



BETTER
REGULATION
AIMED AT
VALORISING EMAS

Deliverable 3.1

Policy Opportunities for European Policy Maker

Action 3 - Policy Making and Implementing

*Subaction 3.1 - Integration of EMAS / ISO 14001 / Ecolabel
into other policies and instruments in the Community*



Summary

The BRAVE Project aims at supporting the full integration of EMAS (and of other voluntary certification schemes) in the EU and Member States environmental legislation as a leverage to facilitate its implementation by all the organizations (“*better regulation*”) and to remove, reduce and simplify the administrative costs and burdens for the EMAS registered organizations – as well as for companies adopting the EU Ecolabel or other forms of certification recognized according to Art. 45 of EC Regulation n. 1221/09 – as a way to encourage the adoption and dissemination of voluntary environmental certification (“*regulatory relief*”).

The first operative Action of the Project (**Action 3 – “Policy Making and Implementing”**) aims, *inter alia*, at analyzing the European legislation to search for simplification opportunities for EMAS registered companies.

The sub action 3.1 (“**Integration of EMAS into other policies and instruments in the Community**”), in particular, aims at identifying and analyzing the possible integration of EMAS and other voluntary certification schemes into EU policies and instruments. To this end, a *selection of European Directives, Regulation and Decisions* was first carried out – both in force and at a preparatory stage – that could potentially better valorise the requirements of the EMAS Regulation in a regulatory relief perspective, and remove the obstacles and difficulties affecting EMAS adopters and potential adopters.

The identification and selection of the legislative acts to analyze covered major **EU Policy Areas**:

- *Agriculture, Fisheries and Foods;*
- *Business;*
- *Climate Action;*
- *Culture, Education and Youth;*
- *Economy, Finance and Tax;*
- *Energy and Natural Resources;*
- *Environment (Environment, Consumers and Health);*
- *Employment and social rights;*
- *Science and technology;*
- *Regions and Local Development;*
- *Transport and Travel.*

The main outcome of subaction 3.1 is a **comprehensive set of proposals of amendments and integrations** covering major EU policy areas, whose contents may give a boost to European Policy makers towards a better regulation in the environmental field, with respect to existing legislative measures and to those that are being issued. The framework of proposals also provide a deep qualitative assessment with respect to

the opportunities of integration of the environmental legislation within other EU policy areas, as well as to their possible impact in terms of promotion of the diffusion of the EMAS scheme and of benefits for its adopters, thus supporting the European Commission in the implementation of the article 44 of EC Regulation n. 1221/09.

Deliverable aims

The article 44 of EC Regulation n. 1221/09 states that the European Commission shall consider how registration under EMAS in accordance with this Regulation can be taken into account in the development of new legislation and revision of existing legislation, in particular in the form of *regulatory relief* and *better regulation*. Within this context, the aim of the deliverable of subaction 3.1 is to provide a detailed picture to the European Commission of the possible fields and scopes within EU policies in order to carry out what the article 44 sets.

Methodology

The project partners first selected a number of European Directives, Regulation and Decisions – both in force and at a preparatory stage – that could potentially better valorise the requirements of the EMAS Regulation in a regulatory relief perspective. Each partner carried on this selection for one or two policy areas – as shown in the table below – and provided a respective list of European legislative acts to be analyzed.

Table 1 – EU Policy areas analyzed

PARTNER	EU POLICY AREA
SSSUP	Environment (Environment, Consumers and Health)
	Transport and Travel
ARPA	Energy and natural resources
IEFE	Agriculture, Fisheries and Foods
	Consumers
CONF. GE-LIG	Business
	Culture, Education and Youth
AMB. ITA	Employment and social rights
	Science and technology

IAT	Climate Action
	Environment
ChCom	Economy, finance and tax
	Regions and Local Development

Starting from this selection, the project partners formulated, within the European legislative acts identified (Directives, Regulations and Decisions) a number of possible opportunities of integrations, as **proposals of amendments** referring to **EMAS, Ecolabel** and **ISO 14001**. For each proposal, the partners provide a qualitative assessment of its possible impacts in terms of benefits for organizations and of promotion of the environmental schemes, as well as of the organizational and economic and effort required by institutional authorities for its potential adoption and implementation (see table 2 below).

Table 2 – Subaction 3.1 grid of analysis

Overview of the proposal								
Voluntary scheme	EU Policy Instrument	Policy area	Subject	Stage	Main category	Type of integration	Proposal of amendment	Section change
Qualitative assessment								
Scheme adoption Burden addressed	Scheme requirements addressed	Time span for implementation	Actors involved	Risk of implementation	Economic effort (EU, MS, Regional authority)	Organizational effort (EU, MS, Regional authority)		
Benefits for organizations								
Reduction of environmental impacts	Savings from energy and resources consumption	Image improvement	Legal compliance	Satisfy requests by customers	Turnover increase	Increase of technological innovation	Regulatory and monetary incentives (de-regulation, tax relief)	
Better organization and management of activities	Keeping up with competitors	Improve relationship with stakeholders and local communities	Better risk management	Savings of financial resources	Savings of human resources	Improve rating in access to public funding and procurement procedures	Keeping up with competitors	

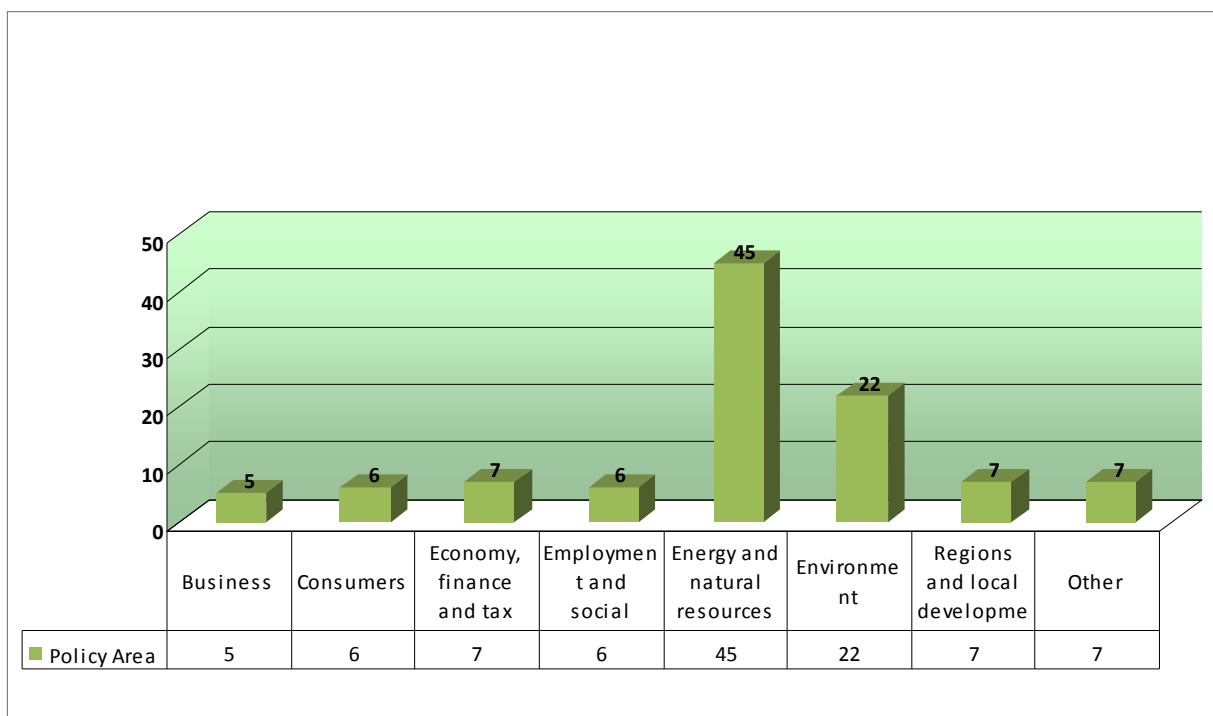
Cross-sectional analysis

Overall, **105 proposals of amendments** were formulated. Consistently with the approach adopted by the BRAVE Project, the opportunities to integrate the EU legislation with specific simplification measures were classified according to three main categories:

