

THE OFFICIAL FEED AND FOOD CONTROLS (ENGLAND) AND THE FOOD SAFETY AND HYGIENE (ENGLAND) (AMENDMENT) REGULATIONS 2014

CONSULTATION SUMMARY PAGE

| | | | |
|-----------------------|-----------------------|---------------------|-----------------------|
| Date launched: | 01 August 2014 | Closing date | 26 August 2014 |
|-----------------------|-----------------------|---------------------|-----------------------|

Who will this consultation be of most interest to?

- Food Business Operators (FBOs) engaged in the importation from countries outside the European Union (EU) of seeds intended for the production of sprouts for human consumption;
- FBOs producing liquid oils or fats or transporting liquid oils and fats by sea;
- Farmers needing to slaughter animals occasionally under emergency conditions and FBOs processing and handling such meat; and
- Competent authorities responsible for enforcement in these areas.

What is the subject of this consultation?

1) Draft amendments to *The Official Feed and Food Controls (England) Regulations 2009* and to *The Food Safety and Hygiene (England) Regulations 2013* reflecting amendments to EU Regulations which:

- provide a derogation from the need for the import certificate for seeds intended for the production of sprouts to be accompanied by a signed attestation confirming that the seeds have been produced in accordance with EU Regulations as long as the seeds undergo microbiological testing prior to export from the third country (a country outside of the EU);
- amend the list of previous cargoes allowed to be carried in equipment used to transport liquid oils and fats by sea; and
- remove restrictions in the marketing of meat from emergency slaughtered animals and to delete the form of the special mark which no longer is required to be applied to such meat.

2) Impact Assessment (IA) on the removal of the requirement for a special mark on meat from emergency slaughtered animals.

What is the purpose of this consultation?

To invite comments from stakeholders on revisions to English national legislation contained in *The Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014*. Comments are also invited on the IA for the removal of the requirement for a special mark on meat from emergency slaughtered animals.

Responses to this consultation should be sent to:

Liz Stretton
Food Safety Policy
Tel: 0207 276 8357

Food Standards Agency,
Floor 1, Aviation House, 125 Kingsway,
London WC2B 6NH
foodhygiene.policy@foodstandards.gsi.gov.uk

Impact Assessment included?

Yes ☒

No ☐ See Annex A for reason.



INVESTOR IN PEOPLE

If you no longer wish to receive information on this subject please notify the named person in this consultation.



CONSULTATION ON THE DRAFT OF A STATUTORY INSTRUMENT
THE OFFICIAL FEED AND FOOD CONTROLS (ENGLAND) AND THE
FOOD SAFETY AND HYGIENE (ENGLAND) (AMENDMENT)
REGULATIONS 2014

National legislation - explanation

1. EU Regulations – including those covering food safety and food hygiene – apply directly in EU Member States. However, Member States must make national laws which provide for the enforcement of EU Regulations.
2. In England these national laws are usually made in the form of Statutory Instruments (SIs). So when EU Regulations are amended, national law will also sometimes need to be amended to reflect those changes and this is also done through an SI. Similar legislation is made in Scotland, Northern Ireland and Wales, in accordance with those countries' devolved powers relating to food safety and hygiene.
3. A copy of the draft SI can be found at **Annex B**. An Impact Assessment (IA), which provides the FSA's considered views on costs and benefits of certain of the measures dealt with by the SI and which highlights questions inviting stakeholders' comments is attached at **Annex C**.

Import Certification for seeds intended for the production of sprouts

4. The European Commission introduced a package of Regulations for the hygienic production of sprouts and seeds intended for the production of sprouts in 2013. It has since become apparent that third countries were unable to provide the required attestation that seeds intended for the production of sprouts for export to the EU had been produced in compliance with Regulation (EC) No 852/2004.
5. The draft SI includes an amendment to *The Official Feed and Food Controls (England) Regulations 2009*. This allows enforcement of provisions contained in Regulation (EU) No 704/2014 which will allow third countries exporting seeds intended for the production of sprouts to the EU to provide evidence of microbiological testing for Enterobacteriaceae to verify hygiene conditions of production in situations where the official attestation that seeds have been produced in compliance with Regulation (EC) No 852/2004 cannot be supplied. The results of the microbiological tests must not exceed 1000 cfu/g. This derogation will be in place until 1 July 2015.
6. An Impact Assessment is not considered to be necessary in this instance as impacts fall to the exporting third country and not to UK industry.

Transport of liquid oils and fats by sea

7. The draft SI also includes an amendment to *The Food Safety and Hygiene (England) Regulations 2013* which gives effect to Regulation (EU) No 579/2014 amending the list of permitted previous cargoes allowed for vessels transporting liquid oils and fats by sea. The list of previous cargoes, introduced by way of an earlier derogation, was revised following an EFSA (European Food Safety Authority) scientific opinion.
8. It has been agreed that as the substance of the earlier derogation has not altered (the measure merely revises the lists of cargoes which can be carried), an Impact Assessment is not required.

Removal of the restriction of emergency slaughter meat to the market of the Member State of slaughter, and to the special health mark for such meat

9. From 1 June 2014, Regulation (EU) No 218/2014 removed the requirement for meat from animals which have undergone emergency slaughter outside an approved slaughterhouse to be marketed only in the Member State of slaughter, and of that meat to bear a special health mark. Emergency slaughter meat is not considered to be less safe than conventionally slaughtered meat and must pass both ante-mortem and post-mortem inspections undertaken by veterinarians. The meat will then be marked as is conventionally slaughtered meat and can now be freely marketed in the same way. The SI amends *The Food Safety and Hygiene (England) Regulations 2013* to reflect these changes.
10. An IA, which provides the FSA's considered views on the likely costs and benefits of the impact of the changes to the EU Regulation for emergency slaughtered meat and which highlights questions inviting stakeholders' comments is attached at **Annex C**. The FSA will make an impact assessment (IA) where there is a likelihood that the impacts of changes to laws may be significant.

The consultation package

11. Broadly this consultation falls into two main parts, of which stakeholders should take note and in relation to which they are invited to comment:
 - the draft of the proposed *The Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014* at **Annex B**; and
 - the IA at **Annex C**.

The draft Statutory Instrument (SI)

12. The proposed SI that is the subject of this consultation, *The Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014*, will revise:
 - the enforcement provisions contained in *The Official Feed and Food Controls (England) Regulations 2009* to reflect the derogation contained in Regulation (EU) No 704/2014 which allows imports of seeds intended for the production of sprouts for human consumption accompanied by the health certificate with either the signed attestation or results of microbiological tests; and
 - various parts of *The Food Safety and Hygiene (England) Regulations 2013* to reflect the production of the updated list contained in Regulation (EU) No 579/2014 of previous cargoes which vessels transporting liquid oils and fats by sea may carry; and

- *the Food Safety and Hygiene (England) Regulations 2013* to reflect the removal of the restriction of the marketing of meat from animals which are slaughtered under emergency conditions outside of an approved slaughterhouse to the Member State of slaughter and the form of the special mark for such meat.

Responses

13. Responses are required by **26 August 2014**, by email to:

foodhygiene.Policy@foodstandards.gsi.gov.uk

Written returns can be sent by post to:

Food Hygiene Policy
c/o Liz Stretton
Food Standards Agency
Floor 1, Aviation House
125 Kingsway
London WC2B 6NH

14. Please state, in your response, whether you are responding as a private individual or on behalf of an organisation/company (including details of any stakeholders your organisation represents) and please say if you do not wish your private details to be published.
15. Thank you on behalf of the Food Standards Agency for participating in this public consultation.

