



# ANALYSING THE SUCCESS DRIVERS OF EMAS IN SELECTED MEMBER STATES

## CASE STUDY ON AUSTRIA



### KEY LEARNINGS

- ✎ According to the Austrian Competent Body (CB) financial incentives alone should never be the primary incentive for organisations to join EMAS. Once organisations enter the scheme it should provide them with structural, long-term benefits.
- ✎ The Austrian CB is effective in their information and promotion efforts by spending their budget on promotion measures for EMAS in a targeted manner, selecting and addressing relevant stakeholders rather than the full extent of the general public, and relying on these to act as multipliers.
- ✎ Due to its specific features, such as third party verification and data collection on core performance indicators, EMAS lays a solid foundation for proving sustainable → practices that can be used to fulfil GPP criteria.
- ✎ Despite the proven quality standards that EMAS fulfils it is important that EMAS representatives at ministerial or Competent Body level take an active role in making the benefits of EMAS known to regulators in order to achieve regulatory relief and economic benefits for EMAS registered organisations.
- ✎ In order to be effective nationwide, the way EMAS is being administered in a Member State should ideally reflect its general administrative and legal structure.

## BACKGROUND

In terms of absolute numbers Austria ranks on 4<sup>th</sup> place with 286 EMAS registered organisations and 1108 EMAS registered sites in May 2016. Due to its relatively small size, it has the second-highest number of EMAS registrations per one million inhabitants, i.e. about 33 registrations per million inhabitants.

From 1999 until 2002 registration numbers in Austria rose continuously, peaking at 362 before declining until 2005 to a level of about 250 registered organisations. Since then, numbers have remained fairly stable with a slight increase (see figure next page). The initial rise can largely be ascribed to the direct financial support that the Austrian government offered to organisations implementing EMAS until 2001. The funds were aimed at covering the consultancy costs involved in an initial EMAS registration and could reach up to 500,000 shillings (approximately €37,000) for a medium-sized organisation. This attractive financial support led to a rapid increase of EMAS registrations in Austria with registration numbers more than doubling within two years, from 141 in January 1999 to 294 in January 2001. Since the funding only supported the initial registration, this led a significant number of organisations not to renew their registration and to only stay registered for three years, leading to a high turnover of registered organisations.

With the first EMAS revision in 2001 the funds were phased out. As a consequence, registration numbers fell during the following four years until 2005. From then on absolute registration numbers have remained relatively stable, fluctuating between 250 and 290 registrations. Since 2012 registration numbers have increased again slowly but constantly to now 286 organisations, which is the highest level in Austria since 2004.

To understand the regulatory and financial support for EMAS in Austria it is important to understand the country's administrative and legal structure. Austria is a federal state, resulting in a division of powers between the federal government and that of the nine individual states. The states again are subdivided into districts and municipalities which form their own administrative units. In contrast, EMAS is administered centrally in Austria, on a national level.

