MERCURY UPDATE

Latest Guidance Issued by DEFRA

On 2nd December DEFRA issued additional guidance on Mercury Abatement.

The guidance clarifies misunderstandings, provides an extension to the decision-making period and indicates the promised date of commencement of the CAMEO burden sharing scheme.

The main areas of interest are as follows:

Clause 2

The deadline of 31st December 2005 for informing local enforcers of decisions "has been put back to 1 June 2006 to allow operators more time to develop and finalise their plans".

Those that have not already made decisions at this very late stage now have a further 5 months to consider the matter.

Clause 3.a)

It is <u>believed</u> that a small number of local authorities have decided to fit mercury abatement in order to safeguard the local environment and not participate in burden sharing.

ICCM research indicates that a growing number of authorities do not wish to be labelled locally as polluters and are aware of the global picture as they are in relation to carbon. The PG note also calls for reduction in other pollutants such as particulates, HCL etc. which will have local benefit.

Clause 3.d).i)

"CAMEO will issue guidance on the criteria for deciding whether cremation authorities are to fit abatement or contribute towards the cost and will approve and register all burden sharing arrangements, with CAMEO members all being free to choose their burden sharing partners. CAMEO intend levying and administering an environmental surcharge from members from January 2007, which is considered by the scheme to be the most economical and effective way to collect and redistribute to authorities fitting abatement equipment in line with the phasing programme".

It is clear that those wishing to participate in the burden sharing scheme must identify a partner and submit details to CAMEO for approval and registration. Members of the scheme will be required to pay the intended levy to CAMEO from January 2007. It would follow that those members that abate 100% of cremations by January 2007 will receive a payment from CAMEO.

It would also follow that those that abate 100% of cremations at some date post January 2007 will be eligible for payment at a time when they achieve 100% abatement. The above mentioned CAMEO guidance should explain this position and the position for those not fitting abatement equipment and those that opt to abate 50% of cremations.

Clause 4

"Regulators should ensure, under the burden sharing approach, that all crematoria which are fitting abatement should do so by the end of 2012, with permit conditions to that effect. Regulators will need to consider enforcement action against any operator failing to comply. The indicative phasing timetable was issued to cremation organisations because cremator and abatement equipment manufacturers are unlikely to be able to meet demand if it is concentrated in the last two or three years before the 2012 deadline".

The 2012 deadline remains unchanged with enforcement action being considered against those failing to comply. The 'phasing' timetable remains unchanged despite the 6 month extension and the effective concentration of the upgrading period placing additional pressure on the manufacturers and suppliers of abatement equipment.

DEFRA has also confirmed that burden sharing is an option and NOT a legal requirement