

From the Chief Executive

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Sent via email

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Dame Meg Hillier MP Chair of the Public Accounts Committee House of Commons London SW1A 0AA

Dear Dame Hillier,

Nineteenth Report of Session 2022-23: Regulating after EU Exit (Food Standards Agency, Competition and Markets Authority and Health and Safety Executive)

On 12 October 2022 the Committee published its report on Regulating after EU Exit, which made six recommendations to the Food Standards Agency, the Competition and Markets Authority and the Health and Safety Executive (HSE).

HSE submitted an initial response to the report via a Treasury Minute on 12 December 2022 in which we agreed with all the recommendations and gave an update on the work we are doing so far; with three of the recommendations already implemented.

However, three of the recommendations required us to write to the Committee within six months, setting out our progress of plans against three of the recommendations. Those recommendations are:

- Recommendation 1: The regulators should write to the Committee in six months setting out progress in developing long-term strategies with relevant policy departments (including which reforms would require primary legislation and estimated timescales for implementation)
- Recommendation 4: The regulators should work together to share good practice on mitigations to address the loss of regulatory cooperation arrangements with the EU and write to the Committee in six months setting out progress in taking forward the cooperation arrangements set out in the Trade and Cooperation Agreement

• Recommendation 6: The regulators should write to the Committee in six months setting out their plans for further international engagement including their objectives and timescales for action

Therefore, I am writing to the Committee to provide the information requested which I have attached as an Annex to this letter.

I trust this satisfies the recommendations of the Committee report, but please do contact me if you require further information.

HSE looks forward to working with the Committee in the future.

Yours sincerely

Sarah Albon

Chief Executive Officer, Health and Safety Executive

HSE progress update against recommendations 1, 4 and 6 of the Public Accounts Committee Report - Regulating After EU Exit

Recommendation 1: The regulators should write to the Committee in six months setting out progress in developing long-term strategies with relevant policy departments (including which reforms would require primary legislation and estimated timescales for implementation).

HSE strategy

- HSE published its 10 year strategy 'Protecting People and Places' and annual business plan HSE annual business plan 2022 to 2023- About us - HSE in May 2022.
- HSE is developing its operating model to ensure the future structure of HSE has the resources, processes and technology required to support delivery of the strategy. This will align our operating capability and our key objectives and set out a roadmap of planned activities that will continue to deliver the strategy in future years.
- The HSE 2023/24 business plan will be published in spring 2023, setting out how we will prioritise resource and effort around delivering our key strategic objectives during the 23/24 business year.
- Both the strategy and business plans identify chemicals regulation as a priority for HSE; the strategy focusses on high level objectives, while the business plans provide operational plans, priorities, and targets, to support delivery of those objectives.
- Our ambitions for HSE have been reflected in our successful Spending Review 2021 outcome as we have secured funding into 2023/24 to deliver key government priorities, including actions to take us towards development of the full operating capability for UK chemicals, product safety, and civil explosives, post EU Exit.
- In addition, HSE is currently developing the programme of work under the UK REACH chemicals regime for 23/24, due to be published spring 2023 (current workplan is available at <u>REACH work programme 2022/23</u>). This work programme, developed in conjunction with Defra (who hold the policy lead for REACH) and the Devolved Administrations, sets out the priorities and objectives specifically for work under UK REACH for the period 2022/23.

Environment Improvement Plan (EIP), Chemical Strategy and National Action Plan for Pesticides (NAP)

- On 31 January 2023 the government published its <u>Environment Improvement Plan</u> which includes 'managing exposure to chemicals and pesticides'.
- The EIP contains a commitment to publish both the Chemicals Strategy and the National Action Plan for Pesticides (NAP) in 2023. It contains the:

Chemical strategy

- This will frame the work being done across chemicals and put us on a path for improved management of chemicals. It will set out the priorities and principles for taking regulatory action to protect human health and the environment.
- HSE has been working closely with the Department for Environment,
 Food and Rural Affairs (Defra) on its development.
- Defra has also started a project to consider how best to improve the way that UK REACH works and enable it to deliver UK priorities effectively.

