

Title: The Environmental Protection (Microbeads) Regulations (Northern Ireland) 2018	Regulatory Impact Assessment (RIA)
	Date: November 2018
	Type of measure: Secondary Legislation
Lead department or agency: Department of Agriculture, Environment and Rural Affairs	Stage: Final
	Source of intervention: Domestic NI
Other departments or agencies: Department of Justice	Contact details: Susan Cramer
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Summary Intervention and Options

What is the problem under consideration? Why is government intervention necessary? Plastic microbeads from rinse-off cosmetic products can pass through sewage treatment works, reach the aquatic environment and cannot be removed. There is emerging evidence that the microbeads or the chemical contaminants they transport can harm marine animals and the wider aquatic environment. There are suitable non-plastic alternatives to microbeads in cosmetics and a number of businesses have already taken voluntary actions to phase out their use. As the costs of microbeads to the environment are not taken fully into account by businesses that continue to use them there is a market failure rationale for intervention. A public consultation on the policy indicated widespread support for the ban. This is available from <https://www.daera-ni.gov.uk/consultations/proposals-ban-use-plastic-microbeads-cosmetics-and-personal-care-products-uk-and-call-evidence-other>

What are the policy objectives and the intended effects? To prevent greater harm to the environment by reducing the overall marine litter load.

- To protect the aquatic environment and reduce the risk and severity of impacts of microplastics, including economic impacts, food security and human health.
- To support the cosmetics industry by providing a level playing field, ensuring that all companies meet the same standards.
- To provide consumer confidence that products will not cause aquatic pollution.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Policy option 0: Do nothing option: Continue to support the current voluntary action from certain cosmetics manufacturers to remove microbeads from their products. Other manufacturers could still use microbeads, damaging the aquatic environment with unknown future food security, health, and environmental impacts.

Policy option 1 (current preferred option): Ban microbeads in rinse-off cosmetic and personal care products. This is seen as the least cost solution for industry since it would imply substitution of microbeads for benign alternatives but only for the remaining businesses who have not already taken voluntary action.

Insufficient evidence was provided during the policy consultation to justify extending the ban to other products.

At a UK-level Defra is working with the Hazardous Substances Advisory Committee to consider the need for future action on other categories of products potentially containing microbeads. Options such as taxation or charges were excluded based on consideration of complexity, proportionality and achieving desired actions more directly.

Will the policy be reviewed? Yes.	If applicable, set review date: 2020/21
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Cost of Preferred (or more likely) Option		
Total outlay cost for business £m	Total net cost to business per year £m	Annual cost for implementation by Regulator £m
Nil		£0.00037

Please see Impact Assessment which accompanies the Environmental Protection (Microbeads) (England) Regulations 2017. This contains assessment details of the estimated cost of the ban on a UK wide basis. The document is available at https://www.legislation.gov.uk/ukia/2017/160/pdfs/ukia_20170160_en.pdf

Does Implementation go beyond minimum EU requirements?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>		
Are any of these organisations in scope?	Micro Yes x No <input type="checkbox"/>	Small Yes x No <input type="checkbox"/>	Medium Yes x No <input type="checkbox"/>	Large Yes x No <input type="checkbox"/>

The final RIA supporting legislation must be attached to the Explanatory Memorandum and published with it.

Approved by: Claire Vincent Date: 10/12/18

Description:

ECONOMIC ASSESSMENT (Option 1) Please see Impact Assessment which accompanies the Environmental Protection (Microbeads) (England) Regulations 2017. This contains assessment details of the estimated cost of the ban on a UK wide basis. The document is available at https://www.legislation.gov.uk/ukia/2017/160/pdfs/ukia_20170160_en.pdf

Costs (£m)	Total Transitional (Policy) (constant price)	Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Cost (Present Value)
Low	Optional		Optional	Optional
High	Optional		Optional	Optional
Best Estimate				

Description and scale of key monetised costs by 'main affected groups'

DAERA is not aware of any manufacturers using plastic microbeads in Northern Ireland, therefore; the direct cost of the manufacturing ban will be zero. Research undertaken in 8 council areas suggests that there are no business distributing cosmetic products containing microbeads. The ban will be enforced by council Consumer Protection Officers. The estimated annual cost of enforcement in Northern Ireland is in the region of £6,200 over a ten year period. DAERA will review the cost of enforcement with councils following the first year of implementation. If the costs are found to be significant, the review will consider how the future cost of enforcement is to be funded and whether future review periods will be necessary.

This includes familiarisation costs estimated at £2,200. This is based on the best estimate contained in the Impact Assessment which accompanies the Environmental Protection (Microbeads) (England) Regulations 2017 which introduced the ban in England. This document shows an estimated additional burden of 2 days staff time at a rate of £100 per day. This figure has been multiplied by the number of councils in Northern Ireland.

