

Industry News



Better alignment with EU is on the cards but onerous new requirements keep popping up

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The Product Safety and Metrology Bill, one of the measures introduced in the King's Speech, responds to lobbying by GAMBICA and others seeking to reduce the risk of regulatory divergence between the UK and EU and all the additional costs which result.

Primarily focussed on product safety, the Bill tackles electric battery fires (for example those associated with e-bikes) and the growth in online market places with sketchy safeguards. But most importantly, the Bill also gives the government the power to respond to EU changes in the CE mark (and potentially some other regulations) in order to maintain alignment. The law can be updated to recognise new or updated EU product regulations and provide regulatory stability.

This is a positive signal from the government, while keeping open the option not to remain aligned in specific circumstances.

So that's good, but while better alignment will mean that UK manufacturers don't have to comply with two separate sets of regulations for their UK and EU markets, we remain in the grip of an inexorable movement towards greater and greater regulation.

Like you, I don't want my children flooded out, or caught up in a wildfire, or to have millions of people displaced around the world, so I'm in favour of environmental regulations; but it can't be denied that they are making life more difficult.

It is possible, with good advice and clear objectives for environmental regulation, that things can be kept simple and unintended consequences avoided, but to achieve this we need business to be aware of what is proposed, and to input.

One example where this is not happening at present is on CBAM - the Carbon Border Adjustment Mechanism. CBAM will be a big issue, but it is certainly not written about very much. Already in progress in the EU, it will also be coming to the UK soon.

CBAM aims to prevent western countries 'exporting' their carbon emissions by getting their steel made in the rest of the world. CBAM will impose a tax when metal is imported to the EU or when metal, ceramics or glass are imported into the UK.

At present, the EU version of CBAM will only impose this tax on raw materials and components, not on finished goods. This could put manufacturers in the EU at a significant disadvantage: they will have to pay the tax on their raw materials and components and price their finished goods accordingly, but those importing finished goods will pay no such tax.

During the period when the EU Regulations are in place, but the UK regulations have not yet been enacted, UK manufacturers could be at an advantage. But longer term, they too will face the same issue: goods manufactured in, say, China and imported as finished goods, will be cheaper than those manufactured in the UK or EU.

How will your interests be affected by finished goods not being included in CBAM? How do you feel we should address the wider issues of protectionism implicit in this and similar regulatory moves in the UK, EU and the US?

There may still be time to improve the way CBAM works in the EU, and certainly there is time to improve its UK equivalent and to help the government understand how to negotiate to get favourable outcomes for you. GAMBICA represents its members in arguments like this, and we are asking members what they think. If you have skin in this game, make sure you get your trade body (or someone else) to represent your views to government. Without your input they are very likely to make a decision which is not in your best interests!

Two new sets of responsibilities you certainly can't get out of however, relate to batteries and F-gases.



Sir Keir Starmer (Labour, Holborn & St Pancras) Copyright: ©House of Commons

A new EU Regulation (2023/1542) on batteries and waste batteries imposes obligations from 18 August 2025 on those who provide batteries such companies will now have to have a public strategy for the fulfilment of their due diligence obligations and must meet new regulatory requirements on declarations of conformity.

Their due diligence actions must be audited by a Notified Body which GAMBICA feels may be an onerous requirement, especially as there do not appear to be any 'due diligence schemes' established yet. This may lead to some companies choosing not to supply batteries in their products. SMEs are excluded from the regulation but might be caught via their suppliers. In addition, in February 2027 a new requirement will come into force that all portable batteries in products must be removable and replaceable. Where batteries are buried deep within equipment because they are designed to operate for the entire life of a unit, this will present very real difficulties for manufacturers.

Another new requirement you might possibly need help with, is a recovery responsibility for producers of electrical and electronic equipment containing F-gases.

This new EU Regulation (no. 2024/573) came into effect on the 11th March and introduced changes to the requirements on F-gas producers and now also catches an additional 23 F-gases.

One of the new requirements is that by the 31 December 2027, producers of any F-gases contained in Electrical and Electronic Equipment (EEE) that is in-scope of the European WEEE Directive, must finance the collection, treatment, recovery and destruction of those F-gases. It is recommended that these producers register with the respective compliance schemes across the EU to ensure their compliance since the rules may vary between countries.

Reporting requirements come into effect on the 31 March 2025 and require an annual report by that date for any producers exceeding one metric tonne or 100 tonnes of CO2 equivalent. The data they must supply includes the total quantity of each gas that was produced in the EU, differentiating between amounts captured, not captured and the quantities that were destroyed and reports must also specify the use of the gas (used in semiconductors, pharmaceuticals, military equipment etc).

GAMBICA members are already using a WEEE compliance body set up by GAMBICA, which provides low-cost compliance for our commercial members. That body is now being operated by VALPAK and naturally we contacted them to see if they are providing a service across Europe to help members meet these new obligations. Unfortunately, at present they are not, but they are willing to consider developing such a service if there is sufficient demand. If you would like to join us to discuss this and other options, please let me know, email: jacqueline.balian@gambica.org.uk