UK National Action Plan on the Sustainable Use of Pesticides (NAP)

- This will set out the ambition to minimise the risks and impacts of pesticides to human health and the environment, including proposals to explore reform of the pesticides regulatory system, when a legal power is available.
- HSE has supported Defra and Devolved Administrations (DAs) throughout the development proposals for the NAP, particularly with regards to potential reforms and updates to the regulatory landscape. HSE will continue to work with Defra and DAs to support delivery of the policy priorities identified in the NAP, following its publication in the first half of this year.
- Following publication, further work will be required to develop the detail of potential regulatory reform, ahead of any necessary legislative change. HSE will continue to engage with key stakeholders as these proposals are developed ahead of their implementation.

Retained EU Law (Revocation and Reform) Bill (REUL)

• With the introduction of REUL, HSE remains focused on ensuring that regulatory frameworks maintain the UK's high standards of health and safety protection and continue to reduce burdens for business.

 HSE is currently reviewing all legislation captured by REUL with a view to identifying what Statutory Instruments will be required to preserve, reform or sunset legislation as appropriate.

Biocides and Pesticides Transformation Programme (BPTP)

- The BPTP is a multi-year programme which started in 2021 to improve organisational design, processes and digital technologies for the biocides and pesticides chemicals regimes delivered by HSE. This will improve the experience of customers making applications and of internal HSE staff who deliver these services. It sits alongside activities to increase HSE's capacity and capabilities in its workforce to deliver chemicals regulation.
 - Following discovery and early digital design phases, the programme has progressed to design and subsequent build phases aimed at optimising processes, examining how we best utilise our growing resources, harmonising our regulatory approaches where we can and introducing new digital systems.
 - Alongside this work, and post EU Exit, HSE has significantly expanded its Chemicals Regulation Division's capacity and capability, in particular regulatory scientist capabilities. Staffing numbers have grown from approximately 240 staff in September 2020 (prior to end of EU exit transition period) to circa 420 (at the end of March 2023). Further recruitment activities are planned to achieve a revised workforce of circa 500, by end April 2024.
 - Governance for managing and monitoring delivery of all BPTP deliverables and benefits includes a senior DEFRA representative on the Programme Board.

Recommendation 4: The regulators should work together to share good practice on mitigations to address the loss of regulatory cooperation arrangements with the EU and write to the Committee in six months setting out progress in taking forward the cooperation arrangements set out in the Trade and Cooperation Agreement.

Trade and Cooperation Agreement update

• HSE continues to recognise the value of regulatory cooperation with the EU, as envisaged in the annex on chemicals in the EU-UK Trade and Cooperation Agreement (TCA). The development of meaningful bilateral regulatory cooperation has been impacted by negotiations between the UK Government and European Commission on the Northern Ireland Protocol. That said, HSE has collaborated with the EU as an international partner in international fora relating to chemicals regulation, such as UN Globally Harmonised System of classification and labelling of chemicals (UNGHS) and on issues of mutual interest in the Rotterdam Convention alongside Defra, who lead for the UK Government in the Convention discussions.

Cooperation in the Technical Barriers to Trade Specialised Committee (TBT SC)

- HSE is part of the UK Delegation, led by the Department for Business and Trade (DBT), that attends meetings of the annual Trade Specialised Committee on Technical Barriers to Trade (TBT).
- The Trade Specialised Committee, which is co-chaired by senior representatives of the UK and the European Union, is established under the TCA and provides a forum for Parties to support the implementation of the TBT chapter which aims to facilitate trade in goods by preventing, identifying, and eliminating any unnecessary technical barriers to trade.
- The Committee has met on two separate occasions, with a first meeting on 15 October 2021 and a second meeting on 24 October 2022.
- A third meeting is expected to take place in October 2023. HSE will continue
 to support senior UK representatives and the UK Government's input to the
 Committee by considering if there are any appropriate technical issues that
 could be escalated to the Committee when it next meets later this year.
- In addition, HSE meets regularly with other government departments with an interest in chemicals regulation in the EU, including Defra, DBT and the Foreign Commonwealth and Development Office. The meetings routinely assess developments in the wider EU-UK relationship and identify opportunities to engage the regulatory cooperation provisions within the EU-UK TCA chemicals annex.

