

INDUSTRIAL EMISSIONS DIRECTIVE (IED) REVISION – CEMBUREAU POSITION

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CEMBUREAU, the European Cement Association (www.cembureau.eu), is determined to make a strong contribution to the European Green Deal by taking action on a wide range of topics, from climate change to biodiversity and air quality.

CEMBUREAU's [Carbon Neutrality Roadmap](#) sets out the technological and innovation pathways to achieve carbon neutrality by 2050 in the cement industry. These pathways span the full value chain and assess the CO₂ reduction potential in both the manufacturing part of the business (clinker and cement manufacturing) and in the production, use and end-of-life of its end-product, concrete. Already today, the European cement industry deploys a wide range of technologies and innovation projects at every step of the cement production process – please see our [map of ongoing innovation projects](#) for additional information.

When it comes to air quality and pollutant emissions, each and every of the 200-cement plant in the EU operates in accordance with a permit granted by the authorities in the Member States following the principles and provisions of the Industrial Emissions Directive IED. The European cement industry is reducing its impact on the air pollution through the deployment of a wide range of abatement emissions technologies such as modern dust filtering devices, closed systems for storing, transporting and dosing the raw materials and fuels, on-line emissions analysers and process control optimization, selective non-catalytic reduction (SNCR) or selective catalytic reduction (SCR) for abatement of NO_x emissions, wet scrubbers or lime injection systems in case of high SO₂ emissions, chlorine by-pass systems, etc. In addition to the above, a positive impact on air pollution results from other technologies supporting the decarbonization of the sector, from the development of alternative fuels to replace fossil fuels in heating processes, improved energy efficiency of kilns, low-clinker cements, innovative binders, innovative concrete solutions, up to the development of carbon capture and storage/use technologies where the industry is leading the way through several pilot programmes in Europe. The European cement industry is a [large user of waste and by-products](#) utilising approximately 36 million tonnes per year to replace fuels and raw materials. In the EU, the sector substitutes on average 50% of its fossil fuel thermal energy consumption with secondary materials such as non-recyclable waste or biomass waste. When waste is introduced into the cement kiln to produce clinker (the intermediate product of cement), its organic component provides heat inside the kiln whereas the mineral, non-combustible elements are recycled and become part of the clinker, thanks to what is called “[co-processing](#)”. Co-processing is therefore an absolutely sustainable ecological solution for the treatment of waste, leaving no residue behind, strengthening the circular economy. Moreover, this use of waste fuels and waste biomass fuels are also key for the cement industry to reduce its CO₂ emissions and support our vision for a carbon neutral Europe for 2050. Important to note that the use of alternative fuels in cement industry reduces the dependence on fossil fuels.

CEMBUREAU believes that the IED and the BREFs are delivering environmental performance across Europe because their approach is flexible, focuses on continuous improvements and addresses local environmental issues holistically. This falls perfectly in line with the outcome of the IED evaluation, where it was recognized that the overall structure of the IED appears to function well and there was significant EU added value from the Directive.

CEMBUREAU therefore considers that the existing IED has delivered well and in this respect, we would support a light-touch revision that would both foster a cooperative approach amongst stakeholders, timely permitting procedures and also take due consideration of the decarbonization efforts of industries and their interaction with the IED.

1. The sectoral scope of the IED should be clarified to avoid diverging interpretations by operators and authorities

CEMBUREAU believes that more clarity should be provided with regard to the inclusion of some additional sectors in the IED. The term “*construction minerals*” which is used in point 48 of article 3, as an exception from the scope expansion, is not clearly defined. This could result to different interpretation by authorities or operators and subsequent confusion during the implementation of the Directive.

The extraction of raw materials for the cement production such as limestone, chalk, marl and shale or clay, does not require any energy-intensive process and no thermal energy is used which results in no significant impact on the levels of pollution to air, soil, or water. The above extraction is obtained from open surface quarries and the process typically involves rock drilling, blasting, excavation, hauling and crushing. After the primary crushing, the raw materials are transported to the cement plant for storage and further preparation.

Following the concept explained in the EC Impact Assessment, where it is considered that quarrying is excluded from the IED scope expansion since among other reasons it is associated with fewer environmental issues compared to the other types of extraction activities, we believe that quarrying of raw materials used for the cement production shall be also excluded from the scope expansion and this shall be clearly described in the revised IED.

Therefore, our suggestion is in the point 48 of Article 3 to replace the term “*construction minerals*” with the term “*minerals used for the production of construction materials*” to clarify that the extraction of raw materials for the cement production does not fall into the scope of the Directive, given its lack of significant environmental impact.

2. The requirements for the authorities to set the strictest possible emission limit values are disproportionate and disregard specific characteristics of IED installations

CEMBUREAU has strong concerns about the replacement of the Article 15(3) and the obligation for the authorities to set the strictest possible emission limit values. This proposal is actually undermining the Sevilla process, under which the Best Available Technique (BAT) ranges are thoroughly discussed by representatives of the Members States, the industry, and NGOs. Based on this collaborative approach, emissions limit ranges are decided and widely accepted to be applied depending on the specific characteristics of each installation. Differences such as the operation, the raw materials used in the process, the design, or the local situation of the installation currently lead to different limits within the BAT range.