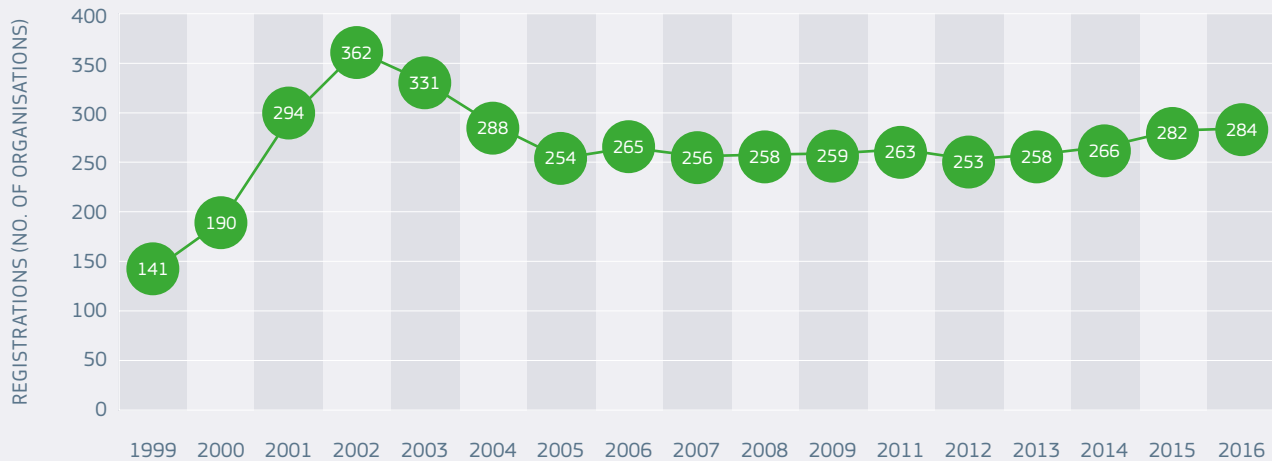
## METHODOLOGY

Data for this case study consists of extracts from the Austrian EMAS register for the years 2011, 2013 and 2016 as well as a graph depicting the development of the total registration numbers from 1999 until present. The figures for the years 2011, 2013 and 2016 were divided by NACE code in order to provide a basis for analysing the trends across the different sectors of activity, and by region to examine the geographical distribution of EMAS registrations in Austria. Furthermore, information was gathered from the national Competent Body (CB) in the form of a questionnaire and a follow-up interview.

Officially the Federal Minister of Agriculture, Forestry, Environment and Water Management is the Austrian Competent Body. Practically, however, the Austrian Environment Agency is acting as Competent Body in his stead. Both the Ministry and the Environment Agency are located in the capital city of Vienna; there are no additional institutions responsible for EMAS in the local administrative units. Due to this constellation the Austrian CB depends on the co-operation of the local authorities in putting regulatory or financial support into practice and the level of support for EMAS varies accordingly across the states. The strongest support for EMAS exists in the state of Vienna and its neighbouring state of Lower Austria which together account for 52% of all Austrian EMAS registrations. Further implications of this administrative model will be discussed in more detail below.

The current top three sectors in Austria are the waste sector (NACE code 38), the cleaning sector (NACE code 81) and the energy sector (NACE code 35). EMAS registered organisations in the waste sector benefit from the Austrian national waste management law which excludes them from their obligation of setting up a waste management concept. Instead, their EMAS environmental statement doubles as their waste management concept. For the cleaning sector an EMAS registration is especially advantageous when bidding for public tenders held by Austria's Federal Procurement Agency. A more detailed description of the most important regulatory and financial support measures will be presented in the following section.

EVOLUTION OF EMAS REGISTRATIONS IN AUSTRIA 1999 TO 2016



SOURCE: AUSTRIAN COMPETENT BODY

SPECIFIC POLICIES

EMAS was implemented in Austria through the federal law on environmental management (Umweltmanagementgesetz / UMG). The UMG contains its own chapter on regulatory relief comprising seven paragraphs. In practice the most relevant ones are §21, setting out a simpler registration procedure of modifications in installations for EMAS-registered organisations, and § 22, allowing organisations which have performed an environmental audit according to EMAS to apply for a »consolidated notice of authorisation«, which summarises all authorisations for an installation in one single notice. Financial incentives still exist to assist during the initial implementation phase. These funds, however, are lower than those provided in the early years of the scheme and are available on a regional and no longer on a national level.

In general, Austria applies a mix of different types of support measures: legal, financial, informational and promotional. The Member State has found this *mix between legal and financial measures on the one hand, and informational and promotional measures on the other hand to be very effective and crucial for the success of the scheme*. To inform about EMAS the Environment Agency organises workshops for EMAS beginners and offers on-site visits of registered sites to organisations interested in implementing the scheme. On an annual basis, the Agency organises two workshops for EMAS registered organisations on topics of particular relevance and interest, such as on the new ISO 14001:2015 held in April 2016.