- **Regulatory relief**, so that *a registered organization is considered as being compliant* with certain legal requirements relating to the environment laid down in other legal instruments, identified by the competent authorities;
- **Better regulation**, whereby *other legal instruments are modified*, so that burdens on organizations participating in EMAS are removed, reduced or simplified with a view to encouraging the efficient operation of markets and raising the level of competitiveness;
- **Enforcement Tool**, when *EMAS could be used as a tool* in the context of application and enforcement of legislation (i.e. “EMS approach”).

The proposals of amendments identified refer to all the policy areas analyzed. Figure n. 1 shows the percentage relating to each policy area considered: *Energy and Natural resources* is the area with most proposals (42,8%), followed by the *Environment* one (20,9%).

Figure 1 – Regulatory Reliefs and better regulation opportunities within EU Legislation – Breakdown by Policy Area



(Other: Climate action: 2; Science and technology: 2; Transport and travel: 2; Health: 1)

Figure 2 breaks down the regulatory reliefs and simplification opportunities identified by voluntary schemes addressed: consistently with the main objectives of the BRAVE Project, the large majority of proposals refer to the **EMAS Scheme (76%)**, followed by the **EU Ecolabel (13%)**. The EMAS proposals, in particular, mostly refer to the **Energy and Natural Resources (42,5%)** and **Environment (27,5%)** policy areas (see figure 3 below).

Figure 2 – Regulatory Reliefs and better regulation opportunities within EU Legislation – Breakdown by voluntary scheme(s) addressed

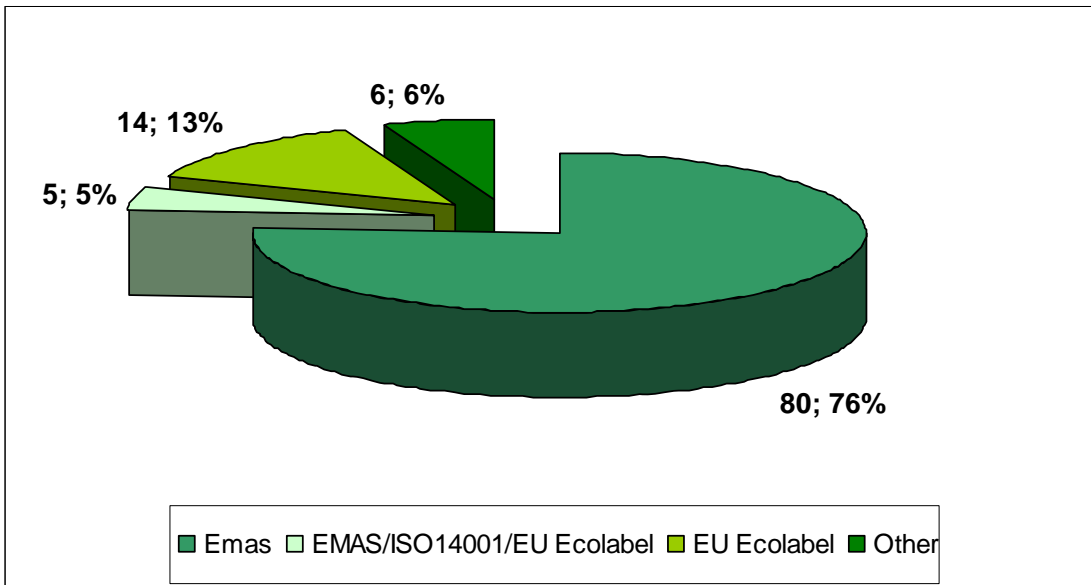
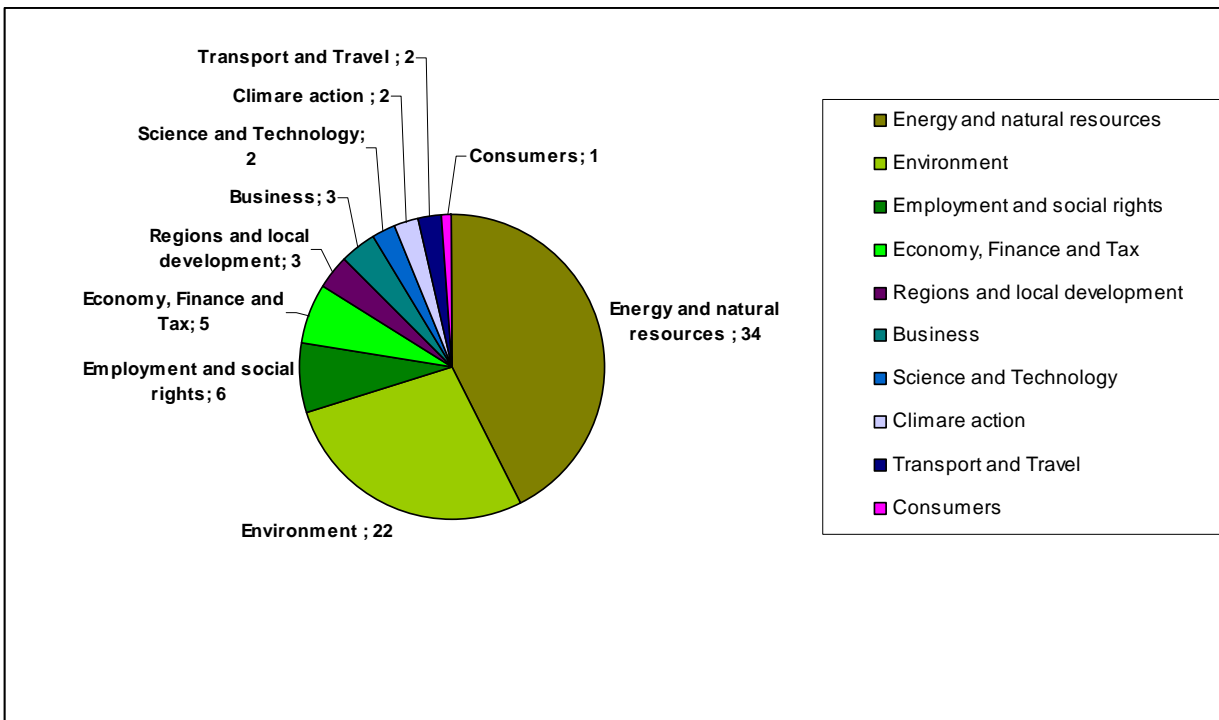


Figure 3 – EMAS Proposals of amendment: breakdown by policy area



With reference to the **different kinds of EU legislative acts considered**, the proposals are splitted in the two major categories considered: the European *Regulation* (52%) and *Directive* (44%), whereas the European *Decision* kind of act is only partially covered (3%) (see figure 4).

