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Marie Austin Clerk, Windsor Framework Democratic Scrutiny Committee Room 382, Parliament Buildings Stormont Belfast, BT4 3XX

11 December 2024

Dear Marie,

Regulation (EU) 2024/2865 of the European Parliament and of the Council of 23 October 2024 amending Regulation (EC) No 1272/2008 on classification, labelling and packaging ('CLP') of substances and mixtures (Text with EEA relevance)

I write in relation to the above mentioned Regulation, noting the Committee's interest and scrutiny of it. The Committee sought further information from the Government on a specific submission made by an industry group; relevant engagement by the Health and Safety Executive, as the responsible public body for the regulation; and the volumes of relevant commodities moving within the UK, which may be engaged by the Regulation.

I shall respond to the issues in turn, noting the Government's clear view set out in the Explanatory Memorandum previously provided that there will be limited Northern Ireland-specific implications as a result of these changes, and that in the overwhelming majority of substances and mixtures sold within the UK will continue to follow the general approach of CLP. The Memorandum also notes that these changes may be beneficial in some cases in Northern Ireland.

A particular point of interest to the Committee was the issue of Cumene and the response from Fuels Industry UK Ltd, a sector group. This is based on the assumption that the classification of Cumene is related to the EU CLP Revision Package amendments made by Regulation (EU) 2024/2865, but this understanding is not correct. The classification of Cumene is wholly separate to the Regulation in question, and therefore we consider this outside the scope of the issues in question with relation to the impacts of Regulation (EU) 2024/2865.

For clarity, therefore, Regulation (EU) 2024/2865 has had no bearing on the classification of Cumene - either the Harmonised Classification and Labelling (CLH) under EU's CLP regulation or the Mandatory Classification and Labelling (MCL) regime under the GB CLP regime. The Committee for Risk Assessment ('RAC') Opinion for Cumene was published in September 2020.

Please find accompanying this letter responses to your requests for the other supplementary information in relation to the Regulation, in addition to the Explanatory Memorandum previously provided:

- Annex A which provides further information in respect of HSE's engagement with business in relation to the regulation in question; the Government's position as set out in the Explanatory Memorandum is reflective of these discussions.
- Annex B which includes trade data from HMRC in relation to the movement of chemicals covered by the EU classification, labelling and packaging regime between Northern Ireland and Great Britain, noting the significant caveats applied to this data by HMRC, and therefore that that data is:
 - o not composed entirely of chemicals within scope of the Committee's request;
 - o not indicative of future trends or trade flows; and
 - o not reflective of the likely continued and significant level of compliance of chemicals in a manner consistent with the approach set out in the EU CLP regime.
- Annex C which contains the signed Explanatory Memorandum and assessment reflecting the Government's position and assessment of the matter, and is provided for completeness to support the Committee's deliberations.

For the avoidance of doubt, the Government has every expectation that the regulation in question will have no substantive impact on these trade flows, which will continue as before - in line with our steadfast commitment to protect the UK internal market. In particular, I would note the large number of companies supplying chemicals in Northern Ireland who also supply EU markets, and therefore will be likely to be compliant with these new arrangements in any event, with no significant impacts or disincentives in respect of the Northern Ireland market.

I trust that this further information will provide the information the Committee needs to carry out its functions, and would be grateful if you could please circulate it onwards to the Chair and members of the Committee.

Yours sincerely,

PAUL FLYNN
DEPUTY DIRECTOR

ANNEX A — FURTHER INFORMATION ON HSE'S BUSINESS ENGAGEMENT

Engagement & Policy Division

Rick Brunt Director

Kingsley Durham Centre
Nicker Hill
Keyworth
Nottingham
MG12 5GG

Marie Austin, Committee Clerk

Windsor Framework Democratic Scrutiny Committee (DSC)

Wednesday, December 11th 2024

Your Reference: DSC 295/24

Dear Ms Austin -

Regulation (EU) 2024/2865 amending Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures (EU CLP Regulation

Thank you for your letter of 6 December on behalf of the Windsor Framework Democratic Scrutiny Committee (DSC) of the Northern Ireland Assembly to the Health and Safety Executive (HSE).

