Court of Justice of the European Union PRESS RELEASE No 166/14

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Press and Information

Judgment in Case C-243/13 Commission v Sweden

Sweden is fined for failure to implement a 2012 judgment of the Court finding incorrect transposition of the IPPC Directive

In addition to a lump sum of €2 million, the Court orders Sweden to pay a penalty payment of €4 000 per day of delay in the implementation of the measures necessary to comply with the first judgment delivered in 2012

The IPPC Directive¹ provides for an authorisation procedure for industrial activities with high potential for pollution and lays down minimum requirements by installations in order for authorisation to be granted. It thus aims to protect the environment against the consequences arising from the relevant industrial activities.

In an initial judgment delivered in 2012,² the Court of Justice, following infringement proceedings instituted by the Commission, held that Sweden had infringed the Directive on the ground that 29 installations had not complied with the Directive's requirements.

In 2013, after finding that Sweden had still not complied with the judgment of 2012 (two installations were found to still be in breach), the Commission brought a second infringement action. Subsequently, the Commission informed the Court that the necessary measures had still not been adopted in respect of one of the two installations covered by the action; the situation of the other installation had in the meantime been remedied.

In today's judgment, the Court finds, first of all, that, at the time of expiry of the letter of formal notice of 1 October 2012, two installations were not being operated on the basis of an authorisation provided for by the Directive and that, as at that date, Sweden had therefore not adopted all the measures necessary to comply fully with its obligations arising from the 2012 judgment. The Court concludes therefrom that Sweden has failed to fulfil its obligations under EU law.

Consequently, the Court orders Sweden to pay a lump sum of €2 million.

Should the infringement established by the first 2012 judgment persist on 4 December 2014, the date of this judgment, **Sweden is ordered to pay a penalty payment of €4 000** per day of delay, as from today's date, until the date of compliance with the 2012 judgment.

As regards the calculation of the amount of the penalty payment, the Court takes into account the efforts made by Sweden in order to comply fully with its obligations under the Directive: on the date of the hearing, only one of the 29 installations covered by the 2012 judgment was still not authorised as required by the Directive. The Court further notes that Sweden cooperated closely with the Commission during the procedure and that the parties agreed, in respect of the consequences of the infringement, that there was not a great danger for the environment and human health.

¹ Directive 2008/1/EC of the European Parliament and of the Council of 15 January 2008 concerning integrated pollution prevention and control (Codified version) (OJ 2008 L 24, p. 8).

² Case <u>C-607/10</u> Commission v Sweden

NOTE: An action for failure to fulfil obligations directed against a Member State which has failed to comply with its obligations under European Union law may be brought by the Commission or by another Member State. If the Court of Justice finds that there has been a failure to fulfil obligations, the Member State concerned must comply with the Court's judgment without delay.

Where the Commission considers that the Member State has not complied with the judgment, it may bring a further action seeking financial penalties. However, if measures transposing a directive have not been notified to the Commission, the Court of Justice can, on a proposal from the Commission, impose penalties at the stage of the initial judgment.

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The <u>full text</u> of the judgment is published on the CURIA website on the day of delivery.

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