Yours faithfully,

Liz Stretton
Food Safety Policy Division
Food Standards Agency

Attached:

Annexe A: Standard Consultation Information

Annexe B: Draft of *The Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014*

Annexe C: Impact Assessment

Annexe D: List of interested parties

Queries

1. If you have any queries relating to this consultation please contact the person named on page 2, who will be able to respond to your questions.

Publication of personal data and confidentiality of responses

2. In accordance with the FSA principle of openness we shall keep a copy of the completed consultation and responses, to be made available to the public on receipt of a request to the [FSA Consultation Coordinator](#) (020 7276 8140). The FSA will publish a summary of responses, which may include your full name. Disclosure of any other personal data would be made only upon request for the full consultation responses. If you do not want this information to be released, please complete and return the Publication of Personal Data form, which is on the website at <http://www.food.gov.uk/multimedia/worddocs/dataprotection.doc>. Return of this form does not mean that we will treat your response to the consultation as confidential, just your personal data.
3. In accordance with the provisions of Freedom of Information Act 2000/Environmental Information Regulations 2004, all information contained in your response may be subject to publication or disclosure. If you consider that some of the information provided in your response should not be disclosed, you should indicate the information concerned, request that it is not disclosed and explain what harm you consider would result from disclosure. The final decision on whether the information should be withheld rests with the FSA. However, we will take into account your views when making this decision.
4. Any automatic confidentiality disclaimer generated by your IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.

Further information

5. A list of interested parties to whom this letter is being sent appears in Annex C. Please feel free to pass this document to any other interested parties, or send us their full contact details and we will arrange for a copy to be sent to them direct.
6. Please let us know if you need paper copies of the consultation documents or of anything specified under '**Other relevant documents**'.
7. This consultation has been prepared in accordance with HM Government consultation principles¹.
8. An Impact Assessment will normally be published alongside a formal consultation. Please see the two Impact Assessments at Annex B.
9. For details about the consultation process (not about the content of this consultation) please contact: [Food Standards Agency Consultation Co-ordinator](#), Room 2B, Aviation House, 125 Kingsway, London, WC2B 6NH. Tel: 020 7276 8140.

Comments on the consultation process itself

¹ <http://www.bis.gov.uk/policies/bre/consultation-guidance>

10. We are interested in what you thought of this consultation and would therefore welcome your general feedback on both the consultation package and overall consultation process. If you would like to help us improve the quality of future consultations, please feel free to share your thoughts with us by using the Consultation Feedback Questionnaire at <http://www.food.gov.uk/multimedia/worddocs/consultfeedback.doc>
11. If you would like to be included on future Food Standards Agency consultations on other topics, please advise us of those subject areas that you might be specifically interested in by using the Consultation Feedback Questionnaire at <http://www.food.gov.uk/multimedia/worddocs/consultfeedback.doc> The questionnaire can also be used to update us about your existing contact details.

2014 No. 0000**AGRICULTURE, ENGLAND****FOOD, ENGLAND****The Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014***Made - - - -**Month 2014**Laid before Parliament**Month 2014**Coming into force - -**Month 2014*

The Secretary of State makes the following Regulations in exercise of the powers conferred on him by section 2(2) of and paragraph 1A of Schedule 2 to the European Communities Act 1972(a).

The Secretary of State has been designated for the purposes of section 2(2) of the European Communities Act 1972 in relation to measures relating to food (including drink) including the primary production of food and measures relating to feed produced for or fed to food-producing animals(b), the common agricultural policy of the European Community(c) and measures in the veterinary and phytosanitary fields for the protection of public health(d).

These Regulations make provision for a purpose mentioned in section 2(2) of the European Communities Act 1972 and it appears to the Secretary of State that it is expedient for any reference to an EU instrument defined in Schedule 1 to be construed as a reference to that instrument as amended from time to time.

As required by Article 9 of Regulation (EC) No. 178/2002 of the European Parliament and of the Council laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety(e) there has been open and transparent public consultation during the preparation and evaluation of the following Regulations.

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- (a) 1972 c.68. Paragraph 1A of Schedule 2 was inserted by section 28 of the Legislative and Regulatory Reform Act 2006 (2006 c.51) and has been amended by section 3(3) of and the Schedule to the European Union (Amendment) Act 2008 (2008 c.7).
- (b) S.I. 2003/2901.
- (c) S.I. 1972/1811.
- (d) S.I. 1999/2027.
- (e) OJ No. L31, 1.2.2002, p.1, last amended by Regulation (EC) No. 596/2009 of the European Parliament and of the Council adapting a number of instruments subject to the procedure referred to in Article 251 of the Treaty to Council Decision 1999/468/EC with regard to the regulatory procedure with scrutiny: Adaptation to the regulatory procedure with scrutiny-Part Four (OJ No. L188, 18.7.2009, p.14).

Title and commencement

1. These Regulations may be cited as the Official Feed and Food Controls (England) and the Food Safety and Hygiene (England) (Amendment) Regulations 2014 and come into force on [.....2014].

Amendments to the Official Feed and Food Controls (England) Regulations 2009

2.—(1) The Official Feed and Food Controls (England) Regulations 2009(a) are amended in accordance with paragraphs (2) and (3).

(2) In regulation 2(1) (interpretation)—

(a) for the definition that begins with the words “Directive 2004/41” substitute the following definition—

““Directive 2004/41”, “Regulation 999/2001”, “Regulation 178/2002”, “Regulation 852/2004”, “Regulation 853/2004”, “Regulation 882/2004”, “Regulation 1688/2005”, “Regulation 2073/2005”, “Regulation 2074/2005”, “Regulation 1020/2008”, “Regulation 669/2009”, “Regulation 1162/2009” and “Regulation 211/2013” have the meanings respectively given to them in Schedule 1;” and

(b) in the definition of “the Import Provisions”(b)—

(i) omit “and” where it first appears; and

(ii) after “Commission Regulation (EU) No. 211/2013” insert “and Commission Regulation (EU) No. 704/2014(c)”.

(3) In Schedule 1 (definitions of EU legislation) after the final paragraph, insert ““Regulation 2011/2013” means Commission Regulation (EU) No. 2011/2013 on certification requirements for imports into the Union of sprouts and seeds intended for the production of sprouts(d).”.

Amendments to the Food Safety and Hygiene (England) Regulations 2013

3.—(1) The Food Safety and Hygiene (England) Regulations 2013(e) are amended in accordance with paragraphs (2) to (7).

(2) In regulation 2(1) (interpretation), for the definition that begins with the words “Decision 2006/766” substitute the following definition—

““Decision 2006/766”, “Directive 2004/41”, “Regulation 178/2002”, “Regulation 852/2004”, “Regulation 853/2004”, “Regulation 854/2004”, “Regulation 882/2004”, “Regulation 1688/2005”, “Regulation 2073/2005”, “Regulation 2074/2005”, “Regulation 2075/2005”, “Regulation 1020/2008”, “Regulation 1021/2008”, “Regulation 596/2009”, “Regulation 669/2009”, “Regulation 1169/2011”, “Regulation 28/2012”, “Regulation 1079/2013” and “Regulation 579/2014” have the meanings respectively given to them in Schedule 1;”.

(3) Regulation 35 (special health mark) is revoked.

(4) In Schedule 1 (definitions of EU legislation), after the definition of Regulation 1079/2013, add the following definition ““Regulation 579/2014” means Commission Regulation (EU) No. 579/2014(f) granting derogation from certain provisions of Annex II to Regulation (EC) No. 852/2004 of the European Parliament and of the Council as regards the transport of liquid oils and fats by sea(g).”

