

RECREATIONAL CRAFT AND PERSONAL WATERCRAFT DIRECTIVE: CONSULTATION ON THE DRAFT UK REGULATIONS

Government response

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The consultation [and Impact Assessment] can be found on the BEIS section of GOV.UK: https://www.gov.uk/beis

Recreational Craft & Personal WatercraftDirective: Consultation on the Draft UK Regulations

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Any enquiries regarding this publication should be sent to us at [insert contact for department].

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Quality assurance

This consultation has been carried out in accordance with the <u>Government's Consultation Principles</u>.

If you have any complaints about the consultation process (as opposed to comments about the issues which are the subject of the consultation) please address them to:

Email: enquiries@beis.gov.uk

Overview of the proposals

A proposal to revise the Directive 94/25/EC on recreational craft was published by the European Commission in July 2011. Directive 2013/53/EU on Recreational Craft and Personal Watercraft (the new Directive) was published in the Official Journal on 28th December 2013 and came into force on 18 January 2016.

It regulates the safety of recreational craft & personal watercraft. There are also limits for exhaust emission and noise for certain engines. The limits for exhaust emissions have been tightened to align better with global limits, and this was the main driver for revising the Directive. The new Directive has also been aligned to the New Legislative Framework (NLF) to clarify arrangements for placing on the market or putting into service products within scope and to make it clearer to economic operators in the supply chain what their responsibilities are. In addition there have also been a small number of changes to some essential requirements, which ensure the safety of watercraft.

The Government supports the principles of safety of recreational craft and personal watercraft which underpin the Directive. The measures in the new Directive are in line with UK policy to improve environmental protection by reducing emissions from exhausts. The alignment to the NLF is consistent with the recent alignment of a number of other directives. The NLF is a common set of principles that aims to make legislation in the Single Market for Goods clearer, more consistent and more understandable for all products that are subject to EU harmonisation legislation.

This document summarises the responses to the Government's public consultation on the draft UK Recreational Craft Regulations which implement the changes in the Directive. BEIS would like to thank all interested parties for taking the time to respond to the consultation. We have considered your views very carefully. These responses will help inform the update of the impact assessment and draft legislation which accompanied the consultation.

On 23 June 2016, an EU referendum took place where the people of the United Kingdom voted to leave the European Union. However, until the exit negotiations are concluded with the EU, the UK remains a full member of the European Union with all the rights and obligations that EU membership entails. During this period the Government will continue to negotiate, implement and apply EU legislation. The outcome of negotiations will determine what arrangements will apply in relation to EU legislation in future once the UK has left the EU. The consultation reflected that position.

Conducting the consultation exercise

This was a UK-wide consultation and was aimed at those with an interest in the recreational marine industry including manufacturers, importers, distributors, retailers, consumers, government departments, enforcement authorities and trade associations. The consultation was published on 8 December 2016. Around 110 stakeholders with a known interest were contacted by email and specifically invited to respond.

The consultation closed on 22 January 2017. We received 4 responses.

Responses received

The consultation posed 8 questions covering:

- The impact assessment
- Costs and benefits of complying with the Regulations
- · Concerns about how the Regulations will be enforced
- Need for more guidance

Question 1 Does the draft Impact Assessment (IA) adequately reflect the effect of the new Directive on micro businesses (less than 10 employees) in the recreational craft industry?

Government response

Three of the responses said that the IA was an adequate reflection of the impact on micro business. The other response did not mention the IA. This suggests that we have correctly estimated the impact on micro businesses, but in view of the number of responses received and that none was from a micro business we are not in a position to test this assumption further.

Question 2 Does the draft IA adequately reflect the effect of the new Directive as a whole?

Government response

Those that responded on this said they believed the IA provided an adequate assessment of the impact of the Regulations on the whole industry. One response said that the preferred Option 4 as set out in the IA was reasonable and proportionate. However, none of the respondents have provided any detailed information on this.

Option 4 is:

Introduction of stricter exhaust emissions limits for marine engines with use of transitional period for all engine manufacturers and a specific transitional period for small and medium sized engine manufacturers placing on the EU market petrol outboard engines less than or equal to 15kW until 20 January 2020 and with alignment to the NLF.

The estimated impact of Option 4 is a total net present value of £1.48m which gives net cost to business per year of £0.4m.

Question 3 What is your estimate of the costs on a yearly basis for your business to comply with the draft Regulations?

One response received estimated the cost of complying with the Regulations for around £13,000 annually. There were no other responses to this question.

Government response

Although helpful this is not enough to estimate the impact on the whole of the industry as it is only one response. We have looked again at the assumptions made in the impact assessment and have adjusted some of the results in order to reflect up to date information, in view of the fact that the IA was originally drafted some time ago.

Question 4 What are the benefits on a yearly basis for your business to comply with the draft Regulations?

One response said that they did not see any monetary benefit. They did add though that they expected the benefits for industry as a whole to be as outlined in the IA Option 4. There were no other responses to this question.

Government response

While this information is helpful it is not enough to estimate the benefits for the whole of the industry it only represents one view and other views may differ depending on the particular circumstances.

Question 5 Have you any concerns about how enforcement of the UK Regulations will be carried out in view of the new responsibilities for distributors and importers?

The responses were as follows:

- The new framework [NLF] would not help much with enforcement and that enforcement would not be much different.
- There was concern about how private importers using Post Construction Assessment would be policed and what the role of Notified Bodies in this aspect was.
- Those responsible for enforcement needed to have the appropriate skills and experience to make enforcement effective.
- There were concerns about the resources made available by market surveillance authorities for effective enforcement for the new Directive and it was important that distributors and importers understand their obligations and responsibilities when placing products on the market and in providing information to enforcement authorities.

Government response

We note the concerns about enforcement but we are not aware of an increase in noncompliant products on the UK market. However, we will work with trading standards to consider whether there is a need for more awareness of the Regulations amongst business and consumers.

Question 6 Could you suggest any areas covered by the new Directive on which you feel it would be beneficial to have more guidance for both consumers and manufacturers?

One response said there was a need for some guidance because of a number of improvements and clarifications in the scope and also a need for appropriate coordination and cooperation between Notified Bodies under this Directive.

Another response said that a broker does not know exactly how far their checks should go and how to record that information.

A further response said they felt the Directive was reasonably clear and were aware that a product had been tested under the new Directive with a satisfactory outcome.

Government response

The European Commission will be issuing guidance on the new Directive and we do not see a need to duplicate this guidance. However, we will consider whether there is a need to provide additional information in UK Guidance on the Regulations to address the points made in the consultation and to cover any issues not in the Commission guidance.

Question 7 In your view do the draft Regulations impose requirements upon you which go beyond the requirements set out in the new Directive?

Government response

There were no concerns raised in response to this question. We are confident that the Regulations have been drafted in a way that does not gold plate the new Directive.

Question 8 Do you have any other comments that might aid the consultation process as a whole?

All the responses were content with the draft Regulations. There was one specific question raised over the level of penalties set out in Regulation 77.

Government response

There is now no limit to the fine that can be imposed by a Magistrate's court in England and Wales. But that does not apply in Scotland or Northern Ireland. This explains the difference in Regulation 77(a) and 77 (b) (since the consultation closed this is now Regulation 74).

We are content that the level of penalties has been set out correctly in the Regulations.

Next steps

BEIS have used the responses to the consultation to help with updating the IA and we are seeking to implement the proposed legislation as soon as possible.