PROPOSED REPLACEMENT EU ACT INITIAL ASSESSMENT OF IMPACT

Date: 07/04/2025

DSC REF: DSC/02a/2025

Proposed Replacement EU Act

PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON DETERGENTS AND SURFACTANTS, AMENDING REGULATION (EU) 2019/1020 AND REPEALING REGULATION (EC) NO 648/2004 – COM/2023/217

Summary of the Act

Regulation (EC) No 648/2004 laid down the rules that detergents need to comply with in order to be placed and move freely in the market across the European Union (EU). These were rules aimed at ensuring the safe use of detergents and the high environmental performance of detergents and surfactants for detergents.

An assessment carried out in 2019 on this Regulation identified a number of weaknesses that have emerged since its adoption. In particular, it highlighted the complexity of the regulatory framework for chemicals, and the room for simplification in the communication of information on overcrowded labels to product users. The updated EU Industrial Strategy from 2021 further emphasised the importance of a coherent and stable regulatory framework to accelerate the twin transitions. The Commission's 2022 Work Programme listed the revision of the Detergent Regulation as a REFIT initiative.

This draft law seeks to update the rules on detergents, strengthening enforcement so that more compliant detergents and surfactants enter the EU's market. It takes into account the latest market developments and addresses the lack of efficiency in information requirements for detergents.

Department(s) Responsible

The Department of the Environment, Food and Rural Affairs is the competent authority for the Detergents Regulation in Great Britain.

The regulation of Detergents is a reserved matter. It is covered by the Common Framework for Chemicals and Pesticides. This is currently a provisional Framework.

DAERA is the Competent Authority for Detergents in NI.

FORM: PRR

Initial Assessment of Impact

Subject Matter:

The proposal seeks to update the rules on detergents, primarily focusing on packaging, labelling, and accounting for technological advances in the market. Background:

Detergents are substances or mixtures intended for washing and cleaning processes. The Detergents Regulation covers the manufacturing, placing, and making available on the market and use of detergents.

Proposed Changes:

The proposal aims to simplify the rules applicable to detergents, reduce the regulatory burden for manufacturers, and align detergents regulations more closely with other EU policies.

Key changes include:

- Simplifying and streamlining labelling requirements.
- Abolishing the ingredient data sheet for hazardous detergents.
- Removing obligatory involvement of approved laboratories to perform tests.
- Introducing a Digital Product Passport (DPP) for market surveillance and customs controls.
- Encouraging refill sales to reduce plastic packaging waste.
- Adding requirements for risk management measures and testing for microbial cleaners.

The UK Government's initial assessment is that the changes are expected to benefit businesses and consumers through improved communication of information and simplified compliance for labelling detergents. However, new requirements on businesses may increase costs, such as testing requirements for microbial cleaning products. Further analysis of the proposal is underway.

In light of the UK Government's initial assessment, it appears unlikely that the application of the proposed replacement EU act would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist. Further assessment is necessary in relation to any area of potential divergence between Great Britain and Northern Ireland, however it appears that the proposed Regulation is unlikely to have a significant impact on trade, investment or competition, as the general aim is to reduce burdens for manufacturers. We will continue to monitor these proposals, including through engagement with stakeholders, and consider whether further action is required.

There are currently no other matters regarding the proposed replacement act that the Department wishes to draw to the DSC's attention.

Potential Impacts of Not Applying the Regulation

Not applying the proposed replacement EU Act is unlikely to result in a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist. We will continue to monitor these proposals, including through engagement with stakeholders, and consider whether further action is required.

FORM: PRR

UK Government Explanatory Memorandum

Defra has recently indicated they are working on updating their assessment of the current EU proposals following amendments introduced during the EU legislative process and will engage departments on this in due course.

Government's Initial Assessment:

As noted above in the initial Assessment of Impact section, the Government's initial assessment is that the changes are expected to benefit businesses and consumers through improved communication of information and simplified compliance for labelling detergents. However, new burdens may increase costs, such as testing requirements for microbial cleaning products.

Implications for Northern Ireland:

The proposal will apply in Northern Ireland under the terms of the Withdrawal Agreement and Windsor Framework, subject to the democratic safeguard mechanisms, leading to some updates to the product characteristics of certain detergents placed on the EU & NI markets.

https://assets.publishing.service.gov.uk/media/6489c879103ca60013039f30/COM 2023 217 002 .pdf

Analysis by the European Commission on its Impact Assessment

The Commission conducted an impact assessment on the revision of the Detergents Regulation, receiving a positive opinion from the Regulatory Scrutiny Board on 16 September 2022. The assessment identifies two main problems: new market developments not being accounted for, and inefficient information requirements.

To address these, two policy options were proposed for each problem. Policy Option 1a ensures consumers receive necessary information when buying refilled detergents and includes microbial cleaning products under the Detergents Regulation with minimum information requirements.

Policy Option 1b builds on 1a by introducing digital labelling for refilled detergents and risk management requirements for microbial cleaning products.

Policy Option 2a suggests abolishing the ingredient data sheet for both hazardous and non-hazardous detergents, streamlining labelling requirements, and introducing digital labelling.

Policy Option 2b proposes abolishing the ingredient data sheet only for hazardous detergents and maintaining it for non-hazardous detergents, with similar labelling requirements as 2a.

The preferred combination of policy options is Policy Option 1b and Policy Option 2b, which scored better overall across various criteria, including economic, social, environmental, and health impacts.

These options are expected to bring benefits such as burden reduction, cost savings for the industry, improved readability of detergent labels, and reduced regulatory overlaps. They also support sustainable practices, innovation, and SME access to value chains, contributing to the achievement of several United Nations Sustainable Development Goals.

<u>COM(2023)217 - Proposal for a regulation on detergents and surfactants -</u> European Commission

Departmental Engagement

There have been meetings with Defra since June 2023, with contact continuing to November 2024. Defra has recently contacted DAERA to indicate they are following the EU processes and updating their assessment of the current EU proposals accordingly. Defra will engage departments on this in due course.