HOUSE OF COMMONS

Environmental Audit Committee

Oral evidence: The Future of Chemicals Regulation after the EU Referendum, HC 912

Tuesday 7 March 2017

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Watch the meeting

Members present: Mary Creagh (Chair); Peter Aldous; Geraint Davies; Peter Heaton-Jones; Caroline Lucas; Kerry McCarthy; Dr Matthew Offord; Joan Ryan; Mr Gavin Shuker.

Questions 117-291

Witnesses

I:Andreas Herdina, Director of Co-operation, European Chemicals Agency (ECHA); Harvey Bradshaw, Executive Director for Environment and Business, Environment Agency, and Dave Bench, Director of Chemicals Regulation Division, Health and Safety Executive.

II: Dr Thérèse Coffey MP, Parliamentary Under-Secretary of State, Department for Environment, Food and Rural Affairs, and Gabrielle Edwards, Deputy Director EU Environment, Department for Environment, Food and Rural Affairs

Written evidence for this inquiry

Examination of Witnesses

Andreas Herdina, Harvey Bradshaw and Dave Bench.

Q117 **Chair:** Welcome to our three guests this morning. This is the final session in the Committee's inquiry into the future of chemicals regulation after we leave the European Union. We are delighted to welcome our European colleague Andreas Herdina from the European Chemicals Agency—thank you for taking the trouble and making the trip to be with us this morning—Dave Bench from the Health and Safety Executive, and Harvey Bradshaw from the Environment Agency. If I could kick off our session, I wondered if you could begin by saying what the UK has brought to the table in terms of the expertise and experience of chemicals regulation. How have we influenced REACH as a country?

Dave Bench: I would say that we in the UK have a long-standing involvement in chemicals regulation across a range of chemicals regulatory regimes, not just in the broad area of general chemicals. We have a lot of expertise. We have a lot of people who have the right kind of skills to engage with REACH. We engaged through the process of the development of REACH, and through the period of implementation particularly we were very engaged in participating in how to communicate with companies about their obligations under REACH. There is probably a longstanding arrangement where we have contributed with ECHA as they have developed as an organisation and we have been keen to contribute as an EU member state towards the goals of the set-up of ECHA.

Q118 **Chair:** Thank you. Mr Herdina, are there any areas where you are concerned about losing UK expertise or advocacy on the regulatory approach to chemicals when the UK leaves the European Union?

Andreas Herdina: I think I should maybe emphasise where the UK has been strong in interacting with us, and that is in our scientific committees. The UK members have always been very science orientated and very pragmatic, having good contacts with industry and, therefore, being realistic in their approaches. What I would also like to mention is the UK emphasis on animal protection when it comes to things like the extended one-generation testing regime or new scientific frontier themes like endocrine disruptors and so on. There the Brits have always been very engaged.

On the other hand, if I look at the last few years, we have seen that the impact of the austerity measures that the UK Government have been implementing within the civil service has also shown its effect on UK participation. We have seen a drop-off in some areas that the UK has not given priority to.

Q119 **Chair:** Which areas are they?

Andreas Herdina: There would be a few that come to my mind. For instance, if I look at the REACH enforcement projects, which are enforcement projects that we do together, then apart from REF-1, the

first project, the UK has always put below average numbers of inspectors to the game on the ground, I think because the UK has fewer. On the other hand, the UK has some very best practice enforcement doing risk-based enforcement and looking at things through desk studies first before they enforce, so it is a bit of a mixed picture. What we can see is that UK colleagues have been very interested in some scientific aspects.

Q120 **Chair:** Can you go back to the bit where you said we have not been putting enforcement on the ground? In which particular areas? Are you talking about workplaces or are you talking about consumer protection?

Andreas Herdina: The member states in the so-called forum that is a body of the chemicals agency decide every year to launch a new common enforcement project, which has a different theme every year. In any given year, we are preparing one project, we are launching another and we are concluding a third project. I was just asking before I came here for the average numbers of inspections, and the UK was a bit below the EU average in the inspections, which does not mean that the inspections were not good but it is just in numerical statistics.

Q121 **Chair:** Where did those inspections take place? Sorry, we are in a very big room today so it feels like you are a long way away from us. I am trying to speak clearly.

Andreas Herdina: They take place in UK companies.

Q122 **Chair:** For health and safety purposes?

Andreas Herdina: For the enforcement of REACH. Maybe partly an answer to your question is that the inspectors also have mandates under a number of UK domestic laws and also under other European laws. This is just enforcement of REACH obligations.

Q123 **Chair:** Are you concerned about our leaving?

Andreas Herdina: I think it probably works both ways. I am concerned that on the one hand this sort of pragmatic approach would not be so much contributing to the scientific debate. On the other hand, I presume that scientific debates are always of mutual interest and the UK scientists would also lose out on a number of things. One would be, for instance, the leadership role of the European Chemicals Agency. Just last week we had one of our workshops and my colleague who is in charge of risk management came back and said it is interesting to see how we take the lead and then bring the member states with us. I also think in some specialised scientific working groups or expert groups, as we call them, on endocrine disruptors or on PBTs—they are also dangerous chemicals; they are bioaccumulative and toxic—those colleagues are persistent. At the moment, the only non-EU state who is represented in these expert groups is Switzerland. I think the concern goes both ways. If I were British, I would also want to be in that debate.

Q124 **Chair:** How do you think our influence in EU chemicals regulation will

change as a result? You say there is only one non-EU country, Switzerland. Norway is not around the table, so why is Switzerland?

Andreas Herdina: Norway is around the table. Norway is, as an EEA member, both in our management board and in the scientific committees influencing all our decisions as an EEA member. I think one of the concerns that I would have from a British point of view is that now the UK specialists make comments on draft evaluation decisions that we have, but in future they would not be in the room to make any comments there even if the draft decision might impact on a company in the supply chain of interest to a British company.

What has not been mentioned when I looked through the transcripts and the videos of your previous sessions is that we have 103 accredited stakeholder organisations, 70% of which represent industry, big industry or very specialised industry sectors. We interact through them. Because they are accredited they get the opportunity to be observers in our scientific committees. They also interact with us in many other ways. We provide them with privileged access to information. Then, on the Brussels front, of course, you have many, many heavyweight registered lobbying institutions—partly they are the same as the accredited stakeholders with us—who influence the way we are going and the way the European Chemicals Agency is setting the scene. Whatever the UK does or whatever other countries like Korea or Turkey or Canada or Australia do, they look towards the scientific push and the way the policy approaches to the scientific questions are heading. That is also happening in the interaction with these stakeholder organisations.

Q125 **Chair:** Okay, thank you. Can I move on to our other colleagues now? We had evidence from Nigel Haigh saying that EU chemicals policy had really developed before the UK and other member states had developed their own mature policy and institutions of their own, with the exceptions of your institutions perhaps. It contrasted very sharply with water, air, waste and nature protection where the UK had long-established traditions and institutions. Can you set out for us what skills the UK has developed as a result of our involvement in REACH?

Dave Bench: I would not say that we have developed particular skills in relation to REACH. What we have done is change the nature of our capacity in certain areas and particularly apply expertise that we already had, not least in areas of toxicology and socioeconomic analysis, which would be key areas in the interactions with ECHA, on REACH and, of course, my colleague in the Environment Agency would probably say the same in relation to environmental skills. What we have done is turn skills that we already had and devote some of that capacity towards REACH and over time that capacity has flexed as we have needed it to.

Harvey Bradshaw: Perhaps, Chairman, if I can add as an environmental regulator I think the process associated with REACH of control at source sits quite well with our other regulatory duties. We permit sites. We control end of pipe discharges. We monitor the environment. We provide

state of the environment information. All that I think places us in quite a good position to understand the impact of chemicals on the environment. Of course, we are here to protect and enhance the environment and we can do that both through the REACH process, which controls in essence that source, as well as what are often more costly controls at end of pipe. As my colleague has just said, they are complementary skill sets and we have a team, a chemical assessment unit, of people who are very well versed and expert in the fate and activity of chemicals in the environment. They in turn have an opportunity to engage with many thousands of other staff who are aware of chemicals through the monitoring or through those other regulatory activities that we engage in.

Q126 **Chair:** But we did not really have systems and processes around the authorisation of new chemicals in the way that REACH has enforced before the REACH regulations started, is that fair to say?

Dave Bench: I think that is probably true in terms of the precise detail of the way REACH works, but many of the skills required to assess data are absolutely the same or very, very similar to those that are required in things like the plant protection products and the biocides regimes, which are the largest chunks of Government activity in the chemicals regulatory area. My teams in those permissioning regimes are far, far larger than the teams for REACH.

Q127 **Chair:** Okay, thanks for explaining that. We have heard from Mr Herdina about our specialisation in endocrine disruptors and bioaccumulative science. Are there any areas of chemicals regulation where we have relied heavily on other member states' expertise or do you think we are across the piece in general?

Dave Bench: We have broadly maintained expertise across the piece and then we have looked at particular areas like endocrine disruption as something that is very important in terms of the development of the regime, as areas that we wanted to get particularly involved in. We also have some specific expertise in those areas, too. I would not say there is an area where we are particularly weak. There are some areas where we are particularly strong.

Chair: Okay. Mr Herdina, you wanted to come in?

Andreas Herdina: Yes. I would just like to confirm because the SEAC, the socioeconomic analysis, was mentioned. There the UK has been particularly highly contributory to our committee. You need to understand that it is a relatively new science in the context of chemicals regulation and, therefore, the UK has been quite in the forefront, or the UK member in this committee.

There are two other things I would like to mention where the UK can exercise its influence, and that is in what is called the CARACAL, which is the grouping of member states' competent authorities, which meets in Brussels, but also in the REACH committee, which is the policy and legislative part. There debates take place, discussions, but votes can also

take place on the annexes to REACH by which authorisation lists are set up and authorisations are provided. Just recently I heard that the UK member in the REACH committee was very much influential in the British interest in setting up the regime for the poison centres, which is being established now.

Q128 **Chair:** Just on the socioeconomic side, is that the potential benefits to society and the economy of each?

Andreas Herdina: Yes.

Q129 **Chair:** That is a fairly new aspect of your work, is it?

Dave Bench: I think that is an area that REACH very specifically includes as part of the regulation and that does not appear in the same way in other chemicals regulatory regimes. From that point of view, yes, we have had one person who has led in that area throughout the development of the UK involvement in REACH. They have developed a very specific expertise, supported by others, but they very much have leadership in this area for the UK.

Q130 **Chair:** Is there anything else that is in REACH that we do not have in our own national regulations?

Dave Bench: The other regulations for the other regulatory regimes are also in the main directly acting EU regulation. The nature of whether there is any kind of socioeconomic test varies between the different regimes. There is something of that kind of test in the biocides regime, but it is not as broad and all-encompassing as in REACH. In the plant protection products regime, there is no equivalent at all. There is no attempt to try to balance benefit against risk.

Chair: Okay, thank you. That is very helpful. We are going to move on.

Q131 **Geraint Davies:** You have mentioned, in essence, the complexities of this, and my understanding is that the cautionary principle is really at the heart of these regulations to stop endocrine-disrupting chemicals and the like. I was going to ask you how successful in practice you think REACH has been both from the point of view of how onerous or difficult it is to enforce from an industrial point of view but also the basic benefits of having a unified approach, a regulatory system across the piece for the whole industry so people know what the game is.

Dave Bench: I think we may all have views on this. Inevitably, that takes us back to some of the fundamental aims of the REACH regime and why it was put in place. There was nothing comparable to REACH in place prior to its implementation. In my view, the big success of REACH has been to provide consistent obligations on those within the chemical supply chain both in terms of what they have to do within the supply chain in relation to substances that they are involved with but also the amount of information and data on the characterisation of those substances. We now have much more information, much more knowledge

about the range of chemicals in the supply chain, and that simply did not exist beforehand.

It also means that all those in the supply chain, those trading in substances, those using substances, now have much more information on which to base good decisions on how to deal with risk. There are all sorts of other bits of the chemicals regulatory landscape that deal with how they should take those decisions, but REACH has provided a baseline of data and information. Of course, beyond that, it has also enabled ECHA and member states to use that data and information to make better decisions about which substances of concern to look at in more detail and to take more direct regulatory action on.

Harvey Bradshaw: Perhaps if I can add and agree with my colleague, I think the other important tenet and characteristic of REACH is to place on industry the responsibility for the safe manufacturing, import and use of chemicals rather than a regulator. I think that is a very powerful element of it. The other, which I touched on earlier, is a lot of the major sources of pollution, thank goodness, have been addressed over the last decade or so. Our water is getting cleaner and cleaner. As that happens, of course, you are more able to pick up minor traces of chemicals and, therefore, you start understanding more about the chemicals in water. The more you start understanding, in my experience, the more it becomes clear that once chemicals get into the environment they are very, very expensive indeed to get out. Of course, the major benefit of REACH in this respect is before a chemical can be used, manufactured or imported it is registered and, therefore, its characteristics and risk control measures are all put in place before it gets into the environment.

