FORM: PUBR

# PUBLISHED REPLACEMENT EU ACT ASSESSMENT OF IMPACT

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#### **Published Replacement EU Act**

Regulation (EU) 2025/1561 of the European Parliament and of the Council of 18 July 2025 amending Regulation (EU) 2023/1542 as regards obligations of economic operators concerning battery due diligence policies

This Regulation amends Regulation (EU) 2023/1542 of the European Parliament and of the Council concerning batteries and waste batteries, amending Directive 2008/98/EC and Regulation (EU) 2019/1020 and repealing Directive 2006/66/EC. Regulation (EU) 2023/1542 has effect In Northern Ireland as it replaces Directive 2006/66/EC which is applicable under Heading 23 (Chemicals and related) of Annex 2 of the Windsor Framework.

Regulation - 2023/1542 - EN - EUR-Lex

## Summary of the Act

This Regulation delays the implementation date for due diligence obligations specified in Article 48 of Regulation (EU) 2023/1542 by two years. These measures relate to due diligence obligations for economic operators placing batteries on the market or putting them into service. These obligations were initially to be applied from 18 August 2025, but this Regulation delays their implementation by two years, to 18 August 2027, as well as amending the date for the Commission to publish guidelines on due diligence requirements from February 2025 to July 2026. It is relevant that there is no change to the substance of the original due diligence obligations.

The Regulation amends Regulation (EU) 2023/1542 as regards to delaying the implementation date for obligations of economic operators concerning battery due diligence policies. The due diligence requirements oblige companies to map their supply chains, identify risks and take action to mitigate these. Adoption of the Regulation acknowledges that it takes time for business to analyse and adjust supply chains at a time when the geopolitical landscape continues to shift, leaving the battery industry with many challenges – particularly sourcing raw materials.

Additionally, Article 94(4) of Regulation (EU) 2023/1542 requires the Commission to assess, one year after Directive (EU) 2024/1760 on corporate sustainability

due diligence was adopted, whether amendments to the battery due diligence obligations are necessary in light of the adoption of that Directive. The EU has noted that consistency in implementation could be achieved if guidelines for both the Directive and Regulation (EU) 2023/1542 were published and made available at the same time.

The preamble to the Regulation also notes that the due diligence obligations include requirements for verification by notified bodies within each Member State. It is relevant that conformity assessment bodies become notified bodies by applying for notification to a notifying authority. The Commission, however, noted that only approximately half of the Member States have appointed their notifying authority in charge of the assessment, notification and monitoring of conformity assessment bodies. This means the commission has not been able to determine a standard for the accreditation of notified bodies for battery due diligence.

Due diligence schemes being developed by industry associations and groupings of interested organisations are expected to play an important role in the implementation of the battery due diligence obligations.

### Department(s) Responsible

Regulation (EU) 2023/1542 has two main elements, namely the placing of batteries onto the UK market and the management of waste batteries, including extended producer responsibility. The placing on the market element is reserved to the UK Government, whereas the management of waste batteries is devolved.

The Department for Environment, Food and Rural Affairs is the lead Department for those provisions relating to placing on the market.

The Department of Agriculture, Environment and Rural Affairs is the lead department for those provisions relating to waste management of batteries.

#### Assessment of Impact

The application of the Regulation will not have a significant impact specific to everyday life of communities in Northern Ireland, in a way that is liable to persist. This Regulation allows the UK Government and businesses additional time to prepare for implementation.

The relevant due diligence provisions concern the placing of batteries on the market and are reserved to the UK Government. The UK Government Explanatory Memorandum states that the Regulation will provide businesses with more time to ensure their due diligence processes are in line with the regulations, due to the later implementation date proposed.

Non-application of the Regulation will not have a significant impact specific to everyday life of communities in Northern Ireland, in a way that is liable to persist. However, if this Regulation did not apply in Northern Ireland but applied in other EU Member States, businesses in Northern Ireland would legally have to apply the due diligence obligations in advance of any other EU country and they would therefore be at a disadvantage. There may be some impact on businesses; however, it would not be deemed to be significant, nor would it be liable to persist, given that the Regulation will fully apply across the EU within two years.

#### **UK Government Explanatory Memorandum**

The UK Government is of the opinion that this Regulation, which delays the due diligence obligations placed on industry, will not impact costs for UK Government or DAERA and will allow more time for external stakeholders, such as businesses supplying NI with batteries, to adjust their internal due diligence practices.

UK Explanatory Memorandum for European Union legislation within the scope of the UK/EU Withdrawal Agreement and the Windsor Framework.

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

No impact assessment was carried out for this Regulation. An impact assessment was carried out for the proposal, which led to the adoption of Regulation (EU) 2023/1542. This Regulation only amends the date of application of the due diligence obligations of Regulation (EU) 2023/1542.

#### **Departmental Engagement**

DAERA officials regularly engage, and have close working relationships with, colleagues in Defra. The relevant due diligence provisions concern the placing of batteries on the market and are reserved to the UK Government, given it is a reserved matter. Therefore, any engagement with the EU, on the proposed Regulation, will be carried out by the UK Government.

There has been no specific consultation to date with external stakeholders by DAERA or Defra on the devolved aspect in relation to waste batteries.

For the implementation of the Placing on the Market aspects of the EU Batteries Regulation in NI, Defra will be laying an SI to address the requirements of Article 93 on Penalties, as well as any other implementation requirements not directly applied by the EU Batteries Regulation. Defra will carry out any necessary engagement with industry before doing so.