By applying the proposed provision, each operator would be obliged to perform a feasibility assessment for each pollutant, a very laborious exercise, which will then need to be assessed by the

competent authorities. This process will result in considerable additional time and burden for the permitting procedure issue, whilst providing no clear environmental added value. In addition, setting by default the strictest possible emission limit value does not consider the resource efficiency aspect and the cross-media effect which means the reduction of the emissions to one pollutant may have a reverse effect to another pollutant. This is very important, especially when thinking about the additional energy needs of industrial sectors like cement to achieve their decarbonization goals.

Finally, it is today unclear when this new provision would come into force. Therefore, as soon as the new Directive will be transposed to National legislation, the competent authorities will have to apply this provision to sectors for which their BREF is not yet revised, and this provision had not been taken into account when the BAT range had been decided during the Sevilla process.

3. Setting obligatory limits for energy efficiency risks impeding efforts to control pollutant emissions

An additional concerning point is the introduction of the Article 15(3a) and the deletion of the Article 9(2) related to the environmental performance limit values and the energy efficiency requirements. The obligation for setting limits to energy efficiency is very problematic for many reasons. First of all, the energy consumption of an installation is generally increasing by the use of abatement techniques for controlling the emissions, by the use of recycled materials/fuels and by the use of decarbonization techniques. As described in CEMBUREAU's [Carbon Neutrality Roadmap](#), by 2050, we expect the electrical energy consumption at cement plants to double after incorporating Carbon Capture technology. Furthermore, the [European Cement Research Academy's \(ECRA\) technology papers](#) explain that lower dust emission limit values require more electrical power for dust separation, while the abatement of other components (like NO_x or SO₂) requires additional units which require electricity. Setting a limit to the energy efficiency will be counterproductive to the efforts of the installation towards the zero-pollution ambition, the circular economy and the carbon neutrality objectives.

In addition, the monitoring and control of energy efficiency requirements are fundamentally different than the control of the emissions, which is typically straightforward and is performed by suitable measuring devices. The measurement of energy efficiency is indeed performed solely by using for example, mass and thermal balances related to the production and the resources consumption of each installation. It is hard to understand how authorities could actually monitor this process.

Last but not least, it is important to bear in mind the current rise on energy costs, as well as the EU Emission Trading Scheme (ETS), naturally lead the companies/installations to urgently look for incentives and energy cost optimization. In that respect, the long-term process of drafting and implementing a legislative provision would always be lacking behind from the actual on-field practices.

4. The IED revision offers an opportunity to address unforeseen issues and developments

The IED revision offers a great opportunity to consider adding provisions related to unforeseen issues, such as those that have recently occurred in the wake of the invasion of Ukraine. Due to the natural gas crisis, severe disruptions in the ammonia/urea water supply have been observed, as natural gas is used for their production. Ammonia/urea water supply are essential in keeping the NO_x emissions in the cement plants under control and, therefore, in complying with the permits delivered under the IED.

For such extreme cases and in case of an important need to maintain energy supply, it would be highly beneficial that the IED includes a provision that would allow Member States a temporary & site-specific derogation to emissions limits in case where the operator is unable to comply with those limits because of an interruption in the supply. A similar provision already exists for combustion plants in Article 30(5).

5. The IED revision should take into account the rulings of the European Court of Justice regarding questions that have been clarified (boundaries of an installation)

The definition of the term “installation” has raised questions if some parts of a plant are part of the installation or not. These **questions on the boundaries of an installation have been clarified by the European Court of Justice** (ECJ 9.6.2016, C-158/15, EPZ; ECJ 29.4.2021, C-617/19 Granarolo) with the following result: only those activities that are essential to carry out the activities within the scope of the directive and have a specific and distinctive form of integration in these activities are considered to be directly associated. It is worth noting that these clarifications originally have been published with respect to emission trading directive. However, as the term of an installation applies to the industrial emissions directive in the same manner, the findings of the ECJ should be considered for that directive in the same way. Therefore, the **findings of the ECJ should be taken into account in the revision of the industrial emissions directive** in order to provide clear provisions and safeguard a uniform and consistent transposition. Furthermore, it is necessary to insert a transitional provision to ensure legal certainty for the operator of an installation where the boundaries of the installation were not clear.

6. The IED should not cover greenhouse gases (GHG), which are already covered by the EU ETS

Finally, CEMBUREAU supports the Commission approach of not to include any adjustments to the Article 9.1. The EU ETS is the appropriate tool for the GHG emissions control. It would indeed be inappropriate to regulate through both the IED and EU-ETS as both use different approaches to regulation: the IED places reliance on the identification of Best Available Techniques (BAT), which are technologies to deliver cost-effective environmental improvement, whereas the EU ETS bases allocation on calculated performance benchmark.

As a market mechanism, the EU ETS allows the industry to find the most appropriate technology to reduce emissions, some of which may not be available across the whole of Europe and could therefore not be covered through the BAT approach of the IED Directive. For instance, the introduction of some technologies such as Carbon Capture Use or Storage (CCU/CCS) will require coordination between the Commission, Member States and several industries to implement, also because they require the setting up of a dedicated CO2 infrastructure.

CEMBUREAU therefore strongly supports the Commission approach not to include GHG within the scope of the IED.
