EXPLANATORY MEMORANDUM TO

THE TEXTILE PRODUCTS (INDICATIONS OF FIBRE CONTENT) (AMENDMENT AND CONSOLIDATION OF SCHEDULES OF TEXTILE NAMES AND ALLOWANCES) REGULATIONS 2006

2006 No. 3297

1. This explanatory memorandum has been prepared by the Department of Trade and Industry and is laid before Parliament by Command of Her Majesty.

This memorandum contains information for the Joint Committee on Statutory Instruments.

2. Description

2.1 These Regulations amend the Textile Products (Indications of Fibre Content) Regulations 1986 (the "1986 Regulations"). They add a new textile fibre entry in relation to elastomultiester to the list contained in Schedule 2 to the 1986 Regulations, and amend Schedule 3 to those Regulations by adding the percentage tolerance for elastomultiester. The Regulations also consolidate previous amendments made to the lists of permitted textile fibre names contained in Schedule 2 to the 1986 Regulations and the agreed allowances for those textile fibres set out in Schedule 3. They also re-number the fibre lists in the Schedules in conformity with EC Directive 96/74/EC on textile names and correct a number of minor typographical errors.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Background

- 4.1 These Regulations implement Commission Directive 2006/3/EC, which amends Annexes I and II to Council Directive 96/74/EC on textile names.
- 4.2 Directive 96/74/EC requires all textile products on the European market to be labelled with or accompanied by an indication of fibre content by reference to recognised fibres names, which are contained in the relevant Annexes to the Directive. The Directive is implemented in the UK by the 1986 Regulations. From time to time as new fibres are developed, it is necessary to amend the Directive by adding these new fibres to the lists contained in the relevant Annexes. Directive 2006/3/EC (adopted on 6th January 2006) so amends Directive 96/74/EC, adding an entry in relation to elastomultiester.
- 4.3 A Transposition Note is attached.

5. Territorial Extent and Application

5.1 This instrument applies to all of the UK.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

Policy

- 7.1 Without harmonisation of the textile fibre names and particulars within the European Community, there is a risk that this would create a hindrance to the proper functioning of the internal market. The aim of Directive 96/74/EC is therefore to facilitate the better functioning of the internal market by harmonising the names, composition and labelling of textile products.
- 7.2 The Directive is implemented in the UK by the 1986 Regulations. The Regulations require manufacturers, importers, traders and retailers to provide an accurate indication of the fibre content of textile products. The enforcement authorities (local authority trading standards services) are obliged to take action where this requirement is not met.
- 7.3 Directive 2006/3/EC requires a minor technical amendment to be made to the 1986 Regulations by adding details for elastomultiester to the lists contained in its Schedules 2 and 3. The amendment to the 1986 Regulations will not make any changes to the obligations referred to in paragraph 7.2 above, nor to the processes involved in meeting them. Where the fibre content of a textile includes the new fibre, textile businesses will be required to add the name to the textile label. There will, therefore, be negligible additional costs for those subject to the 1986 Regulations or to enforcers, as the costs involved are simply for the preparation of an appropriate label listing the fibres used in the textile and the addition, or substitution, of one name for another.
- 7.4 The amendment will therefore be to the advantage of UK textile manufacturers by accommodating the use in textile products of elastomultiester, which will enable them to describe textile products accurately, and in a way which is acceptable to other Member States when marketing.
- 7.5 These Regulations also consolidate versions of Schedules 2 and 3 to the 1986 Regulations incorporating amendments made previously in the Textile Products (Indications of Fibre Content) (Amendment) Regulations 1988, the Textile Products (Indication of Fibre Content) (Amendment) Regulations 1998 and the Textile Products (Indication of Fibre Content) (Amendment) Regulations 2005. In addition, the numbering of the textile fibres in Schedules 2 and 3 of the 1986 Regulations has been changed to conform to the numbering of Directive 96/74/EC, as amended. Minor corrections have also been made to correct typographical errors.
- 7.6 This is the fifth set of Regulations amending the 1986 Regulations. Four of those amending Regulations amended Schedules 2 and 3 to the 1986 Regulations. As a result these Regulations consolidate all the amendments made to Schedules 2 and 3 of the 1986 Regulations for ease of reference.
- 7.7 We had previously consulted those most affected by the 1986 Regulations informally on whether they would wish to see the 1986 Regulations consolidated at a

future date, e.g when we needed to add another textile name to the lists, and this had received a favourable response. We consulted industry again (both formerly and informally) on our plans for consolidating the existing provisions, in so far as they list the EU permitted textile names, and industry responded favourably to our proposals for doing so.

