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# January to March 2024



# UK

**UK consultation on "fairer and clearer" food labelling.** The UK government launched a new consultation on 12 March 2024, announcing in its <u>press release</u> that "the proposals for fairer food labelling will ensure greater transparency around the origin of food and methods of production, helping consumers make decisions that align with their values." The <u>consultation</u> will close on 7 May 2024, and seeks views, in particular, on:

- Interventions to improve consumer understanding of the origin of food and drink products (including how and where origin information is displayed, and on which products origin information should be mandatory)
- Proposals to provide clearer information on the production system for rearing of animals (including a proposed mandatory label for certain domestic, and imported products of animal origin)

This is an early-stage consultation and, at this stage, the Department for Environment, Food and Rural Affairs (DEFRA) is collating views on some fairly general questions as opposed to detailed legislative proposals, but the consultation is interesting, not least because the implementation of such proposals could represent a divergence between the UK-level and EU-level rules around country of original labelling and other labelling provisions.

**UK coroner report into peanut allergy death published.** In January, <u>the coroner's report was issued in the death of</u><u>23-year-old James Atkinson in 2020</u>, who had purchased a pizza that contained peanuts via a delivery app. Press reports have indicated that the coroner will "write to the authorities in support of Owen's Law". Owen's Law is the proposal for mandatory written allergy information for "non-prepacked" food. In December, the UK Food Standards Agency (FSA) Board indicated that it intends to write to ministers to communicate its view that written allergen information should be made mandatory in the non-prepacked sector in future (this would impact food service businesses, such as restaurants and takeaways, as well as non-prepacked food sold by retailers).

**UK Border Target Operating Model (BTOM) – common errors on import documentation and further controls from 30 April.** Following the introduction of the new BTOM, additional import controls were introduced on products coming from the EU and the European Free Trade Area (EFTA) on 31 January 2024, including Health Certificates and Common Health Entry Document (CHED) notifications for certain categories of products. DEFRA has issued a <u>summary</u> of common errors in import documentation detected since the changes. These errors include no commercial documentation for low-risk products; the incorrect categorisation of "composite" products (products containing products of animal origin as an ingredient, alongside other ingredients); the absence of a UK address; certain notifications being made via IPAFFS instead of directly to the Border Control Post; and errors with health certificates. These are just some of the examples provided. Further details are available through DEFRA's website, including information on proposed alignment for imports from outside of the EU/EFTA.

**Consultation on "Not for EU Labelling" for agri-food products supplied in Great Britain – opposition likely.** DEFRA <u>announced</u> in February that it was consulting on the introduction of "not for EU" labels on retail products across Great Britain. "Not for EU" labelling will also be a requirement in Northern Ireland under the Windsor Framework, agreed in relation to the Northern Ireland Protocol post-Brexit (the requirements for such individual product labels is being phased in and all products, except for some specific exemptions, as summarised in <u>government guidance</u> on the Northern Ireland Retail Movement Scheme (NIRMS), which will include shelf-stable composite products will be required to be individually labelled from 1 July 2025). There have been <u>press reports</u> indicating that trade bodies are considering legal action to prevent this change. The "description" of the consultation in the DEFRA announcement says that the proposal is "to ensure that no incentive arises for businesses to avoid placing goods on the Northern Ireland market".



**EU proposal for a ban on BPA in food contact materials.** On 9 February 2024, the EU Commission presented a draft <u>Commission Regulation on bisphenol A (BPA) and other bisphenols in food contact materials</u>. The draft regulation aims to eliminate BPA from the list of permitted substances for manufacturing plastic food contact materials and articles, while also prohibiting its use in food contact varnishes, coatings, printing inks and adhesives. Bisphenol and its derivatives that are classified as "carcinogenic", "toxic to reproduction" or "endocrine disrupting" under the CLP regulation will need to be risk assessed and authorised before being allowed for use in the manufacture of food contact materials and articles. Articles covered by the new measures must be accompanied by a written declaration of compliance (DoC) at all stages of marketing. The EU Commission will now evaluate the received feedback before engaging in consultations with member state experts. The objective is to have the regulation adopted no later than June 2024.

**Roofing firm and company business partner fined following HSE investigations.** Roofing company, Mitie Tilley Roofing Limited, has been fined a total of £881,000 (and ordered to pay over £100,000 costs) after two workers were seriously injured during two separate incidents. A business partner of its contractor was also sentenced to 120 hours of unpaid community service and ordered to pay over £20,000 in costs. The HSE investigation found that the company, as principal contractor, failed to properly plan and carry out the work undertaken by its subcontractor to replace a skylight. A business partner at the contractor also failed to plan the work properly and ensure staff had appropriate skills, knowledge and experience, and failed to provide appropriate fall protection on the roof.

**UK production manager fined for obstruction of National Food Crime Unit (NFCU).** The FSA issued a press\_ release in February, confirming the manager of Northamptonshire Food Services Limited had been charged and fined by Northampton magistrates court for delaying entry to the premises. The fine imposed was relatively low (although with prosecution costs, the total amount payable was over £12,000), but the report is interesting, as it is a relatively unusual report and flags, first, that the NFCU is actively conducting inspections and, second, that it is seeking to take formal action where necessary, seemingly (from the comments from the head of the FSA) for deterrent effect.

**Food Standards Agency (FSA) campaign on vegan food and allergens.** The FSA launched a <u>campaign</u> to encourage those with allergies not to assume that a vegan label means a product is safe to eat, as there is still a risk of cross-contamination. A vegan label on a food product means that no ingredients of animal origin were intentionally used in the making of the product, but it does not mean that there is no risk of cross-contamination – <u>research</u> has shown that this is not widely known. The campaign highlights the importance of still looking for a Precautionary Allergen Label on products labelled as vegan.

