#### EXPLANATORY MEMORANDUM TO

## THE FEED (HYGIENE AND ENFORCEMENT) (ENGLAND) REGULATIONS 2005

#### 2005 No. 3280

1. This explanatory memorandum has been prepared by the Food Standards Agency and is laid before Parliament by Command of Her Majesty.

## 2. Description

2.1 This instrument will introduce national enforcement powers in respect of EC Regulation No 183/2005 laying down requirements for feed hygiene; make enforcement and other provisions in relation to animal feed law enforcement as required by EC Regulation 882/2004 on official feed and food controls; and re-enact other existing animal feed legislation.

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

None.

## 4. Legislative Background

- 4.1 EC Regulation 183/2005 (the Feed Hygiene Regulation) fulfils a commitment in the European Commission's White Paper on Food Safety of January 2000, aimed at strengthening feed safety, particularly in relation to operational standards of feed businesses and feed traceability. It was adopted by the Council of Agriculture Ministers on 8 February 2005 and will apply from 1 January 2006.
- 4.2 The Feed Hygiene Regulation replaces Council Directive 95/69/EC that provided for the approval and registration of feed businesses involved in the manufacture, use or marketing of certain feed additives. It extends these legislative requirements to most feed businesses, including farms (livestock farms storing and handling feed and arable farms selling crops for feed use), feed manufacturers not previously needing approval or registration, agricultural merchants, food businesses selling co-products for feed use, and importers of feed from third countries.
- 4.3 EC Regulation 882/2004 on Official Feed and Food Controls concerns the arrangements for the enforcement of feed and food rules and animal health and animal welfare law. The Regulation sets out the general approach that must be taken, and the principles that must be adopted, by the authorities in EU Member States that have responsibilities for monitoring and enforcing this legislation. In respect of animal feed, the Regulation replaces Council Directive 95/53/EC on official inspections in the field of animal nutrition. It will apply from 1 January 2006.
- 4.4 Regulation 183/2005 on feed hygiene and Regulation 882/2004 on official feed and food controls are both directly applicable in all Member States. However, national legislation has to be made to give them effect in the UK.
- 4.5 The Feed (Hygiene and Enforcement) (England) Regulations 2005 (the Regulations) will provide for the enforcement of the Feed Hygiene Regulation, by introducing relevant powers for competent authorities, attaching penalties to the requirements in the Feed

Hygiene Regulation and other administrative measures. The Regulations will also provide for the animal feed enforcement aspects of EC Regulation 882/2004 on official feed and food controls.

- 4.6 Some of the provisions currently contained in the Feeding Stuffs (Enforcement) Regulations 1999 are re-enacted in the Regulations. Also, in order that the main provisions on animal feed law enforcement are contained in one set of Regulations, the provisions on the enforcement of EC Regulation 178/2002 (currently set out in the Feeding Stuffs (Safety Requirements for Feed for Food-producing Animals) Regulations 2004), have been incorporated into the Feed (Hygiene and Enforcement) (England) Regulations 2005.
- 4.7 Trading Standards Departments and some Environmental Health Departments of local authorities are responsible for the enforcement of animal feed law and will be responsible for the enforcement of the Feed Hygiene Regulation, including the approval and registration of premises.
- 4.8 The Food Standards Agency represented the UK in negotiations in Brussels (during 2003 and 2004) on the draft proposals. The EU Scrutiny Committees of both Houses of Lords and Commons approved the UK negotiating lines on the EC measures on feed hygiene and official feed and food controls in 2003.

#### 5. Extent

5.1 This instrument applies to England only. Separate but parallel legislation is expected for Scotland, Wales and Northern Ireland.

## 6. European Convention on Human Rights

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

## 7. Policy background

- 7.1 The overall objective of the Feed Hygiene Regulation is to protect human and animal health from contaminated or otherwise unsafe food and feed. Following a number of feed contamination cases in continental Europe, the Commission wanted to strengthen standards throughout the feed chain and improve the rules so that, in case of a feed incident, feeds could easily be traced and recalled if appropriate.
- 7.2 The Feed Hygiene Regulation will require most feed businesses (with just a few minor exceptions) to be approved and/or registered. Farms will have to follow basic hygiene procedures in relation to the feed they use or grow and there is a code for feeding food-producing animals. The Regulation permits Member States to use existing official lists of farms (e.g. held by agriculture departments) for the purposes of registration, which should reduce the need for farmers to make applications for registration.
- 7.3 Other feed businesses will have to observe standards relating to facilities and equipment, storage and transport and record-keeping and apply the principles of HACCP (Hazard Analysis and Critical Control Points System). HACCP is a risk-based system which provides a documented and structured approach to ensuring food/feed safety and requires businesses to identify, manage and control hazards in their handling and production

processes. To assist businesses to comply with the requirements, the Regulation envisages the adoption of Community codes of good practice.

7.4 Because one of the intentions of EC Regulation 882/2004 is to align the enforcement arrangements for food and feed law, the existing penalties for operating without approval or registration and failing to comply with conditions of approval/registration have been strengthened to bring them into line with those that apply to infringements of food law. Part 4 of the Regulations mainly reflect existing legislative provisions and relate to local authorities' enforcement powers. However, the power to make feed business improvement notices and feed business prohibition orders is new and has been adapted from equivalent provisions in the Food Safety Act.

## 8. Impact

- 8.1 The Food Standards Agency carried out a public consultation on the Regulations between 1 June and 24 August 2005. The Agency sought views from a wide range of stakeholders including the feed industry, small businesses and enforcement authorities.
- 8.2 A total of 21 responses were received from all parts of the UK in response to the consultation (16 in England; 2 in Scotland; 2 in Wales and 1 in Northern Ireland). A number (12) of the respondents were supportive of the proposed domestic Regulations in the UK, whilst 9 of the respondents sought clarification and wanted guidance on the provisions that they would have to comply with. Two of the respondents (the National Association of Agricultural Contractors and the Ulster Farmers' Union) wanted existing industry farm assurance schemes to play a role in meeting certain requirements, e.g. HACCP and Annex II, under the Feed Hygiene Regulation. The Agency will prepare and issue guidance on the main provisions of the Feed Hygiene Regulation and is liaising with local authorities to determine the extent to which membership of assurance schemes can be taken into account when checking on compliance. One company was concerned that it would have to pay a fee for registration of its premises. However, this concern is unfounded since there are no fees for the registration of premises (only for approval of premises, as is already the case under existing legislation).
- 8.3 A Regulatory Impact Assessment is attached to this memorandum at **Annex A**, as the Feed Hygiene Regulation will have an impact on feed businesses. This indicates that costs are not expected to be disproportionate. Detailed costings on enforcement costs are expected to be received shortly from LACORS, the organisation representing local authorities.