In line with the arrangements proposed by Ministers to the Northern Ireland Assembly, the Windsor Framework Taskforce (WFTF) has asked the HSE in its role as the policy holder and regulator, to respond. I understand that the DSC operates to tight statutory deadlines and will deliberate on the evidence received during the course of its inquiry at its meeting on 12 December.

I am replying as HSE's Director of Engagement & Policy Division, advised by the Classification, Labelling and Packaging Policy Team (CLP Policy Team), which is part of this Division. HSE prepared the draft Explanatory Memorandum signed by the Minister on 4 December 2024. Separately - and in response to your question on responses to domestic engagement - HSE arranged for a voluntary 'Survey on GB CLP Regulation' in September 2024.

HSE is not able to share any data, responses or feedback from the Survey on GB CLP Regulation with the Committee. Part of the parameters of the questionnaire was that respondents gave permission only for the information to be used by HSE to understand

possible impacts of potential changes to GB CLP. In the Survey, HSE asked for feedback on how the current GB CLP system was working.

As HSE explained at the time in the <u>published CLP e-Bulletin</u>, the Survey, (which took place from 4 September to 18 September 2024) was aimed at manufacturers, importers, downstream users and distributors in GB and Northern Ireland to collect operational data from active participants in the GB CLP supply chain on how the current GB CLP system was working and what impact any changes might have, and asking for specific feedback on:

- notification (not relevant for downstream users and distributors);
- relabelling;
- label formatting;
- · chemicals under pressure;
- explosives not in transport configuration;
- 'Keep out of reach of children' pictogram; and
- precautionary statements.

Of these, only the information provided on relabelling and label formatting has any overlap with the changes introduced by the revision of the EU CLP Regulation by Regulation (EU) 2024/2865.

We received 505 responses in total but some of these responses were only partial or incomplete. We have started to analyse the data and responses and will be undertaking informal engagement with key internal and external stakeholders to investigate the scientific and technical basis and the wider policy context. Only a small number of responses in total were received from Northern Ireland and most of the respondents with operations in Northern Ireland also operate in GB.

Naturally however HSE undertakes routine engagement with business representatives from across the UK (including in October), and our position as set out in the Explanatory Memorandum provided to the Committee is reflective of such engagement.

The UK Government is committed to protecting the internal market and is ready to explore in more detail with stakeholders the regulation in question to ensure the continued free flow of goods across the UK internal market.

RICK BRUNT
DIRECTOR, ENGAGEMENT AND POLICY DIVISION

ANNEX B — SCALE OF CHEMICAL SECTOR TRADE BETWEEN GB AND NI

DSC REF: DSC 241/24

Overview

HMRC has provided data it collects in relation to goods movements from Great Britain (GB) to Northern Ireland (NI). This provides data based on different tariff chapters that may include chemicals covered by EU act (Regulation (EC) No 1272/2008 on the classification, labelling and packaging of substances and mixtures), which is amended by the regulation in question (Regulation (EU) 2024/2865). This data can be found in Annex A.

This data must be read alongside the Explanatory Memorandum provided by the Government on 4 December. There are a number of caveats and limitations on this data that must be understood when directly comparing the applicability of this data against the goods covered by the regulation, including;

Scope and Classification Limitations

Data was collected at chapter level, presenting constraints:

- Some non-chemical products will be inadvertently included in the analysis, and some chemical products may exist in uncaptured chapters - but, on balance, we expect the figures below to be an overstatement.
- The analysis provides an overview of current trade flows of chemicals into NI from GB. For
 the avoidance of any doubt, it is not expected that this regulation will have any significant
 impact on trade between GB and NI, as set out in the Explanatory Memorandum so the
 Government has every expectation that these volumes of trade will continue and will
 continue to protect trade across the whole UK Internal Market.

Data Quality and Collection:

- This analysis represents best estimates from raw, uncleaned data.
- The dataset includes all declaration types (standard, supplementary and EIDR) which introduces variability.

Business Count:

- The reported business numbers include both NI-based and GB-based importing businesses.
- These figures should not be interpreted as representing purely NI businesses.
- The same business may appear across multiple chapters, meaning the total count does not represent distinct individual businesses.

