

Summary: Intervention & Options

Department /Agency: Defra	Title: Impact Assessment of amendment to the Marine Works (Environmental Impact assessment) Regulations 2007	
Stage: Consultation	Version: V1	Date: 11 November 2008
Related Publications: Marine Works (Environmental Impact Assessment) 2007		

Available to view or download at:

<http://www.defra.gov.uk/corporate/consult/marine-works/index.htm>

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

Since the Regulations were implemented in June 2007, a regulatory gap has become apparent with respect to their application to the dredging of marine minerals in harbours. The effect of this is that any harbour authority wishing to authorise extraction will not need to comply with the Council Directive on the assessment of the effects of certain public and private projects on the environment (85/337/EEC) ("the Environmental Impact Assessment Directive"). This would leave the UK vulnerable to infraction proceedings by the European Commission.

What are the policy objectives and the intended effects?

We intend to amend the Marine Works Regulations to ensure that the activities to which the Regulations include the dredging of minerals in harbours for which a consent or approval is required under a local Act, a local Act read together with a notice given and published under section 9 of the Harbours Transfer Act 1862 or an order made under sections 14 or 16 of the Harbours Act 1964.

What policy options have been considered? Please justify any preferred option.

The options considered were:

- a) do nothing and await the Marine Bill,
 - b) amend the Marine Works Regulations to include minerals extraction in harbours ,
- Option b is the favoured option to ensure that the activities to which the Regulations apply more clearly include the dredging of minerals in harbours.

When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?

Ministerial Sign-off For consultation stage Impact Assessments:

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

Signed by the responsible Minister:

Huw Irranca-DaviesDate: 26/11/2008

Summary: Analysis & Evidence

Policy Option: a	Description: No change to current wording of the Marine Works Regulation
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COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups' By definition, there would be no additional costs associated with maintaining the status quo. We have not been able to quantify the total costs of the existing arrangements.
	One-off (Transition)	Yrs	
	£ 0	20	
	Average Annual Cost (excluding one-off)		
£ 0			Total Cost (PV) £ 0
Other key non-monetised costs by 'main affected groups' At present industry faces costs (such as lawyers' fees etc) as a result of uncertainty as to the legal status and need for licences for dredging in harbours. It should be noted however that the incremental cost of maintaining the status quo is zero.			

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' By definition, there would be no additional benefits associated with maintaining the status quo. We have not been able to quantify the total benefits of the existing arrangements.
	One-off	Yrs	
	£ 0	20	
	Average Annual Benefit (excluding one-off)		
£ 0			Total Benefit (PV) £ 0
Other key non-monetised benefits by 'main affected groups' None			

Key Assumptions/Sensitivities/Risks We have assumed that the key stakeholders affected by the amendment are dredging companies, harbour authorities and regulators. Under the status quo industry and regulators face uncertainty as to the legal status and requirements around marine mineral dredging in harbours. Since the Marine Works Regulations do not currently cover minerals extraction in harbours, the UK faces the risk of infraction proceedings for not fully transposing them.

Price Base Year	Time Period Years	Net Benefit Range (NPV) £ 0	NET BENEFIT (NPV Best estimate) £ 0
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What is the geographic coverage of the policy/option?	England and Wales			
On what date will the policy be implemented?	N/A			
Which organisation(s) will enforce the policy?	MFA			
What is the total annual cost of enforcement for these organisations?	£ 0			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	No			
What is the value of the proposed offsetting measure per year?	£			
What is the value of changes in greenhouse gas emissions?	£			
Will the proposal have a significant impact on competition?	Yes/No			
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	Yes/No	Yes/No	N/A	N/A

Impact on Admin Burdens Baseline (2005 Prices) (Increase - Decrease)

Increase of £ 0

Decrease of £ 0

Net Impact £ 0

Key:

Annual costs and benefits: Constant Prices

(Net) Present Value

Summary: Analysis & Evidence

Policy Option: b

Description: Commence the amendments to the Marine Works (Environmental Impact Assessment) Regulations 2007