**Consultation on Martyn's Law.** The <u>Terrorism (Protection of Premises) Bill</u> or "Martyn's Law" (in memory of one of the victims of the 2017 Manchester Arena terrorist attack) was introduced. A <u>six-week consultation</u> was held across February and March 2024 for premises which have a capacity of 100 to 799 individuals. These premises are classified as "standard tier" under the Bill, and therefore requirements in relation to their preparedness for, and protection from, a terrorist attack would be imposed on them. Concerns relating to the practicalities and proportionality of these requirements will be explored within this consultation. The consultation period has now closed, and we await a response from the Home Office.

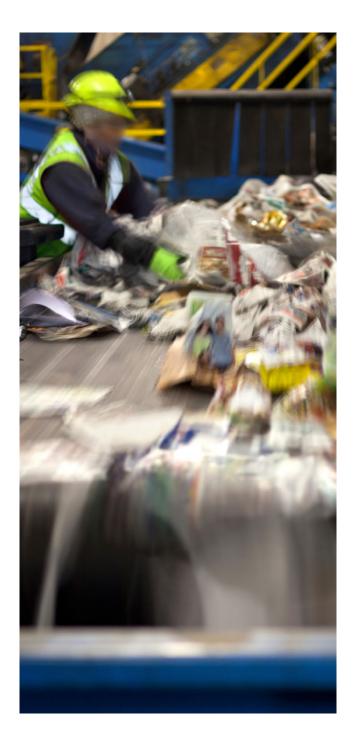
**UK updates designated standards for machinery.** The evolving list of standards that businesses can use to show their products, services or processes comply with essential requirements of GB legislation (Designated Standards) has been updated. The <u>standards for machinery</u> were updated on 12 January 2024, and there are <u>proposals for</u> <u>further amendments</u>. The Office for Product Safety & Standards provides an opportunity for stakeholders to object to designation if they have reason to believe that a standard proposed for designation does not meet GB essential legal requirements.

**Construction industry moves towards better support for workers' mental health.** In March 2024, six new organisations from the construction industry committed to the Health & Safety Executive (HSE) Working Minds campaign, to help businesses and workers understand the best ways to prevent work-related stress and encourage good mental health. The Chartered Institute of Plumbing and Heating Engineering (CIPHE), the National Federation of Demolition Contractors (NFDC) and the Electrical Contractors' Association (ECA) are among those who joined the cause. The campaign provides tools and support to businesses and individuals to help their stress and mental health initiatives, including conducting and acting on their stress risk assessment.

**Building Safety Regulator (BSR) launches campaign for residents of high-rise buildings.** The campaign, <u>"Your Home, Your Safety"</u>, strives to inform and empower high-rise building residents in relation to their enhanced rights under the recently enacted Building Safety Act 2022. The enhanced residents' rights include assurance that safety risks in their building are being effectively addressed; access to ongoing information on what is being done to improve safety in their building; empowerment to voice safety concerns, with assurance that their concern will be taken seriously; and clear, accessible and easy to understand information regarding safety matters.

**New building safety regulations.** On 16 January 2024, the <u>Building Safety Act 2022 (Commencement No 6)</u> <u>Regulations 2024 (SI 2024/40)</u> came into force. The regulation brought into force sections of <u>Part 4 of the Building</u> <u>Safety Act 2022</u>, which provide a framework for the ongoing duty to assess and manage safety risks in occupied higher-risk (high-rise) buildings. The duties to manage these risks are imposed on accountable persons and/or a principle accountable person. Notably, it is now a criminal offence for a (principle) accountable person to contravene Part 4 where this places a person at a significant risk of death or serious injury arising from a building safety risk. Those who commit such an offence risk a 2-year custodial sentence.

Letter to industry: Registration of the Building Control Profession – transitional arrangements. New rules come into force on 6 April 2024, requiring registered building inspectors (RBIs) for any new construction projects (except in relation to some transitional projects). This marks a significant step in the implementation of the new building safety regime, but the construction industry had raised concerns about there not being enough registered inspectors by the legal deadline. The director of Building Safety for HSE has therefore written to the building control industry outlining some transitional arrangements for the registration of building control inspectors in England. A competence assessment extension period of 13 weeks will be introduced from 6 April to 6 July 2024, to enable those who meet specific criteria to continue to operate. The BSR has clarified that this is not an opportunity to delay completing registration as an RBI, and there will be no extension to these arrangements.



**Recycling company fined £2.15million for corporate manslaughter and health & safety offences.** An agency worker was killed by a loading shovel. The HSE investigation found that the company, which went into liquidation in 2021, failed to protect pedestrians from the mobile plant operations it was carrying out at the site. There were no suitable traffic management arrangements in place, meaning that pedestrians were at risk of being struck by moving vehicles, including loading shovels. The company was found guilty of breaching Section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007, Section 2(1) and Section 3(1) of the Health and Safety at Work etc Act 1974. The company was fined £1.75m for corporate manslaughter and £400,000 for breaching health and safety regulations. In a separate case with similar facts, a recycling firm was fined £300,000 after a man was killed by shovel loader.

**Company fined £450,000 for corporate manslaughter and director sentenced following death of labourer.** A labourer was crushed to death at a construction site while removing supporting metal bars with an angle grinder as part of a large-scale renovation project. The company was fined £450,000 after pleading guilty to corporate manslaughter and a health and safety offence. The firm was also ordered to pay costs of £167,601. The principal director of the company has also been sentenced to 23 weeks' imprisonment, suspended for 18 months, for health and safety offences.

