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Your reference: Our reference:

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Dear Stella

Thank you for your recent letter outlining the terms of reference of the Committee's inquiry into better regulation and requesting written evidence.

In view of the legislative focus of the inquiry you may wish to draw the Committee's attention to the Environmental Better Regulation Bill as an example of a current better regulation initiative in another Department. The Bill is designed to reduce regulatory burdens on business and at the same time enhance protection of the environment. The Bill passed its Second Stage in the Assembly on 30 June 2015 and entered Committee Stage on 1 July 2015.

Farm businesses will be able to benefit in the same way as other businesses from the more streamlined regulatory system that the Bill is intended to bring about. Further details on how the new system will work in practice will be provided when the consultations on the regulations to be made under the powers provided in the Bill are carried out. This is anticipated in the next 18 months or so.

I attach for your information a brief outline of the policy and legislation development exercise that led to the current Bill and its key provisions.

I hope this information will be of interest to the Committee.

Please let me know if you require any further information.

Yours sincerely,

Greg Cunningham DALO [by e-mail]

Outline Brief – Policy development - Environmental Better Regulation Bill

<u>Background</u>

In 2009 the Department of the Environment formed a policy and legislation better regulation team to network with business, environmental groups and regulators. The team consulted with and took onboard the views of organizations on how environmental regulation and practices could be improved to reduce the regulatory and compliance burden on business, while insuring the continued protection of the environment. This initial policy development work was informed by a series of key papers including:-

- The Better Regulation Task Force Report: Less is More;
- The Hampton Review: Reducing Administrative Burdens: Effective Inspection and Enforcement;
- The Macrory Review: Regulatory Justice: Making Sanctions Effective;
- The Davidson Review: Implementation of EU Legislation; and
- The Anderson Review: The Good Guidance Guide taking the uncertainty out of Regulation.

Environmental Better Regulation White Paper - Consultation

In March 2011 the Department followed up on its initial policy development work by issuing, for comment, *"The Environmental Better Regulation White Paper"*. The Paper sets out a range of proposals to reduce the regulatory burden on business, reduce the regulatory costs borne by the Department and, at the same time, enhance protection of the environment in Northern Ireland. It also sets out a long-term programme of change in the way the Department intends to deliver its regulatory services.

In its response to the White Paper the Ulster Farmer's Union indicated that it supported the concept of Better Regulation and the improvement of environmental protection.

Proposals for an Environmental Better Regulation Bill - Consultation

In July 2013 the better regulation policy and legislation development programme moved to the next stage with the issue of a full public consultation on *"Proposals for an Environmental Better Regulation Bill"*. The Bill was subsequently approved by the Executive and is currently at Committee Stage in the Assembly.

In its response to the consultation the Ulster Farmer's Union reiterated its general support for the concept of Better Regulation and the improvement of environmental protection.

Environmental Better Regulation Bill

The Bill is an important step in facilitating a risk based approach to environmental regulation whereby responsible businesses are released from excessive red tape whilst ensuring irresponsible businesses feel the full force of the law.

DOE Regulatory Transformation Programme

The Bill is a key element of the Department's Regulatory Transformation Programme. The overall aim of the Programme is to provide a more streamlined and effective regulatory system for business and regulators so that businesses who:

- Deliberately breach environmental laws will find regulation to be direct, robust and expensive (the worst performers);
- Occasionally breach environmental laws through lack of understanding will find regulation to be supportive and effective in getting them into compliance (the middle performers);
- Regularly comply with environmental laws will find regulation to be quick and easy (the best performers);
- Want to go beyond compliance to unlock economic opportunities through business innovation will be supported and encouraged (the visionaries).

The policy intention behind the Bill aligns with the Executive's Programme for Government priority of growing a sustainable economy and investing in the future by having a simpler, harmonized and easier to understand regulatory framework. It also supports the Executive initiative *"Building a Prosperous and United Community"* which refers to the need to reduce regulatory burdens and red tape for businesses.