(5) In the eighth row (referring to Article 4(2) of Regulation 852/2004) of Schedule 2 (specified EU provisions), at the end in column 2 (subject matter), omit the full stop and add “and Regulation 579/2014.”

(a) S.I. 2009/3255, amended by S.I. 2010/801, S.I. 2010/2280, S.I. 2010/2503, S.I. 2011/136, and S.I. 2013/2996.

(b) The definition of “the Import Provisions” was inserted by S.I. 2013/2996.

(c) OJ No. L 186, 26.6.2014, p. 49.

(d) OJ No. L 68, 12.3.2013, p. 26, last amended by Regulation (EU) No. 704/2014.

(e) S.I. 2013/2996, amended by S.I. xxxx/2014.

(f) OJ No. L 160, 29.5.2014, p. 14.

(g) OJ No. L139, 30.4.2004, p.1.

(6) In Schedule 3 (bulk transport in sea going vessels of liquid oils or fats and the bulk transport by sea of raw sugar)—

(a) omit paragraphs 2, 3, 4, 5 and 6;

(b) in paragraph 14(1), omit “Commission Directive 96/3/EC or”; and

(c) omit paragraph 14(2).

(7) Schedule 8 (the special health mark) is revoked.

Signed by authority of the Secretary of State for Health.

Date

Name
Parliamentary Under Secretary of State,
Department of Health

EXPLANATORY NOTE

(This note is not part of the Regulations)

1. These Regulations *(to be completed following consultation)*
2. A full impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available from the Food Safety Group of the Food Standards Agency, Aviation House, 125 Kingsway, London WC2B 6NH and is annexed to the Explanatory Memorandum which is available at www.legislation.gov.uk.

| | | |
|--|---|--|
| Title: Deletion of the requirement for a special health mark for emergency slaughtered carcasses and meat IA No: FOODSA0091 Lead department or agency: Food Standards Agency Other departments or agencies: | Impact Assessment (IA) | |
| | Date: 01.08.2014 | |
| | Stage: Development/Options | |
| | Source of intervention: EU | |
| | Type of measure: Primary legislation | |
| Contact for enquiries: David Gray david.gray@foodstandards.gsi.gov.uk 020 7276 8940 | | |
| Summary: Intervention and Options | | RPC Opinion: RPC Opinion Status |

| Cost of Preferred (or more likely) Option | | | | |
|---|----------------------------|--|------------------------------|---|
| Total Net Present Value | Business Net Present Value | Net cost to business per year (EANCB on 2009 prices) | In scope of One-In, Two-Out? | Measure qualifies as In/Out/zero net cost |
| £0.34 | £0.33 | £0.04 | Yes/No | |

What is the problem under consideration? Why is government intervention necessary?

Changes to EU food hygiene rules contained in Regulation (EU) 218/2014 mean that from 1 June 2014 restrictions on the marketing of meat from animals slaughtered outside of an approved slaughterhouse ('emergency slaughter meat') and the requirement for such meat to be specially health marked have been removed as long as the meat successfully passes the ante-mortem and post-mortem inspections by veterinarians.

Intervention is needed to amend English national food hygiene legislation, which sets out the form of the special health mark used in England, to bring it in line with these changes.

What are the policy objectives and the intended effects?

To bring English national legislation in line with directly applicable EU food hygiene legislation. This will bring legal clarity and help to ensure that food business operators (FBOs) can circulate emergency slaughter meat freely in all EU Member States or export it to third countries, which will bring economic benefits.

What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)

Policy Option 1: Do nothing. Do not amend *The Food Safety and Hygiene (England) Regulations 2013*. This is the baseline against which all other policy options are appraised.

Policy Option 2: Amend *The Food Safety and Hygiene (England) Regulations 2013* to reflect changes to EU rules. This will provide clarity to the enforcement of the EU rules (i.e. that the enforcement official, the official veterinarian, will no longer need to apply a special health mark).

Alternatives have not been considered as the intervention is de-regulatory with potential benefits.

Will the policy be reviewed? It will/will not be reviewed. If applicable, set review date: Month/Year

| | | | | | |
|--|------------------------|--------------------------|------------------------|-------------------------|------------------------|
| Does implementation go beyond minimum EU requirements? | | | Yes / No / N/A | | |
| Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base. | Micro Yes/No | < 20 Yes/No | Small Yes/No | Medium Yes/No | Large Yes/No |
| What is the CO ₂ equivalent change in greenhouse gas emissions? (Million tonnes CO ₂ equivalent) | | | Traded: | | Non-traded: |

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible SELECT SIGNATORY: _____ Date: _____

Summary: Analysis & Evidence

Policy Option 1

Description: Do Nothing: Do not amend *The Food Safety and Hygiene (England) Regulations 2013*

FULL ECONOMIC ASSESSMENT

| Price Base Year 2014 | PV Base Year 2014 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|--|--|-------------------------|---|----------------------------------|--------------------|
| | | | Low: Optional | High: Optional | Best Estimate: n/a |
| COSTS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) | |
| Low | Optional | | Optional | Optional | |
| High | Optional | | Optional | Optional | |
| Best Estimate | n/a | | n/a | n/a | |
| Description and scale of key monetised costs by ‘main affected groups’ None. This is the baseline against which all other options are appraised. | | | | | |
| Other key non-monetised costs by ‘main affected groups’ None. This is the baseline against which all other options are appraised. | | | | | |
| BENEFITS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) | |
| Low | Optional | | Optional | Optional | |
| High | Optional | | Optional | Optional | |
| Best Estimate | n/a | | n/a | n/a | |
| Description and scale of key monetised benefits by ‘main affected groups’ None. This is the baseline against which all other options are appraised. | | | | | |
| Other key non-monetised benefits by ‘main affected groups’ None. This is the baseline against which all other options are appraised. | | | | | |
| Key assumptions/sensitivities/risks This option assumes that the amendments are not introduced | | | | Discount rate (%) 3.5 | |

BUSINESS ASSESSMENT (Option 1)

| Direct impact on business (Equivalent Annual) £m: | | | In scope of OITO? | Measure qualifies as |
|---|---------------|----------|-------------------|----------------------|
| Costs: n/a | Benefits: n/a | Net: n/a | Yes/No | IN/OUT/Zero net cost |

Summary: Analysis & Evidence

Policy Option 2

Description: Amend *The Food Safety and Hygiene (England) Regulations 2013* to reflect changes to EU rules

FULL ECONOMIC ASSESSMENT

| Price Base Year 2014 | PV Base Year 2014 | Time Period Years 10 | Net Benefit (Present Value (PV)) (£m) | | |
|---|--|-------------------------|---|----------------------------------|-----------------------|
| | | | Low: Optional | High: Optional | Best Estimate: -£0.34 |
| COSTS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) | |
| Low | Optional | 1 | Optional | Optional | |
| High | Optional | | Optional | Optional | |
| Best Estimate | £0.35 | | £0 | £0.35 | |
| Description and scale of key monetised costs by ‘main affected groups’ | | | | | |
| Industry: One-off costs: Familiarisation to farmers: £335,795 (PV); Familiarisation to slaughterhouses and cutting plants: £7,641 (PV) | | | | | |
| Enforcement: One-off costs: Familiarisation to Official Veterinarians: £5,539 (PV). | | | | | |
| Other key non-monetised costs by ‘main affected groups’ | | | | | |
| None. | | | | | |
| BENEFITS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) | |
| Low | Optional | | Optional | Optional | |
| High | Optional | | Optional | Optional | |
| Best Estimate | £0 | | £0 | £0.01 | |
| Description and scale of key monetised benefits by ‘main affected groups’ | | | | | |
| Industry: Ongoing benefits: removed requirements on slaughterhouses: £13,325 (PV) | | | | | |
| Other key non-monetised benefits by ‘main affected groups’ | | | | | |
| Industry: Ongoing benefits: farmers will potentially receive a higher price for their emergency slaughtered animals. | | | | | |
| Key assumptions/sensitivities/risks | | | | Discount rate (%) | 3.5 |
| Assumes a small familiarisation cost to farmers, slaughterhouses & cutting plants, enforcement. Assumes that farmers may as a result of the policy receive a higher price for their products, and potential benefits to new entrants (slaughterhouses/cutting plants) who no longer need to purchase and apply the special health mark. Assumes neutral impact on consumers. | | | | | |

