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**Draft**

# **Circular Economy**

**Strategy for Northern Ireland**

**Strategic Environmental  
Assessment Screening Report**

# **Strategic Environmental Assessment Screening Report**

## **Determination of the need for a Strategic Environmental Assessment for the Draft Circular Economy Strategy**

January 2023

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## 1. Executive Summary

The objective of Strategic Environmental Assessment (SEA) is to provide for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development.

The purpose of this document is to undertake a screening assessment that meets the requirements of the European Legislation, applied in NI through the Environmental Assessment of Plans and Programmes Regulations (Northern Ireland) 2004.

Under the legislation, Responsible Authorities must carry out screening to determine whether plans or programmes are likely to have significant environmental effects.

The criteria for determining whether a particular plan or programme is likely to have significant environmental effects are outlined in Annex II of the SEA Directive. These criteria are reproduced in Schedule 1 of the 2004 Regulations. The *draft Circular Economy Strategy (CES)* was screened against the criteria to determine if significant environmental effects are likely and if a SEA is required.

**The conclusion reached** following the screening check and the review against the environmental criteria set out in Regulation 9(2) Schedule 1 of the Environmental Assessment of Plans and Programmes Regulations (NI) 2004, **is that a full SEA is not required at this stage.**

At this stage, the draft *Circular Economy Strategy* provides a high-level strategy to drive NI's transition from a linear to a circular economy, and while some principles (*in the form of a strategic vision, goals and proposals*) have been identified, the mechanisms and resources necessary for delivery have not.

However, it is recognised that forthcoming policies, programmes, projects, plans and measures that will be developed in order to deliver a *Circular Economy* will be subject to screening for a SEA. Depending on the outcome of the screening process, these policies, programmes, projects, plans and measures will continue to a full SEA, Habitat Regulations Assessment (HRA) and Environmental Impact Assessment (EIA) as appropriate. Any environmental effects identified will be considered in this process.

## 2. Background

In February 2020 the Northern Ireland Assembly declared a climate emergency – acknowledging that we are facing climate breakdown and biodiversity crisis. Climate change is happening, and extreme weather events are increasingly having a devastating impact on people’s lives. The continued decline in our natural ecosystems and species puts at risk our health and prosperity and nature’s ability to deal with climate change.

This decade, the 2020s, must be a decade of urgent action. Collectively we must lay the foundations for a more **sustainable economy** before irreparable damage is done. There is still time to make a difference, but we must act now, and we must do it together with a shared vision of the future and a plan to make it a reality.

The Climate Change Act (Northern Ireland) 2022 passed into law on 6<sup>th</sup> June 2022. Departments are currently involved in preparing climate change plans for 2023, with detailed sectoral plans also required.

Climate and nature are cross-cutting areas that are fundamentally interconnected. Research by the Ellen MacArthur Foundation has demonstrated that there are very significant gains possible through the transition from a linear economic model to a circular model. In fact, the research estimates that the delivery of a circular economy can mitigate against approximately 45%<sup>1</sup> of current levels of GHG emissions and help achieve net zero goals. Many policies and programmes impact upon the economy, so without a truly collaborative approach we run the risk of delivering only unintended consequences and confusion. DfE officials and SIB colleagues have therefore carried out engagements targeting key internal and external stakeholders from the business, academia, central and local government, and the voluntary and community sectors through roundtable consultation with a Circular Economy Coalition of stakeholders. As a result, many different voices have been involved in informing this draft *Circular Economy Strategy* on behalf on the NI Executive.

The Strategy is seeking to adopt a holistic approach to driving the transition to a circular economy by balancing sustainable economic growth and the need for development and jobs, with the need to mitigate against climate change and contribute to net zero goals in line with the Climate Change Act (NI) 2022. It is about making sure we balance the three elements of business, people and the planet in a thoughtful way, creating more circular and green jobs and protecting and repurposing existing jobs where possible.

### Input from draft CES

#### **Our Vision:**

**By 2050, Northern Ireland will have an innovative, inclusive, and competitive economy where business, people and planet flourish, with responsible production and consumption at its core.**

The draft strategy does not provide all the answers to making the transition a reality. Instead, it provides a vision, a target and direction of travel for what can be achieved with the right investment and commitment from all stakeholders. The twelve proposals for change have been framed around the Ellen MacArthur Foundation Universal policy goals, informed by research and insight from the Circular Economy Coalition. The proposals provide a direction of travel towards reducing our material footprint and the actions set out our immediate next steps.

