

## PROPOSED REPLACEMENT EU ACT

### INITIAL ASSESSMENT OF IMPACT

**Date: 12.01.26**

**DSC REF: DSC/22a/2025**

**Department: Department for the Economy**

#### **Proposed Replacement EU Act**

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Regulations (EC) No 1907/2006, (EC) No 1272/2008, (EU) No 528/2012, (EU) 2019/1021 and (EU) 2021/697 as regards defence readiness and facilitating defence investments and conditions for defence industry**

This Regulation will replace **Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), establishing a European Chemicals Agency, amending Directive 1999/45/EC and repealing Council Regulation (EEC) No 793/93 and Commission Regulation (EC) No 1488/94 as well as Council Directive 76/769/EEC and Commission Directives 91/155/EEC, 93/67/EEC, 93/105/EC and 2000/21/EC** Protocol Annex 2, Heading 23 on Chemicals and related

This Regulation will replace **Regulation (EC) No 1272/2008 of the European Parliament and of the Council of 16 December 2008 on classification, labelling and packaging of substances and mixtures, amending and repealing Directives 67/548/EEC and 1999/45/EC, and amending Regulation (EC) No 1907/2006** Protocol Annex 2, Heading 23 on Chemicals and related

This Regulation will replace **Regulation (EU) No 528/2012 of the European Parliament and of the Council of 22 May 2012 concerning the making available on the market and use of biocidal products** Protocol Annex 2, Heading 24 on Pesticides, biocides.

This Regulation will replace [Regulation \(EU\) 2019/1021 of the European Parliament and of the Council of 20 June 2019 on persistent organic pollutants \(recast\)](#) Protocol Annex 2, Heading 23 on Chemicals and related

This Regulation will replace [Regulation \(EU\) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation \(EU\) 2018/1092](#) not part of the Protocol

## **Summary of the Act**

The proposal forms part of the “Defence Readiness Omnibus” and amends five European Union (EU) Regulations. Four of these Regulations are listed in Annex 2 of the Windsor Framework.

The proposal amends the following Regulations:

- (i) Regulation (EC) No 1907/2006 (Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH))
- (ii) Regulation (EC) No 1272/2008 on classification, labelling and packaging of chemical substances (CLP)
- (iii) Regulation (EU) No 528/2012 on Biocidal Products (BPR)
- (iv) Regulation (EU) 2019/1021 (Persistent Organic Pollutants - POPs)

The amendments to these four regulations broaden the scope for national defence exemptions for substances, mixtures, and articles in the EU.

## **Department(s) Responsible**

Defence is an excepted matter.

DAERA and DfE share competence for REACH.

DfE and DoJ share competence for CLP.

DAERA holds competence for POPs.

DfE holds competence for BPR.

### **Initial Assessment of Impact**

As per the UKG assessment:

The proposed amendments to the defence exemption in the EU REACH regulation are consistent with how this exemption is already defined in the UK regulations so no practical implications are anticipated from this change and decisions on REACH exemptions can continue to apply across the whole of the UK.

The defence exemptions for CLP and BPR in NI are already consistent with the scope of the proposed EU Regulation. No practical implications are anticipated from this change and decisions on exemptions can continue to apply in NI.

### **UK Government Explanatory Memorandum**

The proposed amendments are intended to broaden the permitted scope of the EU exemption process which is already in place for chemical regulations, to make it easier to apply and meet the needs of the defence industry.

Within the EU, the defence exemption provisions in REACH, CLP and BPR are permissive; it is for individual Member States to decide whether, and how, to apply them. In the UK, including NI, the defence exemptions process is the same under UK REACH and EU REACH and is applied by the REACH Enforcement Regulations 2008. The defence exemptions process is administered on behalf of the Ministry of Defence (MOD) by MOD Defence, Equipment & Support (MOD DE&S). The proposed amendments to the defence exemption in the EU REACH regulation are consistent with how this exemption is already defined in the UK regulations so no practical implications are anticipated from this change and decisions on REACH exemptions can continue to apply across the whole of the UK.

In the EU, defence exemptions currently exist under Article 1(4) of CLP and Article 2 of BPR.

The defence exemptions for the assimilated GB CLP Regulation and GB BPR are applied in GB through the respective enforcement regimes under [the Biocidal Products and Chemicals \(Appointment of Authorities and Enforcement\) Regulations 2013](#). The defence exemptions process in GB is administered by MOD DE&S.

In NI, the defence exemption provisions for CLP and BPR are applied by:

[The Biocidal Products and Chemicals \(Appointment of Authorities and Enforcement\) Regulations \(Northern Ireland\) 2013](#)

[The Explosives \(Appointment of Authorities and Enforcement\) Regulations \(Northern Ireland\) 2015](#)

The defence exemptions for CLP and BPR in NI are already consistent with the scope of the proposed EU Regulation. No practical implications are anticipated from this change and decisions on exemptions can continue to apply in NI. The defence exemptions process is administered by MOD DE&S. Information on defence exemptions in NI is available on the HSE NI website.

In relation to POPs and the implementation of Stockholm Convention, exemptions can be granted under the Convention and Parties can choose to apply these when they implement domestically. However, a Party cannot unilaterally grant additional exemptions beyond the list of exemptions adopted under the Convention. One of the amendments to the EU POPs Regulation, therefore, introduces a specific obligation on the European Commission and Member States to consider defence readiness in evaluating substances for inclusion under the Convention to ensure any relevant exemptions can be considered at Convention level. The other amendment allows Member States to make exemptions to reporting requirements under the POPs Regulation on grounds of protection of national or EU security interests.

#### **Analysis by the European Commission on its Impact Assessment**

The European Commission conducted a comprehensive stakeholder consultation, which highlighted concerns from industry regarding the existing chemicals legislation and the need for defence and security considerations to be taken into account. No impact assessment was carried out due to the urgency of the proposal

#### **Departmental Engagement**

DfE has engaged with Defra and HSE(GB) on this proposal and was consulted on preparation of the Explanatory Memorandum as it relates to REACH, CLP and BPR.