

INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to share any relevant information that they may have, including on possible impacts of the different options.

TITLE OF THE INITIATIVE	Revision of the Regulation on the European Pollutant Release and Transfer Register (E-PRTR)
LEAD DG – RESPONSIBLE UNIT	DG ENV Unit C.4 – Industrial Emissions & Safety
LIKELY TYPE OF INITIATIVE	Legislative proposal
INDICATIVE PLANNING	Q4 2021
ADDITIONAL INFORMATION	https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en

The Inception Impact Assessment is provided for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception Impact Assessment, including its timing, are subject to change.

A. Context, problem definition and subsidiarity check

Context

Regulation EC 166/2006 created the **European Pollutant Release and Transfer Register (E-PRTR)** - a Europe-wide portal of easily accessible key environmental data on large industrial facilities. Since 2007, the E-PRTR holds data reported by some 30 000 industrial facilities covering 65 economic activities. Facility operators provide data on their annual mass releases to air, water and land, as well as off-site transfers of waste and pollutants in wastewater. The data cover 91 pollutants including greenhouse gases, heavy metals and pesticides. E-PRTR activities closely mirror those regulated under the **Industrial Emissions Directive (IED)**.

The E-PRTR implements EU obligations in the **PRTR (Kyiv) Protocol** and therefore contributes to transparency and public participation in environmental decision-making. As the Protocol dates from 2003, there are ongoing UNECE discussions on how the Protocol might be updated to better reflect current knowledge and needs.

The **European Green Deal (EGD)** commits the Commission to revise, in 2021, EU measures to address pollution from large industrial installations and to make them consistent with climate, energy and circular economy policies whilst contributing to steer the EU towards zero pollution.

Problem the initiative aims to tackle

A 2017 [evaluation](#) of the existing E-PRTR legal framework was instrumental in informing the Commission's second report to the European Parliament and the Council on progress in implementing the E-PRTR Regulation ([COM\(2017\) 810](#)). In early 2020, a [review of E-PRTR implementation](#) looked in detail at the industrial activities and pollutants within the scope of the E-PRTR Regulation. These three work-strands helped identifying a number of areas where there may be potential for improving the E-PRTR, namely:

- Reviewing the **sectoral scope** of the E-PRTR Regulation to possibly add other agro-industrial activities that have significant releases/transfers. This will also aim to secure better coherence with the **activities covered by related environmental law** so that the E-PRTR provides a more useful implementation metric; especially for the directives on [Industrial Emissions](#), [Medium Combustion Plants](#) and [Urban Wastewater Treatment](#).
- Securing that the **pollutants** covered by the E-PRTR are fully relevant (e.g. to also include pollutants of emerging concern) and better align with those covered by related legislation (see above).
- Collecting information that helps contribute to the **circular economy and decarbonisation**.
- Improving knowledge in known areas of **current weakness** e.g. waste transfers, diffuse emissions, releases in products.
- Enhancing the quality, ease and speed of **public access** to information, including more data context and benchmarking.
- Considering how to provide more **flexibility** on collecting data (bottom-up vs top-down modalities).

These issues broadly accord with areas for improvement identified by a recently completed [evaluation of the IED](#).

Basis for EU intervention (legal basis and subsidiarity check)

The main objective of the E-PRTR Regulation is to empower EU citizens with environmental data that allows them to make informed participation in environmental decision-making on the EU's largest (agro-)industrial activities. The Commission announced in the European Green Deal that it will aim to improve access to justice in environmental matters¹; the review of the E-PRTR Regulation will contribute to this objective.

Industrial operators are required to report annually their pollutant releases (and transfers). These data are first collated by Member State competent authorities and then submitted to the European Environment Agency (EEA) for checking and populating a consolidated, EU-wide, searchable database.

The legal basis for the E-PRTR Regulation is Article 192 of the Treaty on the Functioning of the European Union (previously Article 175 of the Treaty establishing the European Community).

As identified under the 'added-value' criterion of the evaluation, some aspects of the E-PRTR cannot be achieved by Member states acting alone. The E-PRTR has significant EU added-value in ensuring a consistent approach to implementation and establishing a European-wide platform for accessing and comparing data.

B. Objectives and policy options

In general, the overall structure of the E-PRTR appears to function well. However, specific aspects have been identified where there may be potential to enhance the legal framework or find alternative approaches to improve its performance and EU added value. Policy options will be developed for the following aspects:

Aspect 1: Baseline Scenario: No change to the current E-PRTR reporting arrangements.

Aspect 2: Inclusion of additional sectors: Consider activities that might be advantageous to include in the E-PRTR in order to improve data capture on industrial releases/transfers or to improve coherence with related legislation; in particular the IED but also relevant water and waste legislation.

Aspect 3: Inclusion of additional pollutants: Consider pollutants that might be advantageous to include in the E-PRTR. This should include new substances that are of recent environmental concern; aligning pollutants with those covered by related legislation; disaggregating existing pollutant groupings to improve data value; and lowering reporting thresholds to improve the capture of industrial sources.