COSTS	ANNUAL COSTS		Description and scale of key monetised costs by 'main affected groups' It is not possible to quantify the cost to industry regarding the amendment as the information is not readily available. There have to pay an application fee payable (which technically represents a transfer from industry to government)t. An additional cost of £582 has been identified to Government in processing an application time. We have calculated this on the basis of only one application being expected within 20 years
	One-off (Transition)	Yrs	
	£ 528.60	20	
	Average Annual Cost (excluding one-off)		
	£ 0		Total Cost (PV) £ 528.60
<p>Other key non-monetised costs by 'main affected groups' Under option b the key non-monetised cost to business is the time taken to gather information in support of an application. This is estimated at around 2 years. However, this is information they currently have to gather in line with the existing legislation consequently the incremental cost is anticipated to be small. There will also a cost to business in familiarizing themselves with the amendment to the regulations.</p>			

BENEFITS	ANNUAL BENEFITS		Description and scale of key monetised benefits by 'main affected groups' All benefits are currently non-monetised.
	One-off	Yrs	
	£ 0	20	
	Average Annual Benefit (excluding one-off)		
	£ 0		Total Benefit (PV) £ N/A
<p>Other key non-monetised benefits by 'main affected groups'. The key non-monetised benefit will be the removal of legal uncertainty for industry surrounding their applications. This will result in less legal advice needed by industry and less time spent by the regulator advising and answering queries. Additionally option b will result in the removal of the infraction risk for non-compliance with the regulations.</p>			

Key Assumptions/Sensitivities/Risks

We have assumed that the key stakeholders affected by the amendment are dredging companies, harbour authorities and regulators. There has been only one application over the past ten years and we anticipate that there will be at most one more over the twenty year time horizon covered by the Impact Assessment. This is mainly due to the unsuitability of harbours for minerals extraction and the lack of minerals therein. The application fee will be charged on the basis of cost recovery and will represent a transfer from industry to government.

Price Base Year	Time Period Years	Net Benefit Range (NPV) £ 0	NET BENEFIT (NPV Best estimate) £ 0
What is the geographic coverage of the policy/option?			England and Wales
On what date will the policy be implemented?			April 2009
Which organisation(s) will enforce the policy?			MFA
What is the total annual cost of enforcement for these organisations?			£ 0
Does enforcement comply with Hampton principles?			Yes
Will implementation go beyond minimum EU requirements?			No
What is the value of the proposed offsetting measure per year?			£ N/A
What is the value of changes in greenhouse gas emissions?			£ N/A

Will the proposal have a significant impact on competition?			Yes/No	
Annual cost (£-£) per organisation <small>(excluding one-off)</small>	Micro	Small	Medium	Large
Are any of these organisations exempt?	Yes/No	Yes/No	N/A	N/A

Impact on Admin Burdens Baseline (2005 Prices)			(Increase - Decrease)	
Increase of £ N/A	Decrease of £ N/A	Net Impact	£ N/A	

Key: Annual costs and benefits: Constant Prices (Net) Present Value

Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

Title of proposal

Amendment to the Marine Works (Environmental Impact Assessment) Regulations 2007 (“Marine Works Regulations”).

Purpose and intended effect of measures

Objective

1. The objective of the amendment to the Marine Works Regulations is to make marine mineral extraction in harbours subject to the requirements of the Council Directive on the assessment of the effects of certain public and private projects on the environment (“Environmental Impact Assessment (EIA) Directive”). This is to close an existing regulatory gap so to remove the infraction risk that currently exists through the EIA Directive not being adequately transposed. Infraction proceedings may result in a fixed lump sum penalty and/or a daily fine being imposed by the European Court of Justice. It is not possible to calculate the daily penalty rate as this is set by the European Court of Justice based on the seriousness of the infringement and its duration.
2. The amendment will be made by ensuring that marine mineral extraction in harbours is subject to Marine Works Regulations. The effect of this is that prior to consent being granted by a Harbour Authority for marine mineral extraction in a harbour, depending on the impact of the works, the application may be considered by the Marine and Fisheries Agency (in relation to England) or the Welsh Ministers (in relation to Wales) as the “appropriate authorities” for granting “EIA consent” under the Marine Works Regulations. The Regulations will also be specifically amended so that the Welsh Ministers are the appropriate authority for marine mineral extraction in harbours. The amendment will mean that the EIA Directive is transposed for harbour works under a single regime, regardless of whether such works consist of marine mineral extraction or not. Overall this approach represents the most effective way of closing the regulatory gap until any secondary legislation under the Marine Bill is in place.