**Company fined after 21-year-old worker dies.** A powder coating company has been fined £67,000 after a young employee was found unconscious over the side of an Intermediate Bulk Container (IBC) containing alloy wheel stripper. An investigation by the HSE found that the company had failed to control exposure to dichloromethane and hydrofluoric acid. It would have been reasonably practicable for the company to have installed local exhaust ventilation, used a hoist or long-handled tools to lower and lift parts in and out of the tank, provide pumped chemical systems to prevent the need to lean into the IBC and finally ensure that any personal protective equipment or respiratory protective equipment provided was suitable for the environment it was being used in. The company pleaded guilty to breaching Regulation 7(1) of the Control of Substances Hazardous to Health Regulations 2002 and Article 67 of the REACH regulation.

**Man handed community order for illegal removal of asbestos.** The man admitted to removing asbestos from a school when he wasn't licenced to do so. A HSE investigation found the man had received the relevant training on how to safely remove licenced asbestos, and was therefore fully aware of the legal requirement to hold a licence. The man pleaded guilty to six charges, three charges at each offence location including contravening Regulations 8(1) and 20(3) of the Control of Asbestos Regulations 2012, as well as breaching Section 33 (1)(m) of the Health and Safety at Work etc. Act 1974. He was also given an 18-month community order, which consists of 15 days of rehabilitation, 90 days of monitored alcohol abstinence as well as him carrying out 150 hours of unpaid work. He will also pay costs of £1000.

HSE launched a new asbestos campaign. This is aimed at those responsible for buildings that people use in their daily lives. The HSE has also updated its asbestos webpages to help users find appropriate information and to replace outdated content with "up-to-date, refreshed guidance". The HSE hopes that the campaign, Asbestos: your duty, will "improve understanding of what the legal duty to manage asbestos involves". The HSE insists that it "wants anyone with responsibilities for buildings to do everything they must do to comply with the law and prevent exposure to this dangerous substance." Dutyholders can include the building owner, the landlord for the premises, the business owner or the person or organisation with clear responsibility for the building's maintenance or repair. The HSE will check how asbestos is managed when visiting the buildings, which include offices, factories, museums, schools, hospitals and places of worship. As part of the campaign, the HSE has updated its website with information, new templates (including an asbestos management plan) and explanatory videos. The updated page for workers includes videos on asbestos awareness and safe working.



**NHS trust fined £480,000 after employee found unconscious in manhole.** The employee suffered a brain injury after he was found unconscious in a manhole. He was rescued from the manhole by the Fire and Rescue Services and treated at hospital for acute sulphate intoxication. This resulted in a traumatic brain injury, and ongoing issues with memory loss and nerve damage. The HSE found that the trust failed to identify the manhole as a confined space, and thereafter, failed to properly risk assess the activity. The trust failed to prevent the entry of employees into confined spaces at the site – which was custom and practice for a number of years. The trust also failed to identify a safe system of work or method statement for clearing blocked drains, and no precautions were identified to reduce the risk of injury. HSE's investigation also highlighted that no confined space training was given to members of the estates team and insufficient information and instruction was provided to those involved as to the methods to be adopted, the risks involved and the precautions to be taken, when clearing drains and entering deep drains or manholes. The trust pleaded guilty to breaching Section 2(1) of The Health & Safety at Work etc. Act 1974.

**Company fined £380,000 after delivery driver suffers brain injury.** The driver fell from his trailer and suffered a traumatic brain injury. A HSE investigation found that the company failed to identify safe systems of work for the delivery of fuel to the temporary generators at its site. There was inadequate segregation of vehicles and pedestrians in the yard. There were no measures in place to prevent forklift trucks from entering the areas in which delivery drivers were working while refuelling generators. The company pleaded guilty to breaching Sections 2(1) and 3(1) of the Health and Safety at Work etc. Act 1974.

**Company fined £800,000 after two workers caught up in machinery.** Two workers suffered serious injuries at a major pizza maker's factory. One worker had his arm drawn into an inadequately guarded conveyor belt and another worker had his hand drawn between a roller and a conveyor belt. An investigation by the HSE found that the company did not adequately guard their machinery, did not provide suitable and sufficient checks to ensure that their protective measures were working effectively and allowed the disabling of guarding systems and access to dangerous parts of machinery. The company pleaded guilty to breaching Section 2 (1) and 3 (1) of the Health and Safety at Work etc Act.

**Green claims: Competition and Markets Authority (CMA)** <u>secures undertakings</u> from ASOS, Boohoo and Asda. The CMA launched an investigation in July 2022 into green claims made by these companies. The outcome is that the three companies have signed "formal agreements to use only accurate and clear green claims". The agreements are undertakings to the CMA under section 219 of the Enterprise Act 2002 relating to the Consumer Protection From Unfair Trading Regulations 2008. The undertakings themselves and the CMA's press release both clarify that the undertakings do not amount to an admission that any person has infringed the law. The undertakings are tailored to each company, but include requirements that product claims are not misleading, specific requirements regarding fabric claims and use of imagery. The companies have to provide regular reports to CMA on their implementation of the undertakings. If any company breaches any part of their undertaking, it may be the subject of an application to the court for an enforcement order under section 215 of the Act. CMA has also issued an <u>open letter advising all fashion retailers to review their</u> claims. These undertakings are the first to be entered into in relation to green claims and, together with the CMA's open letter, provide additional guidance on what is and is not considered to be greenwashing in the context of fashion retail.

**The Government is largely off track to reach environmental targets.** The latest Office for Environmental Protection (OEP) <u>report</u> found that, of 40 environmental targets (contained in the Government's 2023 <u>Environmental Improvement</u> <u>Plan</u>), the government is on track for only four; partially on track for 11; and largely off track for 10. There was not enough evidence to assess the remaining 15. Slow progress is attributed to poor delivery of commitments, inconsistent addressing of issues, inefficient resource allocation and a lack of urgency.