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<sup>1</sup> [Completing the picture: How the circular economy tackles climate change \(ellenmacarthurfoundation.org\)](https://ellenmacarthurfoundation.org)

***Our Target:***

**By 2050 we will have reduced our annual material footprint to 8 tonnes per person.**

***Universal Policy Goals and Proposals for Change:***

**Policy Goals**

**Proposals for Change**

**Collaborate for system change**

1. Develop and implement a programme to support and promote behaviour change.
2. Create clusters and networks to raise awareness and assist collaboration.
3. Develop an outcome-focused Circular Economy monitoring framework.

**Design out waste**

4. Embed Circular Economy principles in public procurement.
5. Work with businesses to increase circular design.

**Manage resources to retain value**

6. Create and support platforms and hubs to share goods and materials.
7. Maximise the value of materials locally.

**Stimulate system change with funding, incentives and penalties**

8. Establish a Circular Economy funding programme.
9. Create a regulatory framework that supports and incentivises greater circulation of goods and materials.

**Invest in innovation, research and skills**

10. Invest in research and development to support the valorisation of materials.
11. Embed Circular Economy principles at all levels of education.
12. Design of future skills programmes and reviews of current programmes to support a Just Transition.

**Adopting a circular mindset throughout society and business will be integral to a successful transition. In practice, this means:**

- We must prepare for the future by developing skills that can adapt to a changing environment.
- Everyone will need to think about the contribution their role can make to reducing emissions and material use.
- We must all strive to retain the value of resources – in construction, product development, purchasing decisions, reverse logistics, repair or through use of digital technology.

***Area covered:***

Northern Ireland.

***Period covered:***

Initially to 2035 but with aim to support Net Zero targets for 2050

***Frequency of updates/revisions:***

The draft CES will be subject to periodic review at a frequency which is yet to be determined. The strategy will be reviewed to take into account progress made and technological advancements.

### **3. Screening information**

Key screening information about the plan is as follows:

**What prompted the programme (e.g. regulatory or administrative requirements, or preparing it voluntarily)?**

DfE, on behalf of the Executive, are leading the development of a Circular Economy Strategy for Northern Ireland. A collaborative approach has been used, so the Strategy has been taken forward with engagement from other departments including through the establishment of a Cross Departmental Steering Group (CDSG) to which all departments have been invited to participate. In addition, a Circular Economy Coalition (CEC) of stakeholders has also been established with members from business, industry, central and local Government, academia and the 3<sup>rd</sup> sector. We have also established a Scientific Committee as a subset of the CEC with expert stakeholders involved in the validation process of our approaches and findings.

The draft CES is the Executive's route map to drive the transition from a linear to a circular economy, focussed on encouraging sustainable economic growth, promoting greener circular jobs whilst helping to mitigate against climate and environmental challenges.

The draft CES supports the current PfG: Outcome 2 (we live and work sustainably – protecting our environment), Outcome 3 (we have an equal and inclusive society where everyone is valued and treated with respect) and Outcome 6 (our economy is globally competitive, regionally balanced and carbon neutral).

DfE is co-ordinating the work however all departments will be bringing forward policy interventions for areas within their department's remit.

A Cross Departmental Steering Group (CDSG) has been established to oversee the development of the CES. All departments are committed to deliver a fully circular economy together for the people of Northern Ireland delivering sustainable economic growth for everyone.

#### **What is the subject of the programme?**

CES will be the Executive's overarching strategy to focus and align our actions and interventions to address the transition of the Northern Ireland economy from a linear to a circular economy. It is only by making this transition that we will meet the climate challenge, enhance and protect the environment and establish a circular greener economy, enabling Northern Ireland's contribution towards meeting the UK net zero target by 2050, to be achieved in line with the Climate Change Act (NI) 2022. The development of the CES, whilst lead by DfE, applies across all NICS departments.