Background

3. The Marine Works Regulations transpose the EIA Directive (see consultation document) in respect of marine works. In particular, the Regulations require certain marine works in certain circumstances to receive an “EIA Consent” from an “appropriate authority” prior to the regulator consenting to such marine works.
4. The marine works subject to the Marine Works Regulations are works requiring:
 - a) a licence under Part 2 of the Food and Environment Protection Act 1985,
 - b) a consent under section 34 of the Coast Protection Act 1949; and
 - c) (except for in Northern Ireland) a consent or approval for harbour works under a local Act, a local Act read together with a notice given and published under section 9 of the Harbours Transfer Act 1862 or under an order under section 14 or 16 of the Harbours Act 1964.

The term “harbour works” is defined in the Regulations as “works involved in the construction of a harbour or in the making of modifications to an existing harbour”.

5. The Regulations came into force on 24 June 2007, following a 12 week stakeholder consultation exercise. These can be found at: <http://www.opsi.gov.uk/si/si2007/20071518.htm>.
6. A regulatory gap has become apparent with respect to the transposition of the EIA Directive in respect of the dredging for marine minerals in harbours. This is because it has become apparent that such works are not covered by the Marine Works Regulations as our legal advice is that the definition of “harbour works” in such Regulations is not likely to cover the dredging of marine minerals in harbours. In addition, such works are not covered by the Environmental Impact Assessment and Natural Habitats (Extraction of Minerals by Marine Dredging) (England and Northern Ireland) Regulations 2007 (and the equivalent Regulations for Wales and Scotland), which apply to mineral dredging, as these Regulations do not apply to dredging in waters within the jurisdiction of a harbour authority.
7. As a result of this, any harbour authority wishing to authorise marine mineral extraction within its jurisdiction, is not obliged to comply with the requirements of the EIA Directive. This leaves the UK vulnerable to infraction proceedings by the European Commission. The proposed amendment will remove this risk.

Territorial Extent and Application

8. The Marine Works Regulations apply to all of the UK. However, Scotland do not intend to use the Marine Works Regulations to close the regulatory gap outlined above, instead they wish to exercise their devolved powers by using the Environmental Impact Assessment and Natural Habitats (Extraction of Minerals by Marine Dredging) (Scotland) Regulations 2007 (http://www.opsi.gov.uk/legislation/scotland/ssi2007/pdf/ssi_20070485_en.pdf) to do this. In their view this offers a better local solution reflecting their unique circumstances.
9. In Northern Ireland there is no impact for amending these Regulations in the way suggested as they do not extend to harbours, these being the responsibility of the Department of Regional Development. Furthermore, the Natural Habitats (Extraction of Minerals by Marine Dredging) (England and Northern Ireland) Regulations 2007 (http://www.opsi.gov.uk/si/si2007/pdf/uksi_20071067_en.pdf) extend to mineral extraction in harbours for Northern Ireland only.
10. Changes to the Marine Works Regulations will therefore only apply in England and Wales. Table 1 summarises the application of the amendment of the Regulations by administration.

Table 1: Application of amendment to Regulations by country

Country	Amendment to Marine Works Regulations
England	Amendment applies
Wales	Amendment applies
Scotland	Amendment does not apply
Northern Ireland	Amendment does not apply

Options

11. *Option 1 – Do nothing*

If we do nothing:

- the UK could be subject to infraction proceedings and potentially fined for not transposing the EIA Directive adequately, harming the UK's reputation and resulting in an additional burden to the public purse;
- the legality of marine minerals extraction in harbours (if it were allowed to proceed) may be challenged in the UK courts, at a cost to both industry and regulators (appropriate authorities), and therefore the taxpayer;
- there could potentially be a cost to industry and the UK economy as a whole if minerals were not able to be dredged from harbour areas within a legal framework, as dredged marine minerals play an important role in the construction and maintenance of the UK infrastructure. In 2000, about 13.4 million tonnes were used by the construction industry in England and Wales;
- industry view of Government could be soured over a perceived lack of action on this issue.

12. *Option 2 – commence the amendments to the Marine Works (Environmental Impact Assessment) Regulations 2007*

This will enable the UK to satisfy the EU that the EIA Directive, as amended, has been fully transposed, mitigating the risk of infraction proceedings. Furthermore:

- industry will be able, subject to approval by the appropriate authority, to undertake marine minerals extraction within harbour areas with legal certainty; and
- Government retains its reputation with industry.