Overall, 48% of the proposals formulated may be classified as *regulatory reliefs*, 33% as *better regulation measures* and 26% refer to the opportunity to use EMAS as a tool in the context of application and enforcement of legislation (figure 5).

Finally, as regards the type of integration formulated, figure 6 shows how most proposals refer to “*reduced reporting and monitoring requirements*” for EMAS registered organisations (20 proposals), followed by “*Funding support*” measures (18 proposals), “*Public procurement*” and “*Self declaration in achieving a permission*” (9 proposals each one).

The following paragraphs analyse the outcomes of the analysis carried out by the partners with reference to their respective policy area(s).

Figure 4 – Regulatory Reliefs and better regulation opportunities within EU Legislation – Breakdown by policy instrument analyzed

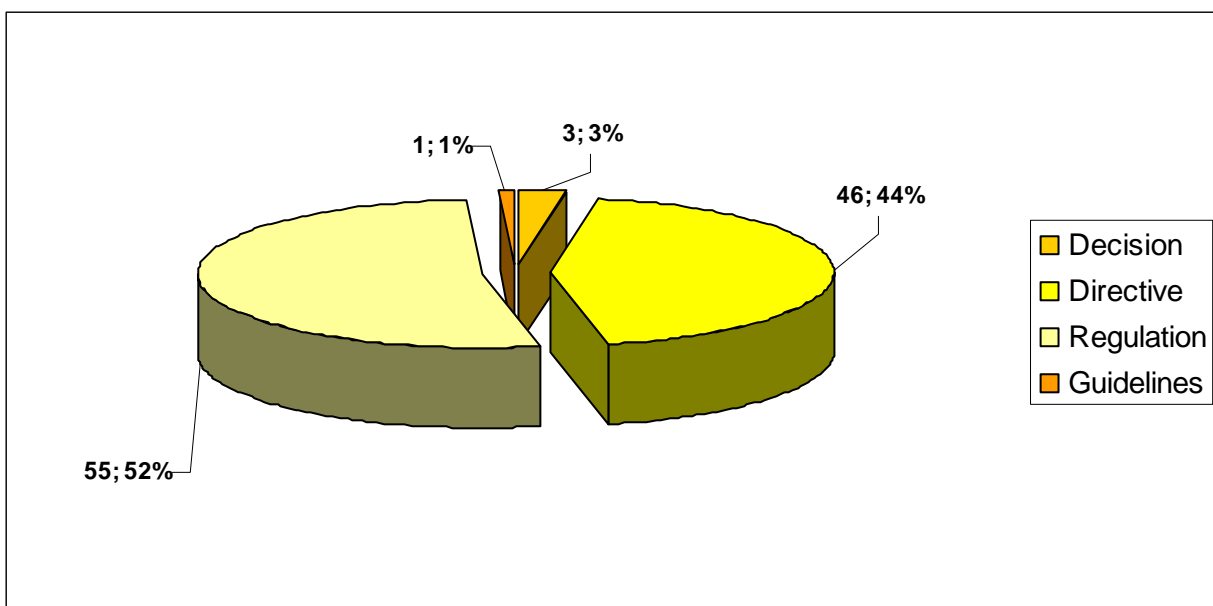


Figure 5 – Main categories of simplification opportunities identified within the EU legislation

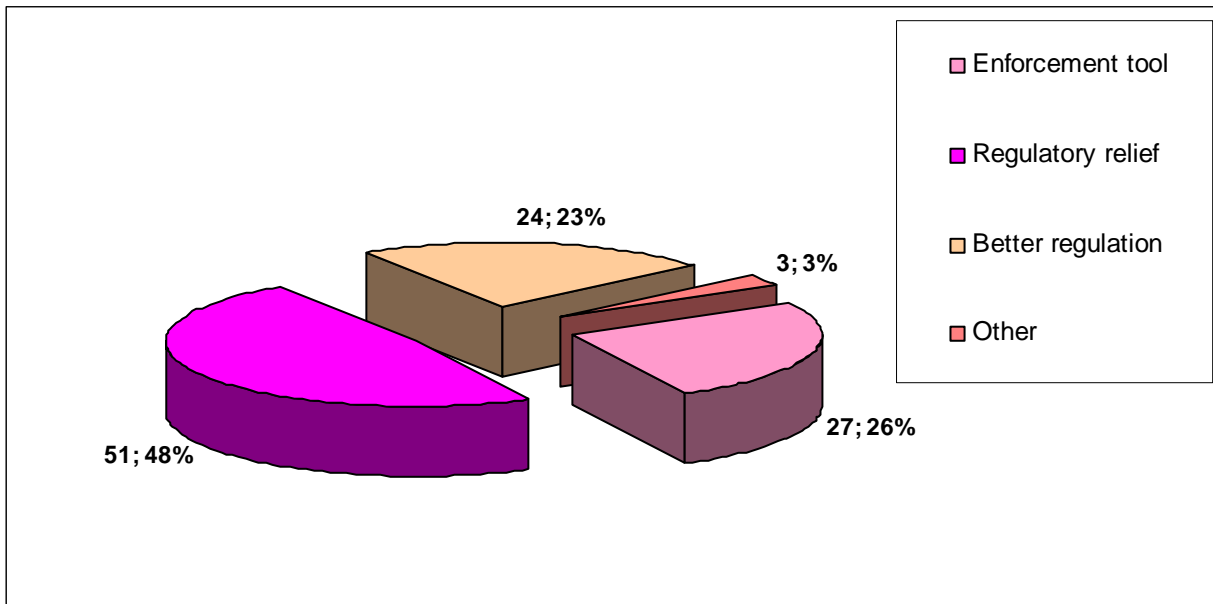
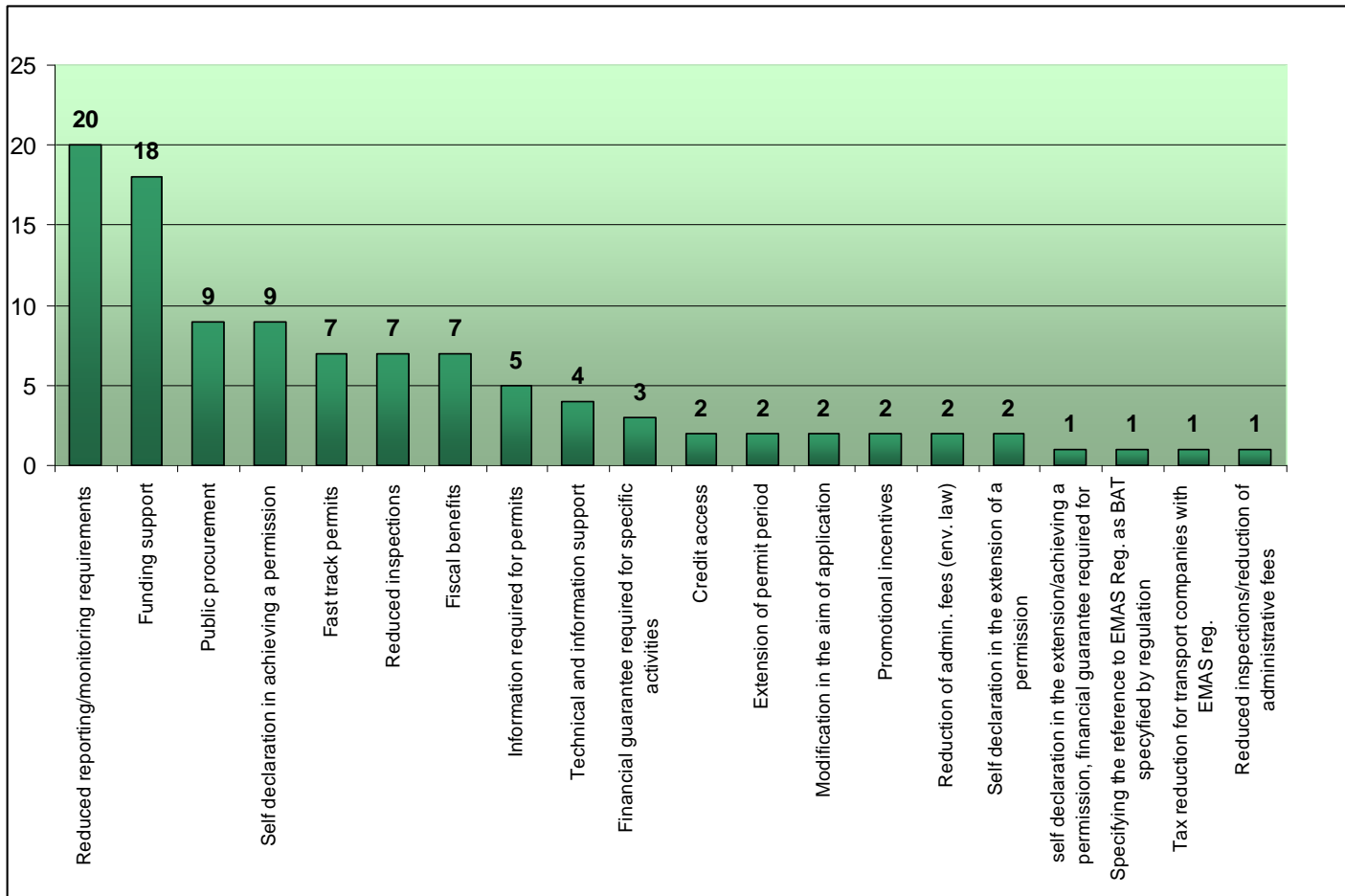