**Applications for collective damages against a number of water companies.** On 2 January 2024, the Competition Appeal Tribunal published notices alleging that each of the targeted water companies has abused their dominant position by supplying misleading information to regulators by, among other things, understating the number of pollution incidents, which has led to higher prices for customers. The allegations are bought as a <u>collective action by Professor</u> <u>Carolyn Roberts</u>, who is seeking damages, interest and costs.

**Expect increased inspection and enforcement on water sector pollution.** DEFRA <u>announced</u> that it will quadruple water company inspections, rising to 400 per annum by March 2025 and 10,000 the following year. Increased inspections are in conjunction with more severe penalties for non-compliance and underperformance, as the cap for civil penalties has been removed and water company bosses may lose bonuses where their company has committed serious criminal breaches.

Severn Trent Water fined £2 million for "reckless" pollution. The company pleaded guilty to two charges of illegally discharging raw sewage into the River Trent between November 2019 and February 2020, and was fined £1,072,000 and £1,000,000, plus costs of £16,476.67 and a victim's surcharge of £181. The judge concluded that there was a reckless failure by the company to have in place and implement a proper system of contingency planning. Approximately 470 million litres of raw sewage was discharged, of which approximately 260 million litres was in contravention of the conditions of an environmental permit. The government press release states that 260 million litres is the equivalent to just over 10 Olympic-sized swimming pools. Pumps had failed at the inlet to a water treatment works, causing crude sewage to go to the storm overflow and from there to the River Trent. Due to problems in sourcing replacement parts, limits for "Flow to Full Treatment" limits (the level of flow that a sewage treatment works must treat before it is permitted to discharge) limits were altered manually by staff with the knowledge of the site manager. The EA's investigation "showed that their contingency plans were woefully inadequate with a major pump being out of action for 52 days prior to the incident....This is not the sort of response we would expect to see from a professional multinational company and as a consequence they have now put in place on site measures to ensure that an incident like this does not happen again." Southern Water have also been fined £330,000 after raw sewage escaped into a stream killing almost 2,000 fish. This was also due to faulty equipment at a pumping station. The company pleaded guilty but in this case the offence was categorised as negligent, rather than reckless, which would have been a factor in the lower fine.

**Consultation launched to review water quality permit charges.** The Environment Agency's (EA) permit charges, used to fund its regulation of water quality, have not been updated since 2018. Improved regulation and consequent enforcement would represent a further revenue stream for the EA, which has already generated over £150 million in penalties since 2015. Water companies will be most affected, however, permit-holders in other industries, such as agriculture and hospitality, will also be caught. The consultation closed on 11 March 2024, and the EA's response outlining next steps has not yet been published.

**Group litigation against poultry producer for environmental harm.** A group action is being launched against Avara Foods based on public and private nuisance in relation to pollution of the River Wye catchment. The proposed claim alleges that Avara is responsible for pollution from intensive poultry farms, and states that claimants would be "people affected by the pollution such as swimmers, canoeists, walkers, clubs, organisations, anglers and businesses whose lives and trade has been affected by the worsening condition of the river, or the nuisance effects on those living near chicken farming, such as smells, insects and noise". Avara's response was that in their view the claim had "no merit and is not supported by evidence or expert opinion", and that "there has been little to no progress since the claim was first marketed a year ago".



<u>Guidance</u> issued on England single-use plastic bans and restrictions. Following bans that came into force in England in October 2023 on several single use plastic items, the government has published (in January 2024) detailed guidance on the new requirements. The guidance provides clarification on a number of key concepts and exemptions.

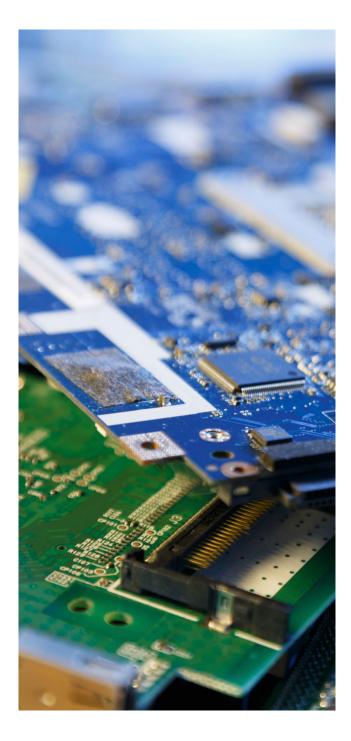
**Updated** <u>Better Building Partnership (BBP) green lease toolkit</u>. BBP's toolkit is free to access and intended for use with commercial leases in a multi-let office building. It includes suggested lease clauses, case studies and guidance on engagement between owners and occupiers. The original version was produced in 2008, and this latest update greatly expands the content, for example to include heads of terms, a new "green lease essentials" section and a wider range of clauses.

"Nature-related risks" fall within scope of director's duties considerations. An Opinion by the Commonwealth Climate and Law Initiative says that consideration of nature-related risks is necessary for directors to properly dispose of their duties to promote the success of the company, and act with reasonable care, skill and diligence. What falls within "nature-related risks" goes beyond climate risks, and requires reflection on, for example, a company's impact on biodiversity and ecosystems. NGO's and environmental bodies are increasingly leveraging directors' duties to exert pressure.