BUSINESS ASSESSMENT (Option 2)

| | | | | |
|---|--------------|------------|-------------------|----------------------|
| Direct impact on business (Equivalent Annual) £m: | | | In scope of OITO? | Measure qualifies as |
| Costs: £0.04 | Benefits: £0 | Net: £0.04 | Yes/No | IN/OUT/Zero net cost |

Problem under consideration

1. Changes to EU food hygiene rules introduced by Regulation (EU) 218/2014 mean that from 1 June 2014 restrictions on the marketing of meat from animals slaughtered outside of an approved slaughterhouse ('emergency slaughter meat') and the requirement for such meat to be specially health marked have been removed as long as the meat successfully passes the ante-mortem and post-mortem inspections by veterinarians.

Rationale for Intervention

2. Intervention is needed to amend English national food hygiene legislation to bring it in step with EU food hygiene legislation. This will mean removal of references to the form of the special health mark for emergency slaughter meat used in England¹, to ensure that the mark (covering carcasses and packaged meat) is no longer required.
3. This will ensure that there is no uncertainty for business or enforcement as to how emergency slaughter meat is health marked, labelled and traded.

Devolved Authorities (Scotland, Wales and Northern Ireland)

4. While the EU Regulation will impact on the marketing of emergency slaughtered meat throughout the UK, this Impact Assessment (IA) deals only with the costs and benefits as they affect stakeholders in England².

Background

The EU food hygiene legislation

5. EU food hygiene rules for FBOs are largely contained in Regulation (EC) No. 852/2004, which lays down basic food hygiene rules for all food businesses and Regulation (EC) No. 853/2004 which lays down further specific rules for food businesses handling and processing certain animal origin products, and amendments to these two regulations.
6. Regulation (EC) No. 854/2004, lays down requirements for the organisation of official controls, including of official veterinarians (OVs) for the enforcement of the hygiene rules.
7. The new Regulation (EU) 218/2014 amends Regulation (EC) 853/2004 and the corresponding parts of 854/2002.

The conventional slaughter of animals

8. Usually the slaughter of animals for meat which enters the food chain must take place in establishments approved and supervised by the competent authority (i.e. OVs of the Food Standards Agency). To show that a carcass has passed official controls and the meat can be marketed across the EU, a health mark, the form of which is set out in EU food hygiene law, is applied to the carcass by an OV. Products derived from such carcasses will bear an oval mark³ particular to that slaughterhouse or of other approved establishments which might

¹ This is laid down in Schedule 8 of *The Food Safety and Hygiene (England) Regulations 2013*.

² Food safety is a devolved area of policy and it is a decision for the Devolved Authorities whether to produce IAs on any particular issue.

³ The form of the oval mark is set out in Regulation (EC) 853/2004, Annex II.

subsequently handle the meat. Such oval marks are borne by all foods of animal origin handled by approved establishments including meat, fish and dairy products.

Emergency slaughter of animals

9. 'Emergency slaughter' of animals outside approved establishments is permitted but only in cases where the animal has suffered an accident and cannot be transported to a slaughterhouse for welfare reasons (bovine animals are most commonly subject to emergency slaughter because of the relatively high value of these animals). In order that the meat can enter the food chain the animal must be otherwise healthy and a veterinarian must carry out an ante-mortem inspection of the animal prior to slaughter and confirm that prior to the accident the animal was healthy and was eligible for slaughter. The slaughtered and bled animal must then be transported hygienically to the slaughterhouse without undue delay accompanied by a favourable ante-mortem assessment of the animal signed by the veterinarian.
10. In 2013 in England 5,885 animals were emergency slaughtered in 54 slaughterhouses⁴.
11. At the time the package of current EU food hygiene regulations was adopted, a view prevailed that emergency slaughter meat was of a lesser quality and unsuitable for marketing between EU Member States or for export to third countries. Consequently EU regulations have required such meat to be marketed solely in the country of slaughter and for the carcass and products derived from the carcass to bear a special health mark to distinguish it from meat slaughtered in an approved slaughterhouse. However, the UK has always considered that if the meat from such animals is considered fit for human consumption at post-mortem inspection then there should be no restriction on where the meat can be marketed, or a need for a special mark.

Change in view about emergency slaughter meat

12. A view has now prevailed among EU Member States that emergency slaughter meat from carcasses which have successfully passed the necessary veterinary inspections should not be treated differently. In order therefore that emergency slaughter meat can be marketed in the same way as meat from animals slaughtered in an approved slaughterhouse, EU Regulations⁵ have been amended to remove the requirement for a special health mark and the restriction to the national market for such meat.

Amendment to the legislation

13. This amendment arose out of discussions at a Hygiene Working Group in Brussels in October 2012 attended by Member State experts, including the UK, who indicated that they did not consider emergency slaughter meat a public health risk and supported its placing on the European internal market. Following further discussions, the European Commission put in place draft amendments to the Regulations to enable this. In the Standing Committee of Food Chain and Animal Health of 22 May 2013, the Member States voted by Qualified Majority for the measure. Finally Regulation (EU) 218/2014 containing the amendment was published in the EU Official Journal on 8 March 2014 and applied from 1 June 2014.

⁴ Source: Food Standards Agency Operations Group (York).

⁵ Regulation (EU) 218/2014 has amended Regulation (EC) 853/2004, which places special hygiene requirements on food business operators (FBOs) and to Regulation (EC) 854/2004, which sets out the requirements for competent authorities.

Options Considered

Option 1: Do nothing – Do not amend *The Food Safety and Hygiene (England) Regulations 2013* to reflect changes to EU rules.

14. This is the baseline against which the policy option is appraised.
15. This policy option is rejected because it will lead to English national legislation not reflecting changes to EU hygiene rules (i.e. the English national rules will not reflect that the official veterinarian will no longer need to apply a special health mark) and to industry which subsequently handles such erroneously marked meat leading to potential confusion as to the age and provenance of the carcase and/or meat. Such marked meat could not be traded outside of the UK with no take up of possible economic benefits.
16. There is also a risk with this option that the UK will be liable to infraction proceedings, since it would not be fulfilling its Treaty obligations to provide for the appropriate and correct enforcement of European food law.
17. The continued marking of such meat could cause uncertainty and confusion for enforcers and food businesses.
18. English national law will also be out of step with national law in the Devolved Authorities.

Option 2: Amend English national law

19. Amend *The Food Safety and Hygiene (England) Regulations 2013* to remove the requirements relating to the form of the special mark for emergency slaughter meat in England.
20. This is the preferred option because it will bring clarity to the enforcement of the EU rules (i.e. that the official veterinarian will no longer need to apply a special health mark and the meat can be marked like conventionally slaughtered meat) and will not be prohibited from being marketed in other EU countries bringing potential economic benefits.
21. English national law will also be in step with national law in the Devolved Authorities.

