



**OFFSHORE INSTALLATIONS (OFFSHORE SAFETY DIRECTIVE)
(SAFETY CASE ETC.) REGULATIONS (NORTHERN IRELAND) 2016
(S.R. 2016 No. 406)**

Impact Assessment

An Impact Assessment (IA) is a tool, which informs policy decisions. All NI Government Departments must comply with the impact assessment process when considering any new, or amendments to, existing policy proposals. Where regulations or alternative measures are introduced an IA should be used to make informed decisions. The IA is an assessment of the impact of policy options in terms of the costs, benefits and risks of the proposal. New regulations should only be introduced when other alternatives have been considered and rejected and where the benefits justify the costs.

The IA process is not specific to the UK Civil Service or the NI Civil Service – many countries use a similar analysis to assess their proposed regulations and large organisations appraise their investment decisions in similar ways too.

Please find enclosed a final IA in respect of the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations (Northern Ireland) 2016.

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NOTE ON COSTS AND BENEFITS

1. I declare that :
 - a. the purpose of the Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations (Northern Ireland) 2016 (“the Northern Ireland Regulations”) is to contribute to full compliance with EU Directive 2013/30/EU on the safety of offshore oil and gas operations (OSD). Separate implementing environmental legislation applies to the UK as a whole and the responsibility for it lies with the Department of Business, Energy and Industrial Strategy;
 - b. the costs and benefits associated with the Great Britain Regulations do not apply to the Northern Ireland Regulations as Northern Ireland does not have any offshore oil and gas operations within its territorial seas.
2. An estimate of the costs and benefits associated with the Great Britain Regulations, together with the Northern Ireland costs and benefits is appended to this Note.
3. There is no impact on charities, social economy enterprises or voluntary bodies.

Colin Jack
Department for the Economy

22 November 2016

PART I

GREAT BRITAIN IMPACT ASSESSMENT (Prepared by the Health and Safety Executive)

The Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015 (S.I. 2015/398)

1. This page contains a [link](#) to the Impact Assessment, prepared by the Great Britain Health and Safety Executive (HSE), in respect of the equivalent Offshore Installations (Offshore Safety Directive) (Safety Case etc) Regulations 2015 (“the Great Britain Regulations”).
2. The cost of transposing the Directive will be mostly borne by industry, either directly or through cost recovery by the Offshore Competent Authority. Based on best estimate ten year present values the direct cost to industry of complying with changes to HSE legislation to implement the Directive would be around £150 million. Costs incurred by the Competent Authority would be around £3 million for its set-up and management and it would recover, from industry, approximately £8.5 million for assessments related to changes to HSE legislation.
3. The Directive is intended to reduce the likelihood of offshore major accidents. While the current UK regime is well established and robust, it is expected that the greater oversight provided by the joint Competent Authority for safety and environmental risks will provide greater assurance.

PART II

NORTHERN IRELAND COSTS AND BENEFITS

The Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations (Northern Ireland) 2016

General

1. The Department for the Economy is of the opinion that the analysis and considerations set out in the Great Britain Impact Assessment do not apply to Northern Ireland as it does not have any offshore oil and gas operations within its territorial seas.

Costs and Benefits

2. Given that Northern Ireland does not have any offshore oil and gas operations within its territorial seas and there are no current plans for any in the future, the cost of transposing the OSD by means of these Regulations would be negligible. In the circumstances, a Northern Ireland assessment of costs and benefits is not considered necessary.

Conclusion

3. Overall, it is estimated that the impact on business will be negligible. There is a risk of infraction if the Northern Ireland Regulations are not made.