

Contents

Preface	17
INTRODUCTION: Heading for Sustainability – Business Accountability and Public Policy	19
Self-regulation or Enforced Rules?	19
Tools for Environmental Management	20
Business Charters	21
Politics and Regulation within the European Union	23
EU Main Mandatory Regulation Related to Industry	23
Public-private Agreements	24
National Legislation.....	25
Abbreviations, Internet Resources	26
1 Phases in Environmental Protection	27
1.1 The Road Towards Regulation	27
1.1.1 The Conflict Between Nature and Economy.....	27
1.1.2 The Environment Enters the Political Agenda	28
1.1.3 Control of Industrial Chemicals.....	28
1.1.4 Smoke and Wastewater	28
1.1.5 The Cost of Pollution.....	29
1.2 The Conflict Between Growth and Environmental Regulation	29
1.2.1 The Public-Private Dichotomy	29
1.2.2 The Origin of Regulation	30
1.2.3 From Control to Prevention	30
1.2.4 Overcoming the Dilemma – the Win-Win Option.....	31
1.3 Innovation and Technological Change	31
1.3.1 The Eco-Efficiency Credo – Environment by Competitiveness	31
1.3.2 The EU Solution – Decoupling	32
1.3.3 The UNEP Solution – Cleaner Production	33
1.4 The Fourth Era of Environmentalism – Sustainability	34
1.4.1 The Climate Issue	34
1.4.2 Sustainable Production and Consumption.....	34
1.5 Managing Hazardous Production Facilities	35
1.5.1 Responsible Care.....	35
1.5.2 The Seveso Directive	36
Study Questions, Abbreviations, Internet Resources	37

2 Development of EU Environmental Regulation.....	39
2.1 European Environmental Cooperation	39
2.1.1 The Origins.....	39
2.1.2 The First Pieces of Legislation	39
2.1.3 The Paris Declaration	41
2.1.4 The First Environmental Action Programmes.....	41
2.1.5 A Formal Base for European Environmental Legislation	41
2.2 The European Union Environmental Policies	42
2.2.1 The Third and Fourth Environmental Action Programmes	42
2.2.2 The Single Market	42
2.2.3 Towards Sustainability – the Fifth EAP	46
2.2.4 Assessing the Fifth EAP	47
2.2.5 The Sixth EAP, 2002-2010	48
2.2.6 The Lisbon Agenda and the Strategy on Sustainable Development	48
2.3 EU Policies and the Surrounding World.....	50
2.3.1 EU and External Trade	50
2.3.2 EU Policies	50
2.3.3 EU in International Negotiations	50
2.3.4 The EU Enlargement to the East.....	50
Study Questions, Abbreviations, Internet Resources	51
3 Are Environmental Management Systems Sufficient?.....	53
3.1 Management Systems and Self-regulation	53
3.1.1 Reasons for Self-regulation	53
3.1.2 A Variety of Environmental Management Systems.....	54
3.1.3 The Nature of the EMS	54
3.2 Steps in Introducing an Environmental Management System	55
3.2.1 Initial Environmental Review	55
3.2.2 Environmental Policy.....	56
3.2.3 Assessing Potential Environmental Impacts.....	56
3.2.4 Planning	56
3.2.5 Implementation and Training	56
3.2.6 Checking, Corrective Actions and Management Review	56
3.3 Comparing the Management Systems	57
3.3.1 EMAS, ISO 14001 and the Green Network	57
3.3.2 The Objectives of EMAS.....	57
3.3.3 Environmental Statements.....	60
3.3.4 A Comparison	60
3.4 The Experiences and Effects of Environmental Management Systems	60
3.4.1 The Insufficiencies of EMS	60
3.4.2 Is Continuous Improvement Actually Occurring?	61
3.4.3 External Verification by Independent Auditors	61
3.4.4 Studies on Environmental Performance and EMS	61
3.4.5 Correlations Between EMS and Environmental Performance	62
3.4.6 Environmental Management Systems and Compliance with Legal Regulations	63
3.4.7 The Positive Sides – Improved Overview and Financial Benefits	63
3.4.8 How to Ensure Improved Environmental Performance.....	63
Study Questions, Abbreviations, Internet Resources	64

