

Chapter 4 (Techniques to consider in the determination of BAT)

4.x Environmental management tools

Description

The best environmental performance is usually achieved by the installation of the best technology and its operation in the most effective and efficient manner. This is recognised by the IPPC Directive definition of ‘techniques’ as “*both the technology used and the way in which the installation is designed, built, maintained, operated and decommissioned*”.

For IPPC installations an Environmental Management System (EMS) is a tool that operators can use to address these design, construction, maintenance, operation and decommissioning issues in a systematic, demonstrable way. An EMS includes the organisational structure, responsibilities, practices, procedures, processes and resources for developing, implementing, maintaining, reviewing and monitoring the environmental policy. Environmental Management Systems are most effective and efficient where they form an inherent part of the overall management and operation of an installation.

Within the European Union, many organisations have decided on a voluntary basis to implement environmental management systems based on EN ISO 14001:1996 or the EU Eco-management and audit scheme EMAS. EMAS includes the management system requirements of EN ISO 14001, but places additional emphasis on legal compliance, environmental performance and employee involvement; it also requires external verification of the management system and validation of a public environmental statement (in EN ISO 14001 self-declaration is an alternative to external verification). There are also many organisations that have decided to put in place non-standardised EMSs.

While both standardised systems (EN ISO 14001:1996 and EMAS) and non-standardised (“customised”) systems in principle take the *organisation* as the entity, this document takes a more narrow approach, not including all activities of the organisation e.g. with regard to their products and services, due to the fact that the regulated entity under the IPPC Directive is the *installation* (as defined in Article 2).

An environmental management system (EMS) for an IPPC installation can contain the following components:

- (a) definition of an environmental policy
- (b) planning and establishing objectives and targets
- (c) implementation and operation of procedures
- (d) checking and corrective action
- (e) management review
- (f) preparation of a regular environmental statement
- (g) validation by certification body or external EMS verifier
- (h) design considerations for end-of-life plant decommissioning
- (i) development of cleaner technologies

(j) benchmarking.

These features are explained in somewhat greater detail below. For detailed information on components (a) to (g), which are all included in EMAS, the reader is referred to the reference literature indicated below.

(a) Definition of an environmental policy

Top management are responsible for defining an environmental policy for an installation and ensuring that it:

- is appropriate to the nature, scale and environmental impacts of the activities
- includes a commitment to pollution prevention and control
- includes a commitment to comply with all relevant applicable environmental legislation and regulations, and with other requirements to which the organisation subscribes
- provides the framework for setting and reviewing environmental objectives and targets
- is documented and communicated to all employees
- is available to the public and all interested parties.

(b) Planning, i.e.:

- procedures to identify the environmental aspects of the installation, in order to determine those activities which have or can have significant impacts on the environment, and to keep this information up-to-date
- procedures to identify and have access to legal and other requirements to which the organisation subscribes and that are applicable to the environmental aspects of its activities
- establishing and reviewing documented environmental objectives and targets, taking into consideration the legal and other requirements and the views of interested parties
- establishing and regularly updating an environmental management programme, including designation of responsibility for achieving objectives and targets at each relevant function and level as well as the means and timeframe by which they are to be achieved.

(c) Implementation and operation of procedures

It is important to have systems in place to ensure that procedures are known, understood and complied with, therefore effective environmental management includes:

(i) Structure and responsibility

- defining, documenting and communicating roles, responsibilities and authorities, which includes appointing one specific management representative
- providing resources essential to the implementation and control of the environmental management system, including human resources and specialised skills, technology and financial resources.

(ii) Training, awareness and competence

- identifying training needs to ensure that all personnel whose work may significantly affect the environmental impacts of the activity have received appropriate training.

(iii) Communication

- establishing and maintaining procedures for internal communication between the various levels and functions of the installation, as well as procedures that foster a dialogue with external interested parties and procedures for receiving, documenting and, where reasonable, responding to relevant communication from external interested parties.

(iv) Employee involvement

- involving employees in the process aimed at achieving a high level of environmental performance by applying appropriate forms of participation such as the suggestion-book system or project-based group works or environmental committees.

(v) Documentation

- establishing and maintaining up-to-date information, in paper or electronic form, to describe the core elements of the management system and their interaction and to provide direction to related documentation.

(vi) Efficient process control

- adequate control of processes under all modes of operation, i.e. preparation, start-up, routine operation, shutdown and abnormal conditions
- identifying the key performance indicators and methods for measuring and controlling these parameters (e.g. flow, pressure, temperature, composition and quantity)
- documenting and analysing abnormal operating conditions to identify the root causes and then addressing these to ensure that events do not recur (this can be facilitated by a ‘no-blame’ culture where the identification of causes is more important than apportioning blame to individuals).