Sectors and Groups Affected

Farmers: Beef and Dairy Holdings

22. The new Regulation does not have a direct impact on farmers. The amendment does not introduce any new requirements on farmers, or any changes to the process associated with emergency slaughter. The only difference after the amendment is that slaughterhouses and cutting plants no longer need to apply a special health mark. However, the FSA understands that emergency slaughtered meat was previously considered to be of lesser quality and therefore carried a lower price. The changes to the Regulation are partly due to a change in this perception by EU Member States and emergency slaughtered meat is now considered to be no different than conventionally slaughtered meat. This means that farmers might now receive a higher price for their emergency slaughtered meat, which could represent a benefit.

23. While in practice only farmers that need to carry out emergency slaughter might be affected by the amendment, the FSA envisages that most livestock farmers would still want to familiarise themselves with changes to legislation governing the process of emergency slaughter, as it is impossible for farmers to predict whether or not they might find themselves in a position where emergency slaughter is necessary. The FSA assumes this would be all farmers holding bovine animals and so has used statistics provided by Defra (see Table 1) for dairy and grazing livestock which totals 40, 215. The table below indicates the holding sizes for beef and dairy farmers⁶:

Table 1: Number of Beef and Dairy Holdings Affected (England)

| Farms size → Farm type ↓ | Micro | Small | Medium | Large | Total |
|-----------------------------|--------|-------|--------|--------|--------|
| Beef | 11,676 | 6,103 | 3,503 | 5,708 | 26,990 |
| Dairy | 2,891 | 2,317 | 2,113 | 5,904 | 13,225 |
| Total | 14,567 | 8,420 | 5,616 | 11,612 | 40,215 |

Consultation Question 1

We invite stakeholders to comment on whether our assumptions about farmers seem reasonable or not, in particular:

- (i) Does the number of farmers and the distribution of holdings in terms of size seem reasonable?
- (ii) Is it reasonable to assume that all farmers will incur familiarisation costs, or would it be more reasonable to assume no familiarisation costs, as in effect the amendment does not change or introduce any new requirements on farmers?

Slaughterhouses and Cutting Plants

24. Slaughterhouses and cutting plants (cutting plants is likely to include catering butchers) will be affected by the amendment as they will need to be aware of the changes. Before the amendment, meat derived from emergency slaughtered animals was required to be marked accordingly and sales were restricted to the domestic market. The new Regulation removes the requirement of a special health mark and allows emergency slaughtered meat to be freely marketed within the EU as long as the animal has passed the relevant inspections. This means that slaughterhouses and cutting plants no longer will be required to apply the special health mark and meat can be freely marketed within the EU market. FSA internal data shows that there are currently 208 slaughterhouses and 750 cutting plants in England (see Table 2a below).

Table 2a: Number of Slaughterhouses and Cutting Plants (England)

| | Number | Number that handled emergency slaughtered meat (2013) |
|-----------------|--------|---|
| Slaughterhouses | 208 | 54 |
| Cutting plants | 750 | n/a |
| Total | 958 | n/a |

⁶ Breakdown of English holdings with usual classifications of dairy and beef herds (Female beef/dairy herd - aged 2 years or more with offspring) by the standard labour requirement on the farm. These holdings may not be classified as beef/dairy holdings however they will have indicated that they have beef or dairy herds. Source: Defra Survey of Agriculture and Horticulture - June 2013.

25. Currently the FSA does not hold information on the size of red meat slaughterhouses and cutting plants. To get an indication of size, we have based Table 2b on the size distribution in the Interdepartmental Business Register (IDBR) 2013⁷, category 10.11 (Processing and preserving of meat and production of meat products), which includes slaughterhouses and production of meat in carcasses and cuts. This results in the following distribution of size:

Table 2b: Indicative Categorisation of Slaughterhouse and Cutting Plant Size

| | Micro | Small | Medium | Large | Total |
|-----------------|-------|-------|--------|-------|-------|
| Slaughterhouses | 115 | 56 | 28 | 9 | 208 |
| Cutting plants | 414 | 201 | 101 | 34 | 750 |
| Total | 529 | 257 | 129 | 43 | 958 |

Consultation Question 2

We invite stakeholders to comment on whether our assumptions with regards to slaughterhouse and cutting plant size seem reasonable or not. If not, please provide us with as detailed figures as possible on slaughterhouse and cutting plant size, as well as an indication of the proportion of each establishment type that handles emergency slaughtered meat.

Private Sector Vets

26. Emergency slaughtered animals are subject to an ante-mortem inspection by a private veterinary surgeon (PVS) at the place of the slaughter. This inspection must take place if the carcass and meat derived from are to enter the food chain. After the inspection, the PVS signs a declaration that slaughter was undertaken in line with the requirements of Regulation (EC) 853/2004. This practice is unaffected by the new Regulation. The FSA therefore does not envisage that the new Regulation will have any impacts on PVSs.

Enforcement: Official Veterinarians (OVs)

27. There will be a familiarisation cost to enforcement from the new Regulation. Official controls in slaughterhouses and cutting plants are carried out by Official Veterinarians (OVs) and they will need to be aware of the changes. After the introduction of the new Regulation, OVs need no longer apply the special health mark on emergency slaughtered meat; instead the conventional health mark will be used, as long as the meat has passed all relevant inspections.

28. FSA internal data shows that for the financial year 2013/14, there were 297 OVs (FTEs)⁸ located in slaughterhouses and cutting plants and these are identified as potentially affected by the proposal, see Table 3 below.

Table 3: Number of OVs affected (England)

| | England |
|------------------------|---------|
| Official Veterinarians | 297 |

Consumers

⁷ IDBR 2013, <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-313744>

⁸ Information obtained from FSA Operations Group York. OVs are hired so this figure is based on numbers charged for at April 2014.

29. The new Regulation removes the requirement that emergency slaughtered meat bears a special health mark. This potentially reduces consumer information as retailers will no longer be able to distinguish between conventionally and emergency slaughtered meat and therefore cannot pass on this information to consumers. The FSA does not consider this to be an issue however as there are no health or quality implications. Just like conventionally slaughtered meat, emergency slaughtered meat needs to pass all relevant inspections before it is deemed fit for human consumption. Because of this, it is the view of the FSA that emergency slaughtered meat should not be considered different to conventionally slaughtered meat. Hence there is no information failure and the amendment will therefore not impose any additional costs or benefits on consumers.

Wider Impact

30. The new Regulation removes sales restrictions on emergency slaughtered meat. Previously such meat could only be sold on the domestic market, whilst after the changes such meat can be sold freely on the European market. This represents a benefit in terms of lower market distortions.

Option Appraisal

Costs

Option 1: Do nothing

31. There are no costs or benefits associated with this option; this is the baseline against which the policy option is appraised.
32. There is a risk of loss of credibility for the FSA if it does not put in place arrangements to make English national legislation, for which it has policy responsibility, in line with EU food hygiene legislation to ensure potential benefits can be realised.

Option 2: Amend the English national legislation

Industry

Familiarisation Costs to Beef and Dairy Holdings (One-Off Costs)

33. In practice, only farmers that need to carry out emergency slaughter are likely to be affected by the amendment. However, we anticipate that most farmers would want to be aware of the changes. Under Option 2 we therefore anticipate that there will be a familiarisation cost to farmers with beef and dairy holdings who will need to read and familiarise themselves with the new Regulation. Familiarisation costs can be monetised as time costs by multiplying the time required for familiarisation by the wage rate of the person carrying out the familiarisation. We envisage that it will be the manager of the farm that carries out the familiarisation and that familiarisation will take approximately half an hour. The median hourly wage rate of a manager in agriculture is £16.7⁹. Multiplying the wage rate by the time required and then again by the number of farmers affected results in a total familiarisation cost to farmers of **£335,795**.