Costs and Benefits

13. *Sectors and groups affected*

- Regulators:
 - The Secretary of State (Marine and Fisheries Agency)
 - The Welsh Ministers
 - Harbour Authorities
- Industry:
 - The dredging industry;
 - The maritime industry;
 - Private terminal operators.
- Statutory consultees:

- Appropriate authorities, where a regulated activity in their area is regulated by another appropriate authority;
- Local planning authorities;
- Any consenting authority;
- Nature conservation bodies (Natural England, Countryside Council for Wales, Joint Nature Conservation Committee) and any other bodies that the appropriate authority considers to have an interest, or which are designated by statutory provision as having an interest.

Options – Assessment of impacts

Option 1 – Do nothing

14. Under the status quo option there are no additional costs, benefits, or social or environmental impacts. This is the same across England and Wales. There are however some risks associated with continuing under the present system. These include:
- Government faces risk of infraction;
 - industry faces uncertainty as to the legality of undertaking marine extraction in harbours. This may result in increased legal cost or delayed or altered business activities; and
 - there also a risk that differences in the legal status of otherwise similar marine areas would result in industry disproportionately dredging in some areas

Economic benefits

15. No benefits are identified under Option 1 for Government, industry, the general public or the marine environment as the current regulatory gap will still exist, therefore being a continuation of the current system. This is the case across England and Wales.

Economic costs

To Government/regulators (where they are the appropriate authorities):

16. The most significant cost associated with Option 1 is the cost associated with infraction proceedings against the UK for failing to correctly transpose the EIA Directive, for minerals extraction in harbours. Such proceedings could result in a fixed lump sum penalty and/or a daily fine. It is not possible to calculate the daily penalty rate as this is set by the ECJ based on the seriousness of the infringement and its duration.

To industry:

17. No quantified costs are identified under Option 1. However there may be a cost associated with legal uncertainty surrounding the issue of whether dredging could take place in harbour areas or not.
18. This current uncertainty as to the legal status of mineral dredging in harbours makes it difficult to clearly identify a baseline, however option 2 offers a fuller discussion of the possible costs. Clarifying any potential impact will be carefully considered in the preparation of the final Impact Assessment.

Social impact:

19. There are no social impacts identified for Option 1.

Option 2 - commence the amendments to the Marine Works (Environmental Impact Assessment) Regulations 2007

Economic benefits

20. The main benefits to come from closing the regulatory gap in the Marine Works Regulations will be:

To Government/regulators (where they are the appropriate authorities):

- Closing of the regulatory gap and therefore avoidance of the risk of costs associated with infraction proceedings; and
- Legal assurance that licences or other consents for marine minerals dredging in harbours are compliant with the EIA Directive (were they to be allowed).

To Industry:

- Industry face reduced uncertainty and will be reassured that licences they submit for minerals extraction within harbours will be processed; and
- Any licences for minerals extraction within harbours are unlikely to be challenged through the courts for not being issued in compliance with the Environmental Impact Assessment Directive, as amended.

Social impact

21. The amendment to the Marine Works Regulations will ensure that any application to dredge marine minerals in harbours which require an EIA, will be subject to the same minimum period of 42 days for representations to be made on an application and its environmental statement as other works currently covered by the regulations. A longer consultation period may be allowed where an appropriate authority agrees with a consultation body that a longer period is reasonable, also in line with other works currently covered by the regulations. This will ensure that all stakeholders have the opportunity to represent their views and influence decision-making.

Environmental impact

22. The amendment to the Marine Works Regulations will ensure that the impact assessment and consultation that presently occurs in respect of works covered by the regulations are extended to minerals dredging in harbours.
23. In particular, the amendment to the Regulations will enable public participation in the assessment of the impact the dredging will have on:
- Human beings, fauna and flora;
 - Soil, water, air, climate and landscape;
 - Material assets and cultural heritage; and
 - The interaction between two or more of these factors.

Costs

Economic cost

To Government/regulators (where they are the appropriate authorities):

