

 <b>Regulatory Policy Committee</b>	<b>Opinion</b>	
<b>Impact Assessment (IA)</b>	Recast Directive 2012/19/EU on Waste Electrical and Electronic Equipment (WEEE)	
<b>Lead Department/Agency</b>	Department for Business, Innovation and Skills	
<b>Stage</b>	Final	
<b>IA number</b>	BIS 0382	
<b>Origin</b>	European	
<b>Expected date of implementation (and SNR number)</b>	By 14 February 2014 (SNR7)	
<b>Date submitted to RPC</b>	4/9/2013	
<b>RPC Opinion date and reference</b>	30/9/2013	RPC12-BIS-1536(4)
<b>Overall Assessment</b>	<b>GREEN</b>	
<p><b>RPC comments</b></p> <p>The IA is fit for purpose. The One-in, Two-out (OITO) assessment and the estimate for the equivalent annual net cost to business figure of £0.6m are reasonable. The IA has addressed the Regulatory Policy Committee's comments in its opinion (dated 22 March 2013) on the consultation stage IA. The final stage IA would benefit from further discussion on risk and uncertainty associated with the preferred solution.</p>		
<p><b>Background (extracted from IA)</b></p> <p><b>What is the problem under consideration? Why is government intervention necessary?</b></p> <p>The recast of the European Waste Electrical and Electronic Equipment (WEEE) Directive was published in the Official Journal on 24 July 2012. The recast aims to improve the efficiency and effectiveness of the original WEEE Directive by further reducing the negative externalities (with respect to the environment as well as human and animal health) caused by the disposal of electrical and electronic equipment (EEE) when it becomes waste. The WEEE recast has been negotiated between member states with the UK contributing towards the analysis and final decisions/details. Government intervention is necessary to ensure that the UK continues to conform to EU law and to avoid infraction proceedings against the UK.</p> <p><b>What are the policy objectives and the intended effects?</b></p> <p>The policy objective is to transpose the additional EU regulations resulting from the recast of the WEEE Directive into UK regulation in an effective and efficient manner with regards to both costs and benefits. The European Commission recast of the directive is a package of changes to improve the workings of the directive, which affects a variety of companies as well as the wider public. The Commission's objectives for the recast were twofold. First, to develop a better regulatory environment as part of the Lisbon strategy for growth and jobs. Secondly, to review certain aspects of the original directive as required under the directive itself.</p> <p>Under the preferred option, the UK meets the recast WEEE collection targets through establishing a protocol to arrive at a substantiated estimate of un-obligated WEEE. This option allows estimates to be established of the volume of WEEE flowing outside of the official WEEE system. The main costs are developing, testing and implementing the methodology and updating the estimates at regular intervals.</p>		

### **Comments on the robustness of the One-in, Two-out (OITO) assessment**

The Department considers that the proposal is out of scope of OITO on the basis that "...the proposal does not gold plate the regulation i.e. it does not go over the minimum EU requirements" (paragraph 161, page 42). This appears to be a reasonable assessment and is consistent with paragraph 1.9.8 ii of the Better Regulation Framework Manual (July 2013).

The estimate for the equivalent annual net cost to business figure of £0.6m is reasonable. The IA would be improved by including the additional information provided by the Department separately on how the Business NPV, which drives the EANCB, has been calculated.

### **Comments on the robustness of the small & micro-business assessment (SMBA)**

The proposals are of international origin and therefore the SMBA is not applicable. However, the IA provides a Small Firms Impact Test (pages 39-40). This assesses the impacts on small firms and describes how government has sought to minimise these.

### **Quality of the analysis and evidence presented in the IA**

The IA addresses the comments made in the RPC's opinion (dated 22 March 2013) on the consultation stage IA. In particular, the IA provides (at pages 11-12) a useful report on the outcome of the consultation which appears to be generally supportive of the preferred option; and no respondents questioned the cost estimates for establishing and running the protocol. However, given the uncertainty inherent in developing and testing a new methodology, the IA would benefit from some further discussion around the risk that the protocol could be less effective and/or more costly than anticipated, and whether the high scenario cost estimates capture this sufficiently.

**Signed**



**Michael Gibbons, Chairman**