Aspect 4: Access to information and participation in decision making: Further to the recent consolidation of IED and E-PRTR reporting in the 'EU Registry on Industrial Sites', identify any weaknesses, and possible options, for enhancing the quality, ease and speed of public access to E-PRTR information.

Aspect 5: Reporting modalities: Explore the options for improving the information in areas of the current E-PRTR identified as showing weaknesses (data on waste transfers, diffuse emissions and releases in products) and more flexible data collection routes e.g. top-down E-PRTR reporting for homogeneous activities, interface with IED monitoring as well as using digital solutions to increase the efficiency and timeliness at MS level.

Aspect 6: Contribution to the circular economy and the decarbonisation of industry as well as enhancing its contribution to the zero pollution ambition: Explore the untapped potential for the E-PRTR, in conjunction with the IED, to contribute to circular economy objectives, including options for realising that potential, such as requiring additional data on resource consumption e.g. use of energy, water, raw materials.

These six aspects will be analysed in close coordination with the analysis of the parallel impact assessment for the revision of the Industrial Emissions Directive (IED) in order to ensure coherence.

C. Preliminary assessment of expected impacts

Likely economic impacts

The evaluation concluded that costs for compliance with E-PRTR requirements are relatively small and the societal benefits substantially outweigh its economic costs. Provided the overall architecture remains broadly similar, that situation would not be expected to change. Introducing top-down approaches for relevant sectors may reduce any costs.

If industrial activities are added to the scope of the E-PRTR, their operators would face adaptation costs for new reporting obligations. In addition, there would be adaptation costs (but lower) if existing industrial operators are required to report new E-PRTR pollutants or additional contextual information.

Limited impact on SMEs is expected since the E-PRTR reporting thresholds exclude smaller operations.

Likely social impacts

There are a number of indirect social benefits from publicising the environmental impacts of industry i.e. transparency on the environmental performance of plants and related incentive to reduce the pollutant emissions.

¹ This includes a revision of Aarhus Regulation (EC) No 1367/2006 and a Commission Communication on access to justice in environmental matters; <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12165-Access-to-Justice-in-Environmental-matters>

Lower emission levels result in lower direct health impacts. These impacts have been shown to impact disproportionately on poorer people and therefore their reduction will enhance social justice.

Likely environmental impacts

The legislation has contributed to reducing environmental degradation and enhancing the quality of life in the EU. Improving its effectiveness will lead to further improvements in the environment and play an important part in the monitoring of progress towards the zero pollution ambition of the industrial sectors covered by the instruments.

Likely impacts on fundamental rights

No negative impact on fundamental rights is expected. Certain aspects may be enhanced through easier public access to environmental information.

Likely impacts on simplification and/or administrative burden

Impacts on the quantity of legislation or the administrative burden from it will depend on the conclusions drawn. While any increase in the scope would be likely to increase reporting requirements, there may be options to simplify requirements for some sectors. Moreover, the Reporting Fitness Check (COM(2017)312) has demonstrated that there is potential for efficiency gains by using more advanced digital technologies, in particular in Member States (which will help in the modernisation of national and regional environmental administrations). The assessment will quantify as far as possible the costs and benefits of the options in terms of the administrative burden.

D. Evidence base, data collection and better regulation instruments

Impact assessment

An impact assessment will be carried out to support the preparation of this initiative and to inform the Commission's decision-making. The impact assessment will look at all economic, social and environmental impacts, and be supported by a study that will thoroughly review literature, gather stakeholder views and analyse the implications of different options for those affected by them. It will be carried out in parallel with the impact assessment for the revision of the Industrial Emission Directive (IED). Close coordination will be ensured. By combining these assessment processes, synergies and increased coherence can be achieved.

Evidence base and data collection

Data and information will be needed for the assessments and analyses underpinning this initiative. A large amount of evidence has been gathered in carrying out the E-PRTR evaluation, the Commission's recent study on implementation and a UNECE survey on Kyiv Protocol experiences. Together, these will provide important input to the impact assessment. Data are also available on the functioning of other legislation that the E-PRTR interacts with. There will be a need to gather additional information, for example when assessing possible expansion of the E-PRTR's scope with regards to sectors, pollutants and its contribution to the circular economy / decarbonisation / zero pollution.

Consultation of citizens and stakeholders

The aim of the public consultation and targeted stakeholder consultation will be to allow the public and all stakeholders to provide evidence and give views on the best options to enhance the EU's industrial emissions legislation. The public consultation will be based on a questionnaire which will be published to the Commission's ['Have Your Say'](#) portal and will run for 12 weeks. There will be a separate targeted consultation for key stakeholders. In addition, stakeholder meetings will be organised to: (1) present and discuss the main issues and options under consideration, and (2) present and discuss the main conclusions of the impact assessment.

The main expected stakeholder groups to be consulted are: Member States / public authorities, business associations (in particular agro-industrial industries), non-governmental / civil society organisations, individuals, and workers associations / trade unions.

Consultation results will be published on the Commission's central page once all the activities are completed.

Will an implementation plan be established?

An implementation plan will be prepared together with the legislative proposal.