#### 9. Contact

Tim Franck at the Food Standards Agency, telephone: 020 7276 8471 or e-mail: tim.franck@foodstandards.gsi.gov.uk can answer any queries regarding the instrument.

## **FULL REGULATORY IMPACT ASSESSMENT (RIA)**

## 1. Title of Proposal:

The Feed (Hygiene and Enforcement) (England) Regulations 2005.

Administration and Enforcement of:

Regulation of the European Parliament and of the Council laying down requirements for feed hygiene (EC No183/2005) (The EC Feed Hygiene Regulation)

## 2. Purpose and Intended Effect of Measure

## (i) The Objective

- 2.1. The main objective of the measure is to protect human and animal health from contaminated or otherwise unsafe food and feed.
- 2.2. The Feed (Hygiene and Enforcement) (England) Regulations 2005 (the Regulations) provide the legal basis for administrative measures and the enforcement of penalties applicable to infringements of the EC Feed Hygiene Regulation, which is directly applicable in European Union Member States.
- 2.3. Amongst other things, the EC Feed Hygiene Regulation will extend approval and registration arrangements currently restricted to premises dealing with feed additives (under Council Directive 95/69/EC) to nearly all feed businesses, including farms, involved in producing, holding or marketing feeds.

## Coming into force dates

2.4. The EC Feed Hygiene Regulation will apply from 1 January 2006 and will require most feed businesses to be registered or approved. Premises already registered/approved under Council Directive 95/69/EC will have to comply with the conditions in the Feed Hygiene Regulation by the above date. Premises registering for the first time will have to comply by 1 January 2008, giving them sufficient time to comply with the new requirements, along similar lines as the provisions of a separate but related Regulation on food hygiene.

## **Devolution**

2.5. The Regulations apply to England only. Separate but parallel Regulations will apply in Scotland, Wales and Northern Ireland.

## (ii) The Background

2.6. The RIA does not address the impact on establishments/businesses producing, holding, or marketing coccidiostats, histomonostats and a very small number of zootechnical products. These will be covered by separate legislation, the Veterinary Medicines Regulations 2005, made by the Veterinary Medicines Directorate. Provisions

relating to these specified feed additives will come into force on 1 January 2006. There is already a wide range of EC rules that apply to the composition and marketing of animal feeds. This includes provision for a list of authorised feed additives, controls on contaminants and approval or registration of feed businesses making, selling or using certain feed additives (e.g. vitamins and trace elements). In addition, many feed businesses are members of voluntary industry run feed assurance schemes.

- 2.7. The EC Feed Hygiene Regulation fulfils a commitment in the Commission's White Paper on Food Safety of January 2000, aimed at ensuring that the EU has high standards of food safety and that controls on safety throughout the feed chain are strengthened. In particular, following a number of feed contamination cases in continental Europe, the Commission wanted to improve the rules so that, in the case of a feed incident, feeds could easily be traced and recalled if appropriate.
- 2.8. The main features of the EC Feed Hygiene Regulation are set out below.

## Scope, Definitions and Obligations (Articles 2-5)

2.9. The EC Feed Hygiene Regulation places an onus on feed businesses for ensuring feed safety. This is from primary production (*e.g.* arable farms growing crops for feed use) up to and including placing feed on the market. It also applies to the feeding of food-producing animals and to imports of feed from third countries. The Regulation does not apply to persons producing or storing feed for, or feeding animals intended for their own consumption, or animals not kept for food production; the direct supply of "small quantities" of primary products at local level by the producer to local farms; and the retailing of pet food. Both general and specific obligations are imposed on feed businesses in respect of hygiene requirements.

## Hazard Analysis and Critical Control Points System (HACCP) (Articles 6-7)

2.10. Feed businesses (excluding those involved only in primary production) will be required to put in place and operate procedures based on the principles of HACCP. HACCP is a system of food safety management based on the prevention of food safety problems. It provides a documented, structured approach to ensuring food safety and places a requirement on businesses to identify, manage and control hazards inherent in their handling and production process, and is a risk based system. The general HACCP principles are outlined in Article 6. To help facilitate the use of HACCP, Member States may develop national guides to good practice. The Commission may also draw up EC guides on good practice for feed hygiene and the application of HACCP principles (see Articles 20 and 21 of the EC Regulation). The HACCP requirement for farms is restricted to those that buy in additives or premixtures of additives (e.g. vitamins and trace elements) and incorporate them directly in feeds. It is understood that this practice is undertaken by few farms. HACCP will not apply to farms mixing compound feeds containing additives with other material.

## Approval and Registration (Articles 9-19)

2.11. Council Directive 95/69/EC currently requires the approval or registration of certain establishments operating in the feed sector. This is mainly linked to the manufacture, marketing or use of certain feed additives. Approval requires a prior inspection visit by an enforcement authority to ensure that an establishment is working to defined criteria before being allowed to operate (e.g. standards of manufacture, storage, personnel and record

keeping). Registration involves the placing of establishments on a list, with follow-up checks on the defined criteria. Approval is required for establishments handling more sensitive products such as zootechnical additives (zootechnical feed additives are quasimedicinal products such as growth promoters). As is the case under existing legislation approval will also apply to establishments manufacturing nutritional additives (e.g. vitamins, provitamins, compounds of trace elements - copper, selenium, iron), technological feed additives (e.g. antioxidants with a fixed maximum content specified in EC Regulation 1831/2003) and sensory additives (e.g. colourants - carotenoids and xanthopylls). Registration is required mainly for establishments selling and using (e.g. feed manufacturing) nutritional additives. Approval and registration are based upon criteria for standards that must be complied with, whereas HACCP is a risk-based system which places a requirement on businesses to identify, manage and control hazards inherent in their product handling and production processes. The EC Feed Hygiene Regulation extends and strengthens these arrangements. The Regulation requires all feed businesses (with the exception of those mentioned in the section on scope, definition and obligations above) that are not currently covered by the current approval/registration regime to be registered by Member States. Feed businesses will only be permitted to buy from other registered or approved businesses.

2.12. Under transitional arrangements the EC Feed Hygiene Regulation will allow existing official data to be used for the purpose of registration. The initial proposal would have created a major task for enforcement authorities, involving the identification and registration of the large number of farms (including livestock and arable farms) potentially covered by this measure in the UK. This provision was amended to allow enforcement authorities to use official lists of businesses: for example a registration under the EC Food Hygiene Regulation or other official lists on farms held by agriculture departments, will count as registration under the Feed Hygiene Regulation. This would, for example, avoid the burden on farms and enforcement authorities of creating a new register of farms solely for the purposes of this Regulation.

