PROPOSED REPLACEMENT EU ACT INITIAL ASSESSMENT OF IMPACT

Date: 22 July 2025

DSC REF: DSC/14a/2025

Proposed Replacement EU Act

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EU) No 765/2008, (EU) 2016/424, (EU) 2016/425, (EU) 2016/426, (EU) 2023/1230, (EU) 2023/1542 and (EU) 2024/1781 as regards digitalisation and common specifications

This Regulation will amend the following Regulations:

(EU) No 765/2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products

(Protocol Annex 2, Heading 8 on Goods – general provisions)

(EU) No 2016/424 on cableway installations (Protocol Annex 2, Heading 14 on Construction products, machinery, cableways, personal protective equipment).

(EU) No 2016/425 on personal protective equipment

(Protocol Annex 2, Heading 14 on Construction products, machinery, cableways, personal protective equipment).

(EU) No 2016/426 on appliances burning gaseous fuels

(Protocol Annex 2, Heading 11 on Gas appliances).

(EU) No 2023/1230 on machinery

(Protocol Annex 2, Heading 14 on Construction products, machinery, cableways, personal protective equipment. Regulation 2023/1230 repealed Directive 2006/42/EC which is referenced under Heading 14 in Annex 2 of the Protocol). (EU) No 2023/1542 concerning batteries and waste batteries (Protocol Annex 2, Heading 23 on Chemicals and related. Regulation 2023/1542 repealed Directive 2006/66/EC which is referenced under Heading 23 in Annex 2 of the Protocol). (EU) No 2024/1781 establishing a framework for the setting of ecodesign requirements for sustainable products (Protocol Annex 2, Heading 26 on Environment, energy efficiency. Regulation 2024/1781 repealed Directive 2009/125/EC which is referenced under Heading 26 in Annex 2 of the Protocol).

Summary of the Act

This is part of a package of proposals from the EU Commission on digitalisation which seek to amend the sectoral framework, i.e. product legislation which sets out harmonised rules relating to the design, manufacture, conformity assessment and placing on the market of products. This proposal is for a Regulation which would amend 7 current EU Regulations, all of which fall under Annex 2 of the Protocol.

The proposed amendments seek to simplify reporting requirements and reduce administrative burdens for businesses and market surveillance authorities by:

- Mandating the use of digital formats for declarations of conformity and similar documents, which must be accessible by internet address or machine-readable code.
- Requiring that manufacturers indicate a digital contact on products placed on the market.
- Specifying that instructions accompanying products may be provided in electronic form (with the exception of safety information which continues to require a paper format).
- Amending reporting requirements to national authorities that require a 'paper or electronic format' to an electronic format only.
- Introducing an obligation for digital communication to national authorities.
- Introducing a provision allowing common specifications as an alternative to harmonised standards where these are unavailable or insufficient.
- Obligating that information contained in declarations of conformity and instructions is available on a digital product passport where a digital product passport is required by other EU legislation.

Department(s) Responsible

The proposal covers a range of areas, most of which are reserved to Westminster. However local enforcement responsibility has been identified for several of these areas. For areas that are devolved, responsibility sits with the Department for the Economy and its Arm's Length Bodies. The Department of Agriculture, Environment and Rural Affairs (DAERA) will also have an interest in some of the changes.

Initial Assessment of Impact

Analysis undertaken by the Department for Business and Trade (DBT) has found that the proposed amendments will not have significant impacts for those selling

goods into Northern Ireland, as the overarching aim of these amendments is to streamline the provision of information for regulatory compliance purposes. Rather, the proposed amendments may have a positive impact for those trading in goods by reducing administrative burdens, while providing a reasonable timeframe to familiarise with new requirements.

The EU's impact assessment notes that the changes are "limited and targeted" and do not have significant impact on policy.

However, DBT notes that the proposals for digitalisation have the potential to introduce a difference in approach for products between Northern Ireland and Great Britain. It also acknowledges the potential for initial costs relating to the transition to the new regulations.

DBT has stated that it recognises the value of streamlining will be looking to engage further with industry and consumer organisations regarding similar measures for Great Britain in due course.

The evidence available therefore points to the potential for some initial costs relating to the introduction of the new requirements and for a difference in approach compared to Great Britain. This situation would persist until such times as similar measures would be adopted in Great Britain, something that the UK Government has undertaken to consider. The DBT analysis does not indicate that any of the impacts are expected to be significant.

Conversely, Northern Ireland companies seeking to trade with the EU would have to comply with the requirements being proposed. Not applying the proposed replacement act would cause a significant impact, namely a barrier to trade with the EU. This impact would persist for as long as the requirements applying in Northern Ireland continued to differ from those applied by the EU.

UK Government Explanatory Memorandum

The Explanatory Memorandum is attached at Annex 1. It summarises the proposal and lists the directives and regulations affected by it and presents the DBT analysis that it will not have significant impacts for those selling goods into Northern Ireland.

It notes previous Parliamentary scrutiny of similar simplification measures on Eco-design and on batteries and waste batteries. It also notes that product safety legislation is primarily reserved, but that some aspects of conformity assessment and required documentation may relate to devolved areas.

At present, the UK and EU have similar requirements for providing technical documentation, however these proposals would amend the technical information (except for safety information) supplied with the product, mandate digital declarations of conformity and ensure information can be supplied digitally. This has the potential to introduce a difference in approach for products between Northern Ireland and Great Britain.

Throughout the UK, trade documents in electronic form have the same legal status as their paper equivalents. While electronic versions are encouraged, their use is not mandatory. The UK Government recognises the value of streamlining costs and the importance of clear and easily accessible information. It will therefore consider whether it wishes to facilitate similar principles to the EU on this matter.

UK Government consultation on similar measures indicated support for the introduction of voluntary digital labelling, with the majority of businesses supporting it as a method of reducing costs. It is reported that the results of EC stakeholder consultations were largely in favour of digitalisation.

It is acknowledged that there could be initial costs on transitioning to the proposed digital requirements, however the EU impact assessment describes the changes as "limited and targeted."

Analysis by the European Commission on its Impact Assessment

The proposal concerns limited and targeted changes of legislation with a view to simplify reporting requirements and digitalisation and alignment of common specifications. They are based on experience gained from implementing legislation. The changes do not have a significant impact on the policy, but ensure more efficient and effective implementation, also through aligning common specifications with standing legislation.

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None.

Annex 1 – Explanatory Memorandum



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