4 Self-regulation and Voluntary Corporate Initiatives	65
4.1 Voluntary Business Initiatives	65
4.1.1 The Challenges of Improving Environmental Performance	65
4.1.2 The Life-Cycle Perspective	66
4.1.3 The Communication Perspective.....	66
4.2 Instruments Based on Corporate Responsibility	67
4.2.1 Codes of Conduct	67
4.2.2 Environmental Stewardship and other Codes.....	67
4.2.3 Corporate Social Responsibility	67
4.3 Calculating Environmental and Societal Costs.....	68
4.3.1 Sustainability Accounting	68
4.3.2 Environmental Management Accounting, EMA	69
4.3.3 The Triple Bottom Line	69
4.3.4 The Global Reporting Initiative, GRI	69
4.4 Product-related Measures	70
4.4.1 Eco-design.....	70
4.4.2 Extended Producer Responsibility.....	71
4.4.3 Eco-labelling	73
4.5 Evaluating Corporate Voluntary Initiatives	73
4.5.1 The Positive Sides of Voluntary Measures	73
4.5.2 Which Environmental Management Instrument to Choose	73
4.5.3 Do Voluntary Measures Lead to Compliance?	74
Study Questions, Abbreviations, Internet Resources	75
5 Shared Responsibilities	77
5.1 The Background	77
5.1.1 The Limitations of Control.....	77
5.1.2 Shared Responsibilities	78
5.1.3 The Choice between Self-Regulation and Authority Control	78
5.2 The EU and Business World Response	79
5.2.1 The EU Environmental Action Programmes.....	79
5.2.2 The Sustainability Agenda	79
5.2.3 Business Action for Sustainable Development-Initiative, BASD	80
5.3 Covenants/Environmental Agreements, EA.....	80
5.3.1 Environmental Agreements versus Command-and-Control	80
5.3.2 EA and the Dutch National Environmental Policy Plan, NEPP	81
5.3.3 Implementing Environmental Agreements	82
5.3.4 Experiences from the Dutch Environmental Agreements.....	83
5.3.5 Upcoming Revised Dutch Environmental Policy has a Limited Role for Environmental Agreements	84
5.4 Environmental Agreements and the EU	84
5.4.1 Evaluation of the Environmental Agreements	84
5.4.2 The Member States Survey	85
5.5 Experiences of Shared Responsibilities.....	86
5.5.1 The Meaning of "Share"	86
5.5.2 Implementation	86
5.5.3 Securing Compliance	87

5.6 Shifting Nature of Environmental Challenges Changes the Notion of “Sharing”	87
5.6.1 New Trends	87
5.6.2 The New Task Ahead.....	87
Study Questions, Abbreviations, Internet Resources	89
6 Environmental Licensing and the IPPC Directive.....	91
6.1 Components of Environmental Law	91
6.1.1 Modernising Regulation through Integration	91
6.1.2 The Legal Framework	92
6.1.3 National and International Legislation	92
6.2. Directives Related to IPPC.....	92
6.2.1 IPPC, EIA, SEVESO and EMAS	92
6.2.2 Environmental Impact Assessment	93
6.2.3 Which Directives Apply?	93
6.2.4 Public Participation.....	93
6.3 The IPPC Directive	95
6.3.1 Regulating Industrial Activities.....	95
6.3.2 The Base of the Directive.....	95
6.3.3 Objectives and Principles of the Directive	95
6.3.4 The Integrated Approach	96
6.3.5 Emission Limit Values, ELV	96
6.3.6 Best Available Techniques.....	96
6.3.7 Review, Update, and Public Participation	97
6.4 The IPPC Licensing Procedure.....	97
6.4.1 The Environmental Courts	97
6.4.2 The IPPC Permit Application	98
6.5 Assessment	99
6.5.1 Key Elements.....	99
6.5.2 BAT and BREFs.....	99
6.5.3 Economic Aspects of BAT	100
6.5.4 The Relation between Emissions, EQSs and the Local Environment.....	101
6.5.5 Formulating Conditions in the Permit	101
Study Questions, Abbreviations, Internet Resources	102
7 Implementing Environmental Licensing.....	103
7.1 Balancing Rules for Environmental Licensing	103
7.1.1 Balancing Different Interests	103
7.1.2 Technology or Limit Values	103
7.1.3 Emission Limit Values, ELVs	104
7.2 Best Available Technique	104
7.2.1 Sector or Company Standards.....	104
7.2.2 BREFs or Continuous Improvement.....	107
7.3 The Integrated Approach.....	108
7.3.1 The OECD Approach.....	108
7.3.2 Extending the Material Flows Perspective.....	108
7.4 Promotion of CP via the IPPC Licensing Framework	109
7.4.1 Promoting Environmental Development	109
7.4.2 The Licensing Process as a Dynamic Cycle.....	110

