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### **Position paper on the Review of the Integrated Pollution Preventive and Control (IPPC) Directive**

BUSINESSEUROPE, the Confederation of European Business, is the voice of more than 20 million small, medium and large companies. BUSINESSEUROPE's members are 39 central industrial and employers' federations from 33 countries, working together to achieve growth and competitiveness in Europe.

BUSINESSEUROPE considers IPPC an effective tool to regulate industrial emissions and achieve effective protection of the environment. BUSINESSEUROPE therefore considers it essential to maintain the fundamentals of IPPC:

- Integrated approach
- Concept of Emission Limit Values (ELVs) based on Best Available Techniques (BATs)
- Flexibility principle
- Best Available Techniques Reference Documents (BREFs) as guidance documents.

Nevertheless, studies have identified certain shortcomings in implementation of the IPPC directive as well as in its interaction with other sectoral directives. In our opinion, this is due to the very recent implementation of the directive and, consequently, it is still not reliable to draw significant conclusions about its effectiveness. Hence, BUSINESSEUROPE believes it necessary to improve the functioning of the IPPC Directive by solving implementation shortcomings and clarifying the overlaps between sectoral directives and IPPC directive, while not changing the directive itself or altering the main underlying principles.

What follows is an outline of BUSINESSEUROPE's view on the most important issues about the review of the IPPC directive. BUSINESSEUROPE can provide more detail on these as well as views on other matters under consideration, if required.

#### **1. BETTER USE OF BREFs AND FLEXIBILITY OF THE IPPC DIRECTIVE**

BUSINESSEUROPE supports keeping the flexibility principle, as it is one of the fundamental principles of the IPPC directive, in relation to the technical characteristics of the installation concerned, its geographical location and local environmental conditions (article 9(4)) and additionally economic conditions (as described in article 2(11)).

- BUSINESSEUROPE supports a clarification of the role of BREFs and making sure they are in practice used properly. In this respect and in order to avoid possible confusion, we support the introduction of a requirement to explain and justify the basis of permit conditions.



- However, the status of BREFs should not change to legally binding documents. They are, and should remain, technical guidance documents.
- BUSINESSEUROPE does not support introducing BAT Associated Emission Levels (BATAELs) in the IPPC directive. BATAELs are defined in the BREFs. As BAT is process- and substance-specific, the same BAT may have different BATAELs.
- BUSINESSEUROPE does not support fixing ELVs systematically within BATAELs ranges, because BATAELs and ELVs are not comparable and BATAELs reflect steady state only.

## **2. BETTER REGULATION**

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## **3. NO<sub>x</sub> and SO<sub>2</sub>**

In general, BUSINESSEUROPE welcomes market-based instruments that permit a reduction of the cost of achieving our environmental objectives. However, we do not see the role of an Emissions Trading Scheme (ETS) for NO<sub>x</sub> and SO<sub>2</sub> but strongly believe that NO<sub>x</sub> and SO<sub>2</sub> should be regulated under the IPPC directive, using tools which are already available.

Because of the regional effect that these pollutants produce, a hypothetical ETS for NO<sub>x</sub> and SO<sub>2</sub> would not solve the environmental problems that they may create. Furthermore, the conditions for a free and fair NO<sub>x</sub> and SO<sub>2</sub> market are not met.