The cost of additional enforcement activity has been estimated as £370 per annum. This is has been calculated by taking the £51 million spend on environmental health services set out in Para 2.6 of the Local Government Auditors Report 2017, multiplied by 1% (the estimated effort in enforcing Regulation (EC) No 1223/2009 on cosmetic products ingredients) divided by 1379 (the number of substances currently banned). The cost over 10 years is therefore likely to be in the region of £4,000.

The Impact Assessment which accompanies the Environmental Protection (Microbeads) (England) Regulations 2017 contains details of the estimated cost of the ban on a UK wide basis and is available from https://www.legislation.gov.uk/ukia/2017/160/pdfs/ukia_20170160_en.pdf

Other key non-monetised costs by 'main affected groups'

Consumers - It is likely that much of the cost for replacing plastic microbeads with benign substitutes will be passed onto consumers - this might affect the overall demand for these products but at this stage it is not possible to quantify the extent of the fall of this demand.

Trade effects – It is possible that there will be some unknown trade effects. We will test this under both WTO and European regulations before making the legislation.

Benefits (£m)	Total Transitional (Policy) (constant price)	Years	Average Annual (recurring) (excl. transitional) (constant price)	Total Benefit (Present Value)
Low	Optional		Optional	Optional
High	Optional		Optional	Optional
Best Estimate				

Description and scale of key monetised benefits by 'main affected groups'

The benefits of the ban are not quantified but are assumed to fall into two categories: benefits to businesses and environmental benefits (described below). No substantive evidence was provided during the policy consultation which ran from December 2016 to February 2017. A copy of the consultation is available from <https://www.daera-ni.gov.uk/consultations/proposals-ban-use-plastic-microbeads-cosmetics-and-personal-care-products-uk-and-call-evidence-other> . A copy of the Government Response to the consultation is available from <https://www.daera-ni.gov.uk/publications/synopsis-responses-consultation-proposals-ban-use-microbeads-cosmetics-and-personal-care-products>

Other key non-monetised benefits by 'main affected groups' The microbead ban is expected to have a positive impact on the aquatic environment. There are currently a number of stresses experienced by aquatic organisms, including other forms of historical pollution and ocean acidification. Additional stresses from microbeads increases the overall risk to aquatic ecosystems. It is not possible to monetise the benefits and no further evidence was provided from the policy consultation. However, the benefits are expected to be at least as high as the modest costs of the measure.

Key Assumptions, Sensitivities, Risks

The baseline assumes that under the voluntary approach there would be no change in microbead use over the 10 year appraisal period. Cosmetics manufacturers are assumed not to invest additional capital in order to replace microbeads. There are assumed to be no shelf life, stability of supply, or demand effects. No issues were raised during consultation in respect of the cost assumptions.

BUSINESS ASSESSMENT (Option 1)

DAERA is not aware of any manufacturers using plastic microbeads in Northern Ireland, therefore; the direct cost of the manufacturing ban will be zero. Research undertaken in 8 council areas suggests that there are no businesses distributing cosmetic products containing microbeads. Therefore, the cost to businesses is estimated at zero.

Cross Border Issues (Option 1)

How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland) Maximum 3 lines

The option is similar to legislation in other UK regions. The only difference is that civil sanctions will be used in England and Wales. The Republic of Ireland consulted on a similar ban in 2017. However, the results of that consultation are unknown.

Evidence Base

Introduction

The following is a summary of the evidence base. Further information on the policy rationale, economic impact and regulatory costs of the legislation is contained in the Impact Assessment which accompanies the Environmental Protection (Microbeads) (England) Regulations 2017. This contains assessment details of the estimated cost of the ban on a UK wide basis. The document is available at https://www.legislation.gov.uk/ukia/2017/160/pdfs/ukia_20170160_en.pdf

Summary

The Environmental Protection (Microbeads) Regulations (Northern Ireland) 2019 ban the manufacture and sale of rinse-off cosmetics and personal care products containing plastic microbeads in order to protect the aquatic environment. The approach has been developed in conjunction with officials in England, Scotland and Wales. Views have been sought from a wide range of stakeholders including those from the cosmetics industry, environmental campaigners and academic researchers. A UK-wide public consultation on policy proposals was carried out between 20th December 2016 and 28th February 2017. It indicated widespread support for the proposed ban. Suggestions supplied were used to refine the definitions and to draft the legislation.

A copy of the consultation is available from <https://www.daera-ni.gov.uk/consultations/proposals-ban-use-plastic-microbeads-cosmetics-and-personal-care-products-uk-and-call-evidence-other> and a copy of the Government Response to the consultation is available from <https://www.daera-ni.gov.uk/publications/synopsis-responses-consultation-proposals-ban-use-microbeads-cosmetics-and-personal-care-products>

A statutory consultation required under Article 32(3) of the Waste and Contaminated Land (Northern Ireland) Order 1997 was undertaken in the summer of 2018.