7.4.3 Negotiation During the Licensing Process	110
7.4.4 Developing Conditions	110
7.4.5 Information	111
7.4.6 The Weak Point – Lack of Systems View	111
7.5 Licensing and Other Regulatory Instruments	111
7.5.1 Goals and Policies in the Licence.....	111
7.5.2 Licensing Supporting EMS.....	112
7.5.3 Differences Between Licensing and EMS	113
7.5.4 Development and Environmental Plans	113
Study Questions, Abbreviations, Internet Resources	114
8 Compliance – Monitoring and Continuous Improvement.....	115
8.1 Factors which Promote Compliance	115
8.1.1 From Implementation to Control	115
8.1.2 Compliance Programme	115
8.1.3 The Competent Authorities	116
8.1.4 Role of ‘Policing’ and ‘Deterrence’.....	117
8.1.5 The Role of the Market and the Public.....	117
8.1.6 Green Networking Provides Support.....	118
8.2 The Competent Authorities	119
8.2.1 From the European Union to Member States	119
8.2.2 State Level Environmental Authorities	119
8.2.3 The Regional and Municipal Level	119
8.2.4 Power in Public Administration	120
8.2.5 The Pros and Cons of Decentralization	120
8.3 Compliance and Management Systems.....	121
8.3.1 The Scope of the IPPC Directive.....	121
8.3.2 Compliance Typology and EMS	122
8.3.3 Differentiated Inspections	122
8.3.4 The Compliance Cycle	123
8.4 Monitoring	123
8.4.1 The Role of Monitoring.....	123
8.4.2 Self-monitoring	124
8.5 Evaluation of Compliance Programmes	124
8.5.1 Evaluation as Feedback	124
8.5.2 Compliance as Continuous Improvement	125
Study Questions, Abbreviations, Internet Resources	126
9 Inspection, Enforcement and Court Processes	127
9.1 Inspection	127
9.1.1 The Role of Inspections.....	127
9.1.2 Four Types of Inspections	127
9.1.3 The Functions of Inspections.....	128
9.1.4 Form and Intensity of Inspections.....	129
9.2 Enforcement	130
9.2.1 Enforcement Actions	130
9.2.2 The Range of Response Mechanisms.....	130
9.2.3 The Enforcement Process – Selection of the Appropriate Enforcement Response.....	131

