Questions

Production and trade volumes

The EM states, "The proposal will lead to some regulatory divergence between detergents placed on the GB market and those placed on the EU & NI markets which may impact on the movement of goods between NI and GB and impact on businesses".

Q1 - How many businesses produce detergents and surfactants in Northern Ireland, and would therefore be affected by the proposed Regulation?

A1 -At present, we do not hold precise detailed data on the number of businesses specifically engaged in the production of detergents and surfactants in Northern Ireland, however it is not expected that the number of businesses would be in double figures. Work is ongoing to better understand the sector and the potential impact of the proposed Regulation.

Q2 -What is the scale of trade GB-NI in this sector?

A2 -Currently, we do not have figures available regarding the volume or value of trade in detergents and surfactants between Great Britain and Northern Ireland. We recognise the importance of this information and will continue to liaise with industry and relevant departments to improve our understanding.

DAERA and DEFRA are working closely to engage with stakeholders to identify the scale of trade and any potential issues, none of which are expected.

Q3- Regarding GB businesses operating in this area, do you know what proportion supply both NI and the EU market and could therefore be expected to comply with the proposed EU Regulation?

A3- At this time, we do not have sufficiently detailed information to quantify the proportion of Great Britain-based businesses that supply both the Northern Ireland and EU markets in the detergents and surfactants sector. We are aware that this could have implications for businesses and will seek to gather more evidence in due course.

The EM and DAERA's assessment of impact notes the new testing requirements for microbial cleaners. The EM states this market is currently very small, but expected to grow.

Q4- Do any companies in Northern Ireland make microbial cleaners? What is the scale of trade GB-NI in this sector?

A4- We have not undertaken in-depth analysis at this time to fully answer this question but microbial cleaners are a growing market in the UK.

DAERA and Defra are working together to understand the scale of trade in Northern Ireland as well as of GB-NI movements.

Potential divergence

DAERA's submission states that further assessment is necessary in relation to any area of potential divergence between GB and NI, and that Defra is updating its assessment.

Q5 -Can you explain how this assessment is being conducted, including which stakeholders will be involved, and when will it be available?

A5- There are no set timeframes for the updated assessment. The EU's proposed regulations are not yet finalised, so it is not possible to make a full assessment at this time, however DAERA and Defra will work together to inform this assessment, including with input from stakeholders.

The EM states, "The market surveillance requirements associated with the divergence may result in increased costs and regulatory burden on local authorities to enforce".

Q6- Can you outline any additional enforcement responsibilities and costs for DAERA under this proposed Regulation?

A6- At this point, no assessment has been undertaken regarding the additional enforcement responsibilities for associated costs for the department under the proposed Regulation.

We recognise that the proposal may lead to increased demands in terms of market surveillance and enforcement activity. We will work with local authorities and the Northern Ireland Environment Agency to carry out an assessment of potential impacts as the proposals are developed further and greater clarity emerges on the practical application in Northern Ireland.

We remain committed to keeping the committee informed as further information becomes available.

Engagement

Q7 What level of engagement have you had with stakeholders?

- What are the views of stakeholders and have businesses raised any concerns?
- How / have the costs and the new requirements associated with the proposed Regulation been communicated to businesses (as identified by the EU)? Does DAERA have a view on the EU's assessment of costs and/or has DAERA/UKG carried out its own assessment?
- What discussions have taken place on this proposed Regulation under the provisional Common Framework for Chemicals and Pesticides? Have discussions covered any action needed to mitigate divergence?

A7- The NI Chemicals and Pesticides Regulators Forum was set up in 2021 by the Northern Ireland Environment Agency (NIEA), an Executive Agency of DAERA, to facilitate collaboration between the regulators for chemicals in Northern Ireland - NIEA, the Health and Safety Executive for Northern Ireland (HSENI) and local councils, along with policy leads in DAERA and DfE, acting as Competent Authorities.

DAERA and DfE officials are currently scoping a NI Chemical Stakeholder Forum. While this is still at the development stage once established it will provide a mechanism to engage with key NI stakeholders, share information regarding upcoming changes in legislation and seek their feed back on potential impacts to their businesses and customers.

UKG informed the House of Lords Sub-Committee on the Windsor Framework that DAERA holds a Chemicals and Pesticides Regulators Forum twice a year, and a Detergents sub-groups meets quarterly to engage with affected stakeholders. The UK Chemicals Stakeholder Forum enables discussion between stakeholders, government and regulators regarding effective chemicals and waste management.

Q8- Can you give an update on this engagement and input from stakeholders?

A8-. Defra have indicated it holds monthly engagement with key stakeholders on chemicals issues. Defra have noted that these engagements can be considered for use in providing key updates on chemicals regulations, including detergents in the future.

DAERA and DEFRA will work together to find the most effective way and forum through which to engage with external stakeholders

UKG policy

In its EM on the proposal, UKG indicated that it was not intending to conduct an indepth review of the main detergents regulations in the near terms, but that any review would take into account the EU proposal. The EM referred to UKG's <u>post-implementation review of the 2010 Detergents Enforcement Regulations</u> "which may provide recommendations to improve the effectiveness of the enforcement of the current regulations".

Q9-Following the completion of the review, are you able to give an update on the UK Government's policy intentions in this area?

A9- The Post Implementation Review of the 2010 Detergents
Enforcement Regulations did not recommend any regulatory
changes and UKG is not intending to conduct an in-depth review of
the main detergents regulation at this time. UKG is working to
improve the UK's trade and investment relationship with the EU
across a range of areas which could include changes to regulations
to minimise barriers to trade and regulatory burdens on businesses
in the future.

In terms of timings, the EU started trilogues on Detergents regulations at the end of January 2025. Parliament and Council had agreed their position in the last mandate and are now seeking to agree a final text.

It is anticipated a final text may be agreed in 2025. However, it should be noted that after this there is a 2 ½ year transition period proposed within the EU plans before the regulations would come into force.

UKG informed the House of Lords Sub-Committee that "Any reform of Detergents regulation will be informed by the Chemicals Strategy currently in development, which will take into account these EU proposals".

Q10- Can you give an update on the Chemicals Strategy and any plans to change the regulation of detergents in the UK?

A10- The Chemicals Strategy was a commitment of the previous UK Government. It is currently being considered as part of Defra's Environmental Improvement Plan (EIP) revision.

DEFRA have completed a rapid review of the EIP and a statement of the key findings was published on 30 January 2025. It is expected that later in 2025, DEFRA will publish a revised EIP that aims to protect and restore our natural environment with delivery information to help meet the ambitious Environment Act targets.

Amendments to the proposed Regulation

Q11 - Have any changes to the proposed Regulation been proposed by the Council of the EU or by the European Parliament, which might have a significant impact in Northern Ireland?

A11- We are continuing to assess the proposed EU Regulations and monitoring possible amendments. It is not possible to determine the impact in Northern Ireland accurately until the Regulations are finalised.