## Imports (Article 23)

2.13. Feed businesses will only be permitted to import feed, including single feed materials, from third countries if the establishment and third country of despatch appear on a list. These lists will be drawn up under the provisions of the EC Regulation on Official Feed and Food Controls (882/2004) so are not considered in detail here. The intention of this Regulation is that third countries will only appear on the list if their competent authorities provide appropriate guarantees regarding compliance or equivalence with EC feed and food law. It will be the responsibility of the third country to maintain an up-to-date list of establishments exporting feed to the EC and communicate the approved list to the European Commission. Feed from such establishments will need to comply with the requirements of the EC Feed Hygiene Regulation and other feed legislation or equivalent rules.

## <u>Annexes</u>

2.14. The Annexes to the EC Feed Hygiene Regulation supersede those of Council Directive 95/69/EC and apply to various types feed businesses as appropriate. Annex I covers provisions applicable to feed businesses involved in primary production, while Annex II applies to feed businesses operating other than at the level of primary production. Annex III is a code of good animal feeding practice, which must be followed by those

feeding food producing animals. Member States will also have to draw up and publish a list of approved feed businesses. A number of changes were made to the Annexes to the original proposal to make them more focused *i.e.* the conditions in the Annexes will apply only where relevant to the operations of a feed business (Article 5). The Annexes can be further amended or expanded under Standing Committee procedure (Article 27) to link them more closely to the various types of feed businesses.

## (iii) Risk Assessment

- 2.15. Contaminated or otherwise unsafe food and feeds can have implications for animal health and for consumers of livestock products. For instance, aflatoxin B1 (naturally occurring toxicants and potent carcinogens produced by certain moulds) in feeds is metabolised to form aflatoxin M<sub>1</sub> in milk, and dioxins (toxic substances produced during various combustion processes and by-products of the manufacture of certain chemicals released into the environment) can be passed up the food chain via contaminated feeds with health implications (including the risk of developing cancer) for the final consumer.
- 2.16. Approximately a hundred contaminated feedingstuffs incidents in the UK were reported to the Food Standards Agency over the last five years. Although these incidents have not resulted in human casualties, numerous farm animals and birds have died.
- 2.17. It is therefore important that a system of controls is introduced which covers the whole of the feed chain. Relevant controls help enhance the safety of feeds and reduce the potential for feed contamination incidents and allow traceability and recall of feeds should this be required. In addition to incidents in the UK, there have been a number of reported feed contamination incidents affecting the UK and principally other EC countries in the recent past, including two serious occurrences of dioxin contamination and contamination of feeds with a banned pesticide and a pharmaceutical product.
- 2.18. The EC Feed Hygiene Regulation contains provisions to strengthen these controls, but it is also important to examine the proportionality and practicality of some of these measures. An assessment of the main provisions is provided below.

#### Scope

2.19. The scope of the Regulation, covering feed businesses from primary production (*i.e.* on-farm) up to and including placing feed on the market, ensures that controls are applied throughout the feed chain. Problems with feeds can occur at any point in the chain. The range of businesses covered by the Regulation is very broad and covers all the activities of those operating in the feed chain. A list of relevant businesses is included in the Business Sectors section of this RIA (paragraph 5.11). If certain feed businesses were excluded from the controls then the overall system intended would be weakened (especially in relation to the traceability of non-complying feeds) and the risk of feed and food safety being compromised increased. There are some activities that are exempt from the provisions of the new proposal (Article 2) but these (as mentioned in paragraph 2.9) are not extensive.

#### HACCP and Other Criteria

2.20. It is important that as many potential hazards as possible are identified through which food and feed safety could potentially be compromised. HACCP principles are already being applied to certain food premises. The extension of HACCP principles to

feed businesses should strengthen controls in this area by identifying and monitoring hazards and critical control points where control is essential. However, HACCP principles will apply proportionately to the many types of premises involved.

2.21. The Annexes to the EC Feed Hygiene Regulation contain specific criteria on standards of manufacture and primary production, personnel, record keeping and a code of good feeding practices. These partly build on the requirements in Directive 95/69/EC and should be helpful in enhancing standards of feed hygiene as they apply to a larger range of premises, and include additional requirements such as implementation of cleaning programmes and pest control.

## Approval and Registration

- 2.22. In Great Britain feed legislation is enforced, primarily, by trading standards departments of local authorities and in Northern Ireland by the Department of Agriculture and Rural Development. Some environmental health departments and port health authorities also carry out feed law enforcement. (Legislation on certain zootechnical feed additives (coccidiostats, histomonostats and growth promoters) is enforced by the Royal Pharmaceutical Society of Great Britain and in Northern Ireland by the Department of Agriculture and Rural Development).
- 2.23. Local authorities maintain lists of establishments that they approve or register under European Council Directive 95/69/EC, implemented in the UK by the Feeding Stuffs (Establishments and Intermediaries) Regulations 1999 (as amended). The Food Standards Agency compiled a list of registered and approved premises from returns by local authorities in Great Britain and the Department of Agriculture and Rural Development in Northern Ireland, in 2004. It is estimated that there are 7,500 approved and registered establishments/intermediaries in Great Britain and 1,720 in Northern Ireland.
- 2.24. The extension of the registration requirements to nearly all feed businesses will identify all those premises that need to comply with the Regulation and enable them to be checked. This includes importers, food businesses selling co-products for feed use and farms (livestock farms and arable farms selling crops for feed). The Regulation will not require an extension of the category of businesses which require approval but those feed businesses currently approved under Council Directive 95/69/EC and feed businesses seeking approval for the first time will have to be approved under the EC Feed Hygiene Regulation and comply with new requirements (e.g. HACCP).
- 2.25. Many farms can be identified through their participation in a number of UK assurance schemes (see **Appendix A**). The Food Standards Agency is in discussion with Defra to evaluate how existing official systems of registering farms (*e.g.* databases Rita (Defra Rural Payment Agency IT applications), Vetnet (Defra animal health information system) and farm survey system) can be adapted to identify farms under the provisions of this Regulation. The use of already existing systems should assist in reducing the burden for local authorities and primary producers in drawing up and maintaining such lists.

## **Imports from Third Countries**

2.26. The extension of the controls to feeds produced outside the Community should ensure that such feeds are manufactured to the same standards as feeds manufactured in the Community. Under interim arrangements, imports will continue to be subject to existing legislation (Article 6 of Directive 98/51/EC) which requires non-EU establishments

exporting feed to the Community to have a representative in the Community.