#### Government updates guidance on packaging extended producer responsibility (EPR). The Draft Packaging

Waste (Data Reporting) (Amendment) Regulations 2024 will amend the Packaging Waste (Data Reporting) (England) Regulations 2023 (Data Reporting Regulations) from April 2024. The Data Reporting Regulations are the first stage of the new EPR regime. EPR comes into effect in October 2025, but new data reporting obligations already apply. In response to stakeholder feedback, the amendment will bridge the gap until implementation of the Deposit Return Scheme in Scotland and clarify obligations to ensure that packaging producers are reporting all packaging placed on the market. They also make amendments to the definition of household packaging and provide more clarification on the division of responsibilities between brand owners, packers and fillers, importers and distributors. The Data Reporting Regulations will be superseded by/merged into the full EPR regulations when they are finalised. The Government has also published detailed guidance on how to assess household and non-household packaging for organisations affected by EPR for packaging. In December 2023, the EA also published its packaging producer responsibility monitoring plan which details how the EA intends to monitor compliance with the existing packaging regulations and the Data Reporting Regulations. It includes confirmation that, as a minimum, the EA will monitor all registered producers by a range of means, including validating/assessing what is submitted, identifying/investigating late or missing submissions, identifying and contacting packaging producers who are not registered and by risk profiling. This emphasises that compliance with the new EPR data reporting obligations will be closely monitored, which can lead into enforcement action. Finally, WRAP have been consulting on the proposed structure of a successor agreement to The UK Plastics Pact.

**Disposable vapes to be banned by 1 April 2025.** The Government has published a draft <u>statutory instrument</u> (SI) that will ban the sale and supply of disposable (i.e., non-refillable or re-chargeable) vapes. The Scottish and Welsh governments have also confirmed that similar legislation will be implemented in their nations, while Northern Ireland is still considering next steps. The SI follows the <u>outcome</u> of the governments consultation in October 2023 on "creating a smokefree generation and tackling youth vaping". In addition to the adverse health effects, the <u>explanatory</u> memorandum emphasised environmental concerns of vapes, which is in keeping with the government's wider <u>ban</u> on single use plastics. There will be a six-month period after the introduction of the SI before the ban is effective, to allow business to adapt and use up stock.



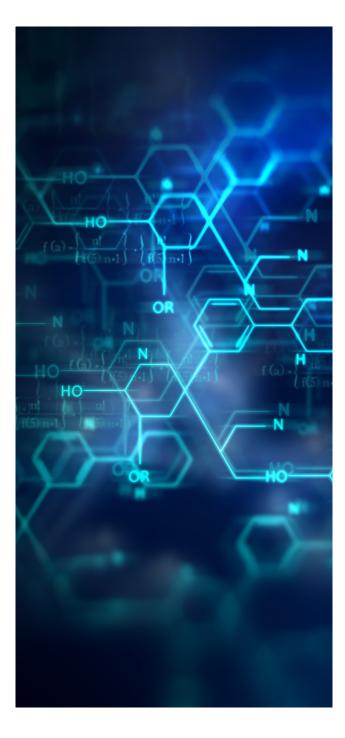
**Sustainability disclosure and labelling regime issued by Financial Conduct Authority (FCA).** In November 2023, the <u>FCA issued</u> a new regime on sustainability disclosure and labelling with hope that this will minimise greenwashing. It will come into effect from 31 May 2024. These measures introduce an "anti-greenwashing rule" to ensure that companies are not being misleading, as well as naming and marketing requirements to ensure that products are not being described as having a positive impact when they do not. This transparency will allow for more informed decisions to not only investors, but also consumers, and follows the trend of anti-greenwashing in the market.

**Temporary appeals process for permit compliance assessment reports (CAR).** The EA has allowed a 14-day appeal window for CAR scores, following the High Court's <u>decision</u> on Suez Recycling and Recovery UK Ltd's claim for judicial review (previously reported on <u>here</u>). Historically, operators could challenge a CAR form within 28 days of issue, and the EA then issued a final decision. The EA now states that "permit holders may request an appeal of the regulatory decision [by emailing] within 14 days of receipt of the outcome". This development means that, subject to successful appeal, permit condition breaches will not be an immovable consequence of an adverse CAR.

**EA Launches Economic Crime Unit (ECU) to tackle money laundering in the waste sector.** The ECU will build upon the work undertaken by the EA Financial Investigations Team. It will constitute highly skilled staff forming two teams: an Asset Denial Team focused on account freezing orders, cash seizures, pre-charge restraints and confiscations and a Money Laundering Investigations Team to conduct investigations targeting environmental offences. Illicit activity presents a major challenge for the industry, as according to an EA <u>survey</u>, 18% of waste in England is managed illegally. The ECU is designed to be a deterrent to criminal activity, which the EA says costs the economy £1 billion every year. This move is the latest evidence of the EA's work to end waste crime and the industry should expect to see greater collaboration between the EA and other actors like the police and HM Revenue & Customs.

**Individual to pay £54,900 fine for waste crimes.** On 11 March 2024, a man was ordered by Truro Crown Court to pay £54,900 in relation to six environmental offences he was convicted of 12 years ago. At the time of his conviction, the individual was bankrupt and paid only £100 in recompense. However, in the time since, he had inherited a property and began running a haulage company. Following an investigation by the ECU, the case was brought under the Proceeds of Crime Act and demonstrates that the EA is ready and willing to pursue criminal proceeds, even a significant time after the offending.

**Reforms to Waste Electrical and Electronic Equipment (WEEE) regime.** In December 2023, DEFRA issued a <u>call</u> <u>for evidence</u> on longer-term reforms to the 2013 WEEE Regulations. Its purpose was to gather views to support reform that would go "beyond the specific proposals set out in the accompanying consultation and impact assessment" and inform policy developments to support the drive towards a circular economy. The consultation sought views on a range of topics, including full net cost recovery, allocation of costs for the collection and treatment of household WEEE, prevention of waste and increasing re-use of unwanted electrical and electronic equipment, increasing collections of business WEEE, encouraging ecodesign and ecomodulation and improving treatment standards. The call for evidence closed on 7 March..