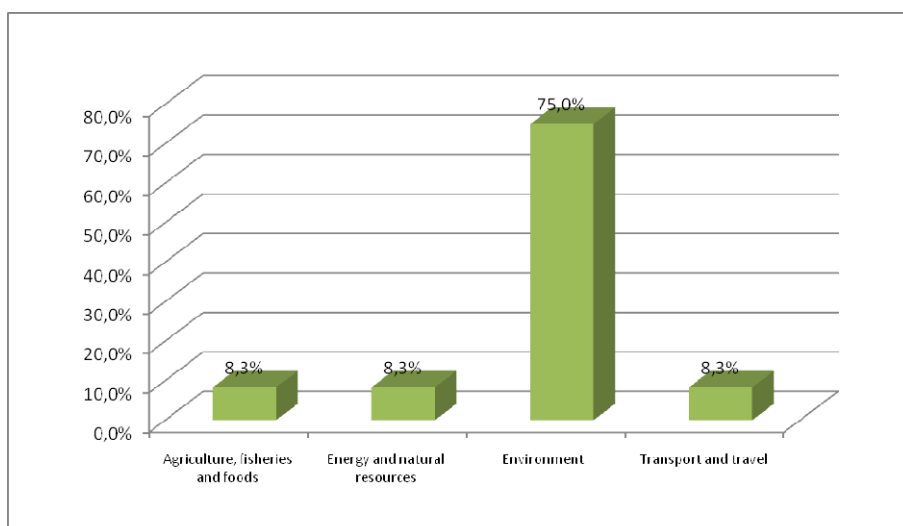
Figure 6 – Proposals of amendment: breakdown by type of integration



Environment; Transport and Travel; Energy and natural resources

24 proposals of integration of the current EU laws was identified in order to introduce new simplification for EMAS registered organizations: 21 proposals are related to European Directives and 3 to European Regulations. The majority of proposals deal with the “Environment” policy area (**75%**), while few proposals aim at improving the legislation in the other issues (Figure 7 below). The proposals on the environmental topic (18) concern the legislation about many environmental aspects, such as *waste management*, *animals protection*, but specially on *industrial emissions* (5 proposals) and *water quality* (3 proposals).

Figure 7- Proposals for policy areas



(the “agriculture, fisheries and foods” category refers to proposals formulated within the analysis of the Environment policy area)

Simplification proposals can be classified in four different categories of simplification according to the above mentioned methodology (see the figure below). The main categories are “Regulatory relief” (75%) and “Better Regulation” (16,7%). The measures classified such as Better Regulation provide for the enhancement of EMAS in the Public Procurement procedures. The focus on “Regulatory relief” (figure n. 9) shows 5 proposals for the reduction of inspection for the EMAS companies and 5 to promote the reduction of reporting and monitoring requirements.

Figure 8 - Simplification proposals for main categories

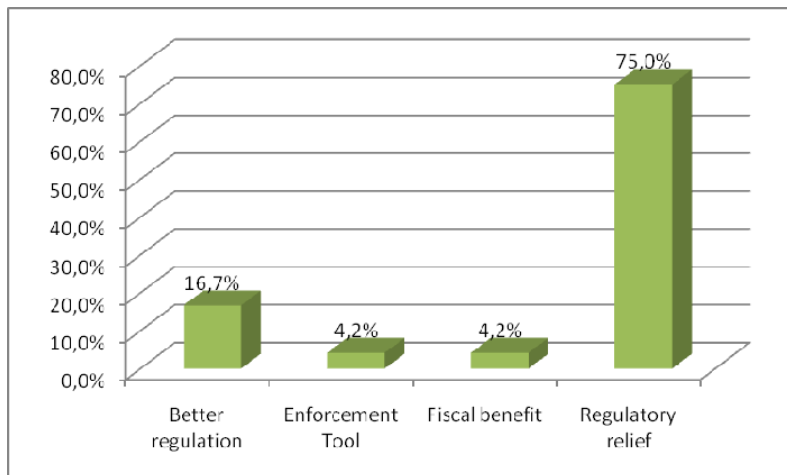
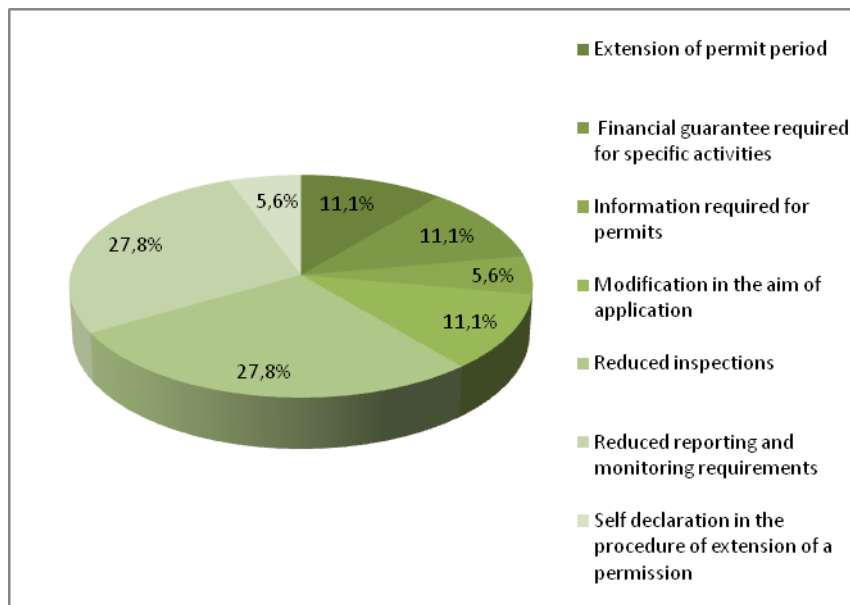


Figure 9 - Regulatory relief proposals



Agriculture, fisheries and foods; Consumers

Six proposals of amendments emerged from research, five addressing the European legislation for EMAS registered companies and one aimed at improving the European legislation for EU Ecolabel certified products. All the proposals refer to European Regulations, in particular to *Proposals for Regulations* of the European Parliament and of the Council. In fact, the whole legislative framework analyzed is still in its preparatory stage, due to the reform of the **Common Agricultural Policy** (CAP) on one hand, and to the

drafting of a new **Consumer Programme** for the period 2014- 2020, as a successor to the 2007-2013 Programme in the field of consumer policy, on the other hand.