Furthermore, the Agency hosts an annual EMAS conference and awards a national EMAS award. The Austrian CB is faced with limited funds and despite this, has found ways to be very effective in their information and promotion efforts, by *spending their budget on promotion measures for EMAS in a targeted manner, selecting and addressing relevant stakeholders, rather than the full extent of the general public, and relying on these to act as multipliers*. The CB also focusses on constantly expanding their personal network of regulators and local enforcement authorities, also providing targeted information to these stakeholders. The CB considers EMAS primarily as a business-to-business tool, hence targeting their communication activities at enforcement authorities, policy-makers and organisations. Finally, the CB aims to be a reliable, informative and helpful point of contact to interested stakeholders, hence providing an incentive to organisations and regulators rather than giving the impression that EMAS is a tool fraught with bureaucratic burdens.

According to the Austrian CB, financial incentives alone should never be the primary incentive for organisations to enter the scheme. As mentioned, direct funding still exists on a regional level, however, with lower funding amounts and the aim solely being to facilitate the initial registration process. Austria emphasises that *once organisations enter the scheme it is crucial to provide them with structural, long-term support to keep them inside*.

One of the most effective structural measures supporting EMAS organisations in Austria is the [Austrian Federal Procurement Act](#) of 2006. Public procurement services in Austria are provided centrally by the Federal Procurement Agency (Bundesbeschaffung GmbH, henceforth FPA). The services of the FPA are not only utilised by Austria's federal agencies but also by regional authorities and municipalities, as its clients. Already since 2003, the FPA included ecological evaluation criteria when selecting service providers, stipulating that environmental criteria can play a role in the procurement process. More recently, paragraph 19 of the Federal Procurement Act of 2006 now explicitly states that the environmental dimension must be considered during the procurement process. The FPA fulfils this by including ecological criteria in its award criteria or the technical specifications of a call for tender.

When awarding service contracts for public bodies in Austria, the FPA considers the presence of an environmental management system as part of the ecological aspects. EMAS registered organisations receive extra points in the bidding evaluation in comparison to ISO 14001 certified companies. Article 38 of the EMAS Regulation forms the basis for this decision since it states that EU Member States should consider how EMAS can be taken into account in GPP, while such a commitment does not exist for ISO 14001. The regulators see this advantage as justifiable primarily because of [EMAS's requirement for independently certified legal compliance](#). They see EMAS as going beyond ISO 14001 because it is validated by government in the form of a Competent Body, on top of being verified by an independent third party. By considering EMAS within the terms of reference of calls for tender, [EMAS registered organisations are given a direct advantage over comparable competitors without EMAS](#). According to the Austrian CB it is that very difference that has allowed EMAS registered companies in the past to win the bidding processes. In other words, an EMAS registration may contribute directly to the economic success of these companies, providing them with a continuous, tangible advantage.

*"We receive extra points in the bidding evaluation thanks to EMAS. These points are helping us as a company a lot."*

LARGE EMAS REGISTERED CLEANING SERVICE  
COMPANY FROM AUSTRIA

In the past few years, the advantage given to EMAS registered organisations when bidding for public tenders in Austria [has led to a remarkable increase in the number of EMAS registered cleaning service companies](#): Austria currently has 28 EMAS registered organisations (with 215 sites) in the cleaning sector (NACE code 81), 25 of which entered the scheme after the introduction of the Federal Procurement Act in 2006. The registration numbers illustrate how effectively Austria's sustainable procurement initiative is not only attracting but also retaining companies within the cleaning sector: While 29 cleaning companies joined the scheme since the introduction of the Austrian Federal Procurement Act in 2006, only four of them have dropped out. Austria's sustainable procurement initiative is not only providing benefits to cleaning companies but also to organisations from other sectors providing services to the country's public sector - such as printing. Here, the effects are less visible and numbers more modest.