(vii) Maintenance programme

- establishing a structured programme for maintenance based on technical descriptions of the equipment, norms etc. as well as any equipment failures and consequences
- supporting the maintenance programme by appropriate record keeping systems and diagnostic testing
- clearly allocating responsibility for the planning and execution of maintenance.

(viii) Emergency preparedness and response

- establishing and maintaining procedures to identify the potential for and response to accidents and emergency situations, and for preventing and mitigating the environmental impacts that may be associated with them.

(d) Checking and corrective action, i.e.:

(i) Monitoring and measurement

- establishing and maintaining documented procedures to monitor and measure, on a regular basis, the key characteristics of operations and activities that can have a significant impact on the environment, including the recording of information for tracking performance, relevant operational controls and conformance with the installation's environmental objectives and targets (*see also the Reference document on Monitoring of Emissions*)
- establishing and maintaining a documented procedure for periodically evaluating compliance with relevant environmental legislation and regulations.

(ii) Corrective and preventive action

- establishing and maintaining procedures for defining responsibility and authority for handling and investigating non-conformance with permit conditions, other legal requirements as well as objectives and targets, taking action to mitigate any impacts caused and for initiating and completing corrective and preventive action that are appropriate to the magnitude of the problem and commensurate with the environmental impact encountered.

(iii) Records

- establishing and maintaining procedures for the identification, maintenance and disposition of legible, identifiable and traceable environmental records, including training records and the results of audits and reviews.

(iv) Audit

- establishing and maintaining (a) programme(s) and procedures for periodic environmental management system audits that include discussions with personnel, inspection of operating conditions and equipment and reviewing of records and documentation and that results in a written report, to be carried out impartially and objectively by employees (internal audits) or external parties (external audits), covering the audit scope, frequency and methodologies, as well as the responsibilities and requirements for conducting audits and reporting results, in order to determine whether or not the environmental management system conforms to planned arrangements and has been properly implemented and maintained
- completing the audit or audit cycle, as appropriate, at intervals of no longer than three years, depending on the nature, scale and complexity of the activities, the significance of associated environmental impacts, the importance and urgency of the problems detected by previous audits and the history of environmental problems – more complex activities with a more significant environmental impact are audited more frequently
- having appropriate mechanisms in place to ensure that the audit results are followed up.

(v) Periodic evaluation of legal compliance

- reviewing compliance with the applicable environmental legislation and the conditions of the environmental permit(s) held by the installation
- documentation of the evaluation.

(e) Management review, i.e.:

- reviewing, by top management, at intervals that it determines, the environmental management system, to ensure its continuing suitability, adequacy and effectiveness
- ensuring that the necessary information is collected to allow management to carry out this evaluation
- documentation of the review.

(f) Preparation of a regular environmental statement:

- preparing an environmental statement that pays particular attention to the results achieved by the installation against its environmental objectives and targets. It is regularly produced – from once a year to less frequently depending on the significance of emissions, waste generation etc. It considers the information needs of relevant interested parties and it is publicly available (e.g. in electronic publications, libraries etc.).

When producing a statement, the operator may use relevant existing environmental performance indicators, making sure that the indicators chosen:

- i. give an accurate appraisal of the installation's performance
- ii. are understandable and unambiguous
- iii. allow for year on year comparison to assess the development of the environmental performance of the installation
- iv. allow for comparison with sector, national or regional benchmarks as appropriate
- v. allow for comparison with regulatory requirements as appropriate.

(g) Validation by certification body or external EMS verifier:

- having the management system, audit procedure and environmental statement examined and validated by an accredited certification body or an external EMS verifier can, if carried out properly, enhance the credibility of the system.

(h) Design considerations for end-of-life plant decommissioning:

- giving consideration to the environmental impact from the eventual decommissioning of the unit at the stage of designing a new plant, as forethought makes decommissioning easier, cleaner and cheaper
- decommissioning poses environmental risks for the contamination of land (and groundwater) and generates large quantities of solid waste. Preventive techniques are process-specific but general considerations may include:
 - i. avoiding underground structures
 - ii. incorporating features that facilitate dismantling
 - iii. choosing surface finishes that are easily decontaminated
 - iv. using an equipment configuration that minimises trapped chemicals and facilitates drain-down or washing
 - v. designing flexible, self-contained units that enable phased closure
 - vi. using biodegradable and recyclable materials where possible.

(i) Development of cleaner technologies:

- environmental protection should be an inherent feature of any process design activities carried out by the operator, since techniques incorporated at the earliest possible design stage are both more effective and cheaper. Giving consideration to the development of cleaner technologies can for instance occur through R&D activities or studies. As an alternative to internal activities, arrangements can be made to keep abreast with – and where appropriate – commission work by other operators or research institutes active in the relevant field.