#### **4. Conclusions**

The conclusion reached following the screening check and the review against the environmental significance criteria as set out in Schedule 1 of The Environmental Assessment of Plans and Programmes Regulations (Northern Ireland) 2004 Regulations is that **a full SEA is not required** for the following reasons:

1. The CES does not provide a framework for development consent of projects listed in the SEA Directive.
2. The purpose of the document is to set a strategic direction of travel on the pathway towards a circular economy in Northern Ireland. It is a high-level plan rather than a delivery programme.
3. Procedures, criteria and details for the implementation of the CES will be set in policies, programmes, projects and plans developed by NICS. Each of these policies and programmes will, where appropriate, be subject to screening for Strategic Environmental Assessment (SEA) and/or screening for Appropriate Assessment (AA).
4. Depending on the outcome of the screening process these policies, programmes, plans and measures will continue to full SEA and AA, as appropriate. Any environmental effects identified will be considered within this process.

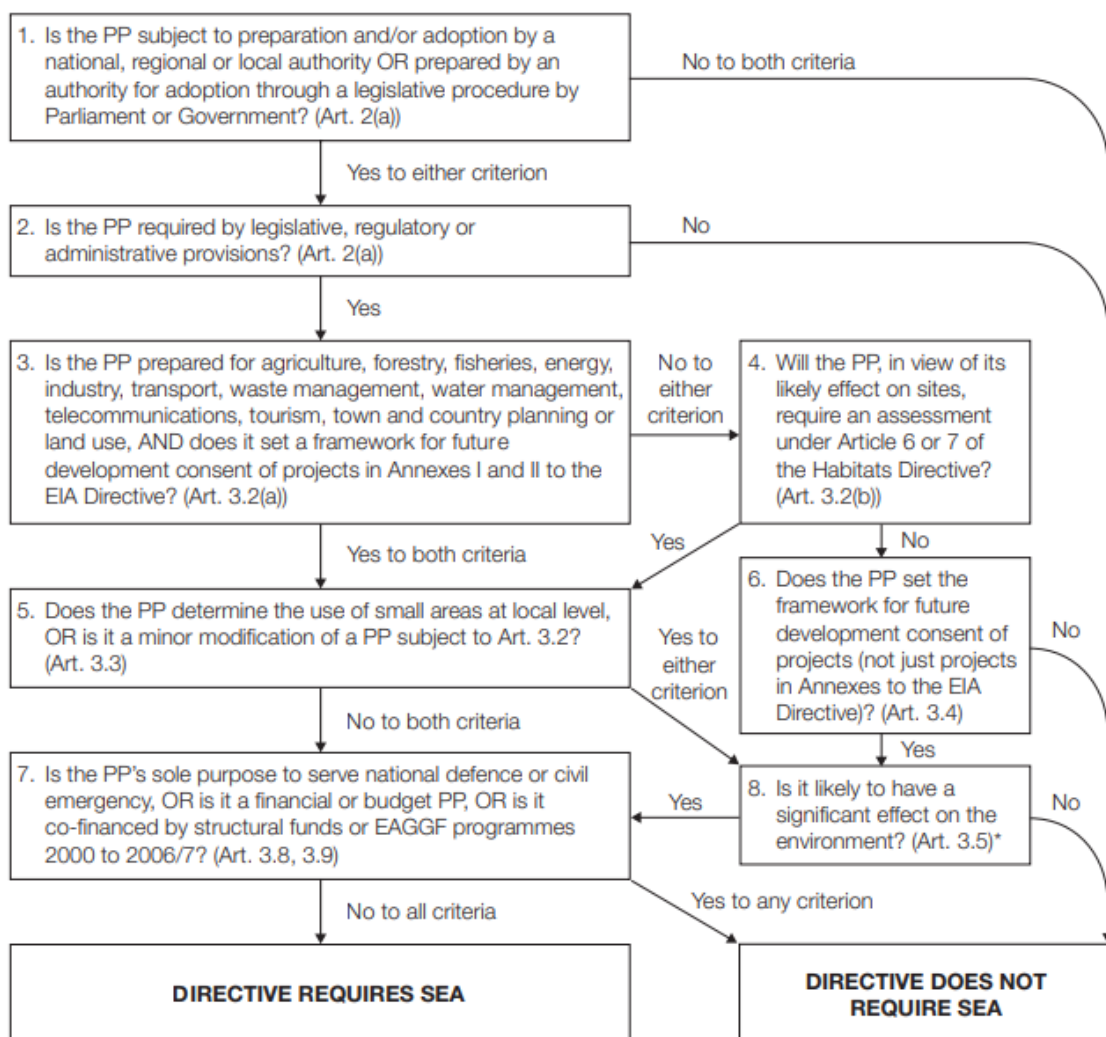


## Appendix 1

DAERA guidance can be found at [A Practical Guide to the Strategic Environmental Assessment Directive \(daera-ni.gov.uk\)](http://daera-ni.gov.uk) provides a checklist based on the SEA Regulations to help determine whether SEA is required. This guide has been used as the basis on which to assess the need for SEA as set out in Diagram 1.