HSE postpones biocidal active substance expiry dates. 110 biocidal active substances and product type combinations will be affected by the HSE's decision to postpone expiry dates falling between 1 January 2024 and 31 December 2026, until 31 January 2027. In order to be made available on the market in Great Britain, a biocidal product/ biocidal product family must be authorised, and these authorisations are subject to expiry dates (specified on their Certificate of Authorisation) unless an application is made to renew them. These extensions have become necessary because the approvals are likely to expire before HSE will be able to decide on their renewal.

**DEFRA publishes policy paper:** "UK REACH: rationale for priorities". DEFRA has published a document explaining its rationale for prioritising substances for potential regulatory action under UK REACH. It highlights the use of restrictions as a management tool and explains how priorities for this "strand of potential risk management activity has been reached based on a review of restriction proposals put forward by stakeholders, and substances proposed for restrictions proposed by other regulators, such as the European Chemicals Agency (ECHA)". The 5 priorities for the 2023 to 2024 UK REACH work programme are:

- 1. Per- and polyfluoroalkyl substances (PFAS) The priority is to begin the development of a restriction dossier on PFAS in firefighting foams and explore further restrictions covering a range of uses.
- 2. Formaldehyde and formaldehyde releasers in articles To continue the regulatory management option analysis (RMOA) started under the 2022 to 2023 work programme and consider its recommendations.
- **3. Bisphenols in thermal paper** To continue the RMOA started under the 2022 to 2023 work programme and consider its recommendations.
- 4. **Hazardous flame retardants** To further develop the risk assessment on flame retardants and consider the recommendations.
- Intentionally added microplastics To monitor progress of the evidence project initiated and commissioned under the 2022 to 2023 work programme.

**HSE publishes chemicals data.** The HSE is obligated under Article 54 of UK REACH to report annually on the activities undertaken to evaluate registration dossiers and substances. The <u>information on evaluation activity in 2023</u> (published in February 2024) is separated out into compliance check activities and testing proposal evaluations. The publication shows the number of dossiers relating to novel substances, the percentage of dossiers received that were checked per tonnage band and includes details of the four testing proposal decisions adopted in 2023. In addition, the HSE published an update to its GB mandatory classification and labelling (GB MCL) Agency Opinions, which is a document that proposes the GB mandatory classification labelling for chemical substances and details whether there is adequate evidence to support a new or revised GB MCL of a substance. The next batch of two GB MCL Agency Opinions are now available for download in the <u>GB MCL publication table (.xlsx)</u>.

**EA publishes scoping review of polyvinyl chloride (PVC) additives.** The EA has published the findings of a project aimed at identifying which PVC additives are likely to be relevant to the UK market, and prioritising them based on readily available information. The project's findings included 27 substances flagged as being of the highest priority function as flame retardants, heat stabilisers, pigments, plasticisers or slip promoters. Only three of these are not currently under regulatory scrutiny. PVC has an extremely widespread use. It is one of the most widely used synthetic thermoplastics worldwide on account of its mouldability at high temperatures. In order to achieve the desired characteristic, the polymer is blended with "additive" substances that can be released into the environment under certain conditions.



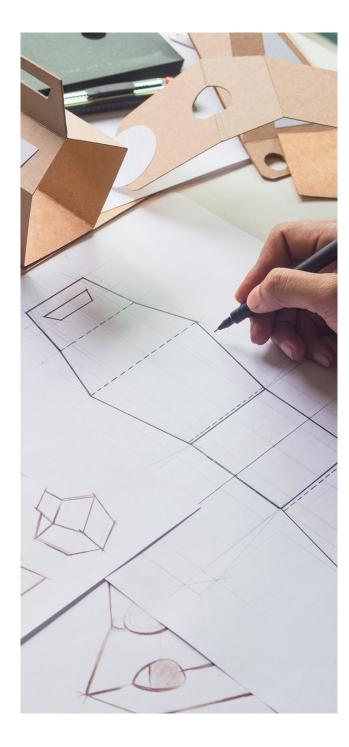
**Study reveals high level of PFAS in London Tap Water.** <u>"Alarming"</u> levels of forever chemicals have been identified by <u>Bluewater</u>, a water purification and beverage solution, in tap water samples taken in Harrow, Heathrow and Battersea. In Harrow, the sample revealed a perfluorooctane sulfonic acid (PFOS) level of 14 nanograms per litre, which is 1.4 times the maximum limit put forward by the Royal Society of Chemistry (RSC) for tap water. The UK Government is increasingly under <u>pressure</u> from the RSC in respect of its drinking water standards. The group calls for a 10-fold reduction in the current cap per individual type of PFAS; an introduction of a total level of PFAS combined of 100ng/L, ensuring the sources of PFAS are reported; imposing stricter regulation limits on permitted levels of PFAS in industrial discharges; and setting up a national chemicals regulator to provide better strategic coordination of monitoring and regulation.

**Government faces net zero policy judicial review.** In March 2024, the High Court granted permission for an <u>application for judicial review</u> of the government's September 2023 net zero policy changes, which include delaying the ban on new petrol and diesel cars from 2030 to 2035, delaying the ban on installation of off-grid oil, liquefied petroleum gas and new coal heating to 2035 instead of phasing them out from 2026 and scrapping requirements on homeowners and landlords to meet energy efficiency targets by making insulation upgrades. Judicial review is a growing facet of climate change litigation.

**Biodiversity Net Gain (BNG) update.** BNG, introduced through the Environment Act 2021, has become a mandatory requirement for most development sites going forward. Any planning application submitted on or after the 12 February 2024, for "major development" or the 2 April 2024 for small developments must (with limited exceptions) provide at least a 10% increase on the pre-development biodiversity value following completion of the relevant development. This can be achieved either on-site (being the priority), off-site (through the allocation of biodiversity units to the relevant development) or through the purchase of statutory credits. The expectation is that this will create a private market for the sale of biodiversity units (which will be cheaper than purposefully expensive statutory credits) through the creation of purpose-built habitats (known as "habitat banks"). Habitats that are created must be managed, maintained and monitored for a period of at least 30 years and secured through various legal agreements and (in the case of off-site habitat) registered on a new register created by Natural England. The Government has published a significant amount of guidance, the majority of which can be found at <u>Biodiversity net gain - GOV.UK (www.gov.uk)</u>.

