

EXPLANATORY MEMORANDUM TO

The Digital Waste Tracking Regulations (Northern Ireland) 2026

SR 2025 No. XXX

1. Introduction

- 1.1 This Explanatory Memorandum has been prepared by the Department of Agriculture, Environment and Rural Affairs (DAERA) to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2 The Statutory Rule is made under powers conferred on it by Articles 5G (1), (2), (3), (5), (6), (7), (8), (9) and (10) and 5H (1), (2), (3), (5), (6) and (7) of the Waste and Contaminated Land (Northern Ireland) Order 1997 and is subject to the draft affirmative resolution procedure.

2. Purpose

- 2.1 The purpose of Digital Waste Tracking (DWT) is to replace the existing set of fragmented systems used to report waste data. This would provide DAERA regulators with comprehensive and timely data enabling them to track waste from beginning to end, and to more easily identify waste that may be illegally exported, stockpiled, dumped or fly-tipped. In addition DWT would help Department regulators spot potential land fill tax avoidance or fraud schemes, thus making it harder for rogue operators to compete in the waste industry.
- 2.2 DWT aims to address the information gap that hinders the effective regulation and management of waste by introducing mandatory use of the digital waste tracking system, transforming existing outdated systems for recording waste movements.

3. Background

- 3.1 DAERA, along with the Scottish Government, the Welsh Government and the UK Government, is committed to tackling waste crime and poor performing waste sites which damage the environment, blight local communities, undermine legitimate businesses and cost the UK economy an estimated one billion pounds per year. Waste handled illegally threatens the aspirations of a circular economy. By tackling criminal behaviour, harm to the environment will be prevented, ensuring resources are properly recycled or recovered and fed back into the economy.
- 3.2 DAERA has been working with the other nations across the UK since 2017 on the development of a DWT system. DWT is a joint four nation project lead by the Department of Environment, Food and Rural Affairs (Defra), however DAERA has functions in relation to waste tracking in Northern Ireland.
- 3.3 A phased approach was recommended by Defra, with agreement from DAERA

and the devolved nations. Phase one will focus on industry operators with a permit / licence who are receiving waste and which will be mandated to input data into the service from October 2026 in England and Wales and January 2027 in Northern Ireland and Scotland. The second phase will bring waste carriers, brokers and dealers into digital waste tracking.

- 3.4 It is intended that the service for waste receivers will involve the capture of data from a user's existing software via an API (Automated Programme Interface). Where an operator does not have software for inputting data, they will use a spreadsheet from which a similar API will pull relevant data into the DWT system.
- 3.5 The Northern Ireland Environment Agency (NIEA), an executive agency within DAERA, recovers its regulatory fees from the purchase of consignment notes by producers / dealers in waste, not from charges to receivers of waste. As phase one brings receivers only into digital waste tracking, regulators and producers/dealers in Northern Ireland will continue to use the current paper-based process until phase two. Recording the receipt of waste at receiving sites digitally will provide early testing, learning and refinement of the system.

4. What the Regulations Do

- 4.1 These Regulations are the first to be made under powers under Articles 5G and 5H of the Waste and Contaminated Land (Northern Ireland) Order 1997. They establish, a digital waste tracking system, the purpose of which is to track controlled waste. Controlled waste is household, industrial or commercial waste (see Article 2(2) of the 1997 Order).
- 4.2 Part 2 (regulations 3 to 7) and Schedule 1 contain provisions relating to the establishment of the digital waste tracking system and default requirements for operators of a permitted facility to ensure the entry of information about controlled waste into the digital waste tracking system and to pay an annual fee. This Part also makes provision for outages (when information cannot be entered into the digital waste tracking system) and the correction of errors in the digital waste tracking system.
- 4.3 Part 3 (regulations 8 to 12) contain provisions relating to digitally excluded persons, including alternative requirements for recording information that would otherwise be required to be entered into the digital waste tracking system under Part 2.
- 4.4 Part 4 (regulations 13 and 14) contains provision about monitoring functions and recording of information by the Department.
- 4.5 Part 5 (regulations 15 to 24) and Schedule 2 contain provisions relating to offences and fixed and variable monetary penalties.
- 4.6 Part 6 (regulations 25 to 27) contains provisions about appeals.
- 4.7 Part 7 (regulation 28) contains supplementary provisions including those governing Department access to information in the digital waste tracking system and persons with whom information held under these Regulations can be shared.

5. Consultation

- 5.1 There was a UK-wide consultation from 21st January 2022 to 15th April 2022 on digital waste tracking as a policy and the responses from the waste industry were taken into account when developing the Regulations. The Regulations once made will be published in the Belfast Gazette.
- 5.2 The Department of Justice has been consulted on offences and penalties and confirmed they are content with the laying and making of the DWT regulations for Northern Ireland.

6. Equality Impact

- 6.1 All purposes have been screened. No equality, human rights or good relations issues have been identified, and no convention rights are engaged. These will be kept under review as the policy progresses.

7. Regulatory Impact

- 7.1 A UK-wide impact assessment was completed in respect of implementing a complete DWT system, as was initially planned. No significant impact on Northern Ireland business was identified. A further UK-wide impact assessment has been completed in respect of the new phased approach with no significant impact to Northern Ireland businesses or charities highlighted.

8. Financial Implications

- 8.1 The running costs of the DWT system are to be borne by the users. This will be managed through an annual service charge, currently £26 per annum, which is being administered and collected by Defra. As phase one of the project is limited to receivers only, there may be under-recovery of the service charge, however it has been agreed DAERA would not be liable for any under recovery of the service charge in phase one, with these to be borne by Defra.
- 8.2 The annual fee is to cover the running of the DWT system and does not detract from, or impact upon, existing fees and charges already being paid to NIEA for the regulation of waste in Northern Ireland. Defra will be running and maintaining the Digital Waste Tracking system on behalf of Northern Ireland, Scotland and Wales and the annual fee is for this purpose only. Other regulatory fees and charges regarding waste management in Northern Ireland will not be affected by this.
- 8.3 There is potential to incur enforcement costs associated with the use of the Digital Waste Tracking System. DAERA does not envisage these costs being significant and NIEA has confirmed that they will be affordable within the NIEA Resource

Department Expenditure Limit Baseline.

9. Section 24 of the Northern Ireland Act 1998

- 9.1 The proposed legislation is in compliance with the requirements with Section 24 of the Northern Ireland Act 1998. All proposals have been screened. No equality, human rights or good relations issues have been identified, and no convention rights are engaged. The Rule does not discriminate on grounds of religious belief or political opinion nor does it modify the European Communities Act 1972, the Human Rights Act 1998 or other statutory provisions listed in section 7 of the 1998 Act.

10. EU Implications

- 10.1 Not applicable

11. Parity or Replicatory Measure

- 11.1 The DWT system is to be jointly used UK-wide. Northern Ireland, along with the Scottish, Welsh and the UK governments are bringing the Digital Waste Tracking system into operation using similarly written DWT regulations, however DAERA has developed DWT regulations to meet regulatory and legal requirements specific to Northern Ireland.

12. Additional Information

- 10.1 Not applicable.