#### 3. Consultation

## (i) Within Government

3.1. This RIA represents the UK perspective as a whole. During the development of the RIA, the Agency sought the views of officials in Defra, Small Business Service, other Government Departments, local authorities and colleagues in Scotland, Wales and Northern Ireland and comments received were taken into account. A meeting with officials from administrations in Scotland, Wales and Northern Ireland did not highlight any issues of particular importance from a devolved perspective.

## (ii) Public consultation with stakeholders

- 3.2. The Commission's original proposal in 2003 was the subject of a consultation (from January to March 2003) with stakeholders including consumers, feed manufacturers, farming organisations and enforcement authorities. The Food Standards Agency carried out another consultation in June 2003, to seek comments on the published proposal and in order to seek information on costs from stakeholders. A third consultation was carried out by the Agency in January 2004, to seek further views from stakeholders on the partial Regulatory Impact Assessment. Concerns were raised about the practicality and proportionality of the proposals for the wide range of business operators it is intended to cover, but no estimates of potential costs were provided. However, there was widespread support for the proposal amongst industry, consumer organisations and enforcement officials in terms of strengthening controls across the feed chain. The Agency considered comments received from stakeholders and took these into account in negotiations in Brussels.
- 3.3. The Food Standards Agency consulted publicly on draft Statutory Instruments between 1 June and 24 August 2005 that will give effect to the enforcement of the Feed Hygiene Regulation in the UK. This included an updated version of the RIA. A total of 21 responses were received from all parts of the UK in response to the consultation (16 in England; 2 in Scotland; 2 in Wales and 1 in Northern Ireland). 12 (57%) of the respondents were supportive of the proposed domestic Regulations in the UK, whilst 9 (43%) of the respondents sought clarification and wanted guidance on the provisions of the Regulation that they would have to comply with. Also, two of the respondents (the National Association of Agricultural Contractors and the Ulster Farmers' Union) wanted existing farm assurance schemes to play a role in meeting certain requirements under the Feed Hygiene Regulation e.g. HACCP and Annex II, which applies to feed businesses operating other than at the level of primary production and contains conditions similar to those which apply under Directive 95/69/EC on facilities, quality control, etc. company was concerned that it would have to pay a fee for registration of its premises. However, this concern is unfounded since there are no fees for the registration of premises.

## 4. Options

4.1. The options identified are set out below.

Option 1: Do Nothing

4.2. Similar provisions in existing legislation may still apply and therefore there would be no additional compliance costs to industry or the enforcement authorities. The level of protection to animal and human health would not be improved. There would be no change to the rules governing feed hygiene and important new rules to strengthen feed, and ultimately food safety, would not be enacted which could have serious effects on consumer and animal health. (See comments in section on risk assessment). This option would leave the UK liable to infraction proceedings by the European Commission and to possible legal challenge in the UK Courts. The UK's exports to other Member States (and third countries) might be affected if feeds produced were non-compliant with the EC Feed Hygiene Regulation. Also, import of feed produced from non-compliant feed establishments might be affected (see comments on imports from third countries above).

## Option 2: Full Implementation

4.3. This option would provide a strengthening of the controls on feed business operators aimed at increasing the level of feed and subsequently, food safety. However, there could be compliance implications for industry and enforcement bodies as a result of the requirements for certain feed businesses to be approved and registered and the introduction of HACCP principles. The registration of virtually all feed businesses will have an impact on enforcement bodies, which are responsible for approval and registration and checks on premises.

#### 5. Benefits and Costs

## (A) Benefits (Health Impact Assessment)

5.1. The EC Feed Hygiene Regulation has the potential to provide increased protection to both human and animal health through improvements in feed, and also food, safety. This is principally by statutory standards associated with the production, manufacture, transportation and storage of feeds. This should have the potential to reduce the incidence of contaminated feed. For example, through poor storage or unclean facilities. It is also necessary to have the correct equipment in place to ensure that additives are mixed homogeneously and statutory maximum levels are not breached. For instance, sheep are susceptible to copper toxicity and excess amounts in diets can lead to death. Iodine is essential for certain animal species and included in diets, but can be transferred to milk. Excess consumption of iodine by consumers can cause thyroid complications.

#### Option 1: Do Nothing

5.2. This option would mean that existing legislation would apply which provides a certain level of protection to human and animal health. However, no additional benefits in terms of reduced feed contamination incidents, or increased protection to human and animal health would be expected to result. There would be no additional costs to industry or the enforcement authorities.

## Option 2: Full Implementation

5.3. A number of important measures that would strengthen safety throughout the feed chain would be enacted. These would ensure a high level of consumer protection as regards food and feed safety. As part of this, a reduction in feed incidents might be achieved with consequential savings to the feed and agriculture industry and enforcement authorities.

- 5.4. The Regulation is expected to reduce contamination incidents significantly. Assuming that incidents can be reduced by  $90\%^1$ , based on reported incident figures for 2002/03, this would generate a benefit of approximately 33 avoided incidents and their associated costs (see paragraph 5.5 below). Based on the data provided, it appears that the cost of the majority of the types of recently reported incidents would be relatively small, and is estimated to be in a range of £10,000 £20,000 plus some allowance for veterinary fees or compensation. The remaining incidents could be considered more serious and we have estimated a range of £40,000 £60,000 per incident.
- 5.5. The above costings have been carried out on the basis that feed would need to be recalled and/or destroyed and that there would be a need for veterinary fees and compensation. In the past only a small number of feed incidents have resulted in the recall of feed. However, it is likely that other costs were incurred such as loss of production, administrative burdens, analytical checks and loss of sales which have not been quantified.
- 5.6. Moreover, the costings do not take into account major cases that could involve costs in the order of millions of pounds<sup>2</sup>. For example, the Belgian dioxin incident in 1999 involved the withdrawal of thousands of tonnes of feed and a wide range of food products. In the UK in 1989, there were widespread restrictions on farms to prevent milk and milk products from entering the food chain as a result of the use of feed contaminated with lead. Potentially, extreme cases could involve directly attributable deaths of consumers.
- 5.7. Recently, significant steps have been taken in the feed industry to improve standards and improve accountability, such as the UK Feed Assurance Scheme (**Appendix A**). However, the improved traceability provisions in the Regulation should help further in taking remedial action if contamination occurs (including contamination of imported consignments), and in limiting the impact of incidents. Besides a potential reduction or avoidance of feed safety cases and associated recall and mitigation costs, implementation of the measure should result in an overall enhancement of the safety of feeds. Greater control of food chain risks would lead to enhanced protection of animal and public health, with attendant savings in terms of healthcare and associated costs.