24. The Environmental Impact Assessment Directive has already been transposed for numerous authorisations including those under section 34 of the Coast Protection Act 1949 (CPA) and section 5 of the Food and Environmental Protection Act 1984 (FEPA). So, any new burden created by the closing of this regulatory gap for the Marine Works Regulations is expected to be minimal and will be absorbed under 'business as usual' costs. Also, costs due to requiring extra publicity will be minimal, given that the closing of the regulatory gap is relatively minor.
25. Where marine mineral dredging is concerned, an appraisal of environmental effects and consultation already occurs under the Environmental Impact Assessment and Natural Habitats (Extraction of Minerals by Marine Dredging) (England and Northern Ireland) Regulations 2007 (the Marine Minerals Regulations). The closing of the regulatory gap will now enable such assessments for marine mineral dredging in harbours.
26. As an indication of current costs to Government of operating the Marine Works Regulations within harbours, we consider that the costs associated with the Marine Minerals Regulations best illustrate this (see Table 3).
27. Government/the regulator (the appropriate authority for the purpose of the Marine Works Regulations) has not been charging for the cost of processing applications for consent under the Marine Works Regulations. However, those applications that will now be able to be processed for minerals dredging in harbours will be subject to the fees charged in respect of the Marine Minerals Regulations. This is due to the fact that the activity of minerals dredging in harbours, licensed under the Marine Works Regulations, is a similar activity to those licensed under the Marine Minerals Regulations. These fees fully recover the cost of services to be provided by Government/the regulator and the decision has been taken to align the fees for both activities so as not to skew behaviour in the mineral dredging industry between harbour and non-harbour locations.
28. An estimated breakdown of the cost for the processing of application for dredging permission within harbour areas, under the Marine Works Regulations is at table 2. These figures are taken from those costed for processing applications under the Marine Minerals Regulations.

Table 2: Make-up of Marine Mineral Dredging Application Fees

Staff engaged in marine works casework	Main functions	Estimated costs of pre-application on advice	Estimated costs of processing applications	Estimated annual costs of monitoring dredging permissions	Estimated costs of major variations	Estimated costs of minor variations
Staff within the MFA	<ol style="list-style-type: none"> 1. Screening and scoping opinions based on advice from Defra/Cefas 2. Processing applications and issuing decisions 3. Receipt of, and liaison with, Defra/Cefas on written monitoring reports, following up issues with operators and liaison meetings with operators. Assessment of EMS¹ information from Cefas, decision on action and follow-up. 	£2,910	£27,828 (includes £6,000 advertising costs)	£1,300	£17,642 (includes £6,000 advertising costs)	£5,821
3.5 staff for different	1. Comments to applicants on	£9,235	£365	£1,549	£3,057	£270

¹ Detailed monitoring of information from the Electronic Monitoring System (EMS) installed on individual dredgers. This is a system which monitors and records the position of the dredgers and shows any out of area/season dredging. EMS data will be received by Cefas directly from the dredgers in respect of areas which are subject to dredging permissions and Cefas will subsequently provide MFA with information about any out of area /season dredging. The MFA can then take any informal or formal enforcement action.

percentage of time.	scoping documents, using Cefas advice and reflecting marine policy. 2. Comments on ESs and comments from consultation bodies, including Cefas but reflecting marine policy. 3. Assessment of monitoring reports, including advice from Cefas and liaison meetings with operators but reflecting marine policy.					
3 Staff for different percentage of time in Cefas	Scientific advice at all stages ie pre-application advice ² , advice on application and consultation bodies comments	£34,846	£1,432	£3,715	£1,000	£350

² There are two main types of pre-application advice. First, advice related to the Environmental Statement (ES) including the topics to be covered, the level of details needed from various surveys eg to ascertain the presence or absence of particular species etc, how the results are to be presented and commenting on draft survey results, which may then be included in the final ES to be submitted with the application. Advice from Defra/Cefas may then mean the applicant has to seek advice from other consultation bodies such as JNCC, Natural England etc and in turn go back to Defra/Cefas on that advice from other bodies. A full application must include draft conditions to be attached to any dredging permission which may be granted. The second area of pre-application advice is on the applicant's draft conditions and, again, Defra/Cefas further advice on the draft conditions in the light of comments on them from other consultation bodies.

	and written monitoring reports ³					
Staff for different percentage of time in Cefas monitoring EMS ¹ data	Technical monitoring of EMS data on new dredging permissions for enforcement purposes			£11,682		
Small percentage of one persons time in the MFA	Comments on dredging proposals and major variation of, from a fisheries perspective.	£220			£60	
Total		£47,211	£29,625	£18,246	£21,759	£6,441

Source: Marine and Fisheries Agency

³ Review of written reports by dredging operators of studies carried out (in accordance with conditions attached to the permission) to show the impact of the dredging on the sea bed and the fish and other species that colonise the sea bed and the water column above it.