Consultation

- A formal consultation exercise was carried out from 30 August to 22 November 2006 on our proposals for implementing Directive 2006/3/EC, which included proposals for consolidation of the previous amendments made to the relevant Schedules of the 1986 Regulations for ease of reference. This would make the legislation more convenient for those who need to use it. The consultation document was sent to trade associations, representative bodies for the textile and apparel industries, textile Testing Houses, consumer groups, individuals and other interested parties. The consultation document was also published on http://www.dti.gov.uk/consultations/page33691.html
- 7.9 The Government's response to the consultation exercise will be published on the DTI website in December 2006.

Consolidation

7.10 The 1986 Regulations have been amended on three previous occasions to add new textile names, and it is anticipated that further additions will be required in the future. As well as transposing Directive 2006/3/EC, these Regulations also consolidate the previous amendments made to Schedules 2 and 3 of the 1986 Regulations, so far as they list the permitted generic textile names. In response to industry preference, the Schedules will be consolidated on each occasion when a new entry needs to be added to the lists contained in them.

8. Impact

- 8.1 A Regulatory Impact Assessment is attached to this memorandum for this instrument.
- 8.2 The impact on the public sector is negligible.

9. Contact

Rose Newton at the Department of Trade and Industry Tel: 020 7215 0333 or e-mail: rose.newton@dti.gsi.gov.uk can answer any queries regarding the instrument.

FULL REGULATORY IMPACT ASSESSMENT

The Textile Products (Indications of Fibre Content) (Amendment and Consolidation of Schedules of Textile Names and Allowances) Regulations 2006.

PURPOSE AND INTENDED EFFECT OF MEASURE

Purpose

To implement Directive 2006/3/EC that adds a newly permitted generic fibre name to the lists contained in Annexes I and II of Directive 96/74/EC.

Objective

To facilitate the better functioning of the internal market by harmonising the names, composition and labelling of textile products.

To update the current UK regulations, the Textile Products (Indications of Fibre Content) Regulations 1986, by adding a new generic fibre name "elastomultiester" to the lists in Schedules II and III. This is a minor technical amendment. It will benefit those subject to the regulations, e.g manufacturers, importers, traders and retailers, by permitting the use of the fibre in textile products in compliance with existing regulations.

Background

Directive 96/74/EC on textile fibre names is implemented in the UK by the Textile Products (Indications of Fibre Content) Regulations 1986 (the "1986 Regulations"). Directive 96/74/EC requires all textile products on the European Market to be labelled with, or accompanied by, an indication of fibre content by reference to recognised permitted generic fibres names. The names are listed in Annexes I and II to the Directive and Schedules 2 and 3 of the 1986 Regulations.

Occasionally, as new fibres are developed, Directive 96/74/EC is amended by adding these new fibres to the lists contained in the Annexes. Directive 2006/3/EC, adopted on 9th January 2006, so amends Directive 96/74/EC, adding details for the additional fibre. UK regulations must therefore be amended to reflect this addition.

Risk assessment

Without harmonisation of textile fibre names and particulars within the European Union, there is a risk that this would create a hindrance to the proper functioning of the internal market.

Failure to implement Directive 2006/3/EC will put the UK in breach of European Community legal obligations, which would mean risking infraction.

Options:

- 1. **Do nothing:** This is not possible. Member States are required to implement the Directive into national law. Failure to implement the Directive would risk infraction proceedings by the Commission.
- 2. Amend the Textile Products (Indications of Fibre Content) Regulations 1986: to include elastomultiester in the list of fibres in its Schedules 2 and 3.

3. **Amend and consolidate:** all existing amendments to Schedules 2 and 3 of the 1986 Regulations at the same time as adding details for the additional fibre.

Option 1: would not meet UK obligations to implement Directive 2006/3/EC. The UK would therefore be at risk of infraction proceedings by the Commission. Further, UK business could be put at a competitive disadvantage in the EU as their textiles would not meet EU labelling requirements

<u>Option 2:</u> would meet UK obligations, but marginally increase the complexity of regulations for business, as they would have to check an additional piece of regulation to determine which fibres are permitted.

Option 3: would not only meet UK obligations to implement Directive 2006/3/EC but also make the regulations on textile fibre content labelling more accessible to those who need to use it.

There are no real alternatives as to how the Directive itself is implemented, as it simply requires a technical amendment to the 1986 Regulations. There have been three sets of Regulations amending the 1986 Regulations to include new fibres in its Schedules 2 and 3. The UK is now required to make further changes to this legislation to implement Directive 2006/3/EC, and we anticipate that further additions will be required in the near future.