- Outside of engagement with the EU, HSE is seeking to broaden chemicals regulatory cooperation provisions by building ties through Free Trade Agreements (FTAs). HSE has recently put in place secondary legislation to allow us to seek bi-lateral co-operation with our equivalents in European Economic Area/European Free Trade Association (EEA/EFTA) countries following the FTA between EEA/EFTA.
- HSE is contributing to DBT's active free trade negotiations, including those with India, Canada, Mexico and Turkey. HSE's proactive engagement in FTA negotiations aims to ensure that regulatory cooperation provisions are included in all FTAs. We also assess the need for a Chemicals Annex in each FTA on a case-by-case basis. This will allow us to build ties to share best practice and learn from others internationally in order to facilitate better trading arrangements by addressing regulatory (non-tariff) barriers.

Recommendation 6: The regulators should write to the Committee in six months setting out their plans for further international engagement including their objectives and timescales for action.

- Work carried out by international organisations, such as the United Nations (UN), Organisation for Economic Cooperation and Development (OECD) and World Health Organisation (WHO,) can directly affect how we regulate chemicals in the UK (e.g. by the identification of new approaches and methodologies).
- HSE continues to actively participate in, and influence, the development of international chemicals regulation. HSE's top priorities are;

Continuing as UK representation on United Nations Globally Harmonised System (GHS)

 HSE acts as the UK Head of Delegation at the UN GHS of Classification and Labelling of Chemicals https://unece.org/about-ghs with an overarching objective to ensure that UK views on hazardous chemical classification and labelling are appropriately represented internationally. Areas of current work include:

To reduce animal testing across various chemical regimes in the UK, the EU and beyond. The UK co-chairs (with the Netherlands) the Non-Animal Test Methods (NATM) working group which;

- is undertaking on-going work to integrate NATMs into the various GHS chapters.
- will submit further formal proposals on the skin sensitisation hazard class in relation to mixtures by April 2023 before moving on to consider NATMs for other hazard classes during this biennium and beyond

To review the acute toxicity hazard class precautionary statements.

 The UK Chairs the relevant working group, with a review to be completed by July 2023.

Resolving a gap in the classification of Hydrofluorocarbons:

- working with the US, Austria, EU Commission and Germany, this work is expected to be completed by July 2023.
- HSE has recently commenced trilateral meetings with the US and Canada to forge even stronger working relationships, meeting on a bimonthly basis to discuss GHS issues of mutual interest.

New Approach Methodologies (NAMS)

- NAMS are modern technologies and approaches that can inform chemical hazard and risk assessments to provide more human-relevant information whilst avoiding, or significantly reducing, animal testing.
- HSE engages with other regulatory authorities, industry, and academia around the world to maintain and increase awareness and application of NAMS, and also to better understand the barriers and limitations for the application of NAMS.
- Areas of current work include:
 - HSE specialists from several disciplines are engaged in a national 'hub' of the European Partnership for the Assessment of Risks from Chemicals (PARC), which is part of the Horizon Europe programme.
 - HSE, working with Defra, UKHSA and other government departments and agencies, is on the UK steering group.
 - HSE is a key UK partner in 'Work Package 4 biological monitoring of occupational exposure to priority chemicals', which over the coming seven years will support the evolution of Next Generation Risk Assessment (NGRA).
- Representation on OECD Working Party on Hazard Assessment (WPHA), particularly in respect of work on chemical grouping. Chemical grouping allows group level assessments of chemicals with similar properties/structures. This approach removes the need to fully test individual substances, therefore reducing the amount overall testing required and reducing animal testing and costs to industry.
 - HSE represents the UK on the steering group for updating the OECD's guidance on 'grouping' (expected to continue into 2024/2025). This guidance is the main source of information on the grouping approach internationally.
 - O HSE will be on the steering group of a UK-led project to support development of a harmonised and transparent template to report molecular grouping approaches. The project will build an evidence base on toxicological/ecotoxicological properties with the ultimate aim of leading to international harmonisation, and regulatory acceptance of, these approaches. Expected to begin in spring 2023.

 HSE engagement with a European Chemicals Agency (ECHA) study to develop alternatives to systemic toxicity testing in vertebrates as part of the international "Accelerating the Pace of Chemical Risk Assessment" (APCRA) programme. As this programme involves data generation it will run for a number of years.

Organisation for Economic Cooperation and Development (OECD)

 HSE (and Defra and the Environment Agency) contribute scientific and technical expertise to Organisation for Economic Cooperation and Development (OECD) working parties to shape guidelines on the sound management of chemicals and standardisation of methods.