Andreas Herdina: If I may just add on this wide knowledge base that we have, as you know we have the biggest database worldwide but also the knowledge of how to use it. If you look back at the origins of REACH, nobody knew much about any chemical that had been put on the market before the 1980s. That is why REACH was conceived. With this knowledge now, in 2018 we will be at the end of the phase-in phase where also the last registration deadline will complement the knowledge and the data that we have. Because of the quality of data that has to be improved, we will still have patches. We will still have a lot of work to do for decades ahead, but when we have what we call mapped the chemical universe, by having the knowledge about the properties of all these chemical substances that will in the next phase also allow us to contribute to many other fields, be it circular economy, food contact materials, non-animal testing through new approach methods, and a number of other things where this data becomes useful. As it is publicly disseminated we have already had about a million people looking at the info cards, which is basically the layman's version of the information that we have, and academia is taking it up. It is a wealth of information that is useful in so many other fields in which chemicals in our modern life have an influence.

Harvey Bradshaw: Perhaps if I may very quickly build on that, the point about the circular economy is a good one because resource reuse is something we all want to see. You get the resource reuse associated with aggregates. A lot of municipal waste is incinerated. It goes into ash. Ash can be incorporated into aggregates. There has been some quite interesting work around the lead content in PVC and, of course, that is something that can be controlled through REACH regulation and REACH approach to prevent levels of lead in the burnt PVC exceeding levels that then allow that ash to be beneficially reused.

Q132 **Chair:** Can you tell us what PVC is?

Harvey Bradshaw: PVC, polyvinyl chloride, as in plastic. In other words, the lead content in plastic can affect quite profoundly the reuse of ash, which could prevent it being beneficially reused in aggregate because it has an excessively high lead content.

Q133 **Geraint Davies:** It seems clear from what you are saying that REACH as an overall legislative system is important to the EU. I am just wondering what you felt would be the implications of the UK not adopting REACH but seeking other key legislation like biocidal products. If we removed ourselves, how do you see the future moving in this respect if we disengaged from REACH?

Dave Bench: I think the questions on where we go in the future are for decisions yet to be taken by Ministers. Clearly, there are a range of options open to us, but very specific regimes like the biocidal products regimes relate to very particular types of uses of products. They do not cover and they are not designed in a way that would sensibly cover the range of substances and articles that a regulation like REACH does. They do two very, very different things. The questions for the future are about what kind of regime we want in the UK that does the same kind of thing as REACH.

Q134 **Geraint Davies:** Would it be right to say then that REACH is a holistic and organically evolving approach where we are obviously plugged in and agreed to that and if we were detached from that, that could be a bit of a problem for all involved?

Dave Bench: I think all of the chemicals regulatory regimes have been organically evolving over the last 30 to 40 years when the first statutory regimes were put into place. REACH has come along a little bit later in that range of the regulatory regimes. There are other regimes that are cross-cutting in the same way that REACH is. The classification, labelling and packaging regime is very much harmonised with a global approach, so that is even broader in scope to some degree than REACH and effectively applies to all substances.

REACH does fill a very particular niche in the regulatory landscape, so the question for the future is: what do we do in that part of the landscape? It is not a question of: do we usurp it with some other part of the regulatory regime? The same questions are also true in those other regimes because

they are, as I said earlier, in the main directly acting EU regulation, so we have to go through the same process of asking the same questions in those areas, too. It is also true to say that there are many interdependencies between the different pieces of chemicals legislation and we need to make sure that those interdependencies are taken account of in whatever we decide is the right approach for the UK post exit from the EU.

Andreas Herdina: If I may just add one angle, the REACH regulation is the EU's way of implementing the commitment that all countries, including the UK, have taken under the world sustainable development goals. The same goes for the CLP, where we have the UN global harmonised system and where the CLP implements that for the EU. Whatever path the UK may choose, you also have this international aspect of being obliged under conventions to keep up to certain standards. If you look at, for instance, testing, it is also laid down very much in obviously the guidelines, which is beyond our own field as ECHA and REACH, but where we work, for instance, with the OECD it is on the European format. So, we are also very much linked in many other legal obligations.

I think from looking at the previous hearings that you had, from a regulatory point of view, in the regulated sciences the scientific challenges are the same everywhere in whatever regime we are. The legal responses are different and, therefore, I think one of the main questions that the UK will have to ask itself is if under the Great Repeal Bill you have special legislation that is UK legislation, to what extent would that gradually diverge from the REACH development and what you call dynamic or non-dynamic transposition? That is, for instance, something that is plaguing the Swiss versus the Norwegians, who are not plagued by the non-dynamic transposition, because the more you diverge from previous depositions industry have set, the more the burden on industry grows.

Q135 **Chair:** Can you explain what you mean by dynamic and non-dynamic?

Andreas Herdina: Yes. The Norwegian system, for instance, has a dynamic adaptation to REACH because Norway under the EEA automatically transposes EU regulations. If you look under REACH, the annexes to REACH change continuously. The list of substances in the candidates list and the list of substances in the authorisation lists have changed. Under CLP we have things that record ATDs, which are adaptations to technical development, and that always changes. There is a lot of stuff that is continuously evolving.

REACH, as I said, is at the end of its phase-in phase. There is after the phase-in a long phase of implementation to come, and the more the British system would diverge from the EU system the more the double burden on your industry would arise and the more the supply chains would be affected that go across the external frontier of the UK.

Q136 **Chair:** Sorry, are you saying that Switzerland has a non-dynamic system?

Andreas Herdina: Switzerland has a non-dynamic—

Q137 **Chair:** Can you explain what that means?

Andreas Herdina: They do not automatically align with the acquis as it develops. Switzerland has 200 sectoral individual agreements with the EU in three big packages. Basically, that has now come to a crunch as it has become basically, at least in the opinion of the European Commission and European institutions—not from our point of view because we are not involved—unmanageable to have 200 parallel bilateral agreements running at the same time. One of the big issues with Switzerland has also been the arbitration in these agreements. As a daily reader of the *Neue Zürcher Zeitung* by coincidence, the leading Swiss newspaper, I saw that the Swiss Government have just recently agreed to submit to the jurisdiction of the European Court of Justice, but they are still open on how it would be implemented. That I only know from the newspaper that I read two days ago.

Q138 **Geraint Davies:** Finally, obviously there is a five-year review of REACH that has just been concluded. It has not been published yet, but I was wondering whether there were any emerging insights or messages from that that you could share with us. I have a second question, which is unrelated. I just want to ask how at the moment the three of you or your three organisations are working together and whether we could hope for that to continue. Those are quite separate questions.

Andreas Herdina: Maybe I will start and I will leave it to my British colleagues to continue. Last May we published our five-year review. I can leave this with you, Madam Chair. I do not want to take it back to Finland. You can also find it as a PDF. It has 56 recommendations made by ECHA on improvement to the implementation of the REACH regulation and CLP regulation. Not all of them are recommendations linked to legislation, most of them are linked to just practical implementation. For instance, I saw in your previous interview there was mention that the substances in articles clause is burdensome, and one of our recommendations is for the Commission to review that.

On the other hand, the Commission has been conducting about three dozen surveys and studies of all kinds of aspects of the impact of REACH on competitiveness and innovation and health and whatever. It is well over 30 such surveys and some of these studies have already been published, but all of them will be used for the REACH review that the Commission will be publishing later this year. What will happen then is anybody's guess. It depends very much what is in the review. It will go through Council, it will go through the European Parliament, and if that leads to any legislative revisions—George Bernard Shaw said one should never make predictions, particularly not about the future—I don't know.

Dave Bench: If I can pick up the question about co-operation into the future, it would be fair to say, I think, that we have a very good relationship at present and we have worked very effectively in the development of REACH as it becomes a maturing regime. Clearly, the UK has quite a large number of questions across the whole of the chemicals regulatory regime to take, but some of the questions about how we may or may not co-operate together as organisations in the future go much broader than the chemicals regulatory landscape and relate to the way in which we will interact with the EU as a whole and EU institutions as a whole. Clearly, we will only know the answers to some of those questions as we move through the negotiation process.

What we are doing is making sure that we are as prepared as we can be and are looking at the different possible scenarios that might come out of the process so that we are in a position to be able to act effectively in any of those different scenarios. Even if we are outside of the EU and effectively have a completely different type of relationship with ECHA in the future, it is true that today we have relationships, and good and effective relationships, with other regulators and other regulatory bodies around the world. In many areas, the debate around chemicals regulation is global, it is not just European. We could easily see a model in which the relationship with ECHA and other EU institutions becomes a positive and technical relationship in the same way that we have relationships with other global organisations at the moment.

Q139 **Geraint Davies:** Can I ask on that, so that we are clear? It seems to me that there are two sorts of futures being painted here. One is the Switzerland future where we have 200 bilateral arrangements, where if there is a dispute there are all these arbitration panels, and the other is we try to carry on as best we can as we are. If we do the Swiss version, it seems to me that would be quite an incumbency in terms of cost, administration, complexity and annoyance.

Dave Bench: I am not second-guessing where the negotiation process will take us. What I am trying to do is be as prepared as possible for any of the possible eventualities. I do see a lot of potential opportunities in different scenarios. You are right that there are lots of complexities, lots of issues and details to work through in any of the scenarios. What we are doing at the moment is making sure that we are in a position to be able to do that as we move through the negotiating period. My job, together with Harvey and others across the chemicals landscape, is to make sure that at the point we exit the EU we have effective chemicals regulatory regimes in place that can give effect to the direction that Ministers wish to take us.

Andreas Herdina: If I may add that we have four memoranda of understanding with regulators, with the Canadians, the Australians, the Americans and the Japanese. It is most active with the Canadians and the Australians. That is at the level of regulatory scientific exchange of best practice, knowledge and approaches and so on, but that is not the role

that we also have in being the implementer of REACH regulation towards the companies bearing responsibilities and obligations under REACH. That is what we have. The other thing that we have noticed with interest is that the White Paper of the UK Government specifically mentions a willingness to discuss four agencies, of which ECHA is one, but that is also then left to the negotiations.

Harvey Bradshaw: If I may add that I think the partnership agreement we have with the Health and Safety Executive works well. We have clear and complementary roles. The discussion earlier on skills is a good example of where we rely on each other's skills in clearly defined ways with good working relationships. I think the policy lead with Defra brings us together. As Dave has already said, I am giving assurances to Defra that we are resourced to actively participate in the sort of discussions that we are having now and need to have increasingly in the future and plugging in the necessary staff with the necessary skills to make sure that is successful.

Q140 **Mr Shuker:** It is really important for this Committee to understand the costs of administering REACH in the UK and due to the structure it can sometimes be a little bit opaque. Could I ask you a few short factual questions about your organisations, Dave and Harvey, in particular? The first one is: what are the significant activities that each of your organisations carries out in relation to REACH? You have touched upon some of them but if you could give us some bullet points that would be great.

Dave Bench: There are three broad categories of activity, although they are somewhat broad: provision of information mainly to those in the supply chain companies that have obligations under REACH; the interaction with ECHA providing experts to ECHA committees, involvement in valuation activities; and the third broad category activity is compliance and enforcement. Those would be the three broad categories. Typically the Health and Safety Executive is being funded by Defra to the tune of somewhere around £1.5 million and this year will be just under £1.3 million per annum for those activities.

For a number of years we have also undertaken some activities directly under contract for ECHA for evaluation work and that has been in the range of around £75,000 up to a maximum of £166,000 per annum. That excludes the competent authority activity that is done in the Environment Agency, which is accounted for differently and Harvey can answer that. It does not include the compliance and enforcement activity that happens in the wider supply chain. Local authorities, for example, have responsibilities to do compliance and enforcement activity. That is not recorded in my figures and I don't have a way of collecting that information.

It is also true that our field force in the Health and Safety Executive, while each of them will not be primarily going out each day to do REACH enforcement, if they see something in a workplace that would be covered

by REACH they would engage in that activity. We have a field force of about 1,000 inspectors.

Harvey Bradshaw: The Environment Agency has a chemical assessment unit that I mentioned earlier, comprising six FTEs and a budget for that team of about £350,000 a year. There is a chemical enforcement unit that works alongside that but, as Dave has just explained, their role goes beyond REACH enforcement. There are nine FTEs within that team, so there would be a couple of FTEs devoted to REACH work.[1] Our work will predominantly be scientific, technical evaluation of some of the substances giving high public concern, high levels of concern. We would assess those chemicals, their use within the UK, how we are finding them for our monitoring regime in the environment, whether we think the risk mitigation measures that have been forward by the industry are suitable. If we don't think they are, we would provide a regulatory dossier that would be considered, first of all, via the competent authority, the Health and Safety Executive, and then ultimately ECHA.