**Diagram 1 SEA Regulations guide flow diagram**

This diagram is intended as a guide to the criteria for application of the Directive to plans and programmes (PPs). It has no legal status.



\*The Directive requires Member States to determine whether plans or programmes in this category are likely to have significant environmental effects. These determinations may be made on a case by case basis and/or by specifying types of plan or programme.

## Appendix 2

**Table 1. Screening checklist, illustrating the process that has been followed.**

	<b>Establishing the needs for SEA</b>	<b>Yes/ No</b>	<b>DfE Response</b>	<b>Next Step</b>
1	Is the PP subject to preparation and/or adoption by a national, regional or local authority OR prepared by an authority for adoption through a legislative procedure by Parliament or Government?	Yes	The draft CES is not a statutory plan or programme. Its preparation is not a legislative requirement. The strategy is being prepared and, subject to the NI Executive's consideration and approval, will be adopted by all NICS Departments to support the transformation of our economy towards a circular model by 2035.	Proceed to Question 2
2	Is the PP required by legislative, regulatory or administrative provisions?	Yes	The draft CES will assist Northern Ireland meet its commitments to the legislative provision for the UK to reach net zero by 2050 and aligns with the Climate Change Act (NI) 2022.	Proceed to Question 3
3	Is the PP prepared for agricultural, forestry, fisheries, energy, industry, transport, waste management, water management, telecommunications, tourism, town and county planning or land use, AND does it set a framework for future development consent of projects in Annexes I and II to the EIA Regulations?	No	The draft CES is a starting point to making the transition to a Circular Economy a reality. It provides a vision, a target and direction of travel for what can be achieved with the right investment and commitment from all stakeholders. While much of the impact is as yet unknown because specific CE policies and programmes have not been developed, all government departments and any future Circular Economy programme delivery unit responsible for the implementation of the (final) Circular Economy Strategy will have a duty to ensure any Circular Economy policies, programmes and interventions are considered through further SEA screening where necessary.	Proceed to Question 4
4	Will the PP, in view of its likely effect on sites require an assessment under Article 6 or 7 of the Habitats Directive?	No	The draft CES does not identify any sites for development.	Proceed to question 6

6	Does the PP set the framework for future development consent of projects (not just projects in Annexes to the EIA Directive)?	No	The draft CES will set the strategic direction for these sectors. It will not provide a framework for development consent of projects as listed in the EU Directive, but will influence sectoral policies.	<b>No SEA required</b>
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### Appendix 3

**Table 2. Screening for significant environmental impacts against the criteria set out in Annex II of the Directive.**

Criteria for determining the likely significance of effects on the environment	DfE Response
<b>Characteristics of the plan</b>	
(a) the degree to which the plan sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources	While this Strategy sets the direction of travel and strategic vision, business areas will subsequently be taking forward work to develop detailed programmes, plans and projects across policy areas, which will be accompanied by statutory assessments and subject to consultation and engagement in their own right.
(b) the degree to which the plan influences other plans including those in a hierarchy	<p>The CES is a directional strategy which applies to all NICS Departments, it is therefore likely to significantly influence a wide range of other plans / programmes at all levels. The strategy occupies a high level in the plan hierarchy, in that it is an Executive strategy and will support several PfG Outcomes and is aligned with the umbrella Green Growth Strategy.</p> <p>The draft CES sets the strategic direction of travel for future strategies, plans and programmes. It will ensure that all related plans and policies that derive from the strategic vision will deliver towards climate action, enhancement of the environment and a green sustainable economy.</p> <p>Individual future policies, plans and programmes for specific sectoral areas developed in line with the strategic direction set out in the CES will be subject to SEA and where necessary, Appropriate Assessment processes.</p>
(c) the relevance of the plan for the integration of environmental considerations in particular with	The draft CES sets the strategic direction of travel for future strategies, plan and programmes. It will ensure that all related plans and policies that derive