OECD Working Party on Pesticides; sub-Group on the application of pesticides by drone

- Drones are one of a number of innovative, emerging technologies with the
 potential to enable more precise application of pesticides. Facilitating the
 adoption of these technologies can help promote wider Government
 objectives, such as: minimising pesticide use and risks to the environment and
 human health; food security; and support of the innovation strategy.
- HSE Chairs and supports the OECD's Working Party on Pesticides sub-Group on the application of pesticides by drone which aims to;
 - enable the establishment of regulatory processes to assess the risks associated with drone spraying, and
 - o identify ways in which safe uses can be authorised.
- The sub-Group is overseeing a programme of work (due to complete in 2025).
- In May 2023 HSE will lead and host a workshop (co-sponsored by the OECDs Co-Operative Research Programme) to consider issues associated with drone spraying. International speakers from regulatory, industry and research backgrounds will present and lead discussions. A significant proportion of time will be devoted to developing understanding on practical planning and preparation work associated with drone spraying operations.

Other OECD activity

- HSE is involved in a variety of further OECD work including;
 - Pesticides HSE is a member of the working party on pesticides as well as the network on Illegal Trade of Pesticides (ONIP) and the Expert Group on BioPesticides. This work is ongoing with these groups meeting

- regularly. HSE's participation supports UK engagement with, and influence on, international regulatory matters on pesticides.
- OECD Chemicals and Biotechnology HSE experts will continue to support the UK delegates to the OECD Chemicals and Biotechnology Committee and the Working Groups of the National Coordinators with regard to test-method development (including NAMS) and other relevant aspects, for example discussions about the future of chemical risk assessment.

Rotterdam Convention

- HSE is the Designated National Authority for the Rotterdam Convention. The Rotterdam Convention is a legally binding international convention on the Prior Informed Consent (PIC) procedure for certain hazardous chemicals and pesticides in international trade. In GB the Rotterdam Convention is implemented by the Prior Informed Consent Regulation (PIC), which HSE is responsible for.
- HSE works closely with Defra on international engagement on the Rotterdam Convention, including participation at the Conference of Parties (the governing body of the Convention), and other fora, in discussions on the listing of hazardous chemicals under the Convention, and on the implementation of the Rotterdam Convention through the GB Prior Informed Consent (PIC) Regulation.
- HSE will be part of the UK delegation at the Rotterdam Conference of the Parties in May 2023 where there will be consideration of a proposal to amend the process for listing hazardous chemicals to provide for voting where consensus cannot be reached. If agreed, this would result in more chemicals being listed under the Convention, giving countries the opportunity to make informed decisions about their future import, and would mean that more exporting countries would comply with similar trade controls to the United Kingdom, so helping to harmonise the regulatory landscape for UK businesses.

Free-trade agreements

- HSE is seeking to broaden international engagement relating to chemicals regulatory cooperation provisions by building ties through Free Trade Agreements. HSE is contributing to DBT's active free trade negotiations, including those with India, Canada, Mexico and Turkey.
- HSE's proactive engagement in FTA negotiations aims to ensure that regulatory cooperation provisions are included in all FTAs. We also assess the need for Chemicals Annex in each FTA on case-by-case basis. This will allow us to build ties to share best practice and learn from others internationally in

order to facilitate better trading arrangements by addressing regulatory (non-tariff) barriers.

Supporting Defra international engagement activities

• HSE supports the development of positions for engagement on a variety of international activities which are led by Defra. For example:

Strategic Approach to International Chemicals Management (SAICM)

The UK has been an active stakeholder within SAICM since its adoption in 2006 and is currently engaged in the ongoing process to establish a successor to the framework and associated international targets. This is due to conclude in September 2023, with the UK as a co-chair. Once adopted, meeting those targets will be politically-binding upon the UK: it is crucial that such targets are both ambitious and implementable. More broadly, engagement in SAICM creates opportunity for the UK to push for ambition in areas such as innovation and sustainable chemistry.

Science Policy Panel on chemicals, Waste and Pollution Prevention

- The UK was a co-sponsor of the resolution at the UN's Environment Assembly that decided that the panel should be established. Once established, the science policy panel will benefit the UK and global community by providing credible scientific advice on current and emerging issues, so that appropriate policy or regulatory action can be taken if desired.
- The UK was an early financial contributor to the negotiations process and continues to play a very active role, including through participation in Open Ended Working Groups taking place in 2023 and 2024. It is expected that the panel will be established by the first half of 2025.