#### Consumers

5.8. Food safety as a product attribute is difficult to value; studies have shown that consumers have a tendency to be willing to pay more for products with improved food safety attributes<sup>3</sup>. In this case, as the Regulation will impact indirectly on food safety, no attempt has been made to estimate the monetary value for this category of benefit, although it is important to acknowledge that it exists.

#### Businesses

<sup>&</sup>lt;sup>1</sup> The regulations aim to improve levels of hygiene in feed production and therefore the safety of the product. The requirement for registration will improve traceability and the introduction of HACCP principles will help to identify and control hazards thus helping to reduce opportunities for contamination. Therefore it has been assumed that these factors will work to significantly reduce the number of contamination incidents. However, in the summary of costs and benefits table presented at section 11.2, for information we also conduct a sensitivity analysis to show the effect of a lower (60%) incidents reduction rate.

<sup>&</sup>lt;sup>2</sup> However, we do conduct a sensitivity analysis to show such an effect in the summary of costs and benefits table presented at section 11.2.

<sup>&</sup>lt;sup>3</sup> For example, research by the Irish Agriculture and Food Development Authority found that Irish consumers were willing to pay between 4 and 8% more for safe beef.

5.9. Businesses will benefit from the introduction of a level playing field, as the Regulation will apply to operators throughout the EU and those in third countries. The value of this effect is likely to be small as the level of international trade in products such as manufactured animal feeds is low due to the fact that it is a high volume, yet relatively low value product which hinders the economic viability of international trade<sup>4</sup>. On the other hand, there are substantial imports of feed raw materials (such as maize gluten feed and fishmeal) which will be subject to comparable production standards to those in the EU.

5.10. The statutory requirement for the introduction of HACCP principles will improve industry standards and may lead to the adoption of improved and more efficient processes, and reduced product wastage.

## **Business Sectors and groups Affected**

5.11. The main types of businesses that will be affected by this measure are listed below.

<u>Feed businesses</u> (defined in Article 3 by reference to Regulation 178/2002) are likely to cover the following:

- feed additive manufacturers.
- sellers of feed additives (intermediaries) import, wholesale or retail.
- additive and premixture manufacturers.
- sellers of additive premixtures import, wholesale or retail.
- bioproteins manufacturers.
- sellers of bioproteins import, wholesale or retail.

There are approximately 40 feed additive and premixture manufacturers and some 2400 distributors of these products in the UK.

- Manufacturers of feed materials (*i.e.* feeds fed singly or as ingredients of compound feeds).
- Sellers of feed materials (whether such materials are manufactured or not) import, wholesale or retail.
- Food businesses (breweries, distillers, dairies, etc) selling co-products (surplus products) which are destined as feed materials (*e.g.* for use on-farm).
- Manufacturers of compound feeds there are approximately 400 compound animal feed manufacturers.
- Sellers of compound feeds –import, wholesale or retail.
- Businesses, which store and/or transport additives, premixtures, feed materials or compound feeds.
- Farms buying in feeds and/or additives to mix on farm.
- Some arable farms without animals (because they produce or sell feed materials).
- Livestock farms that do not mix their own feeds are covered because they store feed for animals on their holding. Fish farms come within the scope.

<sup>&</sup>lt;sup>4</sup> MBD Limited (2003) Animal Feeds (Industrial Report)

Some of the measures also apply to farmers, including those who graze animals and those who feed food-producing animals.

There are approximately 150, 000 farms registered for VAT purposes in the UK but this will include horticultural enterprises not connected with crops for animal feed.

5.12. The list above includes businesses involved in the manufacture, sale, distribution and storage of additives, premixtures, bioproteins, feed materials and compound feeds for pets (but the retailing of pet food is outside the scope of the Regulation). It is estimated that there are approximately 130 pet food manufacturers in the UK.

## **Issues of Equity and Fairness**

- 5.13. On grounds of public safety and animal health, measures are needed to ensure that feed safety is not compromised. However, measures aimed at strengthening feed safety should be practical, proportionate, effective and enforceable. It is important that feed controls apply equally to EU and third countries supplying feed and animal products to the UK. The EC Feed Hygiene Regulation, and separate legislation on Official Feed and Food Controls, will achieve this if properly applied.
- 5.14. The EC Feed Hygiene Regulation will create a level playing field for all feed businesses in England, as they are now required to be approved/registered. As explained in paragraph 2.9, the scope has been extended to cover those premises that were initially exempt from Directive 95/69/EC. However, the Regulation has been designed in such a way that some of the provisions will apply to certain feed businesses whilst others are exempt from such provisions, hence the impact would be greater for those businesses that require full compliance, *e.g.* feed operators using feed additives would need to comply with HACCP principles and the requirements of Annex II, whilst primary producers e.g. farms, are exempt from these requirements.

## The Race Equality Impact

5.15. The Race Relations (Amendment) Act 2000 requires government departments, including the Food Standards Agency, to have arrangements in place for assessing and consulting on the likely impact of its proposed policies on the promotion of race equality. The EC Feed Hygiene Regulation will not have any race equality impacts, as it applies equally to all operators of feed businesses irrespective of their race.

#### Social impact

5.16. The Feed Hygiene Regulation aims to ensure food and feed safety for animals and consumers of livestock products and subsequently, a higher level of protection of human and animal health.

## (B). Costs

## (i) Economic Impacts

#### Compliance Costs for Business

5.17. In general terms, the various impacts on feed businesses and the subsequent cost implications can be summarised as follows:

- cost implications for business required to set up and implement HACCP principles (this applies to all feed businesses except 'primary producers');
- cost of changing suppliers if these are from a non approved non-EU source;
- cost of the registration requirement as a result of increased enforcement visits, etc; and
- cost implications on feed businesses as a result of the need to satisfy the criteria listed in Annexes I, II and III of the Regulation.

## Compliance Costs for a Typical Business

5.18. The compliance cost for individual businesses depends on the type of business and a number of factors. This will include whether or not they (a) use sensitive products, (b) already apply HACCP principles, (c) are already registered or approved and (d) deal with primary or non-primary products. The implications for the main sectors of the industry are summarised below.

#### **HACCP**

## Feed Manufacturers (about 400)

5.19. Approximately 90% are covered by assurance schemes; therefore additional costs are probably negligible as the schemes includes application of HACCP principles. There are some costs (including training cost), for those not in assurance schemes; these are likely to be smaller, low turnover businesses. The cost of implementing HACCP is estimated at 0.33% of turnover for smaller food manufacturers. Applying this to feed industry turnover data provides an estimated cost of £200,000 for the industry as a whole. In the public consultation conducted in 2005, the Food Standards Agency sought information on the costs of training for HACCP from the feed manufacturers but did not receive any specific costs.