The success of the Federal Procurement Act in Austria is facilitated by the fact that the FPA as a central entity is providing procurement services to its clients, i.e. public agencies, across Austria. In Austria, regional authorities and municipalities can choose to make use of the services of the FPA, but can also opt to carry out their own public procurement. According to the CB, in the latter situation EMAS is often not considered in procurement. This highlights the challenge of supporting EMAS via public procurement in Member States where this activity is conducted in a decentralised manner and no uniformly applicable national law exists. The Austrian government uses sustainable procurement as one tool to reach its sustainability goals, notably its goal to support sustainable products and services. Through considering ecological criteria in the procurement process, Austrian policy-makers are intending to provide companies with an incentive to develop, offer and improve ecological products and services. Considering EMAS within the terms of reference allows the FPA not only to achieve greater environmental awareness among organisations but also [to utilise the scheme as a proof for strong environmental performance](#). Across the EU Member States there is significant potential to develop similar initiatives, exploiting the synergies between EMAS and the national or regional requirements set for GPP. [Due to its specific features, such as third party verification and data collection on core performance indicators, EMAS lays a solid foundation for proving sustainable practices](#).

## REASONS WHY AUSTRIAN POLICY-MAKERS TRUST AND SUPPORT EMAS

One of the main reasons that Austrian policy-makers trust and support EMAS is the scheme's credibility due to independent audits by accredited environmental verifiers. The Austrian CB stresses that environmental verifiers licensed for EMAS are themselves subject to regular examinations by the Licensing Body represented by the Ministry for Environment. In contrast, auditors performing the ISO 14001 certification are examined by the country's Accreditation Body (the Ministry for Economic Affairs) which is in charge of all other types of audit. Due to the substantially larger number of auditors overall and the Economic Ministry not having particular environmental expertise, it can be assumed that the examinations of EMAS environmental verifiers are carried out to a higher level of quality. In addition, auditors are able to grant ISO 14001 certification without having been officially accredited, which is not the case for EMAS.

Furthermore, the aspect of guaranteed legal compliance provides another major reason why Austrian policy-makers support EMAS. Legal compliance guaranteed through EMAS can create benefits for both organisations and regulators when it is taken into consideration in existing policies. Austria has taken this aspect into consideration when allowing organisations that have performed an environmental audit according to EMAS to apply for a »consolidated notice of authorisation«, which summarises all authorisations granted for an installation in one single notice. This reduces the workload – and hence the human and financial resources invested – for both regulators and organisations.

*“You need to have a personal commitment to EMAS in order to support it. Otherwise it does not work.”*

**MONIKA BROM**  
AUSTRIAN COMPETENT BODY

Despite the proven quality standards that EMAS fulfils, this comment demonstrates the importance of the EMAS representatives taking an active role in making the benefits of EMAS known to regulators in order to achieve regulatory relief and economic benefits for EMAS registered organisations. Direct face-to-face exchanges often prove to be the best means to achieve these measures. Due to the political structure of the Member State, much of the action taken by the CB is dependent on good personal contacts, resulting in their efforts being most effective in the state of Vienna and the neighbouring state of Lower Austria. In these states many public authorities themselves have adopted EMAS. In contrast, many local authorities in other regions of Austria do not have sufficient knowledge about EMAS, lack the experience in working with the scheme and are reluctant to accept EMAS as a substitute for their inspections. The CB states that regulators at state level do not make full use of the regulatory relief measures for EMAS that are proposed by the national government. Since these authorities are independent from the federal ministry, the CB has no direct influence on how and to what extent EMAS support measures are put into practice by local authorities. For instance, Austrian law allows authorities to reduce the frequency of inspections for EMAS registered organisations falling under the IED Directive. Yet some local authorities do not make use of this measure, stating that insufficient grounds exist for applying it. This situation is caused by the Austrian CB being a central institution in a federal state. The Austrian CB concludes that in order to be effective nationwide, the way EMAS is being administered in a Member State should ideally reflect its general administrative and legal structure.

Convinced that commitment is the key to success for EMAS, the Austrian CB welcomes actions taken by the European Commission that demonstrate political commitment to the scheme at EU level, such as the consideration of EMAS within other policy areas.

### GET IN TOUCH

Additional information is available on the EMAS website [www.emas.eu](http://www.emas.eu) or through the EMAS helpdesk at [emashelpdesk@adelphi.de](mailto:emashelpdesk@adelphi.de)  
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### IMPRINT

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