Q141 **Mr Shuker:** To drill down on that a little for both of you, what proportion of the activity you have just described in a general sense is devoted to enforcement over other activities related to REACH?

Dave Bench: Specifically within my own teams and not the broader HSE inspection force, when I told you that my total budget this year for REACH activities will be just under £1.3 million, about £200,000 will be directly associated with REACH enforcement.

Q142 **Mr Shuker:** I might come back but, Harvey, in terms of enforcement?

Harvey Bradshaw: There would be between one and two FTEs in our enforcement team allocated towards REACH, which would be something like £100,000 per annum.

Q143 **Mr Shuker:** That is the smaller share of the broader thing that we are talking about. What would you say would be the biggest single activity that you do in relation to REACH?

Dave Bench: For me, the mix is between the provision of information and help to companies in the supply chain and the activities that we do and engage in with ECHA in the various committees and doing evaluation work. The remainder of my budget at the moment is split roughly 50:50 but it does ebb and flow each year. Next year I would expect, because there is an imminent REACH deadline in 2018 for registration of lower volume substances, that will impact upon many more SMEs and we will be putting a lot more effort into communication with those companies to make sure they are aware of their obligations prior to the 2018 deadline.

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[1] Following the session, the witness clarified the figures for the work undertaken by the chemical assessment unit. The unit comprises six staff with a budget of £250,000 a year: the £350,000 figure originally quoted included £100,000 of compliance budget quoted in Q142 below. The witness also indicated that the chemical enforcement unit that works alongside the assessment unit has eight staff, rather than nine FTE.

That will mean that over the next year the shift will be probably to do quite a lot more than half on communication and less on other activity.

Q144 **Mr Shuker:** Andreas, my understanding of REACH is that it is not a full cost recovery scheme. The registration costs don't cover the total cost of that. To what extent does that make a dent in the budget? What proportion is picked up by private enterprise at the moment?

Andreas Herdina: That varies a bit over time. We have the fee regulation that imposes the fee, which is a Commission regulation; it is not established by us. For instance, when we had the 2013 deadline from the registration fees we had basically a buffer of two and a half years before we had to fall back to have a community subsidy. We have a mixed financing system, so partly we depend on fees and charges and partly on the community budget. Last year 46% of our expenditure was covered by fees and charges and the rest was covered by the community budget. To the fees and charges, UK companies contributed 11% while 15% of all registrations come from UK companies, so there is a bit of a discount in that that might have to do with that you have many small companies and also many only representatives. 39% of all EU registrations by only representatives are made by British companies. As was said in previous sessions, that might be a business that would be severely affected by the withdrawal of the UK.

I would like to mention that a lot of our expenditure also goes into the development and maintenance of the IT systems that are necessary to provide the companies with an opportunity to submit data to us. This year, for instance, we will be launching a cloud system that makes it even simpler for the SMEs to do that. We have SMEs in mind and we have simplified the tools, so it is a continuous process that has to be maintained. One out of seven directorates in the agency is completely IT and that IT development helps others like the EUCLID system as an OECD standard.

One thing I would like to mention when it comes to staff expenditure is that 6% of our staff is UK staff. That is 31 people at the time of the referendum and, of course, you will understand that they are quite anxious about their future in the organisation. Some of them have found their Irish grandmothers and, therefore, we now have 27 UK staff members.

Q145 **Mr Shuker:** As you alluded to it, can you give just a word on how the fee structure is set and in what organisation? As a company bringing forward, say, a lead registration, how is that calculated?

Andreas Herdina: The fee structure is set by a Commission regulation, which is currently under revision because it will have to adapt itself now that we are ending this phase-in phase where we have had these registrations. Theoretically it is supposed to be cost recovering but there are a number of political considerations like SME discounts and whatever that will not cover the whole expenditure.

But if I come to the point you made at the end, the burden on companies of costs are not only fees. The fees are the smallest element in the costs. I will divide them into three. We have the fees and that is the smallest. Then we have the effort that is made and there we, as ECHA and Defra also, through the guidance documents and webinars, have put out so much information, support videos, webinars, interactive web pages, all kinds of things, to allow the companies to find their way with as little effort as possible in this complex environment so that they are not spending time in going down dead alleys or paying a lot for consultants where it is not necessary. Then comes the biggest chunk of expenditure for a company, which is basically meeting the information requirements where they have to pay for the tests or for their share in the tests or access to the test results and that can be quite an expense depending on the tonnage band—the lower the tonnage band the less the information requirement—and the number of other companies with whom they can share as well as the availability of already existing information on that specific substance. That is the biggest chunk over which we don't really have an influence and where also the testing houses have to meet the standards of the good laboratory practices that are laid down by the OECD.

Q146 **Chair:** Before we move on, can I ask our English colleagues what has happened to your budgets for these types of activity over the last six years?

Dave Bench: Over the last six years the budget has varied between £1.55 million. As I said, this year it will be £1.29 million directly from Defra to the Health and Safety Executive. It went down to £1.3 million at its lowest point, so it has ebbed and flowed depending on the balance of activities that we have agreed to provide for Defra. As I said, there has been a small amount between £75,000 and £166,000 per annum where we have directly contracted with ECHA to do work. That is the HSE budget.

Harvey Bradshaw: The first point is that 80% of the money we use in our budgets is through charged payers, so the work associated with chemicals and REACH is part of 20% that is grant in aid. It has been static over recent years. There has been scrutiny this year as to whether or not this is an area we need to reduce as part of the cost savings, and that is why we have had the discussions we had with Defra, which I referred to very briefly earlier. I have given a commitment that we will make sure that we provide the same amount of resource that we have in the past and that what is we are now doing. We have been static at the levels I described earlier.

Q147 **Chair:** It is frozen for the last six years?

Harvey Bradshaw: Yes.

Q148 **Chair:** If your grant in aid reduces, will that be recovered through fees?

Harvey Bradshaw: No. If our grant in aid reduces, and it is reducing, we are identifying those areas that are of the lower priority where we can't make it up through efficiencies. Obviously our first desire is to do it through transformation and efficiency. Where we can't do that we are looking at the lower priority work. We have considered our work on chemicals and we have given an undertaking to our colleagues in Defra to protect in the way I have described. We will need to make the savings elsewhere.

Dave Bench: It might be worth mentioning that the current UK position in relation to the way we pay for REACH-type activities may not be replicated in the future if we are doing different and additional type functions. If you looked across the chemicals regulatory landscape in a lot of the other regimes, particularly plant protection products and biocides, we do a lot of cost recovery through fees and charges. Of my total budget, which this year is something in excess of £22 million, more than half of that will be cost recovered through fees and charges.

Q149 **Chair:** Are you saying that that could change in the future, depending on what—

Dave Bench: It depends on what we decide to do in the REACH-type area and how we want to fund that in future. Clearly there are a lot of decisions that have yet to be taken.

Chair: There certainly are.

Q150 **Caroline Lucas:** To pick up on where you left off there, is that code for saying that businesses could have to pay more to you under a UK-based REACH system if we leave the EU as a way of funding it?

Dave Bench: One of the options would be that if we are undertaking different functions to levy charges for those functions, but those decisions have not yet been taken.

Q151 **Caroline Lucas:** Have you made an estimate of the work necessary to develop a new chemicals regulatory framework and the cost you think that would involve?

Dave Bench: You will not be surprised to know that we have been thinking very hard about what the future might look like.

Caroline Lucas: I am glad.

Dave Bench: Clearly at the moment there are still a lot of different scenarios and I think it would be unwise for me to speculate in advance of you questioning the Minister as to where we might be going in future and what that might cost. We have a lot of work in hand to do all of that analysis. We have already done a lot and we will be continuing to do that as we go through this process.

Q152 **Caroline Lucas:** How could you expect the Government to enter into negotiations if they do not have an estimate for the cost implications of

leaving REACH? Presumably they will be asking both of your organisations for some figures on what you imagine that it is going to be. It would be helpful to have some kind of ballpark figure.

Dave Bench: I couldn't give you a ballpark figure for anything without giving you an enormous list of assumptions that came with those figures. We are developing models for how different decisions will affect the costs that would be impacted but lots of those are interrelated, they are interdependent with the other regimes. I couldn't give you a single figure for how much it would cost to develop a REACH-only option because what we do in the REACH area will not be the only thing we do on chemicals regulation.

Q153 **Caroline Lucas:** Does the Environment Agency want to add anything on that?

Harvey Bradshaw: The same would be true for us. We are protecting the resource that we have available for chemicals and we are inputting to the discussions with David and colleagues in Defra, but I have no information as to what scenarios might be played out in future and what kind of resourcing they would require. I have not been asked to provide that yet.

Q154 **Caroline Lucas:** It would be very interesting to have a copy sent to this Committee as well, because I am sure we would be very interested to see that. REACH has meant that you are focused on chemicals enforcement primarily. What skills and resources are you missing that would be necessary to develop the UK's future chemicals regulation?

Dave Bench: We are not as focused on enforcement. There is a wide range of activities we undertake in the chemicals regulatory area. You understand, given the small proportion that REACH is of my total budget, that most of my activity is devoted to other regimes. That is because the nature of those regimes requires more direct Government intervention. The biggest by far of areas of activity is plant protection products, agrichemicals, and then the biocide regimes. Those are the two big areas where companies have to come to the regulatory authority to gain authorisation before they can place a product on the market. Pre-market access intervention is by far the largest chunk of our activity. The other activities flow from that for information, compliance and enforcement.

Q155 **Caroline Lucas:** Can you run through what the figure is as a percentage for this?

Dave Bench: The money that I get from Defra at the moment is just under £1.3 million a year.

Caroline Lucas: Yes, but as a percentage.

Dave Bench: As a percentage it is about 6% to 7% of my total budget.

Q156 **Caroline Lucas:** Thank you. That notwithstanding, what skills resources would you be missing were you to be asked to be far more involved in a

UK-only REACH?

Dave Bench: If we are thinking about what we might do, I have a lot of skills. I have of the order of 340 staff. The bulk of them have technical skills in the human health, chemical and environmental areas.

Q157 **Caroline Lucas:** It would be transferable, essentially?

Dave Bench: Those are transferable across many of the chemicals regulatory regimes.

Q158 **Caroline Lucas:** But presumably those staff are not just sitting there twiddling their thumbs?

Dave Bench: No, of course they are not.

Q159 **Caroline Lucas:** How are you going to be able to enforce it?

Dave Bench: What I am trying to suggest to you is that I have a broad base of expertise across a range of technical scientific areas that are relevant to chemicals regulation. The question for me for the future is not do I have the range of skills but it is do I have the necessary capacity in each of those areas. That is the thing, as you will understand, that I am thinking about very hard at the moment. We will refine those estimates as we develop the thinking through the negotiating process and as decisions are made. One of the things that we are discussing at the moment is, understandably, whether we will need more capacity post-exit and how we might put that in place to enable a smooth transition if it is required.

Q160 **Caroline Lucas:** Do you have any order of magnitude about how much extra capacity under some broad scenarios that you can share with us?

Dave Bench: Not that I can share with you, no, I am afraid.

Caroline Lucas: It is a bit like being in a dark room with a black cat and no light.

Dave Bench: I don't mean to be oblique or obscure in the answers that I am giving to you, but the scale and the magnitude of what we will need to deliver in future will very much depend on the decisions that Ministers make over the next year or two.

Q161 **Caroline Lucas:** Maybe we can have some more light from Mr Bradshaw.

Harvey Bradshaw: I hope I gave a bit of a feeling earlier. It is a similar story. We are an organisation, an environmental regulator that on my side of the business comprises between 2,500 and 3,000 folk and, as I say, 80% funded by fees and charges. We have a lot of expertise. We use our specific chemical expertise in a way that is complementary with the Health and Safety Executive that has always worked quite efficiently; we may be underplaying how well that has worked. I think we collectively punch above our weight and we are a voice that is heard in the committees. Going forward it would be an exercise, exactly as Dave said,

of capacity more than big gaps in skill. As you have picked up, that means you can only squeeze the balloon and there is an impact. What we will have to do quite carefully going forward is to manage that capacity and understand where the impact is and to satisfy ourselves that it is an acceptable one.

Q162 **Caroline Lucas:** Going forward, the main challenges in implementing a UK-specific version of REACH are, as we have talked about, skills, capacity and resources broadly. Is there anything else we need to be mindful of in those challenges?