⁹ Wage rate obtained from Annual Survey of Hours and Earnings 2013, <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-328216>. Median hourly wage rate of 'Managers and proprietors in agriculture and horticulture' was used, £12.82, plus 30% overheads, totalling £16.7.

Table 4: Familiarisation Costs: Beef and Dairy Holdings (England) (£)

| | Micro | Small | Medium | Large | Total |
|-------|---------|--------|--------|--------|---------|
| Beef | 97,495 | 50,960 | 29,250 | 47,662 | 225,367 |
| Dairy | 24,140 | 19,347 | 17,644 | 49,298 | 110,429 |
| Total | 121,634 | 70,307 | 46,894 | 96,960 | 335,795 |

34. In order for one-off costs to be compared to annual costs on an equivalent basis across the time span of the policy, one-off costs are converted into Equivalent Annual Costs (EACs) by dividing the one-off cost by an annuity factor.¹⁰ The total one-off familiarisation cost to farmers with beef and dairy holdings in England under this proposal is £335,795 which yields an equivalent annual cost of **£39,001** over a ten year period, as shown in Table 5 below.

Table 5: Equivalent Annual Familiarisation Cost: Beef and Dairy Holdings (England) (£)

| | Micro | Small | Medium | Large | Total |
|-----------------------|--------|-------|--------|--------|--------|
| Beef & Dairy holdings | 14,127 | 8,166 | 5,446 | 11,261 | 39,001 |

Consultation Question 4

We invite stakeholders to comment on whether our assumption about familiarisation costs to farmers with beef and dairy holdings seems reasonable or not. If not, please provide us with as detailed information and data as possible for us to monetise this cost.

Familiarisation Costs to Slaughterhouses and Cutting Plants (One-Off Costs)

35. Under Option 2, there will be a one-off cost to red meat slaughterhouses and cutting plants for reading and familiarising themselves with the new Regulation. The FSA understands that large slaughterhouses in practice do not accept for processing carcasses of animals that have undergone emergency slaughter because the optimal processing speeds to which large slaughterhouses normally work would not make this financially viable. In contrast, smaller slaughterhouses would not have the same financial constraints and would therefore be able to handle individual carcasses. Given this, we envisage that large slaughterhouses will not wish to familiarise themselves with changes that explicitly concerns emergency slaughter, and would therefore not incur familiarisation costs. However, we envisage that all other size categories of slaughterhouses and cutting plants will want to be aware of the amendment.

36. Familiarisation costs can be measured in terms of time costs and can therefore be quantified by multiplying the time required by the wage rate of the person carrying out the familiarisation. We assume that it is the plant manager that is responsible for familiarisation and that familiarisation will require half an hour. The median hourly wage rate for a manager in a slaughterhouse is £16.7¹¹. Multiplying this wage rate by the time required for familiarisation and again by the total number of establishments affected (see Table 2) results in a total one-off familiarisation cost to UK industry of approximately **£7,922** as shown in Table 4 below.

¹⁰ The annuity factor is essentially the sum of the discount factors across the time period over which the policy is appraised. The equivalent annual cost formula is as follows:

$$a_{t,r} = \sum_{j=0}^{t-1} \prod_{i=0}^j \left(\frac{1}{1+r_i} \right)$$

¹¹ Wage rate obtained from Annual Survey of Hours and Earnings 2013, <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcn%3A77-328216>. Median hourly wage rate of 'Managers and proprietors in agriculture and horticulture' was used, £12.82, plus 30% overheads, totalling £16.7.

Table 4: Familiarisation Costs to Slaughterhouses and Cutting Plants (England) (£)

| | Micro | Small | Medium | Large | Total |
|-----------------|-------|-------|--------|-------|-------|
| Slaughterhouses | 959 | 467 | 233 | - | 1,659 |
| Cutting plants | 3,458 | 1,682 | 841 | 280 | 6,263 |
| Total | 4,418 | 2,149 | 1,075 | 280 | 7,922 |

37. In order for one-off costs to be compared to annual costs on an equivalent basis across the time span of the policy, one-off costs are converted into Equivalent Annual Costs (EACs) by dividing the one-off cost by an annuity factor.¹² The total one-off familiarisation cost to English slaughterhouses and cutting plants in this proposal is £7,922 which yields an equivalent annual cost of **£920** over a ten year period, as shown in Table 5 below.

Table 5: EAC Familiarisation Costs to Slaughterhouses and Cutting Plants (England) (£)

| | Micro | Small | Medium | Large | Total |
|-----|-------|-------|--------|-------|-------|
| EAC | 513 | 250 | 125 | 33 | 920 |

Consultation Question 5

We invite stakeholders to comment on whether our assumption about familiarisation costs to slaughterhouses and cutting plants seems reasonable or not. In particular:

- Is it reasonable to assume that large slaughterhouses do not have the capability to handle emergency slaughter meat, and would therefore not incur familiarisation costs?
- For all other categories, is it reasonable to assume familiarisation costs to all slaughterhouses and cutting plants, or only to those who handle emergency slaughtered meat on a regular basis?
- What is a reasonable estimate of the proportion of (i) slaughterhouses, and (ii) cutting plants, that handle emergency slaughter meat?

Please provide us with as detailed information and data as possible for us to monetise this cost.

Enforcement

Familiarisation Costs (One-Off Costs)

38. The Regulation will impose a one-off cost to enforcement that will need to read and familiarise themselves with the Regulation. Official controls in slaughterhouses are delivered by Official Veterinarians (OVs). There are currently 297 OVs (FTE) identified as potentially being affected by the new Regulation (see Table 3). Familiarisation costs can be measured in terms of time costs and are therefore quantified by multiplying the time it takes for an official to read and familiarise him/herself with the Regulation by their wage rate. We envisage that one it will take 30 minutes per OV to familiarise themselves with the Regulation. The median hourly wage rate of an OV is £37.3¹³. Multiplying this wage rate by the time required for familiarisation (half an hour) and then again by the number of OVs affected (see Table 3) results in a total familiarisation cost to enforcement authorities of **£5,539** as shown in Table 6 below.

¹² The annuity factor is essentially the sum of the discount factors across the time period over which the policy is appraised. The equivalent annual cost formula is as follows:

$$a_{t,r} = \sum_{j=0}^{t-1} \prod_{i=0}^j \left(\frac{1}{1+r_i} \right)$$

¹³ FSA Internal data

Table 6: Familiarisation Costs to Enforcement (England) (£)

| | England |
|-----------------|---------|
| Familiarisation | 5,539 |

39. In order for one-off costs to be compared to annual costs on an equivalent basis across the time span of the policy, one-off costs are converted into Equivalent Annual Costs (EACs) (see paragraph X). The total one-off familiarisation cost to enforcement authorities is £5,539 which yields an equivalent annual cost of **£643** over a ten year period. Table 7 shows the EAC for by UK country.

Table 7: Familiarisation Equivalent Annual Costs to Enforcement (£)

| | England |
|-----------------|---------|
| Familiarisation | 643 |

Consultation Question 6

We invite stakeholders to comment on whether our assumption about familiarisation costs to enforcement authorities seems reasonable or not. If not, please provide us with as detailed information and data as possible for us to monetise this cost.