(j) Benchmarking, i.e.:

- carrying out systematic and regular comparisons with sector, national or regional benchmarks, including for energy efficiency and energy conservation activities, choice of input materials, emissions to air and discharges to water (using for example the European Pollutant Emission Register, EPER), consumption of water and generation of waste.

Standardised and non-standardised EMSs

An EMS can take the form of a standardised or non-standardised (“customised”) system. Implementation and adherence to an internationally accepted standardised system such as EN ISO 14001:1996 can give higher credibility to the EMS, especially when subject to a properly performed external verification. EMAS provides additional credibility due to the interaction with the public through the environmental statement and the mechanism to ensure compliance with the applicable environmental legislation. However, non-standardised systems can in principle be equally effective provided that they are properly designed and implemented.

Main achieved environmental benefits

Implementation of and adherence to an EMS focuses the attention of the operator on the environmental performance of the installation. In particular, the maintenance of and compliance with clear operating procedures for both normal and abnormal situations and the associated lines of responsibility should ensure that the installation’s permit conditions and other environmental targets and objectives are met at all times.

Environmental management systems typically ensure the continuous improvement of the environmental performance of the installation. The poorer the starting point is, the more significant short-term improvements can be expected. If the installation already has a good overall environmental performance, the system helps the operator to maintain the high performance level.

Cross-media effects

Environmental management techniques are designed to address the overall environmental impact, which is consistent with the integrated approach of the IPPC Directive.

Operational data

No specific information reported.

Applicability

The components described above can typically be applied to all IPPC installations. The scope (e.g. level of detail) and nature of the EMS (e.g. standardised or non-standardised) will generally be related to the nature, scale and complexity of the installation, and the range of environmental impacts it may have.

Economics

It is difficult to accurately determine the costs and economic benefits of introducing and maintaining a good EMS. A number of studies are presented below. However, these are just examples and their results are not entirely coherent. They might not be representative for all sectors across the EU and should thus be treated with caution.

A Swedish study carried out in 1999 surveyed all 360 ISO-certified and EMAS-registered companies in Sweden. With a response rate of 50%, it concluded among other things that:

- the expenses for introducing and operating EMS are high but not unreasonably so, save in the case of very small companies. Expenses are expected to decrease in the future
- a higher degree of co-ordination and integration of EMS with other management systems is seen as a possible way to decrease costs
- half of all the environmental objectives and targets give payback within one year through cost savings and/or increased revenue
- the largest cost savings were made through decreased expenditure on energy, waste treatment and raw materials
- most of the companies think that their position on the market has been strengthened through the EMS. One-third of the companies report increasing revenue due to EMS.

In some Member States reduced supervision fees are charged if the installation has a certification.

A number of studies¹ show that there is an inverse relationship between company size and the cost of implementing an EMS. A similar inverse relationship exists for the payback period of invested capital. Both elements imply a less favourable cost-benefit relationship for implementing an EMS in SMEs compared to larger companies.

¹ [E.g. Dyllick and Hamschmidt (2000, 73) quoted in Klemisch H. and R. Holger, *Umweltmanagementsysteme in kleinen und mittleren Unternehmen – Befunde bisheriger Umsetzung*, KNI Papers 01 / 02, January 2002, p 15; Clausen J., M. Keil and M. Jungwirth, *The State of EMAS in the EU. Eco-Management as a Tool for Sustainable Development – Literature Study*, Institute for Ecological Economy Research (Berlin) and Ecologic – Institute for International and European Environmental Policy (Berlin), 2002, p 15.]

According to a Swiss study, the average cost for building and operating ISO 14001 can vary:

- for a company with between 1 and 49 employees: CHF 64000 (EUR 44000) for building the EMS and CHF 16000 (EUR 11000) per year for operating it
- for an industrial site with more than 250 employees: CHF 367000 (EUR 252000) for building the EMS and CHF 155000 (EUR 106000) per year for operating it.

These average figures do not necessarily represent the actual cost for a given industrial site because this cost is also highly dependent on the number of significant items (pollutants, energy consumption, ...) and on the complexity of the problems to be studied.

A recent German study [Schaltegger, Stefan and Wagner, Marcus, *Umweltmanagement in deutschen Unternehmen - der aktuelle Stand der Praxis*, February 2002, p. 106] shows the following costs for EMAS for different branches. It can be noted that these figures are much lower than those of the Swiss study quoted above. This is a confirmation of the difficulty to determine the costs of an EMS.

Costs for building (EUR):

minimum - 18750
maximum - 75000
average - 50000

Costs for validation (EUR):

minimum - 5000
maximum - 12500
average - 6000

A study by the German Institute of Entrepreneurs (Unternehmerinstitut / Arbeitsgemeinschaft Selbständiger Unternehmer UNI/ASU, 1997, *Umweltmanagementbefragung - Öko-Audit in der mittelständischen Praxis - Evaluierung und Ansätze für eine Effizienzsteigerung von Umweltmanagementsystemen in der Praxis*, Bonn.) gives information about the average savings achieved for EMAS per year and the average payback time. For example, for implementation costs of EUR 80000 they found average savings of EUR 50000 per year, corresponding to a payback time of about one and a half years.

