PUBLISHED REPLACEMENT EU ACT ASSESSMENT OF IMPACT

Reference: Regulation (EU) 2026/2382
Date: 5 November 2026
Department: Department of Agriculture Environment and Rural Affairs

Published Replacement EU Act

Regulation (EU) 2026/2382 of the European Parliament and of the Council of 21 October 2026 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 OJ L, 2026/2382, 3.11.2026

This Regulation will amend Regulations (EC) No 1907/2006, (EC) No 1272/2008, (EU) No 528/2012, (EU) No 2019/1021 and (EU) No 2021/697; Annex 2, Section 23, Chemicals and related.

Summary of the Act

This Regulation aims to strengthen the capacity of the European Defence Technological and Industrial Base (EDTIB) of supporting the defence readiness of Member States in the face of emerging security threats. Of the Regulations listed in the new Act, DAERA holds joint Competent Authority for Regulation (EU) No 1907/2006 and full Competent Authority for Regulation (EU) No 2019/1021.

- **Regulation (EU) No 1907/2006 on the Regulation, Evaluation, Authorisation and Restriction of Chemicals (REACH):**

  While EU REACH currently allows for specific exemptions for defence, the new Act intended to amend the Regulation so that such exemptions are not just in place for specific cases for certain substances. The EU's final text stipulates that exemptions should only be used where necessary, in the interests of defence.

  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 amendments made by this Act to the defence exemption in the EU REACH regulation are consistent with how this exemption is already defined in the UK Regulations. Therefore, no practical implications are anticipated from this change and decisions on REACH exemptions can continue to apply across the whole of the UK.

- **Regulation (EU) No 2019/1021 on Persistent Organic Pollutants (POPs):**

Under the Stockholm Convention on POPs, an international treaty which the EU is party to, a party cannot grant exemptions once a decision has been adopted under the Convention. Thus, defence readiness needs, should be addressed in the EU's preparatory stages before prohibitions or restrictions are established at the international level in the Convention.

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 are implemented 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 impacts and defence supply chain consequences 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.

Department(s) Responsible

The Department of Agriculture Environment and Rural Affairs holds joint Competent Authority for Regulation (EU) No 1907/2006 with the Department for Economy and full Competent Authority for Regulation (EU) No 2019/1021.

Defence is a reserved matter and is the responsibility of the Ministry of Defence.

Assessment of Impact

It is unlikely that application of the amending Act will have a significant impact specific to the everyday life of communities of Northern Ireland in a way that is liable to persist. The Act proposes to support defence readiness and so will only be applicable in specialist areas of defence.

It is unlikely that non application of the amending Act will have a significant impact specific to the everyday life of communities of Northern Ireland in a way that is liable to persist. As the amendments to the defence exemption in the EU REACH regulation are consistent with how this exemption is already defined in the UK Regulations, not applying this new Act in Northern Ireland may create divergence with the rest of UK.

UK Government Explanatory Memorandum

The UK government published an Explanatory Memorandum on 19 January 2026. The 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, Classification Labelling and Packaging (CLP) and Biocidal Products Regulation (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.

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.

In summary these EU changes are not expected to have any practical effects on the use of UK defence exemptions for these chemical products as the new exemptions are already provided for in UK law. UK-wide exemption decisions can continue to apply UK-wide.

The UK Government Explanatory Memorandum remains the same following the publication of the Act in the EU Official Journal. At the time of writing, a letter is due to be sent to the Democratic Scrutiny Committee setting out an updated assessment given the limited changes to the final text of the EU Act.

Analysis by the European Commission on its Impact Assessment

Due to the nature of the proposal, which is designed to support the rapid adaptation of the European defence industry to the new unstable geopolitical environment, the Commission noted that an impact assessment could not be completed within the available timeframe.

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.

Departmental Engagement

DAERA has not engaged with stakeholders on the amending EU Act. However, officials are in regular contact with their counterparts in Defra and all the devolved

governments in order to keep fully abreast of any developments in relation to the Regulation.