Dave Bench: Perhaps I will come back to your question of skills or more about the challenge. Andreas has already told you that one of the seven directorates in ECHA is wholly devoted to the IT functions. The questions about how we did something on an UK-only basis and how that might be supported by IT systems, where currently they are dealt with collectively for the whole of the EU within ECHA, is certainly a challenging area and one where we have to think quite carefully about what would be required in the different scenarios that might play out. That is certainly a challenging area.

Harvey Bradshaw: The one-word answer to your question from me is information, an information flow. I think the strength of the regime is in how information is made available and, going forward, the better the information that is made available and shared the less additional resource would be required.

Andreas Herdina: What might be helpful, not very helpful but nonetheless worth reading, is in 2016 the policy department of budgetary affairs of the Director General for Internal Policies of the European Parliament published a study with the title "The cost of non-agencies with relevance to the internal market". It is a bit vague in its findings but it gives some general directions and what it finds is about what the cost would be if we didn't have EU agencies and every EU member state did it alone. It is publicly available if you were to read—

Q163 **Caroline Lucas:** Do you have the figure in front of you? That was going to be my next question about what your estimate would be.

Andreas Herdina: What it comes to conclude is that the main burden of that would be on industry because of the divergence of practices in all the different agencies. It figures the burden on the industry in the scale of billions. The cost savings on agencies is in the scale of millions. I would recommend you have a look at it yourself. On a number of issues it says they can only give a very vague statement but nonetheless it is worth reading.

Q164 **Caroline Lucas:** Thank you. That is helpful. Is there anything else that you would say, Mr Herdina, from your perspective about the infrastructure that the UK would need to develop to replicate what you have?

Andreas Herdina: If I look at the cut-down of staff resources that we have, or I can do the same for budget resources, the biggest chunk we have is for people doing evaluation. I will just read what we have. ICT, that is keeping the systems up, corporate services, human resources, financial resources, management, board of appeal, the help desk, helpnet, the forum committees, data management, PIC biocides, classification and labelling, restrictions, authorisation and identifying needs for regulatory risk management. That is what the staff are mainly engaged in. In all of it we have also communications staff for rolling out the guidance and whatever.

Q165 **Caroline Lucas:** Suffice to say it would be a new major piece of new infrastructure that the UK would need to put in place to replicate.

Andreas Herdina: I cannot tell. I have to leave that to my British colleagues because they know what they and I don't. We have 564 permanent staff on our payroll and we probably have at any given time 600-plus people in-house because we have contractors and seconded national experts and interim staff trainees.

Q166 **Caroline Lucas:** Is it 564 plus 600 or 600 including 564?

Andreas Herdina: Including the 564. We would love to have plus 600.

Q167 **Caroline Lucas:** Thank you. Can you tell us how your organisation interacts with non-EU entities for activities like information sharing and collaborative work on substances of very high concern? You have touched a little bit already on bilateral agreements, but could you say any more about that?

Andreas Herdina: It is very light in terms of resources and staff engagement because we have been so heavily preoccupied with setting up the agency over the last decade and getting the regulatory processes up and running. We are very happy now that they are so mature that we can do all the screening, the risk management measures and so on. We have kept that very light. We have the memoranda of understanding with the four regulators that we have. That involves our experts meeting sometimes or when we have expert workshops we invite them to come along, but basically it is done by virtual contacts, video conferences with the Canadians and Australians in particular. With the Japanese it is linguistically challenging and with the Americans it is challenging that they don't really engage a lot and under the new Administration we have heard that the Environmental Protection Agency is not in the forefront of the new President's interests.

Q168 **Caroline Lucas:** Not in a positive way anyway. Can I ask one last question about Switzerland? Of the entities that you work with that are not in the EU or the EEA, there is just Switzerland; is that right? I think you said earlier and I had slight difficulty hearing it, that—

Andreas Herdina: We have co-operation with Switzerland that is limited to the biocidal field. For more historical reasons than anything, there is a

mutual recognition agreement with Switzerland that was amended to take the new BPR, the Biocidal Product Regulation, on board and allows Swiss participants to be in our biocidal committee and our biocidal products regulation helpnet.

Q169 **Caroline Lucas:** You were saying that these 200 separate agreements—

Andreas Herdina: That has nothing to do with us. That is a general statement on EU-Swiss relations. There are 200 agreements on everything.

Q170 **Caroline Lucas:** Yes, but including biocides? Would that be one of them?

Andreas Herdina: That may be the 201st or whatever.

Q171 **Caroline Lucas:** You said that as a result of the unmanageability of that—and I appreciate your bit is only one-200th of it.

Andreas Herdina: What I hear from Brussels is that the people in Brussels are, putting it politely, not at all enthusiastic about this approach. It is no longer workable.

Q172 **Caroline Lucas:** What I was trying to get at was you mentioned that the ECJ may now take some jurisdiction over that. Was that a proposal that came from Switzerland or was that something that was required by the other EU member states?

Andreas Herdina: I think you would need to investigate this. It is something I have from a recent article on the appointment of the new chief negotiator of Switzerland with the EU, which was a few days ago, and it is from a newspaper article from the *Neue Zürcher Zeitung*, the leading liberal Swiss newspaper. I have it with me. I can leave it with you.

Caroline Lucas: Marvellous. Thank you.

Q173 **Geraint Davies:** It seems to me, from listening to David Bench and Harvey Bradshaw, that to a certain extent you are doing scenario planning but you don't really know what you are doing in the sense that you have not been given the scenarios because they have not been decided. Andreas Herdina is, in essence, saying that from an industrial point of view, if there is a dislocation and we have to invent our own thing, a bit like the Swiss or something different, this could cost an enormous amount of money, maybe billions, to industry. Given that sort of situation of uncertainty and prospective costs, what would you predict—or what are you hearing is the likely behaviour—industrialists in the chemical industry are going to do about that? In particular, is there a concern now that a lot of them, because of that, are simply going to leave Britain and relocate on the Continent?

Dave Bench: I don't think I can answer for all the chemical companies about what their decisions might be. From the conversations that I have had, many of them are mixed about what they are thinking. What they would like, as business would always like, is more certainty as to what

the future regulatory legislative landscape will look like and in our scenario planning one of the things that we are looking at is how to enable as smooth a transition from an EU to a UK-only regime as we possibly can. Andreas has already mentioned the question of regulatory divergence. There are a number of ways in which regulatory divergence can occur but one of the things that we are trying to think about in any of the scenario planning we are doing is how do you make that as certain as possible, as early as possible and do it in a way that does not shift the goalposts or move the requirements very dramatically at the point of exit. That is all part of our thinking.

As I said earlier, Ministers have a lot of decisions to take between now and the point of exit that will define exactly how we create the various chemicals regulatory regimes. The impacts of those decisions is at the forefront of our minds when doing our analysis and giving advice to Ministers.

Q174 **Geraint Davies:** If the UK just said, "Our position is business as usual and our intention is to do what they say in the EU but try to feed in in some back door way" would that be a good approach from the industrial point of view? Otherwise the signal is, "Once we have got time to get our feet under the table we will start making changes and you won't know what they are", which will incur massive costs, in which case they may as well get up and leave.

Dave Bench: Clearly, simply mirroring decisions that are taken within the European Union after we have exited the European Union is one option. It is one part of a range of options in the sense that a much bigger question in my mind is that of recognition of decisions. That plays in both directions but may also play in directions other than between us and the remainder of the EU, can play into different parts of that global regulatory landscape. There are a lot of questions to answer in relation to what decisions you would want to recognise or not. It may be that we decide after we have left the EU that we don't necessarily agree with all the decisions that have been taken. You can have a choice as to whether to simply mirror decisions that are taken—the Norway model that we were talking about earlier—or whether you make some kind of assessment of decisions that are being taken before deciding whether to recognise them. The UK can choose whether or not to recognise decisions from anywhere on a unilateral basis versus the question of whether to enter into bilateral or multilateral agreements.

But all of that is for the negotiating process and in some respects for some of the negotiating process post exit from the EU. I can't answer any of those questions now. All I can say to you is that there are lots of scenarios.

Q175 **Geraint Davies:** Can Mr Herdina tell us how he thinks industry will respond to this gross uncertainty?

Andreas Herdina: I would not want to venture into speculation. One thing I would just like to point out is—

Q176 **Chair:** We have the Minister waiting outside so I am very keen to close the session. Can I have a very quick question to our two British colleagues? The Secretary of State for DExEU has warned industry and Ministers to potentially be ready for a hard Brexit in two years. Do you think you could set up a mirroring agency or a totally separate agency in that time? Just a yes or no answer is fine.

Dave Bench: I don't think we need to. We have a UK chemicals competent authority.

Q177 **Chair:** You think it would be okay if we had a hard Brexit in two years?

Dave Bench: I think the question is more subtle than the one you have asked: do you want a separate and new UK chemicals agency? That is different than: do you already have the existing arrangements within the Health and Safety Executive and the Environment Agency to deliver competent authority functions even if they go wider than we currently undertake? The answer to that question is, yes, we absolutely have the infrastructure in place. The answer I gave earlier is how do we need to flex the capacity and perhaps increase the number of certain skills to be able to do that, but it is absolutely possible within two years.

Q178 **Chair:** I am sorry we have to end it abruptly but we have run over time by about half an hour. Thank you all very much indeed.

Examination of Witnesses

Dr Thérèse Coffey MP and Gabrielle Edwards.

Q179 **Chair:** Welcome to the Minister for our final session on EU regulation. We also have a colleague, the Director of EU Environment, Gabrielle Edwards. Sorry, I am without my specs today so I can't see it. Everyone is having to translate and you are very far away as well, so it is all very tricky from this distance. I feel like we should do a 100-yard dash down the front. Thank you very much indeed for coming.

A couple of weeks ago we heard from our witnesses, in particular the Chemical Business Association, that UK chemicals companies are already considering relocating their businesses due to uncertainty over the future of REACH regulation in the UK. The Chemical Business Association said that 20% of their members are registering companies in Ireland. I want to ask the Minister: do you recognise the regulatory uncertainty that this is having already on the chemical sector and associated industries in the UK?

Dr Coffey: There is extensive engagement with the industry through officials, BEIS, Defra and DExEU. For example, I know that BEIS has weekly calls with the Chemical Industries Association and this is a regular item for their engagement in that regard. I would want to give assurance to the industry that we intend to have as smooth a transition to Brexit as

possible. We want to have a functioning regime from day one, as I have highlighted before in evidence to this Committee. This is one of the most complex parts of our transition into a post-Brexit world but nevertheless I am confident that we will have to have a scheme that is as smooth as possible with our arrangements on trade, our relationships. The good thing as the starting point is that we have regulatory equivalence today. It is our intention to try to assuage those concerns but, of course, this is still some considerable distance to travel.

Q180 **Chair:** Are there any aspects of future chemicals regulation that you can provide certainty on today?

Dr Coffey: We are still at the stage of working up a variety of proposals.

Q181 **Chair:** Who will make the decision on those proposals? Who is the decision-maker?

Dr Coffey: The decision is contingent on a number of factors. Ultimately, as you will be aware, we will be bringing into UK law the current regulations that are not already in UK law.

Q182 **Chair:** But that is not really possible with REACH, is it, because it is a whole system of authorisation and database? It is harder to do that into UK law, isn't it?

Dr Coffey: I think the REACH database is a particular animal and that whole process is administered by ECHA, but you will be aware of the principles the Prime Minister set out. We are not going to be part of the single market and REACH is a single market mechanism. It is the access to the single market that really matters. There are other aspects of how we manage chemicals regulations that are already transposed through some directives but we will have to transpose the regulations as well. It is not just about REACH; it is the future of chemicals regulation.

Q183 **Chair:** But REACH is the overarching framework and is it not critical for UK companies to know whether they are going to have single market access or whether they are going to lose their status as only representatives in this country? Their concern is that they are going to lose their standing in the supply chain. Is that not a risk that you are trying to mitigate?

Q184 ***Dr Coffey:*** As a general approach we are trying—and specifically in the chemicals industry—to make the transition as smooth as possible. You will be aware of the size of the industry; just over half of the exports are within the European Union. We recognise this is a key area to try to get right, but I cannot give to the Committee today the precise details of that. We are still working through proposals and still have to undergo the negotiation that will happen over the next two and a bit years.

Q185 **Chair:** Given the size of the chemicals industry, can you explain why it is being treated as only a medium priority, and the environment as a low priority by the Department for Exiting the EU?

Dr Coffey: I am not sure what leads you to think that.

Q186 **Chair:** There was a leaked memo that was covered in the papers about 10 days ago.

Dr Coffey: I have not seen that memo. I am not sure what paper it was in, but I will have a look.

Q187 **Chair:** I can certainly send it to you. I would be grateful for your comments.