External costs relating to verification of the system can be estimated from guidance issued by the International Accreditation Forum (<http://www.iaf.nu>).

Driving forces for implementation

Environmental management systems can provide a number of advantages, for example:

- improved insight into the environmental aspects of the company
- improved basis for decision-making
- improved motivation of personnel
- additional opportunities for operational cost reduction and product quality improvement
- improved environmental performance

- improved company image
- reduced liability, insurance and non-compliance costs
- increased attractiveness for employees, customers and investors
- increased trust of regulators, which could lead to reduced regulatory oversight
- improved relationship with environmental groups.

Example plants

The features described under (a) to (e) above are elements of EN ISO 14001:1996 and the European Community Eco-Management and Audit Scheme (EMAS), whereas the features (f) and (g) are specific to EMAS. These two standardised systems are applied in a number of IPPC installations. As an example, 357 organisations within the EU chemical and chemical products industry (NACE code 24) were EMAS registered in July 2002, most of which operate IPPC installations.

In the UK, the Environment Agency of England and Wales carried out a survey among IPC (the precursor to IPPC) regulated installations in 2001. It showed that 32% of respondents were certified to ISO 14001 (corresponding to 21% of all IPC installations) and 7% were EMAS registered. All cement works in the UK (around 20) are certified to ISO 14001 and the majority are EMAS registered. In Ireland, where the establishment of an EMS (not necessarily of a standardised nature) is required in IPC licenses, an estimated 100 out of approximately 500 licensed installations have established an EMS according to ISO 14001, with the other 400 installations having opted for a non-standardised EMS.

Reference literature

(Regulation (EC) No 761/2001 of the European parliament and of the council allowing voluntary participation by organisations in a Community eco-management and audit scheme (EMAS), OJ L 114, 24/4/2001,
http://europa.eu.int/comm/environment/emas/index_en.htm)

(EN ISO 14001:1996, <http://www.iso.ch/iso/en/iso9000-14000/iso14000/iso14000index.html>; <http://www.tc207.org>)

Chapter 5 (BAT)

5.x BAT for environmental management

A number of environmental management techniques are determined as BAT. The scope (e.g. level of detail) and nature of the EMS (e.g. standardised or non-standardised) will generally be related to the nature, scale and complexity of the installation, and the range of environmental impacts it may have.

BAT is to implement and adhere to an Environmental Management System (EMS) that incorporates, as appropriate to individual circumstances, the following features: [see Chapter 4]

- definition of an environmental policy for the installation by top management (commitment of the top management is regarded as a precondition for a successful application of other features of the EMS)
- planning and establishing the necessary procedures
- implementation of the procedures, paying particular attention to
 - structure and responsibility
 - training, awareness and competence
 - communication
 - employee involvement
 - documentation
 - efficient process control
 - maintenance programme
 - emergency preparedness and response
 - safeguarding compliance with environmental legislation.
- checking performance and taking corrective action, paying particular attention to
 - monitoring and measurement (*see also the Reference document on Monitoring of Emissions*)
 - corrective and preventive action
 - maintenance of records
 - independent (where practicable) internal auditing in order to determine whether or not the environmental management system conforms to planned arrangements and has been properly implemented and maintained.
- review by top management.

Three further features, which can complement the above stepwise, are considered as supporting measures. However, their absence is generally not inconsistent with BAT. These three additional steps are:

- having the management system and audit procedure examined and validated by an accredited certification body or an external EMS verifier
- preparation and publication (and possibly external validation) of a regular environmental statement describing all the significant environmental aspects of the installation, allowing for year-by-year comparison against environmental objectives and targets as well as with sector benchmarks as appropriate

- implementation and adherence to an internationally accepted voluntary system such as EMAS and EN ISO 14001:1996. This voluntary step could give higher credibility to the EMS. In particular EMAS, which embodies all the above-mentioned features, gives higher credibility. However, non-standardised systems can in principle be equally effective provided that they are properly designed and implemented.

Specifically for this industry sector*, it is also important to consider the following potential features of the EMS:

[For the individual TWG to decide whether to keep the whole paragraph, to delete the whole paragraph or to delete some of its bullet points.]*

- giving consideration to the environmental impact from the eventual decommissioning of the unit at the stage of designing a new plant
- giving consideration to the development of cleaner technologies
- where practicable, sectoral benchmarking on a regular basis, including energy efficiency and energy conservation activities, choice of input materials, emissions to air, discharges to water, consumption of water and generation of waste.