#### Food Manufacturers (approximately 130)

5.20 These producers could incur a cost in applying HACCP principles to food co-products (i.e. by-products of food production) destined for animal feed. However, this is likely to be small, as it will be an extension to existing quality schemes and food hygiene regulations. Therefore, a negligible additional cost has been assumed. According to the Agricultural Industries Confederation Limited, food manufacturers that supply feed materials to the Universal Feed Assurance Scheme (UFAS) compound feed mills need to be certificated under a source assurance scheme such as the Feed Materials Assurance Scheme (FEMAS) which includes the adoption/implementation of the HACCP principles on the sourcing, transportation and handling of feed materials. In response to the public consultation issued in June 2005, the Food and Drink Federation (FDF) was not able to assess the costs, but indicated that the cost of having to apply HACCP principles would vary depending on the type and size of the business and the provisions already in place. The costs would include for example, writing or re-assessing parts of their HACCP scheme to apply to products sold for feed, additional audits, both internal and external, and additional staff time and training resources.

## Pet Food Manufacturers

5.21. The consultations in 2003 on the proposal indicated that the pet food industry was developing a code of practice based on HACCP with which most businesses are expected to comply. Therefore, no additional cost has been estimated. In a subsequent public consultation on the Feed Hygiene Proposal carried out in 2004, the Pet Food Manufacturers Association Limited (PFMA) clarified that the European Pet Food Industry Federation (FEDIAF) *Code for the Manufacture of Safe Pet Food* might be amended to reflect the EC Feed Hygiene Regulation. There would be some associated costs, especially for any smaller businesses that would be required to set up HACCP systems for the first time. PFMA has 50 member companies which collectively represent around 95% of the UK pet food market. In response to the public consultation carried out in 2005, the PFMA re-emphasised that most of their member companies already have an existing HACCP system or risk assessment in place and indicated that the cost for a manufacturer to introduce/update a HACCP system would be in the range of £10,000 - £50,000. This would include consultant, salary and training costs, etc.

## **Farmers**

5.22. Primary producers are not generally required to implement HACCP. The requirement will mainly be applied to a relatively small number of farms that buy in additives and mix them directly in feeds. The Meat and Livestock Commission indicated that this may include premises in the pig sector which mill and mix their own feeds. Although there will be some costs in setting up a HACCP system, many farms are likely to be applying good hygiene practices as part of assurance schemes, *etc.* In the consultation responses from farming organisations, this requirement did not seem to be viewed as a problem, as farmers stated they were already complying with codes of practice that cover this requirement. The National Farmers' Union envisaged that the vast majority of farm businesses were involved in primary production (as defined in the Feed Hygiene Regulation), and these farms would be exempt from the requirement to implement HACCP principles.

## Feed Distributors/Retailers

5.23. It is estimated that there are approximately 2,400 feed distributors, the majority of whom will be covered by feed assurance schemes e.g. UFAS and are generally mindful of good practice. Many feed distributors are members of the UFAS. The Grain and Feed Trade Association (GAFTA), representing grain, feed, rice and pulse traders, said that in anticipation of Feed Hygiene legislation, industry codes of practice were already based on HACCP.

# Approval/Registration – Costs to Industry of Meeting Requirements of Annexes I, II and III as appropriate

## Feed Manufacturers

5.24. The majority already comply as a result of assurance schemes, good practice and quality standards, so no additional cost has been assumed.

## Food Producers

5.25. Quality control is undertaken as part of food legislation and applied to food products that may be surplus to requirements and used as feed. Although some additional costs may be required to check the quality of co-products, these have not been included, as they have been assumed negligible given the controls carried out on the main food products.

## Pet Food Manufacturers

5.26. These businesses undertake monitoring/testing of raw materials therefore no extra cost has been assumed. In a public consultation issued in 2004, PFMA indicated that exact costs associated with this requirement would depend upon the size and complexity of the manufacturers in question.

## **Farmers**

- 5.27. Annexes I and III represent good practice. However, Annex II quality requirements on facilities and equipment; production; quality control; storage and transport; and record keeping may impose minor extra costs on some, including small businesses. There might be scope to utilise the 'Whole Farm Approach' currently being piloted by Defra, the aim of which is to provide a data set to enable a risk-based approach to enforcement.
- 5.28. From the public consultation exercise carried out in 2005, the Food Standards Agency sought information from stakeholders on the likely costs to feed businesses per year and impact of having to comply with the provisions (e.g. those set out in the annexes) of the EC Feed Hygiene Regulation. The National Farmers Union said that it was difficult to assess costs involved in an individual business basis, but these would not be significant where farms were already approved by the Royal Pharmaceutical Society of Great Britain for mixing zootechnical additives. In general, the NFU welcomed the introduction of the Feed Hygiene Regulation as the best way forward for food and feed safety. The Country Land and Business Association (CLA) representing land managers and rural businesses in England and Wales said that Annexes I and III will introduce some new record keeping and good hygiene practices for farms.

#### <u>Distributors/Retailers</u>

5.29. The majority already comply as a result of assurance schemes and good practice. Therefore, no extra cost has been assumed although for small businesses outside such schemes there may be minor cost.

#### General

5.30. Many requirements of Annex II (section 5.11) mirror the standards set out in Directive 95/69/EC. Those premises already subject to approval and registration would meet these requirements. These premises may already carry out additional requirements such as pest control programmes and cleaning programmes. Such programmes represent good practice, although their introduction where they are not already in place might cost several hundred pounds per annum, depending on the size of the premises. As it currently stands, Annex II would apply to a wide range of feed businesses and not all aspects of the Annex might be applicable to all types of business.

## Compliance Costs for Central Government and Local Authorities

5.31. It is expected that there will be additional costs for enforcement authorities in relation to enforcing this legislation. The co-ordinating body for local authority trading standards (LACORS) has initially estimated in 2004, that costs of setting up systems to register premises not currently subject to registration would be around £750k-£1m on a Great Britain basis. In the first instance this will be related to the administrative task of receiving applications from businesses for approval/registration and an allowance for staff to improve their knowledge of HACCP. From January 2008, local authorities will be responsible to making checks on feed businesses, which have been registered for the first time under the Feed Hygiene Regulation, to ensure compliance with the conditions of the legislation. (Establishments already approved or registered under Directive 95/69/EC are already subject to checks). The Co-ordinating body for local authority trading standards (LACORS) have indicated that they will submit a detailed costed bid in the near future. There is also a requirement for trading standard officers of local authorities to be trained on feed safety management procedures based on HACCP. The Food Standards Agency is addressing this need and has arranged a programme of courses aimed at equipping local authorities offices with the relevant skills to enforce the EC feed hygiene legislation.

