

## Introduction

This briefing provides an update on the work we are doing to implement the **Industrial Emissions Directive (IED)**. It is aimed at operators of permitted installations and newly prescribed activities.

## Background

IED requires an integrated approach to be taken to the regulation of a range of industrial processes and applies to all activities that are listed in the Directive. Many of these are activities already regulated under IPPC, although some new activities are included. IED was transposed in England by [The Environmental Permitting \(England and Wales\) \(Amendment\) Regulations 2013](#) which came into force on 27 February. IED applies immediately to all activities that were in operation or permitted before 7 January 2013; other key transposition dates are noted below.

## Update on key issues

**Permitting issues for Existing Installations:** From **7 January 2014** IED will apply to all existing installation permits. In effect this will make a negligible change to their permits. We will be sending a letter to operators to outline what the changes are, essentially around a new condition concerning periodic monitoring and to raise awareness about the need for baseline reports. This will forewarn operators that it is in their interest to consider what evidence they have of the condition of soil and groundwater beneath their facility to meet this condition. Other than sites subject to periodic permit review or those being reviewed as a result of publication of BAT Conclusions there should be no new significant work driven by IED on existing permitted installations.

**Permitting issues for Existing Facilities operating activities newly prescribed under IED:** From **7 July 2015** activities that are newly specified as requiring an installation permit must have been permitted. This process of bringing in these new activities will start early next year. We will be making contact this December with operators and permit holders likely to be affected by the changes. We will provide guidance and advise operators of the implications of the IED for them and explain their potential courses of action.

**Permitting issues for Large Combustion Plant:** From **1 January 2016** all existing large combustion plants must meet the specific requirements set out in Chapter III and Annex V of IED.

**Permit Reviews:** The Iron and Steel sector reviews to implement new BREF have been triggered using a Regulation 60 Notice seeking information from operators on their BAT-Gap. This method is proposed for future sector permit reviews triggered by the publication of a BAT Conclusions document.

We continue to progress administrative variations to those permits where IED implementation changed the activity schedule reference. These are technical changes for which we are not charging and will remove any uncertainty in which of the revised activities the permit authorises. We hope to have this work finished by January 2014.

**Energy Efficiency:** We need to update our primary energy efficiency guidance (H2) to accommodate IED and the Energy Efficiency Directive (EED) Article 14 requirements. Work will progress into next spring on this and will involve an external consultation on our proposed guidance. We anticipate the H2 and supporting Article 14

guidance will be published in advance of the EED timetable of June 2014. Until that time operators should continue to refer to the [Government's Part A Installations guidance](#) and our existing [H2 guidance](#).

**Derogation:** We have commenced a review of tools and guidance that can be used by operators when considering their compliance with BREFs. The key guidance which could be used for requests for derogation from BAT will be H1. We are currently [consulting on the revisions to H1](#) and this consultation closes on 24 December 2013. We have developed a draft methodology for assessing derogations which we will pilot during our review of the Iron and Steel work. Once complete we will discuss this with our various sector groups before rolling it out during spring 2014.

**Compliance:** The IED includes a minimum frequency requirement for installations to receive a site visit from the regulator. The **minimum** frequency of a site visit shall not exceed 1 year for installations posing the highest risks and 3 years for installations posing the lowest risks. Our current approach to defining risk and identifying good and poor performers involves use of the Opra spreadsheet and compliance data held within the Compliance Classification System (CCS), respectively. Current proposals are that for Tier 3 sites, we will set a threshold based on the total Opra profile score. Sites above the higher threshold score would be considered 'highest risk'. Work is ongoing to define 'lowest risk' for IED but will most likely include Tier 2 sites. These proposed changes will be managed by ourselves and will commence from January 2014. Our proposed approach should have negligible impact upon operators with existing permits.

**Bat conclusions:** Installation applications will continue to be assessed against BAT (Best Available Techniques) as guided by European guidance notes (BREFs) and associated BAT Conclusions. We don'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. To date the following BAT Conclusions have been published (titles link to EC decision):

- [Manufacture of Glass](#) on 8 March 2012
- [Iron and Steel Production](#) on 8 March 2012
- [Tanning of Hides and Skins](#) on 16 February 2013
- [Production of Cement, Lime and Magnesium Oxide](#) on 9 April 2013

BAT Conclusions for Paper and Pulp, Refineries and Chlor Alkali are expected to be published soon.

**Other guidance issues:** The Government has been conducting a Smarter Environmental Regulation Review as an outcome of the Red Tape Challenge. The intention is to make it easier, quicker and clearer to understand what environmental rules apply. This work is also influenced by the migration of all Government bodies web content onto the .GOV.UK website. These processes mean there has been a restriction on the guidance that can be published over the 13/14 period. This will result in only limited publication of IED guidance on key issues such as derogation. However, we are working hard to ensure all staff and customers get key advice through alternative channels as necessary and will provide further update on this in due course.

## Further information

We will provide further briefing and guidance at appropriate times in future. If you have any questions about our role or want further information about IED please refer to IED at our [website](#) or speak to your usual Environment Agency Area or Sector lead contact or contact us on the number below.

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