¹ Detailed monitoring of information from the Electronic Monitoring System (EMS) installed on individual dredgers. This is a system which monitors and records the position of the dredgers and shows any out of area/season dredging. EMS data will be received by Cefas directly from the dredgers in respect of areas which are subject to dredging permissions and Cefas will subsequently provide MFA with information about any out of area /season dredging. The MFA can then take any informal or formal enforcement action.

29. The MFA received no applications to dredge minerals under the Marine Minerals Regulations in 2007. Licences to dredge minerals under the Marine Works Regulations are expected to amount to only one once the regulations have come into force, due mainly to the unsuitability of harbours for minerals extraction and the lack of minerals therein. Therefore we are unable to offer any comparisons between the two regimes.
30. There is a cost we can attribute to processing applications for the Marine Works Regulations. After discussion with the MFA, we considered that it would take 10 hours of an officers time to correctly process one application. We have used the necessary conversion formula to give a figure of £528.60.

To industry:

31. Any new burdens to industry under the revised Marine Works Regulations will be minimal. As mentioned above, impacts on the environment are already assessed under the Marine Works Regulations. Any developer wanting to extract minerals within harbour areas will be charged fees in line with those currently charged under the Marine Minerals Regulations regime.
32. Table 3 shows fees charged in England under the Marine Minerals Regulations regime. These fees will also apply for projects in Wales as the Marine Works Regulations apply in this area. The fees reflect the cost to the regulator, seen at table 2 above, which are fully recoverable. In other words, whilst representing a cost to industry, at the societal level these charges will simply represent a transfer from industry to the regulator.
33. The current uncertainty as to the legal status of mineral dredging in harbours makes it difficult to clearly identify a baseline against which option 1 should be compared. It is not envisaged that new activities will need to be undertaken, or that the cost to industry will necessarily increase. Industry will however now have to pay the MFA to cover costs, as per table 3. Clarifying any potential impact will be carefully considered in the preparation of the final Impact Assessment.

Table 3: fees charged for Marine Minerals Regulations projects

Main Function (stage)	Cost
Pre-application advice	£47, 000
Processing application for dredging permission *	£29,500
Monitoring dredging permissions:	
• <i>a) Pre and post dredging monitoring phases</i>	£6,500 per annum
• <i>b) Operational dredging phase</i>	£18,000 per annum
Processing applications for major variations (ie those variations requiring environmental impact assessment under the Environmental Impact Assessment Directive or appropriate assessment under the Habitats Directive) *	£21,500
Processing applications for minor variations (ie those variations not requiring environmental impact assessment under the Environmental Impact Assessment Directive or appropriate assessment under the	£6,000

* One off fees

Conclusion:

34. The current regulatory gap means that any harbour authority wishing to authorise marine mineral extraction within its jurisdiction, is not obliged to comply with the requirements of the EIA Directive. This leaves the UK vulnerable to infraction proceedings by the European Commission. Therefore option 1 (do nothing) is not considered viable.
35. Option 2 is the preferred option due to the avoidance of infraction proceedings from the Commission, along with the ability for industry to undertake minerals extraction (with agreement from the appropriate authority) and the associated economic benefits this might bring.

Social impact:

36. No social costs are identified under option 2.

Environmental impact:

37. No environmental costs have been identified under option 2.

Competition assessment:

38. The closing of the regulatory gap in the Marine Works Regulations will merely enable marine minerals dredging to take place within harbour areas. Therefore, no change is expected in the investment behaviour into England and Wales compared to other Member States.
39. The amendment will not affect competition within sectors carrying out marine works. Impact on consumers, where it occurs, is likely to be minimal.

Small firms impact test:

40. Since there is no change to the requirements of the Marine Works Regulations and provision of environmental information is already required from small firms undertaking projects within the scope of the Regulations, the impact of the change is expected to be low. The change will be equitable and will not place unfair burdens on small firms.

Legal aid:

41. We do not anticipate any increased burden on the courts as a result of this change.

Health impact assessment:

42. We do not consider there will be any adverse affects on health as a result of this change.

Race quality assessment:

43. There are no race equality impacts associated with this measure.

Disability equality assessment:

44. No disability equality impacts have been identified.

Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	Yes	No
Small Firms Impact Test	Yes	No
Legal Aid	Yes	No
Sustainable Development	No	No
Carbon Assessment	No	No
Other Environment	Yes	No
Health Impact Assessment	Yes	No
Race Equality	Yes	No
Disability Equality	Yes	No
Gender Equality	Yes	No
Human Rights	Yes	No
Rural Proofing	No	No

Annexes

None