

To the Minister for Climate and the Environment, Minister for Business, Industry and Innovation, and the Minister for Rural Affairs

## The new Industrial Emissions Directive (IED) risks slowing the green transition and complicating permit processes

The IED has been an effective tool for reducing industrial emissions. For the industries to continue their transition towards a fossil-free future, they require legally secure and flexible permit processes which do not hinder progress. The European Commission presented its proposal for a revised Industrial Emissions Directive on 5<sup>th</sup> April 2022, and its consequences may lead to the opposite effect.

Extensive transition is in progress in the business sector, and the Confederation of Swedish Enterprise, industry organisations and the LRF (Federation of Swedish Farmers) support the climate goals and ambitious objectives in the environmental sphere. Like the European Commission, we believe that efficient permit processes are required to achieve this transition. However, the proposed revision of the IED, which broadens and deepens the directive, makes us extremely concerned from a Swedish perspective that it will have the opposite effect.

We therefore believe that:

At present, member states should postpone negotiations until the other IED-linked "Green Deal files" are completed, such as Fitfor55, ETS, chemicals legislation and the circular economy, to reduce the risk of overlapping and conflicting legislation as well as uncertainty. Thereafter the Commission can adjust the proposal and regulate remaining issues.

We believe that the consequences of the proposals could be the following:

 The directive entails extremely far-reaching regulation, which would slow down Sweden's transition to a fossil-free future due to e.g., additional lengthy permit processes, reduced flexibility which complicates local environmental adaptation, and reduced innovation due to excessive control of details.

We would be happy to meet to discuss more in detail about the implications of the revision and the changes which we deem are necessary.









**Confederation of Swedish Enterprise**