<b>Criteria for determining the likely significance of effects on the environment</b>	<b>DfE Response</b>
a view to promoting sustainable development	<p>from the strategic vision will deliver towards circular economy goals,</p> <p>Individual future policies, plans and programmes for specific sectoral areas developed in line with the strategic direction set out in the Draft CES will be subject to SEA and where necessary, Appropriate Assessment processes.</p>
(d) environmental problems relevant to the plan	<p>The draft CES sets the strategic direction of travel for future strategies, plan and programmes. It will ensure that all related plans and policies that derive from the strategic vision will deliver towards to a fully circular economy together for the people of Northern Ireland delivering sustainable economic growth for everyone.</p> <p>Individual future policies, plans and programmes for specific sectoral areas developed in line with the strategic direction set out in the CES will be subject to SEA and where appropriate, Appropriate Assessment processes.</p>
(e) the relevance of the plan for the implementation of European Community legislation on the environment (for example, plans linked to waste management or water protection)	<p>The draft CES will help deliver NI's share of carbon reductions in line with UK Net Zero commitments by 2050.</p> <p>Individual future policies, plans and programmes for specific sectoral areas developed in line with the strategic direction set out in the CES will be subject to SEA and where necessary, Appropriate Assessment processes.</p>
<b>Characteristics of the plan's effects and of the area likely to be affected</b>	
(a) the probability, duration, frequency and reversibility of the plan's effects	<p>It will be the responsibility of business areas to develop policies and programmes to deliver on the Circular Economy within their remits and for the business areas to ensure that necessary approval processes are adhered to.</p> <p>All potential effects identified as part of these processes will be considered in relation to the characteristics of the effects and the area likely to be affected. These processes will have regard to the criteria listed in the relevant legislation.</p>
(b) the cumulative nature of the effects	<p>High probability of <b>positive</b> cumulative effects on our economy, society and our <b>environment</b> due to the cross-cutting nature of the actions and opportunities which will be progressed through agreement of Departments and the Executive.</p>

Criteria for determining the likely significance of effects on the environment	DfE Response
(c) the transboundary nature of the effects (i.e. environmental effects on EU Member States)	Northern Ireland is vulnerable to climate change impacts and strategic approaches such as the CES reflect this. There may also be benefits in looking at the contribution of a transition to a circular economy towards climate change and net zero targets at an All-Ireland and British Isles scale but the current legal duty rests solely with NICS government departments and not the wider public body remit. <b>Environmental effects on EU Member States are expected to be positive.</b>
(d) the risks to human health or the environment (for example, due to accidents)	Short and long term positive human health and environment impacts are very likely. Circular Greener Economic Growth will play an important strategic, rather than direct role, in addressing risks to human health or the natural environment.
(e) the magnitude and spatial extent of the effects (geographical area and size of the population likely to be affected)	This strategy covers all of Northern Ireland, an area of approximately 14,130km <sup>2</sup> and 6,000km <sup>2</sup> marine, with a population of 1.894 million. Achieving a Circular Economy is expected to generate <b>positive NI wide environmental effects</b> . The magnitude of the impact will be determined by the effectiveness of each policy or programme developed by the business areas.
(f) the value and vulnerability of the area likely to be affected due to special natural characteristics or cultural heritage; exceeded environmental quality standards or limit values; or intensive land-use.	While any effects that may result from a CE on qualifying interest of some EU sites and other natural and cultural destinations are as yet unknown because specific CE policies and programmes have not been developed, it is expected that impacts would be positive and will be managed in liaison with the relevant authorities.  Some elements within the individual programmes, rather than overarching draft CES, may propose actions to address risks / opportunities that relate to valuable or vulnerable environments, however these will be accompanied by statutory assessments and subject to consultation and engagement in their own right.  The draft CES is likely to have a <b>positive environmental impact</b> .

<b>Criteria for determining the likely significance of effects on the environment</b>	<b>DfE Response</b>
(g) the effects on areas or landscapes which have a recognised national, Community or international protection status	<p>Some measures within individual programmes, rather than the draft CES itself, may have potential to address risks / opportunities that relate to recognised landscapes.</p> <p>These measures may affect areas or landscapes which have a recognised national, European Union or international protection status, such as SPAs, SACs &amp; Areas of Outstanding Natural Beauty. Where required, Habitat Regulation Assessments will be prepared to assess the impact on European sites.</p>