

Title: The Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 as amended - RID / ADR 2013 amendments IANo: Lead department or agency: Department for Transport Other departments or agencies:	Impact Assessment (IA)		
	Date: 10/01/2013		
	Stage: Consultation		
	Source of intervention: Domestic		
	Type of measure: Secondary legislation		
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Summary: Intervention and Options	RPC: RPC Opinion Status
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Cost of Preferred (or more likely) Option			
Total Net Present Value	Business Net Present Value	Net cost to business per year (EANCB on 2009 prices)	In scope of One-In, Measure qualifies as One-Out?
£m	£m	£m	No NA

What is the problem under consideration? Why is government intervention necessary?

The Government wants to promote safety and minimise the risks associated with the transport of dangerous goods in the UK as well as facilitate trade across international borders and support economic growth through effective regulation. In GB this is already achieved through The Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations 2009 as amended (CDG 2009), which implement relevant European regulations. These are subject to biennial cycle of updates. There is no need for legislative intervention, however, there is an expectation from the dangerous goods industry to produce a summary of the latest regulatory amendments monetising their costs and benefits.

What are the policy objectives and the intended effects?

1. To ensure that dangerous goods are packaged and carried in a way that prevents leakage and protects the public, environment and economy.
2. To promote a level playing field that facilitates international trade.
3. The results of the cost/benefit analysis of the dangerous goods regulatory amendments will help to equip the Government with the information to shape future policy developments.

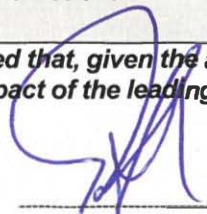
What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

The UK, in conjunction with the dangerous goods industry, has supported the European Commission in adopting the latest changes to the Regulations concerning the International Carriage of Dangerous Goods by Rail (RID) and the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) as implemented in GB through CDG 2009. Because of the UK's European obligations, there are no options other than to comply with the latest amendments to RID / ADR which will become mandatory from 1 July 2013. CDG 2009 regulations directly implement the latest amendments to RID / ADR, therefore no further regulatory intervention is required.

Not to comply with the 2013 amendments to RID / ADR would introduce confusion to the dangerous goods industry undertaking international journeys and could have a detrimental effect on safety.

Will the policy be reviewed? It will be reviewed. If applicable, set review date: 01/2015					
Does implementation go beyond minimum EU requirements?			No		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base.	Micro Yes	< 20 Yes	Small Yes	Medium Yes	Large Yes
What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent)			Traded: n/a	Non-traded: n/a	

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY:  Date: 2/12/13

Summary: Analysis & Evidence

Policy Option 1

Description: Compliance with the 2013 adopted amendments to the CDG 2009.

FULL ECONOMIC ASSESSMENT

Price Base Year	PV Base Year	Time Period Years	Net Benefit (Present Value (PV)) (£m)		
			Low: Optional	High: Optional	Best Estimate:
COSTS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (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'					
UK industry responses received from the call for evidence exercise provided no quantitative data and indicated minimal cost implications with no significant long term effect.					
Other key non-monetised costs by 'main affected groups'					
Non-monetised costs quoted by the industry were of minimal impact and limited to familiarisation with the updated legislation and compliance with the minimum size of UN number marking. New requirements for carriage of dry ice were mentioned, although these are very minimal as the majority of new requirements have been exempted through the Multilateral Agreement (MLA 260) in May 2013.					
BENEFITS (£m)	Total Transition (Constant Price) Years		Average Annual (excl. Transition) (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'					
Monetised benefits are not included as no quantitative data was provided by the UK industry. However, responses received indicate some benefits from "de minimis" excepted quantity provisions and exemptions listed in MLA 260 in connection with the carriage of dry ice. The industry also indicated that the adoption of the "Chemicals under Pressure" entries, whilst not saving costs, provide new business opportunity by allowing the marketing of certain adhesive spray systems.					
Other key non-monetised benefits by 'main affected groups'					
The 2013 RID/ADR amendments were negotiated with the industry's extensive input balancing the industry's wishes against wider safety considerations. Compliance with the latest amendments will keep the dangerous goods legislation requirements for the UK industry in line with the international requirements thus facilitating trade across the borders and promoting economic growth as dangerous goods companies generally operate across both markets: domestic as well as international.					
Key assumptions/sensitivities/risks					Discount rate (%)
The key assumption is that the cost/benefit impact of the 2013 adopted amendments is minimal. Although no quantitative data was provided by the UK industry as part of the call for evidence exercise, the general responses received support this assumption. Furthermore, 2013 amendments have been adopted with the industry's support having had extensive input from the industry during the negotiations stage.					

BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m:			In scope of OIOO?	Measure qualifies as
Costs:	Benefits:	Net:	Yes/No	IN/OUT/Zero net cost