

EXPLANATORY MEMORANDUM TO
THE CHARGES FOR RESIDUES SURVEILLANCE (AMENDMENT) REGULATIONS
2011

2011 No. 2945

1. This explanatory memorandum has been prepared by the Department for Environment Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

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

2. **Purpose of the instrument**

2.1 This Statutory Instrument updates the charges that the Veterinary Medicines Directorate (VMD) makes to carry out surveillance for residues of veterinary medicines and certain other substances in food animals and animal products. This surveillance is a requirement under Community law, as is making a charge on the various livestock sectors to fund the surveillance.

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

3.1 Committee members should be aware that the transfer of analytical services to the Food and Environment Research Agency (FERA) has reduced costs for the overall programme.

4. **Legislative Context**

4.1 The surveillance of animals and animal products for residues of veterinary medicinal products and certain other substances is a requirement under Community Law (Council Directive 96/23/EC). Council Regulation 882/2004 requires a charge to be made on the various sectors covered to fund surveillance.

5. **Territorial Extent and Application**

5.1 This instrument applies to Great Britain.

6. **European Convention on Human Rights**

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

7. **Policy background**

7.1 Council Directive 96/23 requires each Member State to carry out annual surveillance programmes covering a prescriptive range of authorised veterinary medicinal products, banned substances and other substances (e.g. heavy metals) in food animals and animal products. The VMD takes the minimum number of samples required, which amounts to over 30,000 samples a year. The majority of these come from the red meat and poultry meat sectors. EU legislation requires Member States to charge a minimum fee or recover the costs of the surveillance. Treasury rules require full cost recovery and to achieve this the VMD calculates charges for each sector for the year ahead, based on the costs provided by the contractors and the forecast throughput for the sectors.

7.2 There are some variables. Charges are mostly based on actual throughput; therefore, a fall in actual throughput compared to the previous year's forecast will affect cost recovery by reducing income. Another factor is whether the contractors collecting and analysing the samples have made any efficiency savings they can pass to the VMD. Charges remained unchanged for all sectors when they were reviewed in summer 2010.

8. Consultation outcome

8.1 One thousand organisations and businesses were consulted; three responses were received. These were from the Scottish and Meat Wholesalers (SAMW), Dairy UK and an acknowledgement from the Scottish Environment Protection Agency (SEPA).

8.2 The response from SAMW welcomed the zero increase in charges to the cattle sector and the reduction in charges for sheep and pigs. The SAMW also expressed hope that the review of Directive 96/23/EC will lead to a more risk-based surveillance programme. The UK has consistently urged the Commission to take this approach.

8.3 Dairy UK welcomed the reduction in charges. However, they are still concerned that they remain relatively high. The dairy sector undertakes its own regular testing for quality assurance purposes and officials will hold talks with Dairy UK to establish whether the results can be used as part of the residues surveillance programme.

9. Guidance

9.1 The effect of the changes in charges is straightforward. They were fully explained in the VMD's consultation letter, but will be brought to the attention of stakeholders again in a letter on the VMD's website.

10. Impact

10.1 Owing to the straightforward nature of the proposal which includes a reduction in the charges, an Impact Assessment has not been prepared for this instrument .

11. Regulating small business

11.1 No new administrative burdens will be placed on small businesses by this amendment.

12. Monitoring & review

12.1 The VMD reviews all of its costs associated with the National Surveillance Scheme each year before making recommendations for amended charges to Defra Ministers.

13. Contact

Drafting Officer Details - Eric Crutcher, Division: Residues Surveillance Unit, Veterinary Medicines Directorate Telephone: 01932 338322 E:mail: e.crutcher@vmd.defra.gsi.gov.uk