

## Federation of Norwegian Industries:

### Simplifications of administrative burden in environmental legislation

#### About the Federation of Norwegian Industries

**The Federation of Norwegian Industries** represents industry branches such as oil and gas contractors, onshore petroleum activities, aluminium, biotechnology, cement, chemical industries, electro and energy equipment, furniture, glass and ceramics, machine and hardware industry, maritime industry, aquaculture and aquaculture suppliers, metals, mining, paints and coatings, graphic arts and communication, paper and pulp, pharmaceuticals, plastics, recycling, facility services, textiles and clothing, etc. **We represent around 3.200 companies with approx. 145.000 employees.** We are active members of several European industry federations in Brussels.

#### Simplifications in the Waste framework directive

Well-functioning internal markets for secondary raw materials is key for the European circular economy. The Federation of Norwegian Industries believes that there is a potential for **better harmonisation of definitions and simplification of the European Waste framework directive.** There are numerous examples of Members States practising different interpretations for regulations and definitions that are harmonised in Europe. For instance, different interpretations of the European definitions of **by-products and end of waste** are still common, as well as the **level of contaminants allowed for in types of so-called "green listed waste"**. As an example, there are numerous interpretations on the criteria for by-products in the Waste Framework Directive with regard to e.g. when a substance or object is considered to be produced as an integrated part of a production process. The same applies for when the specific use of a by-product is considered to not have overall adverse environmental or human health impacts. Different interpretations and practices stand in the way of well-functioning European markets for secondary materials. **We recommend that the work on a Circular Economy Act includes simplification of the current definitions of waste, by-products and End of Waste in the Waste Framework Directive.**

#### Extended Producer Responsibility (EPR)

Extended Producer Responsibility has been promoted as a policy tool for an increasing number of product types. **However, there is no documentation that the recent multiplication of EPR-schemes creates a more circular economy.** We support simplification and harmonization of the provisions for EPR-schemes. In addition, a **socio-economic assessment of extended producer responsibility as a policy tool should be carried out, before setting up new EPR-schemes.**

Preserving fair competition amongst European recyclers is vital for industry. It is essential to ensure that Producer Responsibility Organisations (PROs) are not market actors and do not offer operational services related to, for example, waste management, consultancy and advisory services, etc. **Therefore, PROs should be prohibited from having an operational role in the same market that they regulate.** Additionally, PROs should be required to be not-for-profit.

#### SCIP-database

The SCIP-database was introduced in the 2018-revision of the Waste Framework Directive as a measure to help waste management companies identify articles containing substances of very high concern and improve the recycling processes. In addition, the database could help consumers to identify such articles and choose more environmentally friendly products. Our experience is that the database is of little/no help to waste management companies and consumers. The database has not achieved its objective, as the data is not useful for its target groups. **Therefore, the Federation of Norwegian Industries supports the discontinuation of the SCIP-database.**

## Environmental permitting

Renewal of existing permits and the obtention of new ones are critical to industry. Although the duration of permit-granting processes varies, we experience that **it is not uncommon that obtention of new permits (or even renewals of existing permits) may take many years.** Naturally, such permitting challenges hampers investments and slows down the green transition in Europe. **The Federation of Norwegian Industries believes that there should be introduced a requirement at EU level to set a time limit for the permit granting process for new environmental permits.** We refer to the EU Critical Raw Materials Act art. 11 where it is set a requirement for the duration of permit granting processes for strategic projects. Similar requirements could be introduced for instance in the Industrial Emissions Directive. Where an environmental impact assessment is required, the step of the assessment should not be included in the duration for the permit-granting.

**The European Water Framework Directive poses an increasing risk to new and existing permits.** The so-called non-deterioration principle, as interpreted under the Weser ruling, focuses on preventing the deterioration of a single quality factor (one out-all out) rather than the overall water quality of a water body, making exemptions almost impossible. The Federation of Norwegian Industries have experienced that **applications for establishment of new modern industrial facilities are turned down by the National Environmental Authorities, because of the deterioration of a single quality factor.** Similar cases are found in other European countries, and we are concerned that more cases may follow. The narrow interpretation of the Water Framework Directive sets aside BAT-AELs, which has been carefully developed under the Industrial Emissions Directive. This results in unrealistic requirements for emissions to water. **Hence, we strongly recommend that the interface between the Water Framework Directive and the Industrial Emissions Directive is addressed, to simplify the burdens in the environmental legislation.**

According to the Industrial Emissions Directive, the procedures for updating existing BAT reference documents (BREF-document) aims at an eight-year review cycle, prioritizing the documents that have the highest potential to improve the protection of human health or the environment (art. 13 (1)). **The Federation of Norwegian Industries believes that the review cycle for BREF-documents should be extended to at least 10 years.** First of all, the review of BREF-documents is a time and resource consuming task. Contrary to the aims in the directive, a review after only eight years has not yet occurred for any BREF document. Secondly, the emergence, installation and operation of new technologies and techniques in different industries, which is the basis for reviewing BAT and BAT-conclusions, will normally follow timelines that go far beyond eight years.

Finally, the Industrial Emissions Directive specifies that all permit conditions shall be updated in accordance with new BAT conclusions four years after its publication (art. 21 (3)). Our experience is four years may be too little time to implement new BAT conclusions, considering the need to carry out necessary investments and installations of new technology. Further, the requirement that installations shall comply with the permit condition within four years is in many cases not implemented or enforced in Member States. **Therefore, the deadline to implement and enforce new BAT-conclusions should be expanded to 6 years.** This will provide more flexibility for industry and also ease the pressure on case handling capacity within the competent authorities.

## Transition plans and decarbonization roadmaps

Today, there are overlapping requirements to the development of transition plans and decarbonization roadmaps. The Industrial Emissions Directive (IED), Corporate Sustainability Reporting Directive (CSRD), the Corporate Sustainability Due Diligence Directive (CSDDD) and ETS Directive all include reporting requirements with regards to transformation/ transition plans that shall ensure that companies are taking steps to transition to net zero emissions.

Overlapping information requirements create administrative burdens and reporting costs. These efforts have to be streamlined and simplified, especially for sectors and activities covered under

the Industrial Emissions Directive. **We recommend that facilities that are covered by the IED, and subject to requirements to develop transformation plans, should be able to use the same information and plans to comply with the requirements in the CSRD, CSDDD and ETS-directive.**