# EU

The EU Parliament's efforts to combat textile waste. On 13 March 2024, the EU Parliament adopted its legislative resolution on proposed revision of the Waste Framework Directive. The revised proposal will introduce extended producer responsibility (EPR) schemes for textiles. Textile produces will be obliged to bear the costs related to separate collection, transport, sorting, recycling and other treatments and recovery operations for textiles at their end-of-life. Providers of online platforms will be required to ensure that users meeting the definition of textile producers are registered in the national EPR registers of the consumer's location before listing products from those producers on their platforms. Member states will establish national registers to monitor compliance. Registration will be required to register prior to making clothing available on the national market for the first time. The works on the proposal will be continued in the EU Parliament after it reconvenes following June's elections.



**New EU packaging rules to be adopted soon.** On 15 March 2024, the EU Ambassadors gave a green light to the EU Packaging Regulation: requirements concerning packaging recyclability, the utilization of recycled materials or reusability. Notably as of 2030, economic operators in certain scenarios will be required to use reusable transport packaging. The proposal will also entail prohibitions on specific packaging formats, including single-use plastic packaging for pre-packed fresh fruit and vegetables, as well as single-use plastic packaging used for on-site dining. The text of the regulation still needs a formal approval from the EU Parliament and the EU Council, before being published in the EU Official Journal and becoming a binding law.

A watered-down Corporate Sustainability Due Diligence Directive survives Council's vote. After multiple failed attempts, EU27 Ambassadors <u>endorsed</u> on 15 March, the Corporate Sustainability Due Diligence Directive. However, what was endorsed, contains important changes despite the political agreement with the European Parliament in late 2023. According to the endorsed text, the rules increase the thresholds, meaning fewer companies will fall within scope and narrows the definition of supply chains. The rules will now apply to companies with at least 1,000 employees and annual sales of €450 million. The European Parliament's Legal Affairs Committee voted on 19 March the amended text as approved by the Council. MEPs believe the text can be endorsed in the last plenary session of this mandate (week of 22 April), but there is a risk that the procedural steps needed may not be concluded by then delaying the vote to the next political mandate (i.e. September 2024). Due to the importance of the file, it will not be surprising if co-legislators push to prioritise the judicial linguist review over other outstanding legislative files to endorse the file at the last Plenary session before the EU elections.

**EU's Forced Labour Ban regime close to final approval.** A political agreement on the EU's Forced Labour Ban Regulation was <u>achieved</u> on 4 March. The provisional agreement follows the risk-based approach for conducting forced labour investigations. A set of criteria have been agreed to assess violations with the law. The European Commission will be leading the investigations where non-EU countries are involved, whereas national competent authorities will be leading in cases where there is a risk in their own territory. EU27 Ambassadors endorsed the final text on 13 March, honoring the agreement with the European Parliament. The European Parliament's leading committees will now approve the text on 20 March. However, there is a risk the procedural steps needed may not be concluded before the Parliament is dissolved, leading to final endorsement of the law in the next political mandate. Further information on this regimes can be found in <u>this update</u>.

**Directive on empowering consumers for the green transition published.** Directive (EU) 2024/825 (Empowering Consumers Directive) was published in the Official Journal of the European Union on 6 March 2024, and is set to come into effect on 26 March 2024. This directive designates 27 September 2026, as the deadline for member states to implement the new rules. The Empowering Consumers Directive prohibits "generic environmental claims" if the trader does not demonstrate recognised excellent environmental performance relevant to the claim. Claims suggesting a product has a neutral, reduced or positive environmental impact through greenhouse gas emissions offsetting will be prohibited. Such claims are permissible only if they pertain to the product's life cycle impact and are not reliant on offsetting emissions outside the product's value chain. Similarly, making an environmental claim about the entire product or business will be prohibited if the claim or improvement only applies to a specific aspect of the product or a particular activity of the business. The directive also addresses commercial communications and other information provided to consumers concerning circularity aspects of products, such as durability, reparability or recyclability.



**Green Claims Directive moves forward.** On 12 March, the European Parliament adopted its <u>report</u> on the Proposal for a Directive on substantiation and communication of explicit environmental claims (<u>Green Claims Directive</u>). The new rules aim to combat corporate greenwashing, by establishing stringent requirements for companies to substantiate their voluntary environmental claims made on the company itself, their products and services. Green claims based solely on carbon offsetting would be prohibited with the exceptions of residual emissions. Parliament has also determined that for the time being, green claims concerning products containing hazardous substances may still be allowed, but the Commission should evaluate whether they should be entirely banned soon. Companies found in breach of the rules may face penalties, including temporary exclusion from public procurement tenders, revenue loss and fines amounting to at least 4% of their annual turnover. The file will now be taken up by the new Parliament following the European elections scheduled from 6 June to 9 June 2024.

**KLM's misleading environmental claims deemed unlawful.** On 20 March 2024, <u>the District Court of Amsterdam</u> ruled that Dutch airline KLM misled customers with its "Fly Responsibly" advertising campaign. The case was brought in 2022 by Dutch campaigners Fossielvrij Netherlands and Reclame Fossielvrij. The court found that the airline made environmental claims based on vague and general statements about environmental benefits, thereby misleading consumers. The lawsuit focused heavily on the use of carbon offsetting schemes by airlines to reach carbon neutrality. This ruling could set a precedent and potentially have a chain effect for other airlines that have used similar messages, as well as extend to other industries. The legal basis upon which the court relied for its arguments is the Unfair Commercial Practice Directive. With the new rules introduced by the Empowering Consumers Directive, it will be simpler to identify unsubstantiated claims as misleading, as they are explicitly regulated under the new legal framework.