Dr Coffey: Thank you. Of course, as a Government Minister I will not comment on leaks, but I would be interested to read it.

Q188 **Chair:** What is your timetable? The Minister has said to be prepared to go out at full tilt and be ready to leave in two years. When do you think there will be a decision made on chemicals?

Dr Coffey: I think there are a few things to consider. One is the progress of the Great Repeal Bill, and at the moment we are confident that the Great Repeal Bill, as officials have seen a draft of it, will allow us to get into operability. A number of things will be part of a negotiation for the next two years, but you will not be surprised if I say that we will certainly have ready a regime that can be put into effect from day one.

Q189 **Chair:** Whenever day one comes. Okay. What interim measures do you intend to introduce to ensure that UK chemicals companies can continue to trade if no formal agreement is made by the time we exit?

Dr Coffey: I am confident we will make a formal agreement, and if not we will have our backup ready.

Q190 **Chair:** What will the backup be if there is no formal agreement?

Dr Coffey: We are not at that level of detail, but I am confident the Government will be able to get that deal done and I am confident Parliament will be content with it.

Q191 **Chair:** Do you accept that the chemicals industry is not confident and that is why 20% of businesses have already registered in Ireland?

Dr Coffey: I used to work in a multinational business. I am not surprised if companies are already thinking out their own contingency plans. But I can assure them that we will continue to be a significant domestic market and of course still see ourselves as being a huge centre of excellence for the chemicals industry. It is our second largest export for manufacturing after agrifood.

Q192 **Chair:** Which is why my question about it being a medium priority. The car industry is top priority and I have to say, from recent developments, that does not seem to be going so well. The chemicals industry is our second largest export and is only medium priority, which I think is a problem.

Dr Coffey: As I say, I will look at the report. It is not a report I have seen and it has not ever come up in our discussion so far across Government, that I am aware of anyway.

Q193 **Chair:** You have mentioned that there have been early discussions with the Chemical Stakeholder Forum. Our industry witnesses are unsure if this level of engagement will continue, following the Prime Minister's announcement that policy development will take place behind closed doors. How are they going to engage? How do we see that engagement continuing?

Dr Coffey: I think it is fair to say that officials are meeting, and Gabrielle might want to say a little bit more about that. I have not made it to the Chemical Stakeholder Forum. I think the last time I was due to go I was asked to attend Parliament for some matter. I am looking forward to doing it.

Q194 **Chair:** You have not met with them yet?

Dr Coffey: I have not met the Chemical Stakeholder Forum, but I know that Robin Walker has, and I have met Robin Walker, and our officials have. BEIS are in regular contact with the Chemical Industries Association, and I am looking forward to our next meeting. We have a three-way ministerial meeting happening in the near future. I am due to be at the Chemical Stakeholder Forum, I think next month.

Q195 **Chair:** We had a witness from the Chemical Industries Association, which represents manufacturers, who suggested that companies would begin to look to move their manufacturing base within three to five years of exiting the EU under unfavourable conditions.

Dr Coffey: It is our intention that we have favourable conditions.

Q196 **Chair:** We have also had a witness from TechUK saying the forum that you run is a good way of finding out what the Government are doing on REACH, but they are concerned that the position has changed about this policy development. Can you give TechUK a guarantee that you will continue to engage with them at a ministerial level?

Dr Coffey: I will have to look carefully at what TechUK has said and what their current level of access is. I am not aware that we are trying to retreat from industry—far from it.

Q197 **Chair:** But you have not met with them?

Dr Coffey: No, I have not, not personally.

Chair: Nine months after the referendum, no result. Okay. Thank you.

Q198 **Joan Ryan:** Minister, you have mentioned the Great Repeal Bill. Sorry, we have put you at quite a distance, haven't we? Does the Government accept the message that we have been hearing in evidence and from witnesses that it is not possible to transpose the protections provided by chemicals regulation in an effective way through a simple measure such

as the Great Repeal Bill?

Dr Coffey: I do not know the basis on which they have made that assertion. My understanding is that we feel we can on the current basis, but of course if the regulatory environment or the legislation changes as we evolve, then we will have to address that.

Gabrielle Edwards: Obviously we are waiting to see further drafts of the Great Repeal Bill, and it does depend on the nature of the powers, but if we think about the broader context of chemicals regulation—when you are not thinking about REACH—quite a lot of that is relatively straightforward to move across into UK law. REACH is more complicated, that is absolutely right, but certainly in the way that the Great Repeal Bill appears to be shaping up, we think that we will be able to take across the elements of REACH into UK law.

Dr Coffey: We have alerted, have we not, that we may need primary legislation, depending on progress of other elements? At the moment we believe we can bring it in through the Great Repeal Bill.

Q199 **Joan Ryan:** The Secretary of State for Defra has already said that two-thirds of legislation that you are intending to bring into UK law will be able to be rolled forward with just some technical changes but a third will not. One reason we are looking at REACH is because it seems likely to be a very good example of the difficult third of legislation that cannot just be rolled forward. One of our witnesses has suggested that the Great Repeal Bill is intended to act as a precautionary parachute for the UK dropping out of the UK without a deal, rather than as a final aim for regulation. Do you see it in that way?

Dr Coffey: That is not my interpretation of the Great Repeal Bill, no.

Q200 **Joan Ryan:** How do you see it?

Dr Coffey: The Great Repeal Bill, as the Prime Minister has set out, is in essence repealing one Act, the European Communities Act, but at the same time we will be creating a lot more legislation into the UK acquis, and so will be fixing the European acquis that we have today into UK law to have that regulatory transition. Then it will be for a future Parliament to decide whether we need to change any aspects of that law.

Gabrielle Edwards: REACH is undoubtedly within the third of environmental legislation where there are complex operability issues that we need to resolve. I think what you need to think about is that it is not just about how you directly move it across but how you use whatever powers are given within the Great Repeal Bill to enable you to replace some of the things that are currently done at a European level. Undoubtedly there are committees and tasks that are currently performed by ECHA that will need to be performed in a different way, and that is what we need to use the Great Repeal Bill to reconstruct and to deal with those operability issues.

Q201 **Joan Ryan:** You accept that REACH was written from the perspective of participants being within the EU and also that much of it relates to member state co-operation, mutual obligations, oversights, controls and the freedom of movement of products. We have had evidence that you it is not possible to copy and paste from REACH into the Great Repeal Bill. REACH is a governance structure; it needs to be completely recreated. What would be your response on that?

Dr Coffey: For me, the core thing about REACH is that anybody who wants to sell into the European single market, if they want to have their products in the EU within that single market, they have to comply with REACH, which is why the chemicals industry is very keen to have something very similar, the same, with little or no divergence. There may be some things on which we might want to diverge slightly in the future, but that is not to try to hinder access of companies for their products to be able to be within the EU. It may be we can make quicker decisions on regulating certain chemicals.

I keep using one of my favourite examples: Poland would like us to get rid of methanol from screen wash because it challenges alcohol addiction. We are not necessarily sure that we need to do that for United Kingdom products, but it may be that if that happens in the future British companies manufacturing screen wash will need to find one that does not have methanol. I am not saying that decision has been made but that is the kind of example where UK companies who want to sell abroad may want to, but if we decide we will allow methanol to be used in screen wash, then we could have a UK company continuing to make that product for this UK market, or indeed other markets around the world where methanol is not banned in screen wash. That is an example, potentially, where there might be some slight divergence.

We are very conscious of the desire to try to reduce burdens on industry for the future. Chinese companies have to be REACH compliant if they want to sell products into the European Union. Switzerland is part of EFTA, has its own regime, but also then makes sure its products are compliant with REACH for those products that want to be sold into the European Union.

Q202 **Joan Ryan:** Can I be clear, because Ms Edwards has said it is in the third that is difficult but I get the impression that you, Minister, are saying much of it can be transposed in the Great Repeal Bill and then we will have a bit of a tidy-up, or we will develop a new—

Dr Coffey: It is not a cut and paste. We will not be part of the single market and we will not have ECJ jurisdiction. If we end up doing BREACH—British REACH—there are certain things we will need to replicate, as Gabrielle has already outlined, like the technical and scientific committees. Do you want to say a bit more?

Gabrielle Edwards: Yes.

Q203 **Joan Ryan:** Gabrielle, could you focus on what action the Government are taking to establish a new governance framework? That seems to be more relevant. Are you developing a new governance framework or are you transposing REACH? I am not clear on what the answer is that you are giving me.

Dr Coffey: You have heard from the HSE already today, and another adviser. REACH is the competent authority in this country. Defra pays HSE to undertake that and the Environment Agency is the enforcer. There can be advisers on sites and the Environment Agency also enforces other chemicals regulation. But the detail can come from my esteemed colleague.

Gabrielle Edwards: Basically, what we have to have on the day we exit the European Union is a functioning chemicals regulation regime. REACH is part of a functioning chemicals regime. It is not the only element, because we have international obligations and we need to make sure that we continue to meet those as well. But there are various elements of REACH that we will need to put into UK law, such as requirements to register chemicals. If you are copying REACH across, there are those fundamental elements of REACH that you would need to put into UK law that form the regulatory regime. There would then be the institutional arrangements that go with it, which you cannot just replicate, because there are decisions that are taken by committees of ECHA or through member state committees that clearly cannot be carried into UK law, because that is not how the institutions would work.

If we are replicating a system we will need to construct something different, but quite how that will operate depends to a great extent on the arrangements that are created for the future relationship with the EU, and what relationship the UK has, for example, with the European Chemicals Agency in the future. We need to have a structure that operates, but we also at this point have to recognise there is a certain degree of uncertainty that links to how those discussions will go on the future relationship.

Q204 **Joan Ryan:** At the moment, you are not working on establishing this new governance framework? It is a wait-and-see at the moment?

Gabrielle Edwards: We are certainly looking at options to ensure that we have a fully functioning regime on day one.

Q205 **Joan Ryan:** Minister, how much resource are you allocating to deal with the problem of future chemicals regulation?

Dr Coffey: I know Gabrielle has been recruiting to the team on this particular issue. I do not know what level of full-time equivalence we have on it, but the EU broader regulation team is significantly increasing within Defra.

Gabrielle Edwards: Also, as part of our work in ensuring we have a fully functioning regime on day one, we are looking at what resources will be

needed within Defra, the Environment Agency and HSE to deliver on different scenarios depending on what is being delivered in the UK and what the relationship might be with ECHA in the future.

Q206 **Joan Ryan:** Is that, "We don't know yet"?

Dr Coffey: Yes.

Gabrielle Edwards: Different scenarios.

Dr Coffey: We have several scenarios, and a lot depends on our discussions with the European Union over the next two years.

Q207 **Joan Ryan:** I realise it is difficult but, yes, there are scenarios, and no, we do not quite know where we are going, sadly. I think it is part of the explanation of why business feels so insecure at the moment. Isn't that so?

Dr Coffey: We have not even triggered Article 50 yet, so, as you appreciate, we are not allowed to start those discussions with the Commission.

Q208 **Kerry McCarthy:** You have just said, Minister, that the amount of resources that need to be devoted to this depends on your discussions with the EU, but do you have the people that are able to carry out these discussions particularly pertaining to chemicals? We know that Defra is stretched across the piece on this. Do you have people who are expert enough in chemicals regulation who can start the discussions and also consult with industry on this, or are you suggesting we just see how things go and then we worry about whether we have the staff a bit later on?

Dr Coffey: I believe we have competent people. Some of the scenario planning, I do not think you need—I do have a PhD in chemistry but I do not pretend to be an expert in chemicals regulation, so I am not suggesting I do the negotiation. It is more about the governance arrangements, I would say, which do not probably need the detailed knowledge of individual scientific depth, I would suggest, because this is more about a regime as opposed to how you treat one chemical or another. That will come ultimately when we have the scientific and technical committees. If we end up with a scenario where we have to replicate our own, then we will make sure that that happens as the United Kingdom Government.

Gabrielle Edwards: Yes, and if we are thinking about what is the future relationship with various European institutions, that is a bigger issue than just the relationship with the European Chemicals Agency and that will be a Government-wide negotiation. As the Minister said, there are different things going on here. First, how do you construct a regulatory regime that will work? That does not need hundreds of people who have deep knowledge of chemicals regulation. It needs the ability to understand a legislative framework. Then we need to think about what expertise we

will need to deliver that regulatory regime as we run up to exit and the other side of exit, and there you would need to have more specialist experience; again, how much will depend on what is the future relationship with ECHA.

Q209 **Joan Ryan:** I must say that it was a very different picture from the three agencies we have just taken evidence from than we are getting now. It is a much bigger undertaking than the Department and the Minister seem to be aware of.

