

**EXPLANATORY MEMORANDUM TO**  
**THE ANIMAL BY-PRODUCTS AND PET PASSPORT FEES (ENGLAND)**  
**REGULATIONS 2018**

**2018 No. 666**

**1. Introduction**

- 1.1 This explanatory memorandum has been prepared by The Department for Environment, Food and Rural Affairs (Defra) and is laid before Parliament by Command of Her Majesty.

**2. Purpose of the instrument**

- 2.1 The purpose of this instrument is to provide for introduction of fees payable in relation to services delivered by the Animal and Plant Health Agency (“APHA”, an executive agency of Defra) in relation to processing applications for approval of premises involved with handling, storing or incineration of animal-by-products. There are fees payable by plant operators where site inspections are undertaken by APHA officials. Fees are also introduced to cover the costs incurred by APHA in producing identification documents (known as pet passports).
- 2.2 Both these services have up until now been provided free of charge. However, as the operators of these plants and pet owners receive a direct benefit in terms of approvals to operate with such materials where there are risks of spreading disease the Department has decided to phase in full cost recovery.

**3. Matters of special interest to Parliament**

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

- 3.1 None.

*Other matters of interest to the House of Commons*

- 3.2 This instrument applies only to England and is subject to the negative resolution procedure. Consideration of whether there are other matters of interest to the House of Commons does not arise at this stage.

**4. Legislative Context**

- 4.1 This instrument is made under section 56 of the Finance Act 1973 as these fees are in pursuance of two specific EU obligations. The consent of Treasury has been obtained.
- 4.2 Strict controls over the operation of such animal by-product plants in accordance with under Regulation (EC) No 1069/2009 which is enforced by the Animal By-Products (Enforcement) (England) Regulations 2013 (S.I. 2013/2952).
- 4.3 The other obligations relate to the issue of pet passports under Regulation (EC) no.998/2003 and Decision (EC) 2003/803 to enable the transit of pet animals through EU Member States without the need to undergo quarantine periods for disease control.

## **5. Extent and Territorial Application**

- 5.1 This instrument extends to England and Wales.
- 5.2 This territorial application for this instrument is England only.

## **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**

### *What is being done and why*

- 7.1 The APHA is responsible in England, on behalf of Defra, for delivering a number of services aimed at facilitating trade, preventing the introduction and spread of animal diseases, safeguarding public health and protecting wild flora and fauna. Flora is the plant life occurring in a particular region or time, generally the naturally occurring or indigenous native plant life. Fauna is the corresponding term for animal life. It is Government policy to charge users the full cost of the services it provides. Charging for services is consistent with the principle that businesses using and benefiting from the service provided should bear the cost of its provision.

### Animal By-Products

- 7.2 In conformity to Regulation (EC) No. 1069/2009 of the European Parliament and of the Council laying down health rules as regards animal by-products and derived products not intended for human consumption, The Animal By-Products (Enforcement) (England) Regulations 2013, SI 2013 No. 2952 enforce the directly applicable EU Control Regulations.

The APHA provides services to approve and inspect premises and plants handling, storing and disposing of materials of animal origin and pet food production facilities.

### Pet Passports

- 7.3 Regulation (EC) no.998/2003 and Decision (EC) 2003/803 concern the issue and use of pet passport documents to assist the transit of pet animals through EU Member State borders without the need to undergo quarantine periods for disease control purposes. APHA issues EU standard blank pet passport documents to veterinary practices for completion and issue to their customers. It is expected that such veterinary practices will pass on the cost of obtaining such blank form pet passports to their customers.

## **8. Consultation outcome**

- 8.1 A consultation on proposals to introduce fees for the provision of these statutory services ran from 26 October to 14 December 2015. Over 450 trade organisations, farming unions and businesses were invited to respond to the consultation along with 4,000 veterinary practices and the general public. A total of 51 responses were received and the majority of respondents, although generally opposed to introduction of fees, favoured a phased increase in fees to achieve full cost recovery over two years for animal by-products.

- 8.2 Details of the consultation on proposals to introduce fees for statutory services delivered by the APHA, including a summary of responses can be found at: <https://www.gov.uk/government/consultations/charges-for-statutory-services-provided-by-apha-proposed-changes>.
- 8.3 The Department responded by deciding on fee introduction to be in line with full cost recovery principles, but also accepted the majority view, expressed at consultation that the fees for animal by-products should be phased in over a period of time. This instrument therefore now sets such new animal by-product fees that represent 50% full cost recovery of APHA providing these services for the first year and then will increase to 100% full cost recovery. This approach is designed to reduce the initial impact of the charges to business. Travel time taken for APHA officials to provide their services has been capped at a maximum of 90 minutes for a return journey to deliver any service.
- 8.4 Due to the low cost of supplying pet passport documents, these fees will be introduced at 100% full cost recovery from the coming into force of this instrument.

## **9. Guidance**

- 9.1 Details of the new fees will be included on the APHA website.

## **10. Impact**

- 10.1 As there is an impact on business, charities or voluntary bodies by the introduction of these new fees, the effect of them has been mitigated by the phased introduction in respect of those relating to animal by-product approval and site inspection fees.
- 10.2 There is no impact on the public sector.
- 10.3 An Impact Assessment has not been prepared for this instrument. A Regulatory Triage Assessment was submitted to the Regulatory Policy Committee. They assessed this suitable for low cost fast track approval.

## **11. Regulating small business**

- 11.1 The Animal By-Product fees will apply to many small businesses.
- 11.2 No specific action is proposed to minimise regulatory burdens on small businesses.
- 11.3 Due to the nature of the proposed introduction of fees and the government's stated aim of achieving full cost recovery where the payer receives a direct benefit, it is not feasible to reduce the impact on small or micro businesses.

## **12. Monitoring & review**

- 12.1 The levels of fees will be reviewed periodically, with a view to ensuring that the fees continue to reflect full cost recovery for the provision of these services and that the fees reflect any efficiency benefits that are adopted.

## **13. Contact**

- 13.1 Rob Walters at the Animal and Plant Health Agency, Tel: 0208 026 0724 or email [rob.walters@apha.gsi.gov.uk](mailto:rob.walters@apha.gsi.gov.uk) can answer any queries regarding the instrument.