# **Briefing Note**



### **Industrial Emissions Directive - Impact on Food & Drink industries**

#### Introduction

The Industrial Emissions Directive (IED) introduces some subtle changes to the way some Food & Drink manufacturing activities are considered, and this may lead to some activities/installations requiring an environmental permit for the first time. Installations that handle vegetable raw materials and mixed animal and vegetable raw materials are most affected.

This explanatory note is concerned principally with the activity descriptions in sections 6.4 (b) (i) - (iii) of the Directive i.e. installations that treat and process animal and vegetable raw materials above 75 tonnes per day.

This note should be read in conjunction with other detailed information on the Directive and its implementation available from the Environment Agency and Defra websites (see below).

Apart from a minor wording change in 6.4 (a), the activity descriptions for other food & drink manufacturing activities i.e. the operation of slaughterhouses and milk processing operations have not changed. Nevertheless, this note may still be of general interest to such operators.

Existing operators who are not currently subject to Environmental Permitting as 'IPPC installations' and who are affected by these changes will need to obtain a permit from the Environment Agency by 7th July 2015. Any new installations, however, will need to obtain a permit by 7th January 2013.

### Plant capacity for vegetable processing

Under the IPPC directive, the capacity of installations that treat and process 'vegetable raw material' under section 6.4 (b) (for example; brewers, millers, bakers, vegetable processors) is determined by taking account of production throughput ('average value on a quarterly basis'). However the IED has removed this qualifying phrase which means that in the future capacity will be determined on the basis of the maximum theoretical capacity of an installation (subject to any legal and technical constraints). This is consistent with the way capacity is determined for IPPC installations in other sectors. Guidance on how we currently determine capacity and treating and processing is given in our Regulatory Guidance Note 2 (Appendix 1).

Operators who are not currently subject to IPPC with a finished product production capacity above 300tpd and who treat and process only vegetable raw material will need to obtain a permit by 7th July 2015

## Seasonal vegetable processing

Alongside the changes above, the IED introduces an allowance for larger throughputs of vegetable raw materials on a seasonal basis of up to 600 tonnes per day for a period of no more than 90 days in any year.

### Mixed animal and vegetable processing

The other main change relates to the calculation of capacity for animal, vegetable and mixed animal/vegetable raw materials processing. Here a new category for mixed processing is set out with a sliding scale for the determination of capacity.

Under the existing IPPC Directive, we consider mixed installations by reference to the '10% rule'. (see RGN2, Appendix 1 above). This pragmatic approach effectively meant that installations that use less than 10% of animal raw material (i.e. the pea and ham soup manufacturer scenario) were only considered for regulation when their average production exceeded 300 tonnes per day. The introduction of the sliding scale for mixed production in the range 75 – 300 tpd is likely to bring some manufacturers into permitting for the first time. For example, a soup manufacturer that uses 5% animal raw material will be subject to the requirements of IED if it has a finished product production capacity of 187.5 tpd.

Operators who manufacture food by treating and processing both animal and vegetable raw materials should determine their position on the sliding scale in section 6.4 (b) (iii) (see below). Where their finished production capacity is above the relevant threshold they will need to obtain a permit from the Environment Agency by 7th July 2015.

If operators are in any doubt in relation to their position they should discuss this with their local office of the Environment Agency.

#### Guidance

Our current 'horizontal' guidance, <u>Regulatory Guidance Note 2 (Appendix 1)</u> available on our website, sets out how we interpret the application of the IPPC Directive to food and drink industries. This guidance will be reviewed during 2012 and will be amended to take into account sector specific changes made by the IED. We will consult with industry on the proposed changes in due course.

#### Further information and timetable

Detailed information on the IED and how the Environment Agency is implementing the requirements and deadlines can be found on our website at: <a href="https://www.environment-agency.gov.uk/business/regulation/137903.aspx">www.environment-agency.gov.uk/business/regulation/137903.aspx</a>

Environmental permitting regulatory guidance: <a href="http://www.environment-agency.gov.uk/business/topics/permitting/32320.aspx">http://www.environment-agency.gov.uk/business/topics/permitting/32320.aspx</a>

Further background has been provided on IED by Defra on their website at: www.defra.gov.uk/environment/quality/industrial/eu-international/industrial-emissions-directive/

The Government(s) consultation is available on their website at: <a href="https://www.defra.gov.uk/consult/2012/03/12/industrial-emissions-1203/">www.defra.gov.uk/consult/2012/03/12/industrial-emissions-1203/</a>.

It's important for you to take the opportunity to feed into the consultation process to help develop how IED will be implemented. The closing date for responses is **6th June 2012**.

#### March 2012

### **Annex 1: Extract IED (Changes from IPPC text highlighted)**

- 6.4.(a) Operating slaughterhouses with a carcass production capacity greater than 50 tonnes per day
- (b) Treatment and processing, other than exclusively packaging, of the following raw materials, whether previously processed or unprocessed, intended for the production of food or feed from:
- (i) **only** animal raw materials (other than exclusively milk) with a finished product production capacity greater than 75 tonnes per day
- (ii) **only** vegetable raw materials with a finished product production capacity greater than 300 tonnes per day **or 600 tonnes per day where the installation operates for a period of no more than 90 consecutive days in any year**;
- (iii) animal and vegetable raw materials, both in combined and separate products, with a finished product production capacity in tonnes per day greater than:
- 75 if A is equal to 10 or more; or
- [300- (22.5 x A)] in any other case

where 'A' is the portion of animal material (in percent of weight ) of the finished product production capacity

Packaging shall not be included in the final weight of the product.

This subsection shall not apply where the raw material is milk only.

(c) Treatment and processing of milk only, the quantity of milk received being greater than 200 tonnes per day (average value on an annual basis)

# **Graphical representation of the 'sliding scale' rule:**