Dr Coffey: It is a big undertaking. I am not under any illusion about it. That is why it is the most complex case and why we are planning multiple scenarios.

Q210 **Chair:** Minister, can I press you on the Great Repeal Bill? You said it depends on the progress of the Great Repeal Bill, and yet your civil servant just said that this is not going to be part of the Great Repeal Bill. Which of the two is it?

Dr Coffey: No, it is a mixture. Chemicals regulation is more than just REACH. There are multiple regulations and regulatory frameworks.

Q211 **Chair:** REACH is the most important one because that is the one that governs them all, so biocides and plant protection product directives can all be incorporated. That is primary legislation, is it not? The Great Repeal Bill is primary legislation?

Dr Coffey: Yes.

Q212 **Chair:** Yes. In the Queen's speech can we expect to see, either this year or next year, something that will set up the UK's chemical agency? Would that be set up as primary legislation or a statutory instrument under the Great Repeal Bill?

Dr Coffey: It is a very clever question, but I am not going to go into detail about how the Great Repeal Bill will work and I will leave that to appropriate people in the future.

Q213 **Geraint Davies:** The Chair pointed out in one of her questions that something like 20% of chemical businesses are thinking of relocating to Ireland. You said, Minister, that export must be compliant with REACH. To provide business certainty, wouldn't it be sensible simply to say, "We will adopt REACH"? It is all very well saying we might have a difference of opinion on ethanol in alcohol or with Poland or whatever, but in the round what we are talking about here are thousands and thousands of jobs and billions and billions of pounds of industry. What they want is certainty. What can't we just say, when we leave, we will ensure we are compliant with REACH and forget about BREACH?

Dr Coffey: What I have tried to suggest, Geraint, is that we have a situation where we want to have as smooth a regime for the access. We start off with regulatory equivalence today. I am just giving a couple of examples where we may choose to have slightly divergent views because

we do not agree with the need for a particular banning of a substance or that we can bring into existence the appropriateness of chemicals. We have a particular one at the moment where I think it has taken us seven years. What is it called? DecaBDE? I do not know what BDE stands for. For those kinds of flame retardants, it has taken us seven years to get that chemical accredited within the European Union.

Q214 **Geraint Davies:** If you compare the relative importance of these, of the overall industry certainty and security in Britain as an export nation through REACH and just having the option of messing around with ethanol or whatever it happens to be, would it not be better to provide that certainty, "We will be REACH compliant", and we will lower costs for that so that we can secure our business, and business will have a certainty, rather than having to make all these scenario plans or move to Ireland?

Dr Coffey: Geraint, what I am trying to say is that I anticipate we will have a very similar regime. What I am trying to say, though, is that there will be the opportunity, potentially, in a future chemicals policy, to decide to be able to make certain choices ourselves and what is appropriate for the United Kingdom and United Kingdom companies. Of course, as I say, Chinese companies have to be REACH compliant if they want to sell particular chemicals into the European Union, and the same would be true for us. My experience of industry is that they will make appropriately commercial decisions. I am not sure why the 20% of companies at the moment feel they have to relocate to Ireland, but I am not surprised, having worked for a multinational, about some of the contingency planning they will undertake right now.

Q215 **Peter Aldous:** REACH has two roles: the gathering of data—that is registration and evaluation of chemicals—and also decisions based on that data gathering. I would be interested, Minister, in hearing from you the ambitions and visions from the Government for the future of that data-gathering process, a bit more about BREACH.

Dr Coffey: We are pulling this over into UK law, and we just need to keep up with the progress of chemicals. I am a bit unclear, Peter, what it is you are trying to get at.

Q216 **Peter Aldous:** As I said, how do you envisage the future of that data-gathering process and those activities that are currently performed through REACH? How do you envisage that being carried out in a UK process, in a UK aspect?

Dr Coffey: I think it is fair to say that although REACH has had its criticisms, broadly it has been a good, positive process. We will just have to give careful consideration to some of the pros and cons of REACH upon leaving the EU.

Q217 **Peter Aldous:** From the tone of your voice, you have some doubts about REACH and there are perhaps some things you might not be looking to replicate. Can you expand on that?

Dr Coffey: I want to be clear that regulations we have today will be regulations the UK has day one of leaving, so we will be bringing it in. It will then be for the future, as things evolve, whether we choose to have some slight divergence or not.

Q218 **Peter Aldous:** With that regulation, what information do you think industry and consumers should have access to regarding the dangers and safe use of chemicals in the UK going forward?

Dr Coffey: Our number one priority has to be protection of our consumers and citizens in that regard, and I have no reason to think that would not continue to be the priority. As we have talked about, it is a huge business for us and we want to make sure that we have as favourable a business environment as possible, allowing them to export but also operate in this country.

Gabrielle Edwards: Industry taking responsibility for generating that data is a key element of REACH. As the Minister said, we are going to roll the obligations under REACH over into UK law, so at that point there should be no change to that obligation. Clearly, in practical terms at the moment lots of data is held within ECHA. Therefore, there will be a discussion about how those arrangements will work in future. The pure obligation, which is that critical element of REACH about the generation of data, will be something that will get rolled across into UK law.

Dr Coffey: Yes. We do need to be able to respond to emerging risks, but that is where also some of our membership of our multilateral environmental agreements also comes into effect. You will probably be aware of the three key conventions that are live at the moment: Stockholm, Rotterdam and Basel. That is something where we are active participants as well. I am hoping to be at their COP—conference of the parties—in May.

Q219 **Peter Aldous:** How closely do you expect future requirements for registration and evaluation in BREACH to align with REACH?

Dr Coffey: I would expect BREACH and REACH to be seamless in the way that they do the assessments. I am just trying to give an example of where we might say in the UK we have decided to allow the continuation of this chemical, whereas it might be banned in other parts of the European Union, or that we are going to make quicker progress on certain chemicals that we decide are no longer suitable and we have an alternative.

Q220 **Peter Aldous:** Do you anticipate that UK companies will be able to work with their European partners and counterparts in, say, reducing the costs of testing?

Dr Coffey: I think the European Union always likes to try to reduce burden on business, and we are encouraging them to do that.

I was not really going to go down this route, but there are other opportunities that I expect Kerry and Caroline may be particularly interested in about, for example, animal testing. The United Kingdom has been at the forefront of trying to reduce animal testing, and we might be able to go even further. It would be an example that we could decide, if that was appropriate for the United Kingdom in our chemical assessment and our regime of how that is done, to do more than the rest of the European Union does. I do not want to set off a big political debate about animal testing and chemicals, but it is another example of how we might be able to do something a bit more quickly than we can today with that kind of dimension.

Q221 **Caroline Lucas:** On that subject, to try to think through the implications of what you have just said, supposing under a UK REACH administration we test using a different kind of test, a non-animal test, is it not the case that REACH, if we were then wanting to export that chemical into the EU market, is still going to have to validate the kind of test that we have done? How do you align those?

Dr Coffey: Yes, and industry will possibly be slightly worrying now about what I am saying, so I am just giving it as an example again of something that we could do differently.

Q222 **Caroline Lucas:** How differently can you do it?

Dr Coffey: For a chemical then to come into the United Kingdom, if we impose additional tests like that or a different way of doing something, they would then have to comply with our regulatory regime.

Q223 **Caroline Lucas:** If we have a product that we have tested using a different test regime—for example, relying far less on animal experiments—is it not the case that to then export that chemical into the EU the test that we have done is going to have to be validated in some way by the EU?

Dr Coffey: That might be an agreement we want to come to with ECHA and the rest of the EU, and then the rest of the EU may say, "No, we want you to test on animals in order to sell into the European Union". That will be a decision for them.

Q224 **Chair:** Minister, isn't the only thing that you are offering UK companies the privilege of testing twice, once not on rabbits and the second time on rabbits, and paying for both sets of tests? That does not sound like a great deal to me.

Dr Coffey: I am giving it as an example that I thought might catch the interest of Caroline and Kerry, given their previous views on animal testing in this way.

Caroline Lucas: Our interest is absolutely caught, don't worry. Can I just follow up with a question I was going to ask?

Dr Coffey: I will stick with the methanol, you are right.

Caroline Lucas: In terms of how these two different regimes will align, I wanted to give the example that, as I understand it, the REACH legislation has been updated over 30 times, 36 times or something, since 2006, so it is not a static thing obviously; it is evolving.

Dr Coffey: Yes, and I have just signed something off last week as well.

Q225 **Caroline Lucas:** How will the UK version of this thing keep up to date with all of those changes that are happening so fast?

Dr Coffey: I think that is in line with elements of emerging risk. My expectation is that we will continue to look at those evolutions as well.

Gabrielle Edwards: Clearly, on chemicals that is a significant issue because REACH changes very regularly. Under the international convention, substances get added, so we do need to have a mechanism that would enable us to make those changes on a regular basis.

Q226 **Caroline Lucas:** Would it be automatic? Obviously, we are not going to have a say.

Gabrielle Edwards: It depends on the way in which we introduce it into UK law. Again, that will depend to some extent on the terms of the Repeal Bill and also what agreement we make around equivalence with the European Union, so it will link to trade agreements as well. That is another degree of uncertainty about future relationships.

Q227 **Caroline Lucas:** We heard from businesses that were talking about the registration date of 2018, which is the next date when they are going to have to pay a wodge of money to get chemicals registered. What are we going to say to them, given that we might then be leaving REACH in 2019, about making that investment for a very short period of time?

Dr Coffey: We are going to tell them to comply with the law, because it will still be the law of this land, so they should be compliant by that timetable.

Q228 **Caroline Lucas:** You will be able to assure them that post 2019, after the two-year period after Article 50 has been triggered, the regime that we will be in is going to be such that they are still going to have to register with REACH with whatever new requirements they set out?

Dr Coffey: Coming back to it, REACH is an access mechanism for people who want to sell into the European Union. I absolutely am clear that businesses that want to be compliant with the law will have to undergo the completion of the registrations by next year.

Gabrielle Edwards: Yes. If we are putting REACH into UK law, an obligation to register will be in UK law.

Q229 **Chair:** Our excellent specialist adviser, whom you may want to talk to afterwards, has estimated that by 2018 UK companies will have spent around £250 million—that is a quarter of a billion pounds—on EU chemical registrations. Can you see their anxieties around spending this

amount of money over the next year, only to then have potentially a new UK regime that, as the Minister has just set out, offers the potential for a double-testing regime to run in parallel? Can you see their anxieties about that, Minister?

Dr Coffey: No.

Q230 **Peter Heaton-Jones:** Thank you, Minister and Ms Edwards, for coming. Two of the most important legs on the REACH stool, if I can put it like that, are restriction and authorisation. The really bad stuff is restricted or banned; the less-bad stuff people can apply for authorisation to use. Broadly speaking and with that very simplistic overview, is that the Government's ambition for what the scenario will look like post Brexit and post REACH?

Dr Coffey: We want continuity, I would suggest. We want that smooth transition as we leave the European Union, but all the principles are there about safeguarding human health, the environment, recognising emerging risks. There are some—and I would say it is perhaps not so much in chemicals but in others, some agrichemicals—where we may have a slightly different view on aspects of moving forward, but we do want to see a safe environment. There is no reason, just because we are leaving the EU, that is going to change.

Q231 **Peter Heaton-Jones:** Broadly speaking, that twin-track approach of restriction and authorisation is still the way you envisage it working?

Dr Coffey: I believe so, yes.

Gabrielle Edwards: Again, because we are going to roll the core elements of REACH across into UK law, the approach to authorisation and restriction is part of REACH, so it would get rolled into UK law.

Q232 **Peter Heaton-Jones:** We have taken some interesting evidence on this Committee about the difference between the risk-based approach and the hazard-based approach, and we have had some contradictory views. We have had Breast Cancer UK favouring the hazard-based approach and the British Plastics Federation saying, "No, the risk-based approach is different". One of them is you judge how much nasty stuff is happening at the moment and the other one is you try to look forward to try to prevent stuff happening in the future. Which of those approaches do the Government favour?

Dr Coffey: I think broadly we take the risk-based approach on the precautionary principle. I will use again a simple thing, household bleach. It is pretty nasty stuff, but if it is used appropriately it is absolutely perfect at the job that many of us use it for. That is on a risk-based approach.

Q233 **Peter Heaton-Jones:** Something that I am very concerned to get to the bottom of is the effect not only on our manufacturing chemicals industry, which is really important in the UK, but also how it is going to impact on

householders, on residents. Is there not a danger here that if we are not careful, if we do not get this right, we will see restrictions? Of course we can all see why there should be some things that should be restricted, but we might see too many restrictions on everyday products such as screen wash or bleach, for instance. Are the Government aware of that as a possibility?