#### **Initial Public Sector RIA**

5.32. Cabinet Office guidelines require that an initial public sector RIA is prepared if measure would impact solely on the public sector. The EC Feed Hygiene Regulation will affect both local authorities (responsible for enforcement) and feed businesses. An Initial public sector RIA is not required for feed hygiene measure, as it will not only impact on public services.

## Compliance Costs for Charities and the Voluntary Sector

5.33. The implementation of any of the suggested options will not be expected to result in significant additional costs for charity, voluntary sector organisations, or city farms.

#### (ii) Environmental Impacts and Sustainable Development Impacts

5.34. To date, no potential environmental and sustainability impacts of the EC Feed Hygiene Regulation have been identified. The Food Standards Agency sought information from stakeholders on any potential environmental or sustainability impacts but did not receive any. The Vegetarian Economy and Green Agriculture (VEGA) supported new measures which would protect the environment and animal welfare.

## 6. Small Firms Impact Test

- 6.1. A number of the feed additive manufacturers, traders and feed manufacturers, (including farms) affected by this measure are classified as small businesses. Stakeholders, including a number of farms and a feed manufacturer, were approached to carry out a small business impact test. The Small Business Service (SBS) advised on a number of organisations to be consulted and these included: the British Association of Feed Supplement and Additive Manufacturers, National Farmers Union, the United Kingdom Agricultural Supply Trade Association, Grain and Feed Trade Association, etc.
- 6.2. This consultation in 2005 revealed that the requirements of Annex II of Regulation (EC) No 183/2005 would need to be practical and proportionate for small businesses. Small businesses, other than farms, are less likely to be part of assurance schemes and so are starting from a relative disadvantage, compared to those who are, in meeting the

requirements of the Regulation. On the other hand, some small businesses consulted did not anticipate problems with setting up HACCP systems as they were already part of UK assurance schemes and they were already working to these standards.

- 6.3. The cost that would be incurred by some small businesses for having to comply with the new measures (*e.g.* introduction of HACCP) is not yet known, as this provision is new. However, the Food Standards Agency will consider producing guidance tailored specifically for small businesses regarding the application of HACCP.
- 6.4. The Food Standards Agency sought information from small businesses on costs per year and impact of having to comply with the EC Feed Hygiene Regulation, but did not receive substantive comments from small businesses. The NFU said it would like the Agency to produce an official guide to good HACCP practice for farmers.

## 7. Competition Assessment

- 7.1. A competition filter assessment has been carried out in line with guidance given by the Office of Fair Trading. The EC Feed Hygiene Regulation would impact on all segments of the feed industry from producers to distributors and retailers.
- 7.2. Companies in the feed manufacturing industry are divided into three broad categories in terms of type of company: national, country and co-operative compounders. National compounders account for more than 50% of the total UK compound feed production. Country compounders produce around 43% of feed. Co-operatives and farmer-controlled compounders account for the remainder of the market (7%). The market is characterised by a large number of medium size and small firms that cater for regional markets.
- 7.3. Under **Option 1** the existing legislation would still apply and therefore there would be no additional costs to industry or enforcement authorities. This option would not have any impact on competition.
- 7.4. **Option 2** would have an impact on costs. However, the costs of these are not considered to be of a magnitude that will affect competition in the industry, or significantly raise entry barriers to this sector.

## Sustainable Development

7.5. The Food Standards Agency does not consider that implementing the EC Feed Hygiene Regulation will have any impact on sustainability issues.

## 8. Enforcement, sanctions and monitoring

- 8.1. As far as non-zootechnicals products are concerned, Trading Standards Departments and some Environmental Health Departments of local authorities in England will enforce the EC Feed Hygiene Regulation.
- 8.2. Option 1 is unlikely to result in increased costs to enforcement authorities, as it reflects a no change situation. Option 2 will result in increased activity for enforcement authorities as a result of the registration of all feed businesses and the introduction of HACCP will require extra resources and training for staff to carry out the necessary inspections.

- 8.3. LACORS have been asked to estimate the increased costs involved (see section on compliance costs for local authorities). Care will have to be taken to rationalise the enforcement of all the respective areas envisaged by the EC Feed Hygiene Regulation so as not to overburden the relevant enforcement authorities.
- 8.4. As regards monitoring and review, the Food Standards Agency sought views from stakeholders for any further changes to the rules that they consider necessary in the light of experience of the EC Regulation, but did not receive any. Currently, the Food Standards Agency monitors the enforcement of feed law by local authorities through the monitoring/inspection returns submitted by local authorities to the Agency yearly, which are collated and transmitted to the European Commission. It is envisaged that the existing system would be used to monitor the effectiveness of the application of the Feed Hygiene Regulation.
- 8.5. Penalties are set out in the draft Feed Hygiene (Hygiene and Enforcement) (England) Regulations 2005. These vary according to the potential severity of the offence and range from a level 3 fine (£1,000) up to an unlimited fine and a maximum two years imprisonment for the most serious offences, which are tried in the Crown Court.
- 8.6. These penalties are commensurate with those obtaining in food legislation.

## 9. Implementation and delivery plan

- 9.1. Under **Option 1** (Do Nothing) the enforcement of the existing legislation, with its underlying EC Directive no longer in force, would be vulnerable to legal challenge, and in addition there would be no provision in the UK for the enforcement of the Feed Hygiene Regulation. This would compromise feed and food safety.
- 9.2. **Option 2** (Full Implementation) would require the 'implementation' of the EC Feed Hygiene Regulation in the UK. The Food Standards Agency developed a project plan, which is being used for the successful delivery of the feed hygiene measure in the UK. This plan is attached at **Appendix B**. The Agency has already completed several stages of the feed hygiene project plan e.g. planning, consultation, and is working to achieve the remaining targets e.g. application of domestic legislation and issuing of guidance to feed businesses and enforcement officers.

## 10. Post-implementation review

10.1. The effectiveness of the Regulation will be measured by means of the Agency's regular audit of the enforcement activities of local authorities. Changes to the Annexes to the EC Feed Hygiene Regulation can be made by Commission Standing Committee procedure.