**PFAS Restriction** <u>next steps</u> and timeline clarified. The European Chemicals Agency (ECHA) clarified some next steps for the EU general PFAS restriction, notably reporting that the Member States who prepared the proposal are updating their initial report to address the consultation comments. ECHA also provided an indicative agenda for the work of its two committees: Committee for Risk Assessment (RAC) and Committee for Socio-economic Analysis (SEAC), which will conduct their work in batches and will base their opinions on the revised proposals by Member States. The sectors and elements that were announced to be discussed in the next three committee meetings are: March 2024 meetings: consumer mixtures, cosmetics and ski wax, hazards of PFAS (only by RAC), General approach (only by SEAC); June 2024 meetings: metal plating and manufacture of metal products, additional discussion on hazards (only by RAC); September 2024 meetings: textiles, upholstery, leather, apparel, carpets (TULAC), food contact materials and packaging, petroleum and mining.

**EU sustainability reporting standards (ESRS) published in Official Journal – and additional ESRS reporting delay agreed.** As reported in our last edition of <u>Sustainability Outlook</u>, the first set of ESRS were adopted in October 2023, and their formal publication was awaited. On 22 December 2023, <u>Commission Delegated Regulation (EU)</u> <u>2023/2772</u> was published in the Official Journal. The ESRS are associated with the Corporate Sustainability Reporting Directive (CSRD) and set out the standards to which affected organisations must report. The first ESRS are cross-cutting standards and standards for all sustainability topics, these were to be followed by sector-specific standards and standards for large third country companies who will be in scope for CSRD. All the ESRS were scheduled for 30 June 2024. In February 2024, it was <u>announced</u> that the deadline for adopting the sector specific/third country ESRS would be postponed by 2 years, to 30 June 2026. This is intended to allow companies to focus on the implementation of the first set of ESRS and give more time to develop sector-specific/third country company sustainability standards.

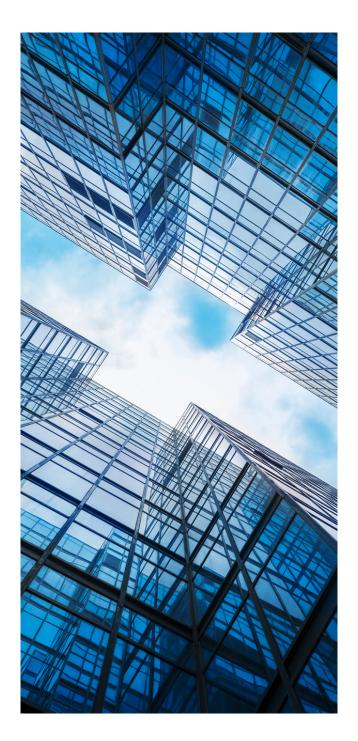


Adoption of <u>strengthened rules</u> on the use of fluorinated gases (F-gases) and ozone-depleting substances (ODS). Agreement was reached at the end of January on two new regulations. These will eliminate the use of hydrofluorocarbons (HFCs) by 2050, and significantly reduce quotas, limiting imports and production of HFCs year-on-year. There will be restrictions on the use of F-gases in equipment where alternatives are available, such as heat pumps, switchgear for energy transmission or products used in the health sector. New obligations will reduce F-gas and ODS emissions from insulation foams in old buildings and those under renovation. The European Parliament approved both regulations on 16 January 2024, and the Council voted on them on 29 January. The regulations will enter into force 20 days after publication in the Official Journal.

**New cross border waste shipment regulation**. On 25 March, the Council adopted the revision of the regulation on shipments of waste. The regulation "aims to reduce shipments of problematic waste to outside the EU, update shipment procedures to reflect the objectives of the circular economy and climate neutrality, to make use of electronic submission and exchange of information, and to improve enforcement and tackle illegal shipments." Shipments of all waste destined for disposal within the EU are subject to the prior written notification and consent procedure (PIC). Existing bans on export of waste for disposal to third countries and on exporting hazardous waste destined for recovery in non-OECD countries are maintained. There is also a new blanket ban on exports of non-hazardous plastic waste to non-OECD countries, with certain provisos for countries that wish to accept such materials. Non-hazardous plastic waste can be exported to OECD countries for recovery under the PIC procedure but will subject to specific scrutiny by the Commission.

Intra-EU shipments of "green list" waste for recovery will continue to be allowed through the less stringent "Annex VII form" information procedure. The regulation will now be signed by the co-legislators. It will then be published in the Official Journal and enter into force on the twentieth day following publication.

We have also published a separate update on the **carbon border adjustment mechanism transitional period**; and a recording of our recent webinar on **Global Deforestation Regulations**.



## Contacts



Rob Elvin Partner, Manchester T +44 161 830 5257 E rob.elvin@squirepb.com



T +44 121 222 3230 E nicola.smith@squirepb.com David Gordon

<u>Nicola A. Smith</u> Partner, Birmingham



Partner, Birmingham T +44 121 222 3204 E dave.gordon@squirepb.com



### Anita Lloyd

Director, Birmingham T +44 121 222 3504 E anita.lloyd@squirepb.com



Nina Kusnierkiewicz

Associate, Brussels T +32 2 627 1102 E nina.kusnierkiewicz@squirepb.com



#### Gary Lewis

Director, Manchester T +44 161 830 5373 E gary.lewis@squirepb.com



squirepattonboggs.com