Consolidating the existing amendments made to Schedules 2 and 3 of the 1986 Regulations at the same time as implementing Directive 2006/3/EC will make the legislation more accessible to those who need to use it, and so promote ease of compliance.

COSTS AND BENEFITS

Business sectors affected

Textiles and apparel industries. It is estimated that around 2,000 businesses will be affected.

Benefits

By adding the new fibre to the list of specified terms permitted to be used in fibre content indications, the amendment benefits those subject to the 1986 Regulations by accommodating the use in textile products of the fibre. The amendment will therefore be to the advantage of UK firms manufacturing this product in that it will enable them to describe accurately, and in a way which is acceptable to other Member States, when marketing.

Total costs

It is estimated that the costs of amending current regulations to implement a Directive are thought to be around £700,000 annually. Manufacturers, importers, traders and retailers are obliged to provide an accurate indication of the fibre content of textile products. The enforcement authorities (local authority trading standards services) are obliged to take action where this requirement is not met.

The amendment to the 1986 Regulations will not make any changes to these obligations, nor to the processes involved in meeting them. Where the fibre content of a textile includes the new fibre, elastomultiester, textile businesses will be required to add the name to the textile label. There will, therefore be negligible additional costs for those subject to the Regulations or to enforcers, as the costs involved are simply for the preparation of an

appropriate label listing the fibres used in the textile and the addition, or substitution, of one name for another.

Costs for a typical business

As the regulation will not vary the obligation to label textiles with fibre content, the Regulation will not increase costs for a typical business.

Equity and fairness

The proposal has no effect on issues of equity and fairness.

Small Firms Impact Test

We have informally consulted the British Apparel and Textiles Confederation (BATC), the main representative organisation for the industry that includes SMEs, on our proposals. Results from those discussions suggested that the costs to all businesses in terms of costs and burden of the regulation would be negligible, since the amendment to the main Directive is a minor technical one that industry is already well aware of.

We had already previously consulted those most affected by the 1986 Regulations informally on whether they would wish to see the 1986 Regulations consolidated at a future date, e.g when we needed to add another textile name to the lists, and this had received a favourable response. We consulted industry again (both formerly and informally) on our plans for consolidating the existing provisions, in so far as they list the EU permitted textile names, and industry responded favourably to our proposals for doing so.

Competition assessment

We have considered the competition filter test and the proposal has no significant effect on competition.

Enforcement and sanctions

The 1986 Regulations are enforced by local authority trading standards services. An offence under the Regulations is subject to the sanctions set out in the Trade Descriptions Act 1968.

CONSULTATION

Public consultation

We had informally sought industry views on how we intend to implement the Directive from the British Apparel and Textile Confederation, the main representative body for the industry. Initial findings suggested that this proposal will have a negligible impact, in terms of costs and burden, on the industry. We carried out a formal consultation with stakeholders on our proposals for legislation, which has shown that the additional costs to businesses subject to the 1986 Regulations, or to those enforcing them, to be negligible.

Monitoring and review

Directive 96/74/EC has now been amended a total of three times. The previous two amendments added details for newly permitted generic fibre names. This is the fifth set of Regulations amending the 1986 Regulations. Four of those amending Regulations amended Schedules 2 and 3 to the 1986 Regulations. There was a case for consolidation of all the existing amendments made to Schedules 2 and 3 of the 1986 Regulations at the

same time as the UK is required to implement new Directive 2006/3/EC, for ease of reference.

We had previously consulted those most affected by the textile regulations informally on whether they would wish to see the Regulations consolidated at a future date, e.g when we needed to add another textile name to the lists, and this had received a favourable response. We consulted industry again (both formerly and informally) on our plans for consolidating the existing provisions, in so far as they list the EU permitted textile names, and industry responded favourably to our proposals for doing so.

As a result these Regulations consolidate all the amendments made to Schedules 2 and 3 of the 1986 Regulations for ease of reference.

Summary and recommendation

The Textile Products (Indications of Fibre Content) (Amendment and Consolidation of Schedules of Textile Names and Allowances) Regulations 2006 will implement Directive 2006/3/EC by adding a new textile fibre, elastomultiester, to the list of Schedules to the 1986 Regulations.

The UK is required to implement the Directive in order to comply with our legal obligations. There are no real alternatives as to how the Directive is implemented.

By adding the new fibre to the list of specified terms permitted to be used in fibre content indications, the amendment benefits those subject to the regulations by accommodating the use in textile products of the fibre. The proposed Regulations will, therefore, amend the 1986 Regulations by consolidating the lists contained in its Schedules 2 and 3 which will include the details for the new fibre elastomultiester.