Simplification proposals are classified in two different categories: *Regulatory Relief* (4 out of 6) and *Enforcement Tool* (2 out of 6).

With reference to the “*Regulatory relief*” main category, one proposal refers to the reduction of reporting and monitoring requirements for EMAS registered companies within the EU CAP control systems, whereas the other three proposals refer to specific deregulation proposals not directly linked to the sub-categories suggested for the analysis.

With reference to the “*Enforcement Tool*” main category, one proposal doesn’t refer to a specific sub-category as well, while the other may be classified as a supporting measure aiming to promote the Ecolabel Scheme within the EU Consumer Programme.

The proposals of amendments regarding the “Agriculture, forestry and fishing” sector and linked to the EMAS Scheme, fall into the CAP revision context and are related to four specific Proposals for Regulations:

- *Proposal for a Regulation of the European Parliament and of the Council establishing rules for direct payments to farmers under support schemes within the framework of the common agricultural policy [COM(2011) 625 final/2].*

The subject of the proposal regards the “Rules for direct payments to farmers”: as the EU is planning to make direct payments to farmers dependent on compliance with certain environmental legal requirements (i.e. the "greening of direct payments"), EMAS registered farmers could be considered as being compliant with these requirements.

- *Proposal for a Regulation of the European Parliament and of the Council establishing a common organisation of the markets in agricultural products (Single CMO Regulation) [COM(2011) 626 final/2].*

The subject of the proposal regards the “Aid schemes”: the EMAS Scheme could be valorized as a tool to pursue the environmental objectives of the operational programmes foreseen within the EU Aid Schemes.

- *Proposal for a Regulation of the European Parliament and of the Council on support for rural development by the European Agricultural Fund for Rural Development (EAFRD) [COM(2011) 627 final/2].*

The subject of the proposal of amendments regards two different issues:

- 1) “Incentive payments or support to registered/certified farmers”: maximum support rates should be increased for Emas registered or ISO 14001 certified farmers;

2) “Investments”: The Emas Environmental Review could act as the "Environmental analysis" foreseen by the EU Proposal, providing evidence that the investment concerned is sustainable and has no negative environmental impact.

- *Proposal for a Regulation of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy [COM(2011) 628 final/2].*

Here, the subject of the proposal regards the “CAP control systems”: the EMAS Scheme could be valorized within the EU CAP control systems.

The proposal of amendment regarding the “Consumers” policy area and linked to the Ecolabel Scheme, falls into the Consumer Programme 2014-2020 and is related to the *Proposal for a Regulation of the European Parliament and of the Council on a consumer programme 2014-2020 [COM(2011) 707 final].*

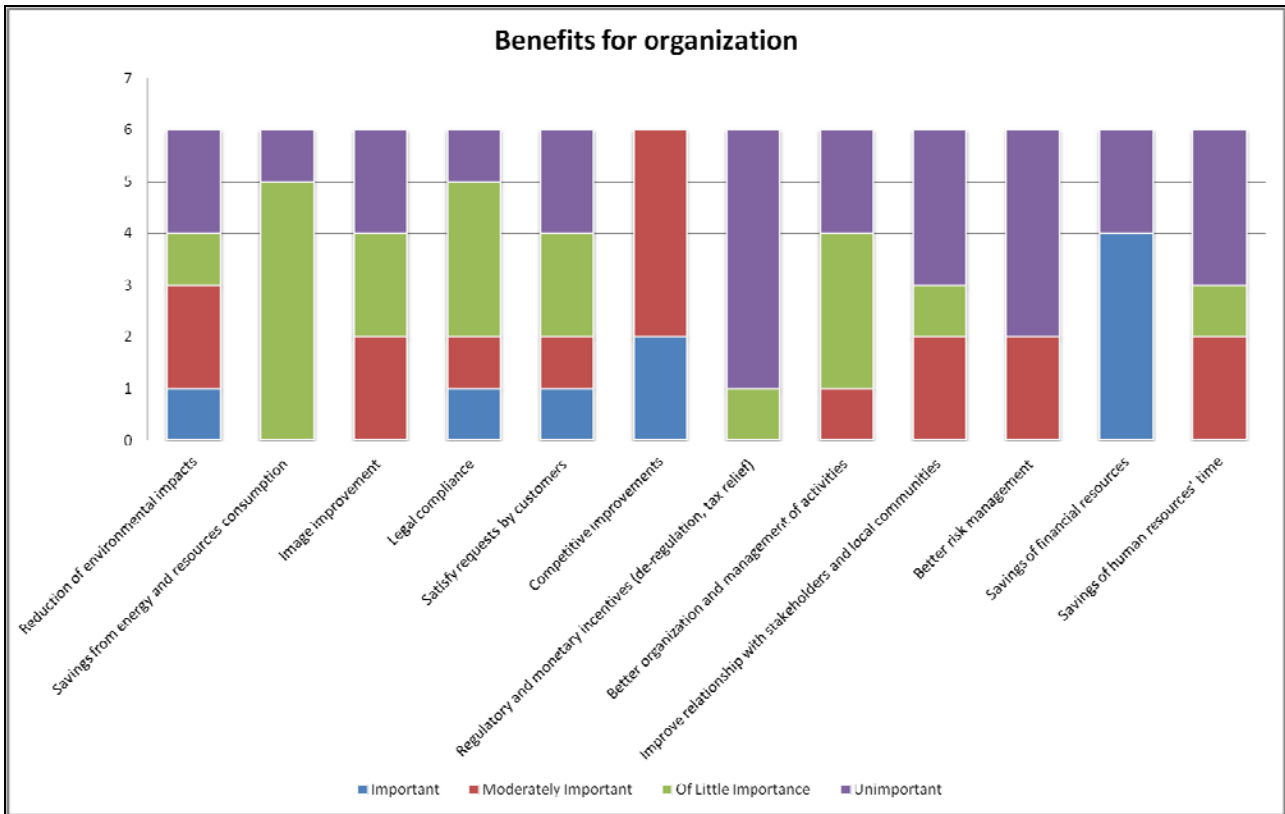
The proposal addresses the “Sustainable Consumption” main issue, aiming at promoting the inclusion of support measures for the promotion of the Ecolabel Scheme within the Consumer Programme major objective of enhancing the transparency of consumer markets and consumer information.

Overall, the simplification measures proposed aim at addressing some burdens, and in particular:

- lack of competitive rewards (1 proposal);
- lack of recognition by public institutions (2 proposals) or by consumers and markets (proposal regarding the Ecolabel Scheme and the “Consumer” policy area);
- costs relating to the necessary technical measures for guaranteeing the improvement of environmental performance (2 proposals).