Dr Coffey: I think it is fair to say that there have been restrictions on products gradually brought in over time in household products. People have had to find alternatives for it. I know there was bulk buying of Roundup—admittedly that is a pesticide rather than a chemical in regard to regulation—and those kinds of things or creosote in the past. I would suggest that that decision will be a future decision for this country to make on which chemicals it allows or not.

Q234 **Peter Heaton-Jones:** There is a balance to be struck, is there not, between the quite proper restriction of dangerous chemicals and an understanding that—you mentioned one example—farming communities in north Devon did not like the fact that there were restrictions on a product that they had used quite regularly for many decades? There is a balance to be struck, isn't there?

Dr Coffey: Indeed. That is often a difficult balance for the Government to take, but we have to have an evidence-based, scientific approach in regulating chemicals with their impact on human health and the environment.

Q235 **Peter Heaton-Jones:** You mentioned the three conventions, Stockholm, Rotterdam and Basel. Is it envisaged that Brexit will have no impact on the fact that we still abide by those conventions? Will they still be something that the UK Government will be signatories to?

Dr Coffey: Correct.

Q236 **Chair:** On the data issue, what negotiations have you had with the European Chemicals Agency on access to the data? With the UK's companies having paid in and contributed to that database, access to that database or the costs of having to set up our own database are surely, according to the Chemical Industries Association, one of the biggest risks that we face of risks to human and public health when we leave.

Dr Coffey: We cannot do any negotiation until we have triggered Article 50, and that has been made very clear by the European Commission. It is one of the key points of consideration for us, isn't it?

Gabrielle Edwards: It is.

Q237 **Chair:** What estimates have you made about the costs of the UK setting up its own registration database?

Dr Coffey: I am not aware yet that we have taken that cost assessment. Are you?

Gabrielle Edwards: It will depend. Again, there are multiple scenarios here, depending on the relationship with ECHA, and we are doing work to ensure that we understand the costs of them.

Q238 **Kerry McCarthy:** At the moment, as well as Defra being involved in looking at chemicals regulation, you have the Health and Safety Executive, which comes under DWP, you have the devolved Governments taking an interest, and now with Brexit we will be looking at the Department for Exiting the EU and the Department for International Trade getting involved. You have spoken about it, Minister, as very much being part of the trade negotiations. Which Department will be taking the lead?

Dr Coffey: I am not clear yet on those precise things. I think that DExEU has recognised the extent of the regulation covering Defra means that we are the competent experts to have those discussion. I think I am right in saying that. In terms of other elements connected with trade, I am not aware yet, Kerry, of the future arrangements in that regard.

Q239 **Kerry McCarthy:** Do they have any officials in those two Departments who you think are up to speed on chemicals regulation? Has anyone been seconded over?

Dr Coffey: We have seconded people, but I think the arrangement we have come to with DExEU—and Gabrielle can correct me if I am wrong—is that in essence Defra people will be the ones sitting alongside DExEU.

Gabrielle Edwards: Yes. There are people in DExEU who are working closely with us on the details of chemicals regulation and the issues that we need to work through as part of the negotiations with the European Union. We are trying to set up good arrangements so all the key people in Government are fully up to speed on what is involved.

Dr Coffey: You do not have to leave Defra to be working hand-in-glove with DExEU in our next steps on this particular issue.

Q240 **Kerry McCarthy:** Given that so far the witnesses that we have taken evidence from have overwhelmingly expressed a desire to remain aligned with REACH, has that been communicated to the other Departments?

Dr Coffey: I do not know what has been communicated in that regard so far. We are still working on multiple scenarios, but I know that there are regular discussions with BEIS and with DExEU.

Gabrielle Edwards: Yes, that position is very clear, and we have been working, for example, with BEIS and with DExEU to talk together to the key industry associations, people like the Chemical Industries Association, to ensure that we really understand what their headline views are on REACH and chemicals regulation post exit but also a lot of the practical issues that they think they are going to need to grapple with.

Q241 **Kerry McCarthy:** When we took evidence a week or two ago in terms of

meeting with the industry it was very much at the scoping stage, as you just said, getting a headline vision of what they want to achieve. Do you not think it is a bit late in the process, given that the Prime Minister is determined to trigger Article 50 by the end of the month, I think? Shouldn't we have progressed beyond just trying to find out what the issues are and get a little bit further to looking at solutions?

Dr Coffey: The solutions are being developed, and the ask from industry is very clear. We recognise that. They want to have something very similar, and that is what we intend to deliver.

Q242 **Kerry McCarthy:** You have not met with them yet and, as I understand it, the meetings they have had in the Department are very much at that broad-brush level. Is that right?

Dr Coffey: I haven't personally met them but I have pointed out that BEIS, DExEU Ministers and my officials have.

Q243 **Kerry McCarthy:** You are the lead Department, are you?

Dr Coffey: How can I put it? The message from industry is clear, and that is certainly part of our process in developing a future regulatory regime.

Q244 **Kerry McCarthy:** If I just move on then, you have talked about BREACH, which can I suggest is probably not the best name for a system of chemicals regulation. Do you have plans to establish a new body to deal with chemicals regulation here, or would it become part of the responsibilities of existing bodies, and if so, which ones?

Dr Coffey: I am not clear we have made that decision yet, but my expectation is that we would—the two key players are HSE and EA.

Gabrielle Edwards: On the timetable we are working on about getting something that will work on day one, we will need to use the bodies that are already there.

Q245 **Kerry McCarthy:** Which one?

Gabrielle Edwards: HSE and EA.

Q246 **Kerry McCarthy:** Both of them?

Gabrielle Edwards: Yes. They both have a role now and we would expect them both to have a role in the future.

Q247 **Kerry McCarthy:** The Environment Agency is stretched. It spends a lot of its time dealing with issues like flooding and water. Do you think it has the resources to take on the extra work?

Dr Coffey: EA has multiple responsibilities. I recognise that flooding and flood defences are prominent, but they undertake a vital role in this kind of regulation and also in waste and habitat creation, so it is not just about that. I recognise their most prominent work in the media and perhaps the Department is through water.

Q248 **Kerry McCarthy:** At the moment the indications are they do not have the resources to do what they should be doing, for example, on enforcing the waste hierarchy, on which the EFRA Select Committee has taken evidence in connection with its food waste inquiry. They do not have the resources to do the things that they should be doing. What extra resources would be needed if they were to take on this as well, which is a very complex area of work?

Dr Coffey: I do not think we have costed any of that yet, but I would be astonished if we do not provide the Environment Agency and HSE with the resource in order to continue to have a functioning chemicals regulatory regime.

Q249 **Kerry McCarthy:** Finally, will it be treated as a devolved issue or will it be a reserved issue?

Dr Coffey: As you will be aware, the EU framework exists and the Prime Minister has set out her process that we want to establish which are the right powers to return to Westminster and which are the right ones to then go on to devolved Administrations. What is key is maintaining the necessary framework for our own domestic single market, and that is one of the key elements in order to allow businesses to trade within the UK but also through our new trade deals globally. I would suggest that is yet to be ironed out and that will still take some time, but we are already engaging with officials and Ministers from the devolved Administrations.

Q250 **Kerry McCarthy:** Is there a convergence of views or are there different opinions as to how we go forward?

Dr Coffey: It is very early days.

Q251 **Kerry McCarthy:** It is very early days. Are you due to meet them soon?

Dr Coffey: The Secretary of State met last week. She set up or it has been agreed between the four nations a kind of rolling programme of ministerial contact, but also officials have already been having contact.

Q252 **Kerry McCarthy:** Is chemicals regulation on that agenda specifically, as opposed to the general relationship post Brexit?

Gabrielle Edwards: We are having detailed discussions with officials from the devolved Administrations regularly on chemicals. Clearly as we get into more detailed discussions about future arrangements on environmental regulation, chemicals will be on the agenda because it is one of the most complex operability issues we need to resolve.

Q253 **Geraint Davies:** Can you remind us what the cost to Britain is of REACH, what you estimate for the cost of BREACH, and, if it is devolved, the cost of "SCREACH"? Just do the first two.

Dr Coffey: ECHA is funded largely through industry fees but also, if necessary, subsidy from the European Union, so it is difficult to split out exactly what it costs the UK today. The budget of REACH is just over €100 million, €110 million.

Gabrielle Edwards: Yes. ECA's 2016 budget is €110 million.

Dr Coffey: At the moment it is about €60 million from the EU and about €40 million—it must be a bit more than that, so there is a split there at the moment. I would suggest probably about two-thirds is EU subsidy and the third is coming from industry.

Q254 **Geraint Davies:** Do you know the cost to British industry of engagement in REACH?

Dr Coffey: I think I heard that your adviser has suggested it was about £250 million. I do not think that is too different from our estimate.

Q255 **Geraint Davies:** As you have mentioned, insofar as REACH, as you have described it, being an access mechanism into the single market, if that is retained and then we also have our own system, BREACH or whatever it is, how much will the overall cost increase, do you imagine?

Dr Coffey: It is too early. It is not our intention to raise costs either for the taxpayer or for industry in the grand scheme of things.

Q256 **Geraint Davies:** In the negotiations—maybe you do not know—the idea to say, "We want to be included in some sense in REACH", be it having a facility to do something in our own country, in terms of the cost of access and engagement, do you have a cost in mind for continuing to have access through REACH with the EU? We are contributing 16% or whatever to the EU budget. Presumably, to continue having that access we would continue to need to contribute. I do not know what you feel.

Dr Coffey: That may well be the case, but that is a matter for future negotiation. I do not have a figure in my mind, Geraint.

Q257 **Geraint Davies:** There is no budget set aside pre-negotiation, "We will probably have to put this on the table to retain access and some involvement of sorts"?

Dr Coffey: No.

Q258 **Geraint Davies:** No. You have mentioned the Environment Agency, and we have taken evidence from the Health and Safety Executive. Do you feel there is already the necessary resource and expertise to administer a new system of chemicals regulation, or do you think, if we did have a BREACH, we would have to shore up and increase the amount of resource domestically to do our own thing as well as having market access through REACH?

Dr Coffey: There is good competence there at the moment, as Gabrielle was referring to earlier, and a lot depends on the outcome of our negotiations. It may be that we need to replicate things like the scientific committees or the technical committees, and that will obviously attract a cost in paying for that. Genuinely, we are not in that kind of budget mode yet. We need to make progress on the negotiations, and that will help us

to continue to refine our options, but we need to actually start negotiations. We have not even started yet.

Q259 **Geraint Davies:** Finally, as you have mentioned, we would need to abide by REACH to get market access, but you suggested that there might be another set of tests people could do, perhaps for animal testing in the example you used, or there might be examples where we did not require certain things, and you mentioned the case of screen wash. Is there a danger of the standards in Britain for environmental protection being lowered for trade reasons with trade outside the EU?

Dr Coffey: I do not think there is any desire to lower environmental standards. I was just giving a couple of examples of where we may choose to do something different if that is deemed to be a future priority of the people of the United Kingdom. I have used that example of methanol as an example to say it may be that if that is the decision in the future you take and we do not see it is necessary, maybe manufacturers who only work in the UK and sell—perhaps the smaller manufacturers—may choose to continue to make the same products. However, we are getting into theoreticals, but I was just trying to use it as an example.

Q260 **Geraint Davies:** I guess what I am getting at is, insofar as the UK saying there may be a cost to turning our backs on the single market and we will try to make it up by access to emerging markets like China, India and South America, for example, then if they came to us and said, "Okay, you can get more access to our market if we do not have to have the burden of REACH to sell our products in your market", then that is a recipe for reducing standards to get trade with other countries, isn't it?

Dr Coffey: I am not sure about that. If we sell to Japan, we have to comply with the Japanese regulatory regime, like we do to the United States.

Q261 **Geraint Davies:** No. I am just saying we could lower our standards to get more market access to emerging markets, because we have to do something to get access, do we not, to cut export costs?

Dr Coffey: No. I think we just need to have superior products at a competitive price. That is how you usually export. There is certainly no desire from this Government to reduce our environmental standards, because we want to protect human health and the environment.

Q262 **Geraint Davies:** Your perspective is that the standards of environmental protection that are required through REACH will continue to be delivered and, if anything, there will be other tests perhaps involved?

Dr Coffey: The law today in standards will be the same, day one, as it is the day before we leave. It will then be a decision for the future, but there is no desire to try to reduce environmental standards in this regard.

Q263 **Chair:** Can I press you on your estimates of how much you think setting up any potential UK REACH would be? You have mentioned the Health

and Safety Executive and the Environment Agency, but neither of those competent authorities are granting registrations, making authorisation decisions or maintaining the REACH IT database. What estimates have you made internally of the costs of the UK setting up its own functions ready to go on exit day, in millions?