It is therefore recommended that Directive 2006/3/EC is implemented as set out in the Textile Products (Indications of Fibre Content) (Amendment and Consolidation of Schedules of Textile Names and Allowances) Regulations 2006.

Ministerial declaration

I have read the Regulatory Impact Assessment and I am satisfied that the benefits justify the costs.

Signed by the Minister responsible

Malcolm Wicks

(Minister for Trade, Investment and Foreign Affairs)

Date 13th December 2006

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Transposition Note: Council Directive 96/73/EC as amended by European Directive 2006/2/EC, and Council Directive 73/44/EEC.

This Transposition Note shows how the Department has implemented Council Directive 96/73/EC (O.J No. L32, 3.2.1997, P.1), as amended by Directive 2006/2/EC, which provides for uniform methods for sampling and analysis to be used in Member States for the purpose of determining the fibre composition of *binary* textile fibre mixtures, in order to implement Council Directive 96/74/EC (O.J No. L32 3.2.1997, p.38) on textile names. Directive 96/74/EC requires labelling to indicate the fibre composition of textile products, with checks being carried out by analysis on the conformity of these products with indications given on the label.

This Transposition Note also shows how the Department has implemented Council Directive 73/44/EEC (O.J No. L83, 30.3.1973, P.1), which provides for uniform methods for sampling and analysis to be used in Member States for the purpose of determining the fibre composition of *ternary* textile fibre mixtures

Council Directives 96/73/EC and 73/44/EEC were previously implemented in the UK by the Textile Products (Determination of Composition) Regulations 1976 (1976/202). These Regulations are revoked and replaced by the Textile Products (Determination of Composition) Regulations 2006 (2006/3298), to implement Directive 96/73/EC as amended by Directive 2006/2/EC, and Directive 73/44/EEC.

The Department of Trade and Industry has lead responsibility for the implementation of Directives 96/73/EC, 2006/2/EC and 73/44/EEC. The Textile Products (Determination of Composition) Regulations 2006 do what is necessary to transpose the requirements of these Directives. The tables below show how Directive 96/73/EC as amended by 2006/2/EC, and Directive 73/44/EEC, have been implemented in the UK.

$Transposition \ of \ Directive \ 73/44/EEC \ on \ the \ quantitative \ analysis \ of \ ternary \ fibre \ mixtures$

Article	Objective	Implementing regulation	Responsibility (Secretary of State if not specified)
1	Sets out the scope of the Directive.	Not necessary to transpose.	
2	Preparation of test samples and test specimens.	Regulation 4(1) implements Article 2 on the preparation for analysis of test samples and test specimens. Regulation 4(2) defines "test sample" and "test specimen".	
3	Sets out test methods to be used for the quantitative analysis of ternary textile fibres.	Regulation 5(3) and 4(1) implement Article 3 on the analysis of a ternary textile fibre mixture.	
4	Sets out requirements for Test Reports on the testing of ternary mixtures.	Regulation 5(3) implements Article 4 on reporting requirements for testing of ternary textile fibre mixtures.	
5 and 6	Future Amendments, Entry in force etc	Do not require implementation.	

$\begin{tabular}{ll} Transposition of Directive 96/73/EC on certain methods for quantitative analysis of binary textile fibre mixtures \\ \end{tabular}$

Article	Objective	Implementing regulation	Responsibility (Secretary of State if not specified)
1	Sets out the scope of the Directive.	Not necessary to transpose.	
2	Definitions of "test sample" and "test specimen".	Regulation 4(2) transposes Article 2.	
3	Sets out test methods to be used for the quantitative analysis of binary textile fibre mixtures.	Regulation 4(1) and 5(1) transpose Article 3.	
4	Sets out test methods for binary textile mixtures where there is no uniform method of analysis at Community level.	Regulation 5(2) transposes Article 4.	
5	Establishes a Committee relating to Textile Names and Labelling to assist the Commission.	Does not require implementation.	
6, 7, 8 and 9	Relate to procedural and representational matters, entry in force etc.	Articles do not require implementation	

$Transposition\ of\ Directive\ 2006/2/EC\ amending\ Directive\ 96/73/EC\ on\ certain\ methods\ for\ quantitative\ analysis\ of\ binary\ textile\ fibre\ mixtures$

Article	Objective	Implementing regulation	Responsibility (Secretary of State if not specified)
1	Amends Directive 96/73/EC by adding the uniform test methods for textile fibres polylactide and elastomultiester, to Annex II to the Directive.	Transposed by Regulation 5(1).	
2, 3 and 4	Entry in force etc	Do not require implementation	