Opinion: Final IA Origin: European

RPC reference number: 3159(2)-HSE Date of implementation: Not Provided



Transposition of the recast of Directive 93/15/EEC (Directive 2014/28/EU) – Explosives for Civil Use (Civil Uses Directive)

Health and Safety Executive

RPC rating: validated

Description of proposal

HSE proposes to transpose EU Directive (2014/28/EU). This Directive strengthens the conditions associated with placing explosives for civil use on the market. Civil use explosives are those explosives that will not be used as ammunition or weaponry; are not intended for the army or police; and are not pyrotechnic articles, such as fireworks.

Much of the Directive is already covered under existing UK law; however, the proposal will include several new requirements. These include:

- manufacturers having to affix a marking showing the conformity attestation of explosives (a declaration that the explosives constituents are as described);
- extending the conformity attestation process for manufacturers of civil explosives to on-site manufacturers;
- requiring the notified body for civil use explosives, the Health and Safety Laboratory (HSL), to be officially accredited; and
- requiring businesses that place civil explosives on the market to check that manufacturers have complied with conformity attestation before making explosives available on the market.

Impacts of proposal

The proposal will have an impact on manufacturers, importers and distributors of civil explosives. HSE states that 13 explosives manufacturers, 15 importers, 30 distributors and 28 quarries and mines will be affected by the new regulations. However, some businesses operate as both manufacturers and importers/distributors so adding these figures slightly overstates the number of businesses that place civil explosives on the market.

These businesses will all be required to familiarise themselves with the parts of the regulations that affect them. HSE states that this will require 1.5 days of a

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compliance officer's time in manufacturers/quarries and 2.5 days in importers/distributers, based on consultation evidence. HSE estimates that this will cost a total of £0.15 million in net present value (NPV) terms. This may include overestimates of the costs to businesses that operate as manufacturers and importers/distributors.

HSE states that the 13 explosives manufacturers will not incur any additional costs from having to include conformity attestation on explosives as this information is already contained in the product label. This is supported by consultation evidence.

The HSL would incur costs from the UK accreditation service during the process of becoming an accredited body. Since the HSL is industry-funded these costs will be passed on to the 13 explosives manufacturers. HSE states that this will cost £0.17 million in NPV terms, based on HSL estimates.

HSE states that 28 quarries and mines will be required to obtain conformity assessment for the explosives that are mixed on-site. This will require these companies to attain attestation from HSL. The HSL estimates this will cost these businesses £0.16 million in NPV terms.

HSE states that importers and distributors of explosives would not incur any additional costs from the requirement to check conformity attestation of civil explosives that they place on the market. This is because these businesses already perform these safety checks as a key part of their business activities. This is supported by consultation evidence.

HSE estimates a total business Net Present Value of -£0.48 million and the RPC can validate the EANCB of £0.05 million.

Quality of submission

The notified body for civil use explosives in the UK is the Health and Safety Laboratory, an agency of the HSE. At consultation stage, the RPC stated that HSE will need to clarify how costs will be recovered from manufacturers and whether they represent a direct cost to business. HSE treats the HSL as a public body that recovers it costs from industry. Therefore, these costs are correctly included in the EANCB.

The RPC also stated at consultation stage that HSE will need to provide robust estimates of the number of businesses affected and strengthen its evidence base. The IA now includes evidence from a series of consultation exercises and data from

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the Interdepartmental Business Register which validates the estimated impacts on business, particularly those which imply new regulatory requirements do not impose costs to business.

HSE has included a small and micro business assessment for the proposal, although this is not a formal requirement for a measure of European origin without gold-plating. HSE states that small and micro enterprises operate in the civil explosives sector; however, all businesses operating in the market need to be subject to the same regulatory regime in order to ensure that they provide a high level of protection for users of their products.

Departmental assessment

Classification	Non-qualifying regulatory provision (EU)
Equivalent annual net cost to business (EANCB)	£0.05 million (final estimate)
Business net present value	-£0.48 million
Societal net present value	-£0.49 million

RPC assessment¹

Classification	Non-qualifying regulatory provision (EU)
EANCB – RPC validated	£0.05 million
Small and micro business assessment	Not required (European origin)

Michael Gibbons CBE, Chairman

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¹ The RPC verification of the estimated equivalent annual net cost to business (EANCB) and assessment of whether the measure is a qualifying regulatory provision are based on current working assumptions.