Benefits

Industry

Farmers may receive a higher price for emergency slaughtered meat (Ongoing Benefit)

40. At the time the package of current EU food hygiene regulations was adopted in 2004, a view prevailed amongst EU Member States that emergency slaughter meat was of a lesser quality and was therefore required to bear a special health mark and could only be marketed in the country where the slaughter took place. The FSA's understanding has been that farmers selling such meat might have received a lower price for their products. If this is true, then the new Regulation could result in benefits to farmers, who after the change then might receive a higher price for their emergency slaughtered animals. In 2013, there were 5,885 cases of emergency slaughtered meat in England. The FSA currently does not hold information about a potential price differential between conventionally and emergency slaughtered meat, and we have therefore been unable to monetise this potential benefit.

Consultation Question 7

We invite stakeholders to comment on whether our assumption about a price differential between conventionally slaughtered meat and emergency slaughtered meat seems reasonable or not. If so, please provide us with this information on this price differential, either in terms of price per kilo sold, or per animal slaughtered and sold.

Slaughterhouses and Cutting Plants

Removal of requirement to apply a special health mark

41. Before the amendment, slaughterhouses and cutting plants handling emergency slaughtered meat were required to purchase a special health mark to be applied to emergency slaughtered meat by the OV. After the amendment, slaughterhouses and cutting plants will no longer be required to purchase and apply this health mark. Instead the conventional health mark will be applied to emergency slaughtered meat. As the purchase of the special

health mark is a sunk cost (it cannot be recovered), and slaughterhouses and cutting plants will still need to apply the conventional health mark, we envisage that the impact of these changes will be minimal on slaughterhouses and cutting plants currently operating in the industry.

42. There may however be benefits to future entrants into the market as after the amendment, future entrants (slaughterhouses and cutting plants) would not be required to purchase the special health mark. Internal FSA data over the past few years (2011/12 to 2013/14) shows that the average number of new entrants into the market (slaughterhouses/cutting plants) is around 30 businesses per annum. The cost of the health mark in Great Britain is £51.60¹⁴ per mark, which would result in a per annum future benefit to industry of **£1,548**.

43. Previously emergency slaughtered meat was considered to be of lesser quality and we therefore anticipate that *farmers*, after the amendment, might be able to receive a higher price for their emergency slaughtered meat. We do not envisage that the same applies to *slaughterhouses* or *cutting plants*. It is our assumption that slaughterhouses/cutting plants would buy animals (emergency slaughtered or not), then apply an appropriate mark-up that would cover costs and bring in a certain profit. We therefore do not anticipate that the amendments would result in any changes in prices received by slaughterhouses/cutting plants from products derived from emergency slaughtered animals, as a result of the amendment.

Consultation Question 8

We invite stakeholders to comment on our assumptions on impacts on slaughterhouses/ cutting plants from the removal of the requirement to apply a special health mark, in particular:

- (a) Is it reasonable to assume a minimal impact on slaughterhouses/cutting plants currently operating in the market?
- (b) Is it reasonable that future entrants in the market would benefit from the removal of the requirement as they no longer need to purchase a special health mark?
- (c) Is it reasonable to assume that the amendment will not impact on prices received by slaughterhouses/cutting plants?

Wider Benefits

Fewer distortions in the market (Ongoing Benefit)

44. The new Regulation removes sales restrictions on emergency slaughtered meat. Previously such meat was considered of lesser quality and could therefore only be marketed in the country where the slaughter took place. After the amendments, emergency slaughtered meat can be sold freely throughout European Member States and third countries and this represents a benefit in terms of reduced market distortions.

45. Presently, the FSA does not know much about the market for emergency slaughtered meat, or the potential for such meat to be sold on the European market. The FSA's understanding is that the number of animals per annum that are subject to emergency slaughter is low, and that meat derived from such animals is usually sold locally. It might be the case that this approach would continue, and the removal of sales restrictions may therefore not have a large impact. On the other hand, it might be the case that some cuts carry a higher price on the European market, and that after the removal of restrictions, producers would receive a higher price on the European market, which could increase producer surplus in the market.

¹⁴ The mark itself costs £33, plus £10 courier and VAT (20%) = £51.60

However, currently the FSA does not hold sufficient information to monetise this potential benefit.

Consultation Question 9

We invite stakeholders to comment on the impact of the amendment on sales of emergency slaughter meat, in particular:

- (a) Is the amendment likely to result in increased sales on the European market, or is sales of emergency slaughtered meat more likely to continue to be restricted to the local market?
- (b) Is there a potential for industry to receive higher prices for emergency slaughter meat if sold in the European market? If so, what is the likely price differential (either price per kilo sold or per animal)?

Please provide us with as detailed information as possible for us to be able to monetise this potential benefit.

Consumers

46. The FSA does not envisage that the new Regulation imposes any costs or benefits on consumers. It is our assumption that emergency slaughtered meat is no different to conventionally slaughtered meat if it has passed all necessary inspections. The impact on consumers would therefore be minimal.

Summary of Total Costs and Benefits

47. The new Regulation will generate a total cost to industry of £343,717 (PV, ten years), consisting of familiarisation costs to farmers (£335,795, PV) and to slaughterhouses (£7,922, PV). It will also generate a cost to enforcement of familiarisation (£5,539, PV).
48. The amendment will also generate benefits to industry to the extent that farmers will receive a higher price for their emergency slaughtered animals (non-monetised), and to future entrants into the market (slaughterhouses and cutting plants) which no longer will be required to purchase and apply a special health mark (total benefit of £15,480; PV of £13,325).
49. The net impact on industry is therefore a net cost of £330,112 (NPV over ten years), and a net cost to society of £335,651 (NPV over ten years).

Table 8: Summary of Total Costs and Benefits (£)

| COSTS | Year0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Total | EAC/p.a | PV |
|-----------------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|---------------|----------------|
| INDUSTRY | | | | | | | | | | | | | |
| Farmers: | | | | | | | | | | | | | |
| Familiarisation | 335,795 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 335,795 | 39,001 | 335,795 |
| Slaughterhouse: | | | | | | | | | | | | | |
| Familiarisation | 7,922 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 7,922 | 920 | 7,922 |
| Total Industry | 343,717 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 343,717 | 39,921 | 343,717 |
| ENFORCEMENT | | | | | | | | | | | | | |
| Familiarisation | 5,539 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,539 | 643 | 5,539 |
| Total Costs | 349,256 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 349,256 | 40,564 | 349,256 |
| | | | | | | | | | | | | | |
| BENEFITS | Year0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Total | EAC/p.a | PV |
| INDUSTRY | | | | | | | | | | | | | |
| Farmers: | | | | | | | | | | | | | |
| Higher price | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Slaughterhouse: | | | | | | | | | | | | | |
| Removed requirements | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 15,480 | 1,548 | 13,325 |
| Total Benefits | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 15,480 | 1,548 | 13,325 |
| | | | | | | | | | | | | | |
| NET IMPACT | Year0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Total | EAC/p.a | PV |
| Net Industry | -342,169 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | -328,237 | -38,373 | -330,392 |
| Net Society | -347,708 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | 1,548 | -333,776 | -39,016 | -335,931 |

OITO Status

50. The amendment appraised in this impact assessment falls within the scope of OITO as it is a legislative change. The policy is currently **assessed as an IN as** we have been able to monetise familiarisation costs, but have failed to monetise many benefits arising as a result of the proposal.

Evaluation of Policy

51. The FSA supports this policy change as it removes burdens on business and we do not envisage that the removal of these particular controls would result in unintended consequences that could have a harmful impact on consumer health. The FSA has supported this outcome throughout EU negotiations. In addition, as the policy originated at the EU level, and the UK is obliged to introduce directly applicable EU Regulations, evaluating the policy at the UK level would not be proportionate unless the UK believed that the policy might have unintended consequences.