Gabrielle Edwards: At the moment we really could not give you figures that would be very meaningful. If the Environment Agency and HSE were taking on additional functions, that comes at a higher cost.

Q264 **Chair:** What is your estimate of that higher cost?

Dr Coffey: I am not aware we have made one.

Gabrielle Edwards: It would depend. I cannot give you a sensible answer. If you assumed that HSE and the Environment Agency were going to take on every function that is currently done by ECA, the only comparison you have are the ECA costs, and ECA are operating at a scale because they are operating for the whole of the European Union. We need to do some work to really understand what that would mean for the UK. At the moment, because we are developing different scenarios, we do not have that. At the far end, they could be quite substantial in millions, yes.

Q265 **Chair:** In the tens of millions?

Gabrielle Edwards: Certainly at the most extreme end, yes.

Q266 **Chair:** Thank you. Can I go back and press you on the risk in 2018? This is all the lower-volume chemicals, so there may be smaller UK manufacturers or chemical companies that will have a lower market value of substances and will decide that they are simply not going to register with REACH because we are going to be leaving the EU, they are hoping for their own UK registration at some point in the future. For many complex article manufacturers relying on different formulations, we heard concerns from industry two weeks ago about supply chain freeze or market freeze in some of these much smaller-volume chemicals. Is that something that is on your radar and on your risk register as we leave, Ms Edwards?

Gabrielle Edwards: We are talking to industry, who are raising a whole range of concerns like that, so yes, we are thinking about the implications.

Q267 **Chair:** What steps are you taking to mitigate that risk?

Gabrielle Edwards: As I said, at the moment it is really trying to understand that, and then to think through how you would deal with that in terms of a future relationship with the EU. What is going to be the situation over market access? What is going to be the situation over, for example, future recognition of registrations?

Q268 **Chair:** Isn’t the risk in 2018 that a bunch of UK manufacturers or

European manufacturers no longer have the chemicals they need to go into complex articles because small-volume manufacturers are simply going to not register it and there is no fall-back registration period under REACH?

Gabrielle Edwards: That is a risk around the 2018 registration process, and we are working—

Q269 **Chair:** Which is separate from leaving, so what steps are you taking on that risk?

Gabrielle Edwards: We have provided extra funding to HSE to enable them to work with the smaller manufacturers to ensure that they understand what the obligations are and to provide information to help them through that process. We have also been working through the UK Chemicals Stakeholder Forum, who have produced guidance to help smaller manufacturers through that process. Ultimately, we are also talking to HSE about its role as an enforcement authority because this is a legal obligation. If companies choose not to register, that is their market decision.

Q270 **Chair:** That is right, but the risk is then that the supply chain ceases to function because those chemicals are no longer available, and on the day of registration the larger purchaser discovers that the smaller manufacturer—the small manufacturer is not going to say, "By the way, I am not going to register this. You will need to find an alternative" and cannibalise their own market. That is a risk that has been expressed.

Dr Coffey: I would be very surprised if large businesses are solely dependent on one supplier. I do not know the detail of which chemicals you are referring to or which company, but I would say it is a very unusual commercial practice to be solely dependent on one source of supply for a key part of your product.

Gabrielle Edwards: To go back to the UK Chemicals Stakeholder Forum, they have a group operating, trying to identify if there are any areas where there really are significant risks. It is quite hard to identify a negative. Who are the people who are not going to register? It is using industry contacts to try to get them to find out where the potential gaps are and then see if there is anything that looks very worrying.

Q271 **Chair:** This did happen in 2010, did it not? Ms Patel from the Chemical Industries Association told us that one manufacturer had one supplier that had not registered and the manufacturer had to buy the company in order to secure its supply chain, go to REACH and ask for a deadline extension to 2013. There are not many companies that can afford to just buy up their supply chain in that way. This is something that has happened in the past. With these smaller substances, which will be very niche, very specialist, this is stuff that could creep up on us quite quickly, is it not?

Gabrielle Edwards: Which is why it is a priority for the Stakeholder Forum to try to get to the bottom of any potential gaps.

Dr Coffey: If that single chemical from that single company is critical to your product, I am not surprised if a manufacturer then decides to make that part of their company, if it is critical to their business. I would suggest that is probably rather rare. I will go and have a look at that. It is quite interesting to me that a company would be reliant on one small supplier.

Q272 **Chair:** A final set of questions on the international systems. Are there any of the international systems of chemicals regulations that you would like the UK to align more closely to?

Dr Coffey: We have been looking at some other different regimes, but recognising the importance of the EU single market, I do think is our starting point, given that we are bringing it into UK law, is REACH. It is what we are part of now; it is what our businesses are familiar with.

Gabrielle Edwards: It is a message that you have been picking up as well, that most companies will say that they want us to stay aligned with REACH because of the value of the EU export market.

Q273 **Chair:** You are not expecting any changes to our regulatory environment as part of negotiations with other non-EU countries' trade deals?

Dr Coffey: I am not aware of any discussions on that.

Gabrielle Edwards: For exit, the intention is that we rollover REACH. Clearly there is an opportunity to look at things beyond, but there is certainly no immediate appetite to make any significant change.

Q274 **Chair:** You have no plans to align with the US system of chemicals regulations, for example?

Gabrielle Edwards: The US system is very different from the EU system. That would be a really substantial change and one I suspect our industry would have concerns about.

Q275 **Chair:** Is that something that your ministerial colleagues are pushing for, Minister?

Dr Coffey: I am not aware of any requests from other ministerial colleagues on that.

Q276 **Chair:** Is remaining fully involved in REACH a desired negotiation outcome for the Government, or does it breach a red line? The industry has been very clear with us that it wants to stay in REACH.

Dr Coffey: REACH is a single market mechanism and it is ECJ jurisdiction. Under the principles set out by the Prime Minister, we are not going to be part of the single market and we are not going to have ECJ jurisdiction in the way we have today.

Q277 **Chair:** Norway, as part of the EEA, and Switzerland, as part of EFTA, remain in REACH. Are either of those two countries models that you think the UK could adopt?

Dr Coffey: Norway is part of the EEA, as you have pointed out, and therefore accepts that element of the single market membership. I was under the impression that Switzerland effectively has its own system that is in parallel. Gabrielle might want to explain in more detail.

Gabrielle Edwards: Switzerland, because it is not part of the EEA, is outside REACH. It observes, it watches it very closely and it mirrors its decisions, but it is not formally part of REACH.

Q278 **Chair:** Is the Swiss model something that you are looking at for the UK to imitate?

Dr Coffey: I think it has some interesting parallels but, as the Prime Minister has also made clear, we are having a model that is for the United Kingdom, not just copying and pasting others.

Q279 **Chair:** You did tell us earlier that we were copying and pasting laws through the Great Repeal Bill, so which is it?

Dr Coffey: I said some aspects will roll over in that. What I am trying to say is that the Prime Minister has been clear we are not going for a Norway-plus or a Canada relationship. We are going for a relationship with the rest of the European Union that is for the United Kingdom.

Q280 **Chair:** Would you agree that the Swiss model offers UK chemicals companies the regulatory and policy certainty that they currently do not have?

Dr Coffey: I would suggest that we need to have a chemicals policy that is relevant to the United Kingdom. I recognise what you are trying to potentially get at with Switzerland and I think it is an interesting and useful comparison.

Q281 **Chair:** Can you guarantee that UK consumers will have the same or better protection against the imports of products with dangerous chemicals in the future?

Dr Coffey: We will continue to honour our international obligations through our current law system, and that includes those kinds of things: hazardous waste, prior informed consent. All those things will continue to apply, especially through our membership with Stockholm, Rotterdam and Basel.

Q282 **Geraint Davies:** You are aware that the precautionary principle and a risk-based approach is central to REACH, but as we move away from the single market and turn our attention to the United States and America—and we are thinking of CETA and TTIP now—they adopt a hazard rather than a risk-based approach and the precautionary principle is not in the CETA agreement that has recently been signed off. It was one of the

sticking points over TTIP, and you will probably know there were discussions around things like the Clinical Trials Directive, where the Americans were saying, "You can publish just the positive and not the negative trials" and there was concern about public risk over that.

What I am getting at is: do you look forward to a situation where you move towards regimes that are hazard rather than risk-based in order to secure trade with Canada and with the United States?

Dr Coffey: I tried to indicate to Peter Heaton-Jones earlier that broadly the United Kingdom tends to take a risk-based approach in its precautionary principle, and it is other elements of the European Union that are increasingly trying to do more hazard-based. I am not aware that we have gone into a level of detail of thinking about that. Our main focus is the operability on leaving the European Union. I am not aware that we have started devising any thoughts of any new policies in that regard for other trade deals.

Gabrielle Edwards: It is probably worth saying that the precautionary principle is embedded within REACH. It is in Article 1 of REACH, so we read it across. The precautionary principle is in the Stockholm Convention, so again the UK is a party to the Stockholm Convention and will continue being a party to the Stockholm Convention. As far as our regulation of chemicals is concerned, the precautionary principle is central.

Q283 **Geraint Davies:** What I am saying is that President Trump is saying that he wants to do a fast-track free trade deal with the UK. The previous negotiations broke down with Europe, and one of the reasons was the stickiness over the precautionary principles. It is clear that the chemical industry in the United States would like to have a trading agreement with us that had a hazard-based approach instead of a risk-based approach. Would that be something that we could accept, presumably? I would not accept it, but could the Government accept it in order to have more trade with the United States to make up for lost trade due to tariffs with the single market?

Dr Coffey: I think it is fair to say, Gabrielle, our approach is risk-based, but the hazard-based is more onerous. If you are suggesting that Trump is trying to water down environmental protections, I am slightly surprised.

Q284 **Geraint Davies:** Yes, I am. I am saying that they do not agree with the precautionary principle in CETA or TTIP and they want a hazard-based approach. That is what I am saying, yes. Therefore, if we want to have more market access, we presumably will play by their rules of less environmental protection. What do you think about that?

Gabrielle Edwards: A hazard-based approach is generally tougher and more restrictive, so a hazard-based approach to chemicals would generally be where some of what I would call the more precautionary EU member states would want to be. If you are in the States, you are much

more likely to want to go down a risk-based approach and not focus purely on hazard.

Q285 **Geraint Davies:** The precautionary approach of course is forward looking about emerging risk. The hazard-based approach is about established risk. Therefore, manufacturers prefer to say, "You can smoke until we can prove it is bad for you" and all the rest of it. Obviously, we and Europe have a precautionary-based approach because we put the consumer first.

Dr Coffey: The precautionary principle applies across the board, but within the precautionary principle we have a hazard-based approach or a risk-based approach, and the UK prefers the risk-based approach of the precautionary principle. Increasingly, we are seeing some other governments in the European Union wanting more of a hazard-based, which tends to be more onerous, but across the board the precautionary principle applies. I do not know the detail that you are referring to with the United States system. I am not going to say we are talking at cross-purposes, but the United Kingdom will maintain the precautionary principle, but preferring to take a risk-based approach to that rather than a hazard-based approach to it. I think that is where we were getting a bit confused on your terminology.

Chair: That is clear.

Q286 **Kerry McCarthy:** I think the Minister has finally just said what I was going to urge her to say. The UK's position is we support a risk-based approach within the precautionary principle, and that will inform whatever approach to chemicals regulation we take post Brexit.

Dr Coffey: Yes.

Q287 **Kerry McCarthy:** You just said, Minister, "If you are suggesting Trump is trying to water down environmental protection, I would be slightly surprised". I think you are probably the only person that would be slightly surprised that that is his intention.

Dr Coffey: I am not getting into diplomatic relations.

Q288 **Kerry McCarthy:** I do not think Donald Trump gets into diplomatic relations either.

Dr Coffey: We will continue to meet with the present Administration of the United States as our key partner.

Q289 **Chair:** This Committee is going to visit Washington as part of its inquiry, so we hope to talk directly with the Environmental Protection Agency on this matter. Can we look forward to the precautionary principle being written into UK law as recommended by this Committee, those three underpinning principles of European law that are not in UK law: the precautionary principle, the polluter pays, dealing with pollution at source? Is that on your ministerial radar?

Dr Coffey: As I have articulated before, we intend to rollover what is in EU regulations that are not already in UK law. At the moment we are not

anticipating any changes to the basis of UK law, nor increasing currently, and that is a discussion for the future.

Q290 **Chair:** Can we look forward to the publication of the nature plan before Article 50 is triggered?

Dr Coffey: I am not aware when Article 50 is going to be triggered.

Q291 **Chair:** By the end of the month is the promise, so that is three more weeks. We understand the plan is ready. Is that correct?

Dr Coffey: I have heard your question, and it will be published when it is published, I think is the best way to say it.

Chair: Thank you very much indeed, Minister.