Policy Implications:

- The Government's view on the anticipated implications of the regulation in Northern Ireland are detailed in our Explanatory Memorandum, which this information supplements.
- In practice, we would expect that the overwhelming majority of substances and mixtures being sold across the UK will in any case be compliant with the updated requirements set out in this regulation. There are also substantive transition periods (ranging from 18 to 60 months), and Northern Ireland businesses will continue to benefit from unfettered access protections.
- Accordingly, overall it is expected that there will be limited Northern Ireland-specific
 implications by virtue of the regulation. The regulation will be kept under careful review, with
 a view to ensuring the continued free flow of goods across the whole UK Internal Market.
 Accordingly, the regulation is not expected to have any significant effect on trade volumes
 of chemicals between NI and GB.

Trade Flows Table

2023 NI chemical movements from GB1

Chapter	Chapter description	Value (£m)	No. of businesse
28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes	29.7	410
29	Organic chemicals	21.9	424
31	Fertilisers	14.2	136
32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks	94.8	808
34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes, prepared waxes, polishing or scouring preparations, candles and similar articles, modelling pastes, 'dental waxes' and dental preparations with a basis of plaster	70.9	974
36	Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations	1.6	78
38	Miscellaneous chemical products ²	306.6	911
39	Plastics and articles thereof	495.7	3,075
Total		1,035.6	N/A ³

¹ Data extracted from the Customs Declaration Service (CDS) in November 2024. ² Includes products like insecticides, charges for fire extinguishers, hydraulic brake fluids, anti-freezing fluids, refractory cements.

³ The same business might appear in multiple chapters, the total count is not made up of different businesses. The same business may appear across multiple chapters, meaning the total count does not represent distinct individual businesses.

ANNEX C — EXPLANATORY MEMORANDUM



Mr Philip McGuigan MLA, Chairperson Windsor Framework Democratic Scrutiny Committee (DSC)

REF: DSC 257/24

29 November 2024

Rt Hon Nick Thomas-Symonds MP Paymaster General and Minister for the Cabinet Office

Issued via email to: wftf-sg@cabinetoffice.gov.uk

Nick, a chara,

At its meeting on 28 November 2024, the Windsor Framework Democratic Scrutiny Committee (DSC) considered Regulation (EU) 2024/2865 amending Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures. This act was notified to the DSC on 21 November 2024.

The DSC decided to hold an inquiry into the replacement EU act, pursuant to paragraph 8(1) of Schedule 6B to the Northern Ireland Act 1998.

Under paragraph 9(2)(a), the DSC must seek substantive discussion and engagement with the British Government. Therefore, the Committee is requesting your assessment of:

- Whether it appears likely that the application of the replacement EU act would have a significant impact specific to everyday life of communities here in a way that is liable to persist; and
- Whether it appears likely that not applying the replacement EU act would have a significant impact specific to everyday life of communities here in a way that is liable to persist.

In considering the potential for divergence, the Committee also requests details of the position in England, Scotland and Wales.

Further, I attach a response from Fuels UK to the Committee's consultation on the proposed Regulation. The Committee asks for your comments on the issues raised.

I would appreciate a response by Monday 9 December 2024 at 11.00am.

Le meas,

Philip McGuigan, MLA

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Chairperson, Windsor Framework Democratic Scrutiny Committee

E-mail: WindsorFramework.Committee@niassembly.gov.uk

Response ANON-HP8H-26VH-X

Submitted to COM/2022/748 on the Proposed EU Regulation on classification, labelling and packaging of substances and mixtures

Submitted on 12/11/2024 19:57:24

Consent

The Windsor Framework Democratic Scrutiny Committee would like your permission to publish your consultation response. Please indicate your publishing preference.

Publish Response

Introduction

What is your organisation (if any)?

Organisation:

Fuels Industry UK Ltd.

Impact of EU Act

1 Does it appear likely that the proposed replacement EU act would have a significant negative impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist?

Yes

Tell us why:

Fuels Industry UK is currently assessing the impacts resulting from adoption of the amendment to the CLP Regulation (EC) No. 1272/2008 in Northern Ireland.