Major economic and organizational efforts are expected to be taken on mainly by the European Union and Member States, whereas the efforts by Regional Authorities are expected to be of little importance. Major benefits for organizations are represented mainly by “Competitive Improvements” and “Savings of financial resources” (see figure below for details).

Figure 10 - Benefits for organisations



Business; Culture, Education and Youth

The analysis of the existing European Politics in the fields of action “Business” and “Culture, education and youth” has been made aiming to identify which of them is used in the EMAS Regulation as a tool of support for the companies that has an Environmental Management System. The analysis has shown results only in the business area and the European acts that taken in consideration are 3 Directives and 3 Regulations. In all, the different acts aim to give regulatory reliefs and better regulations to the certificated firms.

Figure 11 – Simplification opportunities identified within the “Business” policy area

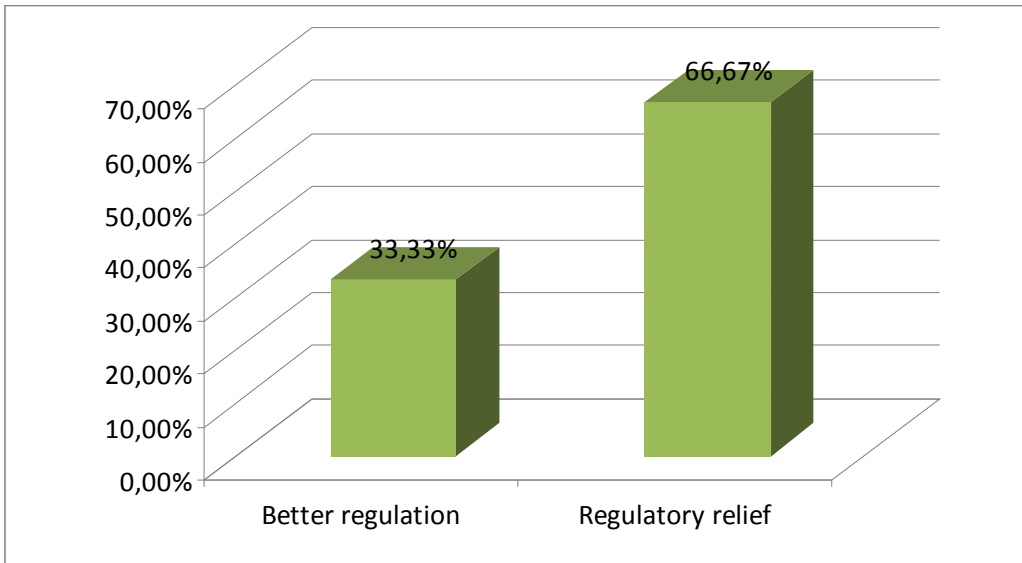
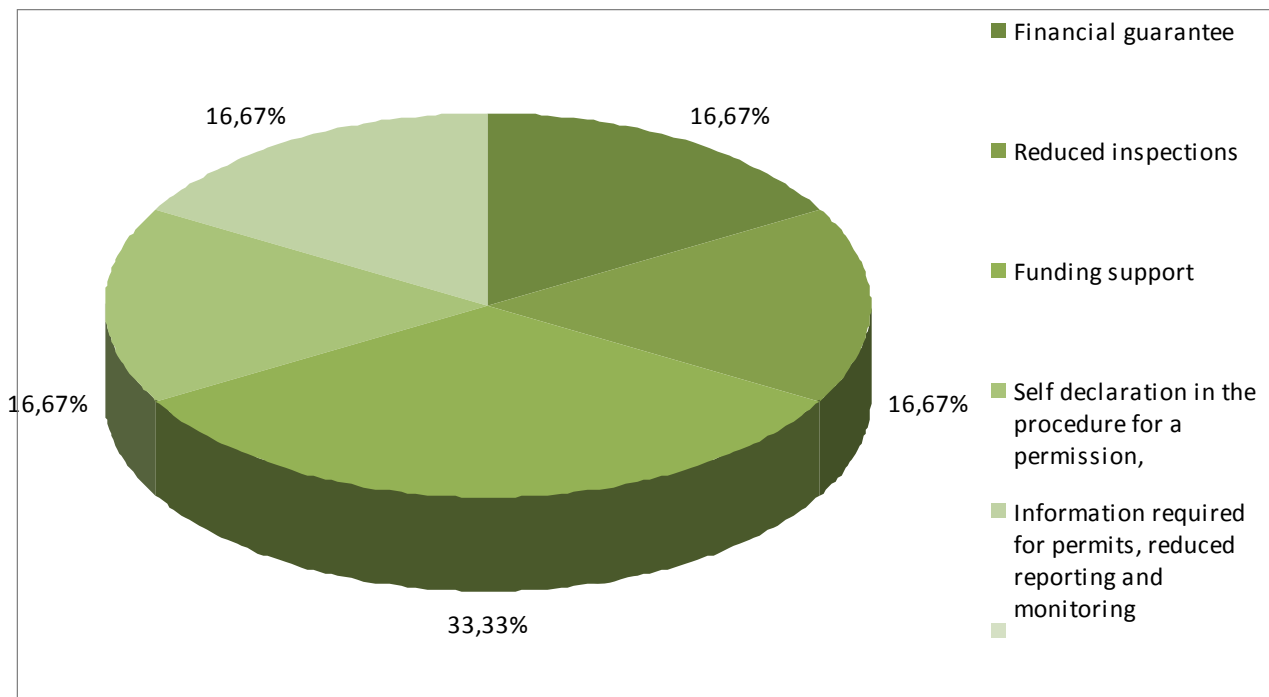


Figure 12 – Type of integration identified within the “Business” policy area



Employment and social rights ; Science and Technology

Regarding “**Employment and social rights**”, the analysis identified 6 proposal of integration of the current EU policy instruments of the current EU, all of them classified as *Better regulation*:

- one proposal related to the European Social Fund Regulation: funding support for EMSs and eco-labeling training for workers, enterprises and entrepreneurs in order to increase adaptability and improve the anticipation and positive management of changes and challenges, and for public administrations and public services for strengthening their capacity and the efficiency in the environmental issues management;
- one proposal related to the Directive about Services in the internal market: include EMS in the requirements of the Directive;
- one proposal related to the Framework Agreement on parental leave: Fiscal benefits for employ people for replacement for parental leave of people working in the Environmental Management to promote the continuous improvement;
- three proposals for the Directives Frameworks of work (Agreement on part-time working, Agreement on fixed-term work and Temporary agency work): fiscal benefits for hiring people working with the Environmental Management System.

