

Briefing Note

Impact of the Industrial Emissions Directive (IED) on sectors we regulate

Introduction

This note provides an overview of the impact of IED. Defra and Welsh Government have issued a formal consultation about the transposition of the IED. This note therefore is limited to issues we know and can communicate.

Background

IED is being implemented to provide a single coherent legislative regime which should remove ambiguities and inconsistencies across Member States, promote cost-effectiveness and encourage technological innovation. It will replace seven existing Directives¹ that we currently implement through the Environmental Permitting Regulations (EPR). It will impose new requirements on some of the installations we permit and extend the scope of activities creating more EPR Installations. It will also see the possible deregulation of some installations that are regulated under IPPC only in the UK [and not in the rest of Europe].

Timescales

IED will be implemented through amendment of the existing Environmental Permitting Regulations. Defra and Welsh Government are consulting on draft amending Regulations and IED will be implemented over several years commencing from 7 January 2013. The implementation sequence is:

- 12 March 2012 launch of Defra/ Welsh Government consultation (closes 6 June 2012);
- 7 January 2013: amended Environmental Permitting Regulations enter force;
- 7 January 2013: IED applies to all new installation from this date onwards;
- 7 January 2014: IED applies to existing IPPC installations;
- 7 July 2015: IED applies to existing installations operating newly prescribed IPPC activities (for example, specified waste recovery activities, wood preservation)
- 1 January 2016: Existing large combustion plants must meet the specific requirements set out in Chapter III and Annex V of IED

IED: What isn't changing

IED brings together existing Directives so there is no fundamental overhaul of the existing permitting system, permits or controls. Permits will still be issued under EPR and be called permits, and the associated charges are very unlikely to increase as a result of IED.

¹ Integrated Pollution Prevention & Control, Large Combustion Plant; Waste Incineration; Titanium Dioxide (3 directives) and Solvent Emissions.

There will not be any significant changes for operators of existing IPPC installations from 7 January 2013; we will provide further update once the consultation closes. However, operators of such facilities may need to give early consideration to the longer term implications of the changes brought about by IED (noted below) and how it may influence investment considerations and future site development.

IED: What is changing

Impact on all sectors

Any new installation which commences operation from 7 January 2013 will need to comply with IED.

Applications to operate will continue to be assessed against BAT (Best Available Techniques) as guided by European guidance notes (BREFs) and associated BAT Conclusions.

We won't need to review all existing installation permits directly due to IED straight away. We'll do it as each sector specific Best Available Techniques (BAT) conclusions is published. When a BAT conclusion is published that triggers a need for review of the permits it relates to within four years.

It is possible that developments in BAT since a previous permit review could lead to the need to adopt new technologies or improve abatement, with the consequent need for industry to invest to ensure compliance.

Derogations from BAT are permitted under IED, as they were under IPPC. The arguments supporting such derogations will need to be annexed to the permit, will be published on the Internet along with the permit, and, as before, are open for examination in due course by the Commission.

Baseline site condition reporting is the report required to characterise the condition of the land before a permitted activity commences and then, subsequently, to enable a quantified comparison of the site when the activity ceases. We will be reviewing current site condition reports to see whether they contain all of the information required under IED. Where not, we will, over a period of time, need to seek the missing information from operators.

A number of activities, not subject to the Directive but currently included in domestic legislation, may fall out of IPPC. Further details on this 'legacy' issue will be provided in the Defra consultation.

Waste sector issues

IED changes the scope of certain waste activities to be permitted as an installation. It includes:

- An amended list of hazardous waste recovery activities;
- A requirement to regulate the disposal of non-hazardous waste with a capacity exceeding 50 tonnes per day;
- Activities involving recovery, or a mix of recovery and disposal, of non-hazardous waste with a capacity exceeding 75 tonnes per day (biological, physico-chemical treatment, pre-treatment prior to incineration, treatment of slags and ashes, and metal shredding only). Where the only waste treatment activity is anaerobic digestion, the capacity threshold for this activity shall be 100 tonnes per day.
- Temporary storage of hazardous waste with a total capacity exceeding 50 tonnes; excluding temporary storage, pending collection, on the site where the waste is generated.

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As a result of this we currently anticipate ~60 current waste exemptions for the storage and treatment of waste will need to be permitted as installations and ~ 300 current EPR waste operations will need to be varied to become installations. These will predominantly be Mechanical Biological Treatment (MBT) plant, large composting and anaerobic digestion operations, along with some sites storing and recovering waste electronic and electrical equipment (WEEE) and hazardous waste. This permitting activity will need to be completed by July 2015 however any new applications for activities listed above which are received after 7 January 2013 will need to fully comply with the requirements of IED.

Food and Drink sector issues

The definition of installations producing foodstuffs captures activities where the production of foodstuffs is over 75 tonnes/day of animal raw materials and 300 tonnes/day of vegetable raw materials. IED clarifies how the regulators are to determine activities where both animal and vegetable materials are processed. We anticipate between 20 and 40 installations could be newly subject to permitting under IED as a result of the application of this approach. This permitting activity will need to be completed by July 2015.

Agriculture sector issues

The definition of poultry in IED has been confirmed as including game birds. We have carefully considered what constitutes intensive rearing under the Directive, it is currently considered that only those game bird farms which are similar in nature (in terms of length of rearing season, stocking density, and nature of housing) to poultry farms already regulated by the Environment Agency as Part A installations, may become subject to IED. We anticipate that very few game bird rearing installations are likely to be affected and require an IED permit.

Our role

The regulators for IED are Local Authorities (for Part B and A2 activities) and the Environment Agency (for Part A1 activities).

Implementing IED is important to us as it will contribute to our Corporate Strategy to protect and improve water, land and air and by further requiring regulated businesses to reduce their contributions to climate change and adapt to its consequences. There are a number of significant cross-sector and sector specific impacts presented by IED. We will be working to ensure that the necessary guidance is available so that all regulated sectors can plan, prepare and take the appropriate steps to comply at the appropriate time.

Next steps

Further background has been provided on IED by Defra on their website at this [link](#) and the consultation is available on their website at this [link](#).

It's important for you to take the opportunity to feed into the consultation process to help develop how IED will be implemented. However, If you have any questions about our role speak to your usual Environment Agency Area or Sector lead contact or you can e-mail us at: IED@environment-agency.gov.uk.