

<p>Title: The Ship Recycling Facilities Regulations 2015 – Post Implementation Review</p> <p>PIR No: PIR-61123</p> <p>Original IA/RPC No: N/A</p> <p>Lead department or agency: Department for Environment, Food and Rural Affairs</p> <p>Other departments or agencies: N/A</p> <p>Contact for enquiries: vanessa.sanderson@defra.gov.uk</p>	Post Implementation Review
	Date: 23/05/2024
	Type of regulation: Domestic
	Type of review: Statutory
	Date measure came into force: 26/03/2015
	Recommendation: Keep
RPC Opinion: N/A	

1. What were the policy objectives of the measure?

The Ship Recycling Facilities Regulations 2015 is a limited regulation that implements specific elements of retained EU Regulation 1257/2013 on ship recycling and only applies in England, Wales, Scotland. Specifically, the regulations:

1. Establish the UK Competent Authorities: Health and Safety Executive (HSE) and the relevant UK regulatory agency depending on the location of the ship recycling facility.
2. Implement Articles 13 to 15 of the retained EU Regulation 1257/2013 on authorisation of ship recycling facilities.
3. Enable facilities to be added to the UK List of authorised ship recycling facilities and third countries facilities to be added to the UK List of facilities for the purpose of recycling ships flying a UK flag.
4. Establish fees to be paid by an applicant to the Health and Safety Executive (HSE) on submitting an application for authorisation.

2. What evidence has informed the PIR?

An opportunity to provide feedback to DEFRA on the performance of the regulations was made available via a survey to UK ship recycling facilities. The survey was shared in November 2023 asking for comments within two weeks, but with an opportunity to provide comments up until 2024 when the PIR was finalised. No formal feedback from industry was submitted in response to this survey. In 2014/15, when preparing the Ship Recycling Facilities Regulations 2015, Defra issued a consultation to over thirty relevant industry stakeholders but only received one response. There is a trend of low engagement in this area. We conclude that this is unsurprising considering the limited objectives of these Regulations as subordinate legislation implementing and supplementing the retained EU Ship Recycling Regulations. We further conclude that stakeholders are broadly content with the Ship Recycling Facilities Regulations 2015 and the approach taken.

Defra also sought feedback via the survey from UK Competent Authorities, Maritime and Coastguard Agency (MCA), Offshore Petroleum Regulator for Environment and Decommissioning (OPRED), and the North Sea Transition Authority. Competent Authorities sent feedback and both HSE and the Environment Agency (EA) confirmed that the regulations are achieving their objectives. HSE confirmed that they inspect ship recycling facilities as part of its normal work delivery. The EA did not raise any issues on regulation but flagged that the EU is amending its waste shipments regulation.

Defra is in regular contact with the UK Competent Authorities to discuss the functioning of UK legislation. No issues have been raised with the functioning of the Ship Recycling Facilities Regulations 2015. Defra and the UK Competent Authorities are engaged with the Department for Transport (DfT), as the lead department for the retained EU Regulation 1257/2013 on ship

recycling. Defra is contributing to ongoing work to consider the performance of that legislation. The DfT and MCA are carrying out work to understand the EU's proposed amendments to the EU's Waste Shipment Regulation (1013/2006) and the link with the EU's Ship Recycling Regulation (1257/2013).

3. To what extent have the policy objectives been achieved?

Defra concludes that the Ship Recycling Facilities Regulations 2015 meet their policy objectives as set out above. The regulations are working as intended and there are currently five ship recycling facilities based in England, Scotland and Wales (with one in Northern Ireland), and 43 recycling facilities based outside the UK listed on the UK list.

Sign-off for Post Implementation Review: Chief economist/Head of Analysis and Minister

I have read the PIR and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Signed: Mags Bradley, Principal Social Researcher

Date: 11/04/2024



Signed:

Date: 23/05/2024

Further information sheet

Please provide additional evidence in subsequent sheets, as required.

4. What were the original assumptions?

The Regulatory Triage Assessment (RTA) was prepared and included several assumptions on costs and benefits, as follows:

- Cost to business of complying with the regulation: it was assumed there would be additional costs for UK ship recycling facilities wishing to become authorised with an upfront authorisation cost to produce a ship recycling facility plan. It found that in practice, facilities already have measures in place to meet the requirements of what a ship recycling facility plan must cover as this is required by existing environmental permitting and health and safety legislation. However, the RTA found the main new requirement was for all these various measures to be referenced in one place (i.e. the ship recycling facility plan). Therefore, the assumed costs are based on what is needed for facilities to assimilate all this information into one document. Initial authorisation costs were calculated as between £5,570 to £7,570 and renewal costs (after five years) as between £2,036 to £2,736.
- Cost for UK Competent Authorities: it was assumed there would be additional costs for Competent Authorities to assess, issue authorisations and apply renewal costs for the ship recycling facility plan. This was based on estimates from the Environment Agency (EA) and the Health and Safety Executive (HSE) on what is required and what charges will be levied on ship recycling facilities for assessing and issuing the relevant authorisations. The RTA did not quantify the assumed costs for UK Competent Authorities.
- Assumption on number of UK facilities: the RTA assumed that four ship recycling facilities would seek authorisation and renew licenses after five years. This was based on engagement with stakeholders.

The RTA showed that there are minimal costs associated with the measures and, given the low costs, further efforts to monetise other impacts would be disproportionate.

5. Were there any unintended consequences?

We assess that the Regulations are functioning effectively and did not identify any areas where there have been any positive or negative unintended consequences.

6. Has the evidence identified any opportunities for reducing the burden on business?

Given the Regulations are functioning effectively and the administrative requirements set out in the regulations are needed to implement the retained EU Ship Recycling Regulation, no further opportunities have been identified through this PIR.

7. How does the UK approach compare with the implementation of similar measures internationally, including how EU member states implemented EU requirements that are comparable or now form part of retained EU law, or how other countries have implemented international agreements?

EU Member States all have similar legislation in place to the Ship Recycling Facilities Regulations 2015 to implement the EU's Ship Recycling Regulation (1257/2013).

The EU Commission is carrying out an evaluation of the EU Ship Recycling Regulation. Stakeholder consultations have been completed and results are expected to be published in the second quarter of 2024.

Additionally, the European Commission's new regulation on waste shipments (2024/1157) to replace the EU's Waste Shipment Regulation (1013/2006) is now in force. The new regulation aims to reduce shipments of problematic waste outside of the EU, update procedures and controls to reflect objectives of a circular economy, and improve enforcement.

The DfT and MCA are carrying out work to understand the EU's proposed amendments to the EU's Waste Shipment Regulation (1013/2006) and its interaction with the EU's Ship Recycling Regulation (1257/2013).