9.3 The Court Process	131
9.3.1 Appeals within the Administrative System	131
9.3.2 Protection of Citizens Rights – Rule of Law	133
9.3.3 The Role of the Courts	133
9.3.4 Courts to be Involved in Cases of Criminal Charges	133
9.4 Agreements, Compensation and Damage	134
9.4.1 Agreements	134
9.4.2 Proportionality and the Consequences of Violations	134
9.4.3 Compensation for Damages	135
Study Questions, Abbreviations, Internet Resources	136
10 Economic Policy Instruments – Taxes and Fees	137
10.1 The Economy of Environmental Protection	137
10.1.1 To Pay the Costs of Environmental Services	137
10.1.2 Why Economic Instruments?	138
10.1.3 Setting the Right Price for External Effects	138
10.1.4 The Polluter Pays Principle	139
10.2 Charges or User Fees	139
10.2.1 Charges	139
10.2.2 Setting a Price for Water Services	140
10.3 Environmental Taxes	140
10.3.1 Introducing Environmental Taxes	140
10.3.2 Pollution Fees and Product Taxes	140
10.3.3 Taxes on Waste	141
10.3.4 Energy Taxation	142
10.3.5 Taxes on Fuels	142
10.3.6 Car-related Taxes make up the Most	143
10.3.7 Making Passenger Car Taxation Environmentally Based	145
10.4 Subsidies	146
10.4.1 Subsidies as State Support	146
10.4.2 The European Union Subsidies Programmes	146
10.5 Role of Environmental Economic Policy	146
10.5.1 Tax Revenue or Environmental Protection	146
10.5.2 Do the Polluters pay?	147
10.5.3 Taxation does Reduce Pollution of the Environment.	147
Study Questions, Abbreviations, Internet Resources	148
11 Market-based Economic Instruments – Emission Trading	149
11.1 Making Business of the Environment	149
11.1.1 The Role of Markets in Environmental Protection	149
11.1.2 Economic Tools Using Market Mechanisms	149
11.1.3 A Market for Waste	150
11.2 Emission Trading	150
11.2.1 The First Experiences	150
11.2.2 Trading Emissions Under the Climate Convention	151
11.2.3 The EU Obligations in the Kyoto Protocol	152
11.2.4 EU Emission Trading Scheme (EU-ETS)	152

11.3 Implementing Emission Trading	153
11.3.1 Assessment of Allowances.....	153
11.3.2 The Results of Trading in the First Period.....	154
11.3.3 Following Periods – beyond the Industrial Installations.....	154
11.3.4 Policy Measures – the EU Linking Directive.....	155
11.4 Climate Policy and Sustainable Development	156
11.4.1 Growth Versus Emissions.....	156
11.4.2 IPCC 4th Assessment Report – Taxing Carbon.....	157
11.4.3 Sustainable Development and the Concept of an Ecological Tax Reform.....	158
11.4.4 Towards a Sustainability Regime.....	159
Study Questions, Abbreviations, Internet Resources	160

References	161
-------------------------	-----

A Inspection – Environmental Inspection and Enforcement in Theory and Practice	169
---	------------

Part 1 Theory and Framework	171
1. Introduction	171
2. Objects of Inspection	171
A- and B-levels.....	171
C-level.....	171
U-level.....	171
3. Licences – IPPC and BREFs	172
Environmental Inspections.....	172
4. Authorities – Organization and Framework	173
5. Environmental Legislation	173
6. Law Enforcement	173
7. Quality of the Inspection	174
The Working Methods.....	174
Management of the Quality of Inspections.....	175
8. Communication and Conflict Management	175
9. Social Skills	176
Study Questions.....	176

Part 2 Environmental Inspection in Practice	177
1. Introduction	177
2. EU Parliament Recommendations for Minimum Criteria for Environmental Inspection	177
3. Inspection Planning – Preparation of On-site Visits	179
4. Inspection Reports	179
5. National Legislation	181
Study Questions.....	181
Seminar Topics.....	182

Part 3 Students Workshops	183
1. Student Exercise – Preparation of an Inspection	183
Seminar Topics	183
2. Study Visit to a Local Inspection Authority	183
Study Questions	183
3. Study Visit to an Inspection Object	184
Study Questions	184
4. Concluding Workshop	184
Study Questions for a Concluding Discussion	184
Internet Resources	185