Figure 13 – Percentage of proposals identified by policy area

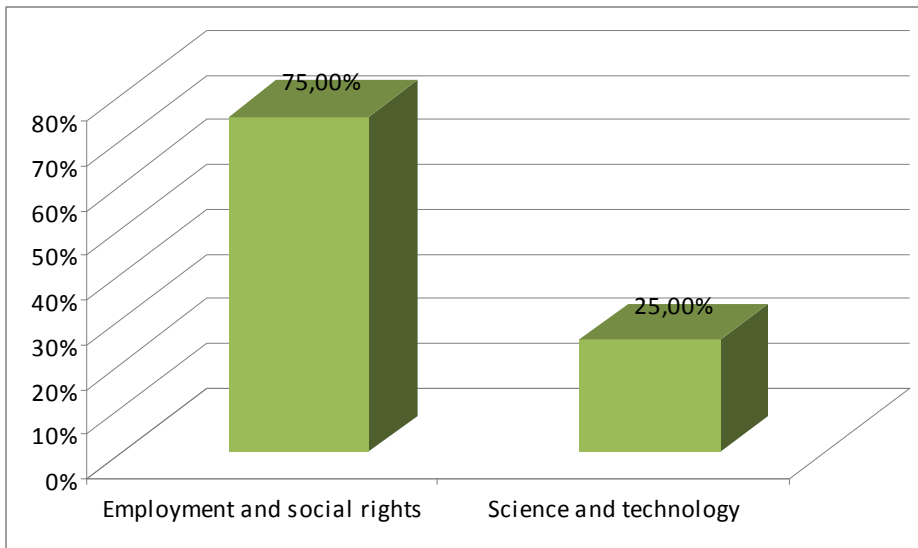
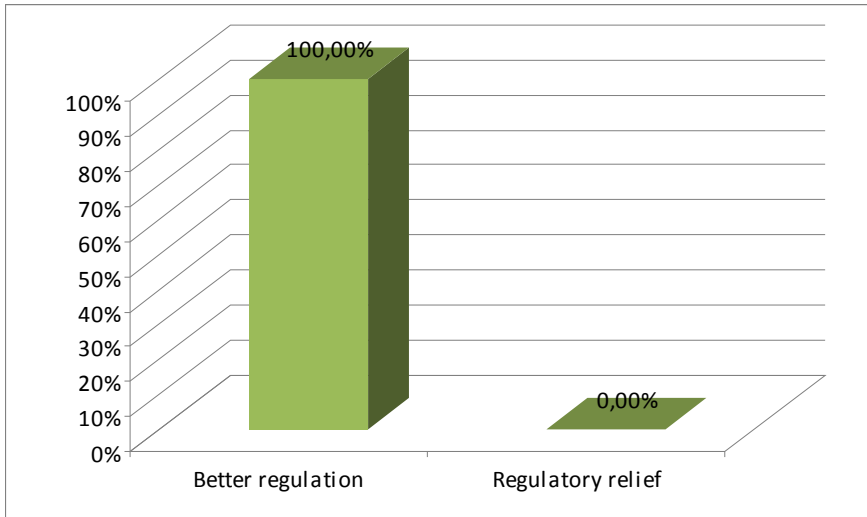


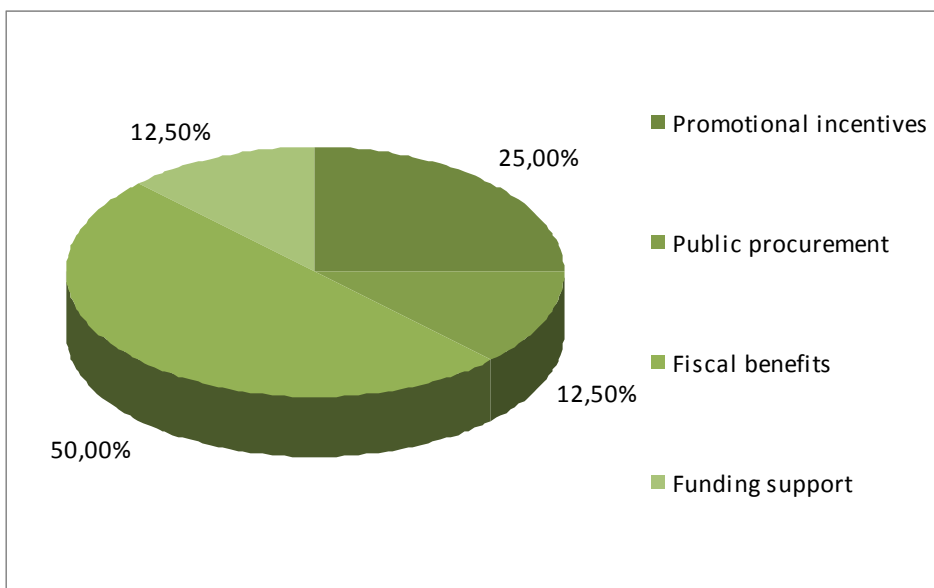
Figure 14 – Percentage of proposals identified by main category



Concerning the “**Science and Technology**” policy area, just 2 proposals of simplifications have been identified, always of Better regulation:

- one related to the Regulation “Framework for a European Research Infrastructure Consortium (ERIC)”: include EMS (EMAS as mean of proof) in the requirements and procedures for and the effects of setting-up an ERIC;
- one to the Regulation “Rules for the participation of undertakings, research centres and universities in actions under the 7th Framework Programme and for dissemination of research results”: include EMS (EMAS as mean of proof) in the selection criteria.

Figure 15 – Percentage of proposals identified by type of integration



Climate action; Environment

Within, the Climate action and Environment policy areas, an analysis of the existing European Politics in 4 fields of action (1) Environment; 2) Energy and natural resources; 3) Agriculture, fisheries and foods; and 4) Climate action has been made aiming to identify which of them is used in the EMAS Regulation as a tool of support for the companies that has an Environmental Management System. The results of the analysis is shown the following figure (Figures 16,17,18).