A possible consequence of the amendment and the reclassification of cumene (a substance found in some petroleum products) in the EU from Carc. Cat 2 (H351) to Carc. Cat 1B (H350) has been that sales of aviation gasoline and jet fuels containing over 0.1% cumene to consumers are prohibited when cumene is added to Annex XVII Appendix 2 of the REACH Regulation (EC) No. 1907/2006. If private pilots are considered as consumers in the meaning of REACH (i.e. not flying in a professional capacity), sale of such fuels to them could then be considered as supply to the general public and therefore unlawful according to Entry 28.

The situation regarding sale of packaged heating oil direct to consumers is also subject to confirmation, although Fuels Industry UK understand this is covered by

the exemption provided in Annex XVII of the REACH Regulation for mineral oil products intended for use as fuel in mobile or fixed combustion plants.

2 Does it appear likely that NOT APPLYING the proposed replacement EU act would have a significant negative impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist??

Unsure

Tell us why:

If the amendment to the CLP Regulation (EC) No. 1272/2008 is not implemented in Northern Ireland, other benefits of the amendment identified in the recitals would not be realised.

3 Are there any other matters regarding the EU act that you wish to draw to the Committee's attention? Please note, any information provided should be of an evidential nature rather than a commentary.

Yes

Tell us why:

Fuels Industry UK is currently assessing the impacts resulting from adoption of the amendment to the CLP Regulation (EC) No. 1272/2008 in Northern Ireland in terms of changes in package labelling, arrangements for pump labelling at filling stations and provision of label elements for portable jerry cans etc. refilled at filling stations.



Marie Austin, Committee Clerk Windsor Framework Democratic Scrutiny Committee (DSC)

Ref: DSC 297/24

6 December 2024

Health and Safety Executive Issued via email to: wftf-sgim@cabinetoffice.gov.uk

To whom it may concern,

Regulation (EU) 2024/2865 amending Regulation (EC) No 1272/2008 on classification, labelling and packaging of substances and mixtures

At its meeting on 5 December 2024, the Windsor Framework Democratic Scrutiny Committee (DSC) heard evidence from officials from the Department for the Economy (DfE) on the above-named EU Regulation.

The DSC is currently conducting an inquiry into this EU Regulation. Information on the purposes and functions of the DSC can be found here.

One of the statutory functions of the DSC is to examine and consider replacement EU acts. In carrying out this function, the DSC assesses whether the application of an act "would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist".

During the evidence session, DfE officials informed the DSC that the Health and Safety Executive carried out engagement with stakeholders across Great Britain regarding the potential impact of the EU Regulation, resulting in approximately 400 responses. Following the session, the DSC agreed that I should write to you to request that the feedback from this consultation be shared with the Committee to assist in its consideration of impact.

The DSC operates to tight statutory deadlines and will deliberate on the evidence received during the course of its inquiry at its meeting on 12 December. I would therefore appreciate a response before this date.

Yours sincerely,

Marie dustra

Marie Austin, Committee Clerk Windsor Framework Democratic Scrutiny Committee

E-mail: windsorframework.committee@niassembly.gov.uk



Marie Austin, Committee Clerk Windsor Framework Democratic Scrutiny Committee (DSC)

Ref: DSC 241/24

25 October 2024

Hermione Mackay, Deputy Director, Northern Ireland Customs Simon Pettigrew, NI Stakeholder Manager, Head of Strategy and Stakeholder Engagement, Northern Ireland Customs

Issued via email to: hermione.mackay@hmrc.gov.uk simon.pettigrew1@hmrc.gov.uk

Dear Hermione and Simon,

COM/2022/748 Proposal for a Regulation on classification, labelling and packaging of substances and mixtures

At its meeting on 24 October 2024, the Windsor Framework Democratic Scrutiny Committee (DSC) considered the above-named <u>proposed EU act</u>.

Information on the purpose and functions of the DSC can be found here.

One of the statutory functions of the DSC is to examine and consider replacement EU acts. In carrying out this function, the DSC assesses whether the application of an act "would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist".

To help inform the DSC's assessment of the proposed EU act, the Committee agreed that I write to you to request information on the scale of trade between Great Britain and Northern Ireland in the chemicals sector.

I would appreciate a response by 15 November 2024.

Yours sincerely,

Marie dustro

Marie Austin, Committee Clerk
Windsor Framework Democratic Scrutiny Committee