## 11. Summary and Recommendation

11.1. The EC Feed Hygiene Regulation is designed to sustain and enhance feed safety and subsequently food safety. The protection of consumers of livestock products is of paramount importance and the Regulation contains provisions to do this and is generally supported. Specific benefits have been identified in this RIA and some have been costed. Many of the requirements of the Feed Hygiene Regulation are already observed by many feed businesses (e.g. through membership of industry assurance schemes). In some

areas there will be additional costs to industry, but these are not expected to be disproportionate. More detailed costings on enforcement costs are expected from the organisation representing local authorities (LACORS). The Regulation has generally been welcomed by industry groups and the Food Standards Agency will provide guidance on the application of the Regulation before the conditions are required to be complied with by most businesses in 2008.

11.2. On the basis of the cost benefit analysis, option 2 "full implementation" is favoured.

A table showing the summary of costs and benefits is provided below.

Summary of Costs and Benefits – including two sensitivity analyses for Option 2

	Discounted	Discounted	Net Present
	Benefits	Costs	Value
<b>Option 1</b> : Do Nothing <sup>5</sup>	0	0	0
Option 2: Full Implementation (90%	£6.8m	£12m	-£5.2m
contamination incidents reduction)			
Option 2 sa1: Full Implementation	£4.5m	£12m	-£7.5m
(60% contamination incidents			
reduction)			
Option 2 sa2: Full Implementation	£12.6m	£12m	+£0.6m
(90% contamination incidents			
reduction, one of which in Year 6 is			
assumed to have been potentially			
exceptional in scale with a nominal			
cost of £7.9m avoided. <sup>6</sup> )			

3.5% Discount Rate, 10 year authorisation period

10.3. The above table includes information on measurable benefits and costs. In summary, the benefits are attributable to contamination incidents that might be avoided. The main elements of the costs are compliance with HACCP principles (feed manufacturers), compiling best practice guides, and enforcement costs<sup>7</sup>. However, there are a number of potential benefits and costs which it has not been possible to measure in this case, including the potential efficiency gains to businesses resulting from the implementation of HACCP and consumers' willingness to pay for resulting improved food safety.

## 12. Declaration and publication

I have read the regulatory impact assessment and I am satisfied that the benefits justify the costs.

<sup>5</sup> Option 1 has no additional costs and no additional benefits, all other options are presented relative to this. To 'do nothing' itself has a cost as the baseline situation would persist resulting in an estimated £7.6 million cost to the authorities due to contamination incidents, however for simplicity the analysis presents zero additional costs. The saved proportion of these incident costs are represented as benefits under option 2.

<sup>&</sup>lt;sup>6</sup> This estimate of an exceptional incident's costs of feed recall and disposal is derived from the 1996 Government scheme to collect and dispose of residual stocks feed containing mammalian meat and bone meal (MMBM) from farms, feed merchants and feed mills. The scheme collected 11,000 tonnes of MMBM or feed containing it, which was disposed of to landfill. The cost of this feed recall scheme was estimated at £6 million (Hansard 20 Mar. 1997). This figure has been inflated to represent a current equivalent - £7.9m (e.g. as landfill taxes have increased).

Based on LACORS estimated costs in 2004

## **Declaration**

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

Signed by the responsible Minister: Caroline Flint

Date: 28<sup>th</sup> November 2005

Parliamentary Under Secretary of State, Department of Health

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#### **UK FEED ASSURANCE SCHEMES**

- 1. There are three main feed assurance schemes in place.
- 2. UFAS (UKASTA, now Agricultural Industry Confederation (AIC) Feed Assurance Scheme) deals with the production and delivery of compound feeds and feed materials to the farm. Assured feed from UFAS mills is now a requirement of many assurance schemes including the National Dairy Farm Assurance Scheme, the Lions Eggs Scheme, Farm Assured British Beef and Lamb, Assured British Pigs, and Assured Chicken. Many major supermarkets make these a requirement for the home-produced livestock they buy.
- 3. FEMAS (Feed Materials Assurance Scheme) covers the sourcing and production of feed materials right back to the country where they are grown. FEMAS is founded on the principles of HACCP and Good Operating Practice. It is modelled directly on food industry assurance, but adapted to the features of the feed industry. FEMAS operates in any country where feed materials originate.
- 4. TASCC (Trade Assurance Scheme for combinable crops) deals with what happens to grains and other crops when they leave the farm. Like UFAS and FEMAS the scheme is audited by independent examiners. TASCC embraces other initiatives such as the Haulage Code of Practice and GAFTA/UKASTA (AIC) Stores Scheme.

#### FEED HYGIENE 'IMPLEMENTATION' PROJECT

#### PART A – 'Implementation of provisions applicable from 1 January 2006

## Stage 1 – Planning

- 1.1 Initial scoping and information gathering.
- 1.2 Liaison with Work Stream Managers.
- 1.3 Establish communications responsibilities and possible outputs.
- 1.4 Project Plan (Project Initiation Document).

#### Target Date = early March 05

## Stage 2 - Preparation for Consultation

- 2.1 Review existing legislation/administrative measures, *etc*, and identify areas for amendment.
- 2.2 Consider need for additional legislation/administrative measures, etc.
- 2.3 Advise lawyers based on outcome of 2.1 and 2.2.
- 2.4 Prepare consultation package (draft Statutory Instrument, letter, questions, draft guidance documents, consultation list, RIA, timetable, etc.).
- 2.5 Internally agree consultation package, associated RIAs and timing for consultation.

#### Target date = June 2005

## Stage 3 - Consultation Parliamentary Process and Administrative Guidance

- 3.1 Begin external consultation (June August 2005)
- 3.2 Liaison with major stakeholders on approval/registration
- 3.3 Conclude consultation (August 2005) and evaluate responses: in particular in relation to the draft SI and guidance on approval and registration requirements (end September 2005).
- 3.4 Evaluate additional resources for enforcement training.
- 3.5 Conclude agreement on policy following consultation and instruct lawyers as appropriate
- 3.6 Finalise RIA, SI and administrative guidance and begin parliamentary process.
- 3.7 For any training needs e.g. HACCP agree syllabus for training

## Target date = October 05

## Stage 4 – Application

- 4.1 Conclude parliamentary process
- 4.2 Publication of SI and administrative guidance (SI applies from 1 January 2006)
- 4.3 Deliver HACCP awareness training to local authorities

Publication of any other technical guidance as appropriate to apply from 2006

## Target date = end December 05

## PART B - 'implementation of provisions applicable from 1 January 2008

## Stage 5 – Post Application

- 5.1 Issue of technical and other guidance for feed businesses that have to comply with the requirements of the EC Regulation (to apply from 2008) (March 2007)
- 5.2 Further training for enforcement officers (October 2007)
- 5.3 Final Project review

#### Target date = February 2008