B European Union Environmental Legislation

187

1. INTRODUCTION	189
1.1 Basis of European Union Legislation	189
1.2 Development of the Directives	189
1.3 Framework Directives	190
1.4 Strategies and Policies	190
1.5 Incorporation into National Legislation	190
1.6 Legal Follow-up	191
1.7 Policy Areas	191
1.8 Economic Instruments	191
1.9 The European Economic Area	192
1.10 European Neighbourhood Policy	192
1.11 Global Cooperation	192
2. AIR	193
2.1 Clean Air for Europe	193
2.2 The Convention on Long Range Transboundary Air Pollution	194
2.3 The Air Quality Framework Directive and its Daughter Directives	194
2.4 Air Quality Standards	195
2.5 Emissions from Traffic on Road, Sea and Air	195
2.6 Emissions from Industrial Sources – Large Combustion Power Plants	195
3. CHEMICALS	196
3.1 The Dilemma of Chemicals Control	196
3.2 The REACH Regulation	196
3.3 Scope of REACH	196
3.4 The Implementation of REACH	197
3.5 The Directives on Existing Substances, EINECS and ELINCS	197
3.6 Plant Protection Products and Biocides	198
3.7 POPs – Persistent Organic Pollutants	198
3.8 Directives on Chemical Accidents (Seveso II)	198
3.9 Large Oil Spills at Sea	199
4. ENERGY	199
4.1 Energy and Environment	199
4.2 Energy Efficiency	200
4.3 Energy Performance of Buildings	200
4.4 Cogeneration	201

5. CLIMATE CHANGE	201
5.1 EC and the United Nations Framework Convention on Climate Change	201
5.2 European Climate Change Programme (ECCP)	201
5.3 EU Emissions Trading Scheme (ETS)	202
5.4 The Community Strategy to Reduce CO ₂ from Light Vehicles (Cars and Vans)	202
5.5 European Community Action to Reduce Ozone-Depleting Substances	202
6. INDUSTRY AND TECHNOLOGY	203
6.1 The EU Industrial Environmental Regulations and Policies	203
6.2 The IPPC Directive	203
6.3 Development of the IPPC Directive	203
6.4 Eco-Management and Audit Scheme (EMAS)	204
6.5 Integrated Product Policy (IPP)	204
6.6 Implementing the Integrated Product Policy	204
6.7 The European Union Eco-label Scheme	205
6.8 Greening Standardisation	205
6.9 Green Public Procurement	205
6.10 Environmental Technologies Action Plan, ETAP	205
7. LAND USE, NATURE PROTECTION, AND SOIL	206
7.1 Land Use and Spatial Planning	206
7.2 Environmental Impact Assessment	206
7.3 Strategic Environmental Assessment	207
7.4 Nature Protection and Biodiversity	207
7.5 Proposal for a Framework Directive on Soil	207
8. NOISE	207
8.1 The Directive on Environmental Noise	207
8.2 Existing Directives Relating to Noise Sources	208
9. WASTE	208
9.1 Strategies and Framework Directives on Waste	208
9.2 The Landfill Directive	208
9.3 Biodegradable Waste	209
9.4 Mining Waste	209
9.5 Waste Incineration Directive	209
9.6 Disposal of Waste Oils	210
9.7 The Disposal of PCBs and PCTs	210
9.8 Disposal of End-of-Life Vehicles	211
9.9 Packaging and Packaging Waste	211
9.10 Waste Electrical and Electronic Equipment, WEEE Directive	211
9.11 Disposal of Batteries and Accumulators	212
9.12 Waste Management Planning	212
9.13 Waste Shipments	212
10. WATER	212
10.1 The Water Framework Directive	212
10.2 River Basin Management	213
10.3 Drinking Water Directive	213
10.4 Urban Waste Water Treatment, UWWT Directive	214
10.5 Sewage Sludge	214
10.6 The Nitrates Directive	214
10.7 Priority Substances Under the Water Framework Directive	215
10.8 Groundwater Directive	215

Case Study 1 Oil & Sludge Treatment Inc., Sweden	
Environmental Performance and Conditions of Permits for a Waste Treatment Company	221
Case Study 2 Swedish Forest Plats Ltd, Sweden	
A Court Case on Permits to use Pesticides in a Plant Nursery	229
Case Study 3 Tomaszow Landfill, Poland	
An Integrated Permit for a Landfill according to IPPC	233
Case Study 4 Krasnoselsk Cement Factory, Belarus	
ISO 14001 Surveillance Audit as Compliance Inspection	239
Case Study 5 Foseco GmbH, Germany	
Implementing REACH, the New European Union	243
Chemicals Regulation	243
Case Study 6 Roskilde Electroplating Ltd, Denmark	
Voluntary Action Makes Licensing Easy.....	253
Index	261