Figure 16 – Policy areas

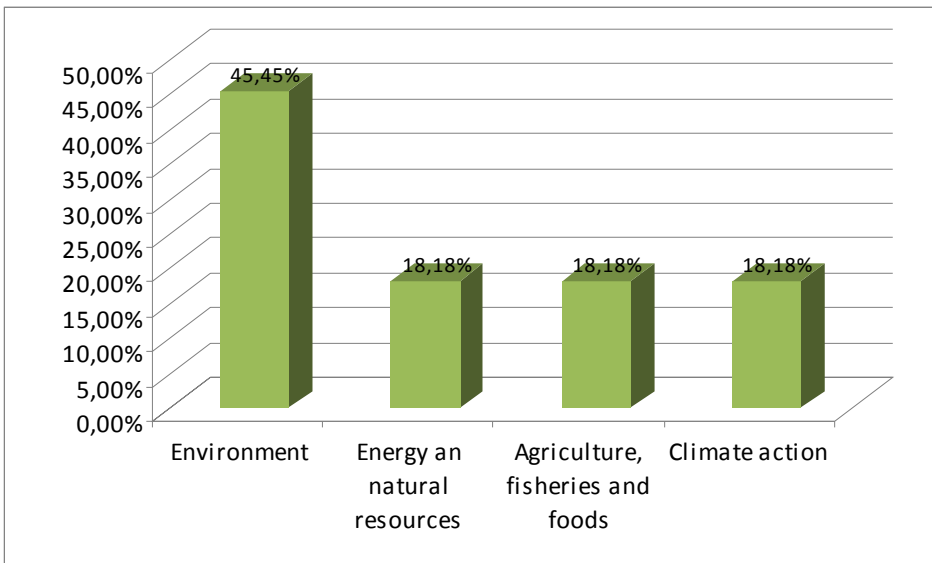


Figure 17 – Simplification for main categories

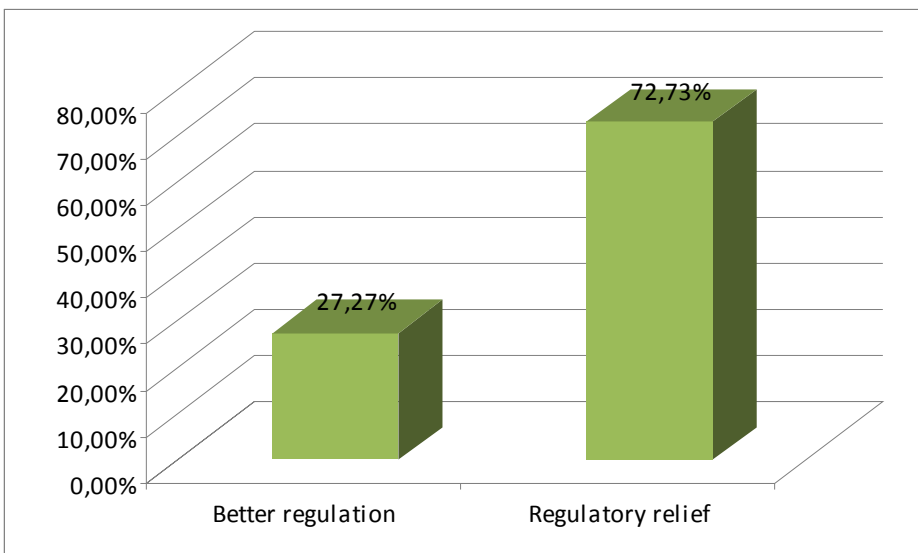
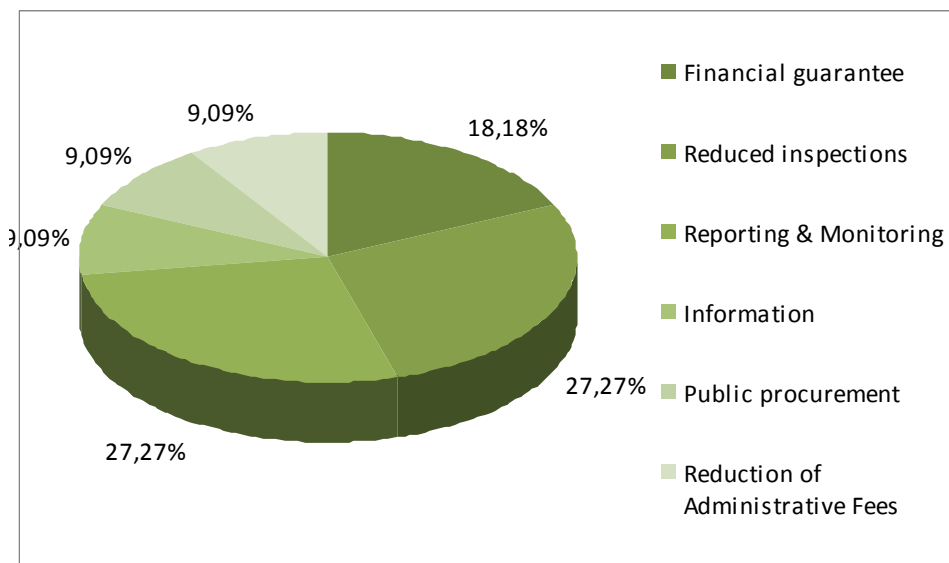


Figure 18 – Regulatory reliefs



Economy, Finance and Tax; Regions and local development

The research focused on policy opportunities for European Policy Maker for considering EMAS registration under in the development of new legislation and revision of existing legislation, regarding two policies:

- Economy, finance and tax;
- Regions and local development.

The overview has analyzed the existing experiences on regulatory reliefs, incentives or other simplification measures regarding both policies, as well as the potential opportunities. The research revealed 13 measures to support the organizations with environmental certification.

Starting with **economy, finance and tax**, there are 5 existing measures adopted by the European Parliament and the Council, most of them related to European Programmes. The Financial Instrument for the Environment (LIFE+) provides more funding support to those LIFE+ projects related with EMAS. The same measure was adopted by 'Marco Polo' programme to improve the environmental performance of the freight transport system. The Seventh Framework Programme (2007-2013) includes EU Eco-label in its scientific and technological objectives; the rules for participating under the VII FP include EMAS organizations as special group in call for proposals. One potential opportunity has been identified related to proposal for the next Programme for the Competitiveness of Enterprises (2014-2020), consisting in the insertion of "Nº of Companies certified under EMAS/ISO14001/EU Ecolabel" as an indicator to measure the impact of this Programme in achieving its specific objectives.

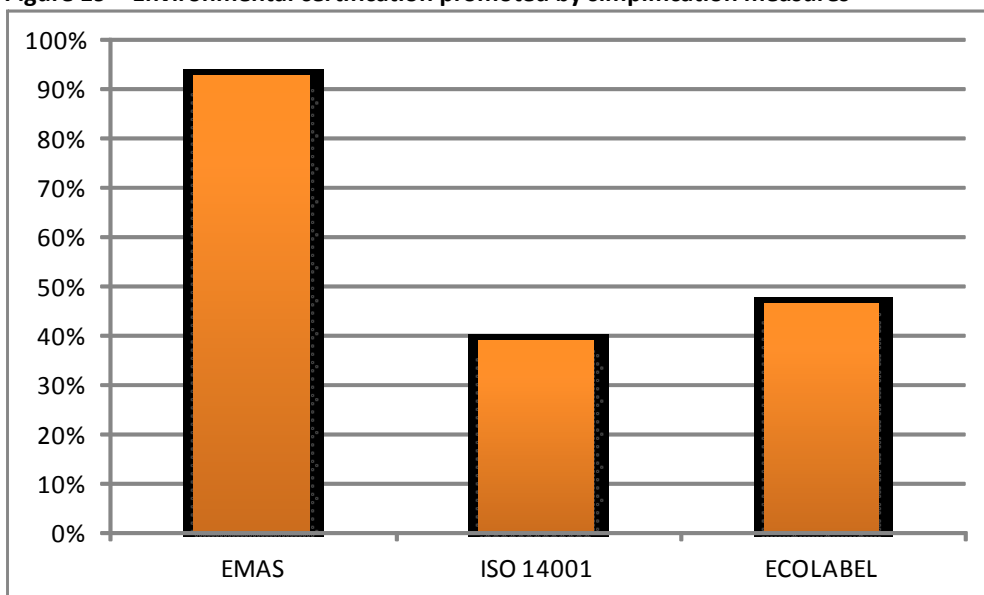
Three existing measures have been identified on the research about region and local development. The Regulation on European Regional Development Fund includes environmental management systems and eco-label as a priority. In a similar way, the European guidelines on national regional aid (2007-2013) include implementation of environmental management systems as an eligible expenditure for new small enterprises. The guidelines for the development of the trans-European transport network include environmental management systems as a measure of improvement of environmental compatibility of seaports and airports.

Interesting opportunities have been suggested regarding European legislation on regional and local development at a preparatory stage. The future common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development, and the European telecommunications network could include environmental management systems and eco-labelling as a thematic objective.

All the existing and potential measures researched on these policies are considered as funding support measures, and under the form of better regulation. The simplification measures aims at supporting mainly EMAS firms. Only one measure implemented provides benefits for the companies that apply the Ecolabel certification.

Most of the measures analyzed are focused on EMAS firms, as figure 19 shows.

Figure 19 – Environmental certification promoted by simplification measures



The effectiveness of these European measures has been analyzed with the support of Valencia Chamber of Commerce. Figure 20 shows the results of this assessment in terms of benefits for organizations participating in EMAS, ISO 14001 and Ecolabel.

Figure 20 – Effectiveness Analysis: qualitative assessment