52. There should be no change to the enforcement of the emergency slaughter itself, but once the meat from the carcase concerned has entered the food chain it will not be distinguishable from conventionally slaughtered meat and will not therefore be subject to a different level of enforcement.

53. For the reasons set out in paragraphs 51 and 52, the FSA has not planned any evaluation of this policy.

ANNEX D

List of Interested Parties

Names

AAK
Aconbury Sprouts
ADAS
ADM
Agriculture and Horticulture Development
Agricultural Industries Confederation
Allied Bakeries Ltd
Animal Health Distributors Association
Asda Stores Limited
Ashwell Associates
Association of Bakery Ingredients Manufacturers
Association of British Abattoir Operators
Associated British Foods
Association of British Healthcare Industries
Association of British Salted Fish Curers and Exporters
Association of Cereal Food Manufacturers
Association of Convenience Stores
Association of Independent Meat Suppliers
Association of Meat Inspectors
Association of Port Health Authorities
Association of Public Analysts
Association of Sea Fisheries Committee of England and Wales
Association of Unpasteurised Milk Producers and Consumers
Assured Food Standards
Automatic Vending Association
Bakers of Nailsea Ltd
Bakkavor
Bernard Matthews
Biotechnology and Biological Sciences Research Council
Biscuit, Cake, Chocolate & Confectionery Alliance
British Association for Shooting and Conservation
British Cattle Veterinary Association
British Cheese Board
British Deer Farmers Association
British Deer Society
British Egg Industry Council
British Frozen Food Federation
British Goat Society
British Hospitality Association
British Institute of Agricultural Consultants
British Meat Processors Association
British Nutrition Foundation
British Oat and Barley Millers Association
British Pig Association

ANNEX D

British Ports Association
British Poultry Council
British Retail Consortium
British Soft Drinks Association
British Trout Association
British Veterinary Association
British Wild Boar Association
Bury Council
C A Leech & Son
C S Morphet & Son Ltd
Campden BRI
Cargill plc
CEFAS
CELCAA - European Liaison Committee for Agricultural and Agri-Food Trade
Cereal Partner UK
Chamber of Shipping
Chanson Foods
Chartered Institute of Environmental Health
Chilled Food Association
Chinese Take Away Association
CMi Consulting
Coca-Cola
(COCERAL) European Grain Traders Association
Coeliac UK
Confederation of British Industry
Consumer Advisory Panel
Consumer Focus
Co-op
Co-operative Wholesale Society
Covent Garden Market Authority
Cornish Fish Producers Organisation Ltd
Country Land and Business Association
Dairy Council
Dairy Crest Group plc
Dairy UK
Danone UK
Dawn Foods (UK) Ltd
DBC Foodservice Ltd
Deer Initiative
Department for Environment, Food and Rural Affairs
Del Monte Foods
Department of Health
Ealing London Borough
Earth natural foods
EBLEX
Edlong Ltd
Environment Agency
European Snacks Association
European Union of Wholesale with Eggs, Egg Products, Poultry and Game (EUWEP)
Eville & Jones (UK) Ltd

ANNEX D

Eversheds LLP
Farming and Countryside Education UK
Federation of City Farms & Community Gardens
Federation of Oils, Seeds & Fats Association Ltd
Federation of Synagogues
Feed Fat Association
Fibrisol Service Limited
Findus Group
Federation of British Port Wholesale Fish Merchants' Association
Federation of Wholesale Distributors
Food Additives and Ingredients Association
Food and Drink Federation
Food Commission
Food Ethics Council
Foodaware
Food GB Ltd
Food Hygiene Matters
Food Solutions
Food Storage and Distribution Federation
Forum of Private Business
Fresh Produce Consortium
Freshfel
Freshtime
Gafta
Games Conservancy Trust
Geest
Gerber Juice Company Ltd
Grain and Feed Trade Association
Good4u
Grimsby Fish Dock Enterprises Ltd
Great Grimsby Seafood Village LTD
Guild of Fine Food Retailers - Fortnum and Mason
Guild of Quality Butchers
H J Heinz
Haemolytic Uraemic Syndrome Help
Halal Food Authority
Hall Mark Meat Hygiene Ltd
Health Protection Agency
Health and Safety Executive
Highfield
Hillingdon Borough Council
Human BSE Foundation
Iceland Frozen Foods
Inglehurst Foods
Institute of Fisheries Management
Institute of Hospitality
Institute of Food Research
Institute of Food Science and Technology
International Meat Traders Association
Islamic Cultural Centre

ANNEX D

Jordans & Ryvita Company Limited
JPG Services
K J Lovering & Co Ltd
Kanes Foods
Kraft Foods UK Ltd
Katsouris Brothers Ltd
Kellogg Europe Trading Limited
Kirklees Council
Lawlabs
LEAF
Leatherhead Food International
Leicester Council
Lincolnshire Council
Local Government Association
London Port Health Authority
MDC Foods Ltd
Microferm Limited
Marks & Spencer
Mars UK Limited
Meat Training Council
Medv  k Consultancy Limited
Microferm Limited
Micron2 Ltd
Milk Development Council
Millennium Fresh Foods Ltd
Morrison's Supermarkets plc
Muslim Council of Britain
National Association of Agricultural Contractors
National Association of British and Irish Millers
National Association of British Market Authorities
National Association of Catering Butchers
National Association of Master Bakers
National Beef Association
National Consumer Council
National Consumer Federation
National Council of Shechita Boards
National Council of Women of Great Britain
National Dairy Council
National Dried Fruit Trade Association
National Edible Oil Distributors Association
National Farmers Union
National Farmers' Retail and Markets Association
National Federation of Fishermen's Organisations
National Federation of Fishmongers Ltd
National Federation of Meat and Food Traders
National Federation of Women's Institutes
National Game Dealers Association
National Gamekeepers Association
National Pig Association
National Sheep Association

ANNEX D

Nestle UK Limited
Neville Craddock Associates
Northern Foods plc
Northern Ireland Meat Exporters Association
Northern Ireland Poultry federation
Poortman
Port of Felixstowe
Provision Trade Federation
Pura Foods Ltd
Rachel's Dairy
Red Tractor
Road Haulage Association Ltd
Romford Wholesale Meats
Royal Association of British Dairy Farmers
Royal College of Veterinary Surgeons
Royal Institute of Public Health And Hygiene
Royal Society for the Promotion of Health
RSPCA
Rural Payments Agency
Sainsbury's
Salmon and Trout Association
Sea Fish Industry Authority
Seafood Processors Association
Shellfish Association of Great Britain
Small Abattoir Federation
Small Business Service
Smithfield Tenants' Association
Snack, Nut & Crisps Manufacturers Association
Soil Association
Somerfield Stores
Specialist Cheese Makers Association
Southampton Council
State Veterinary Service
Stilton Cheese Makers Association
Sustain
Tenant Farmers Association
Tesco
Townswomen's Guild
Trading Standards Institute
Traditional Farm Fresh Turkey Association
UK Association of Fish Meal Manufacturers
UK Association of Manufacturers of Bakers' Yeast
UNISON
VEGA
Veterinary Public Health Association
Vegetarian Economy and Green Agriculture
Vhb Herbs
Villa Soft Drinks Ltd
Vion Food Group UK
Waitrose

ANNEX D

Walker & Sons (Leicester) Ltd

Warburtons Ltd

Weetabix Limited

Which?

Whitbread Group plc

Whitehouse Consultancy Ltd

Wigan Council

Wine and Spirit Trade Association

Worshipful Company of Fishmongers