity of accession countries to implement a number of items of EU environmental legislation, including the IPPC Directive. Studies have noted that while the Directive has resulted in significant legal reform in most accession countries, institutional enhancement has lagged behind, presenting problems for full, integrated assessments for permit determinations and adequate inspections<sup>10</sup>.

#### 6. Steps Needed to Support Further Implementation

#### 6.1 Implementing the existing Directive

- Member States should continue to play an active role in the BREFs and not leave it all up to industry. This is important not just for the quality of the BREFs, but also can help with capacity building issues in the regulatory authorities.
- Links between IPPC to other legislation firstly the 2003 Commission Communication maps out some of the links and efforts are continuous as regards developing an increasingly coherent set of legislation. Importantly, Member States have the opportunity to consolidate legislation nationally to ensure appropriate links between legislation suitable to their economic, industrial and regulatory contexts.

<sup>&</sup>lt;sup>10</sup> Ecotec. 2002. Administrative Capacity for Implementation and Enforcement of EU Environmental Policy in the 13 Candidate Countries. Available at:

http://europa.eu.int/comm/environment/enlarg/administrativecapacity\_en.htm

• More discussion, study and guidance will be needed on a number of issues, potentially calling for an amendment to the Directive. As noted above (see 5.1), these concern thresholds, return to satisfactory state, definition of 'installation' and definition of ELVs given the range of BAT in BREFs. The latter can partly be addressed through clarifying the rationale of the different ELVs in the BREF and hence make it easier for national authorities to select appropriate ELVs.

#### 6.2 Amending the existing Directive

It is clear that some minor amendments are needed to the IPPC Directive - notably covering the Annex 1 (sector coverage and use of thresholds), and also as regards many of the definitional issues raised above. There may also be requirements to set further Community-wide emissions limit values for certain pollutants.

The earliest that the Commission would likely table amendments would be during the latter half of 2004, with amendments possibly complementing the implementation report to the Council and Parliament that is due by June 2004. It is understood that the Commission is currently planning to table amendments, although the final decision may be affected by a change of Commissioner in 2004. With the co-decision procedure applying in this case, any amendment would be unlikely to be agreed and take effect before 2008.

Attempts to amend the existing Directive should however take account of the following:

- The IPPC Directive is already proving to be a significant challenge and burden for national administrations. Some would argue that amending the Directive now would be unhelpful given that the current challenges have not fully been met yet. This is certainly a concern for the accession countries.
- It is very likely that the Dutch may request an amendment to allow emissions trading of nitrogen oxides for IPPC installations. It is understood that Poland may also be interested in seeing an amendment to the IPPC Directive.
- A question has been raised as to whether tabling an amendment will lead to an 'unravelling of the Directive'. This is always a risk with amendments, but not one that was seen as too likely, and not one that should delay amendments.