

## Summary: Intervention & Options

<b>Department /Agency:</b> Defra	<b>Title:</b> Impact Assessment of Veterinary Checks on Rabies-susceptible Animals	
<b>Stage:</b> Consultation	<b>Version:</b> 1	<b>Date:</b> 24 February 2009
<b>Related Publications:</b>		

### Available to view or download at:

<http://www.defra.gov.uk/corporate/consult/rabies/index.htm>

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

Current UK rabies import controls do not require rabies-susceptible animals imported from outside the EU to be checked on entry as they are checked at destination (i.e. the quarantine premises) specified in the import licence where the animals can be held in secure facilities. The European Commission have advised that checks must be carried out on entry rather than at destination.

### What are the policy objectives and the intended effects?

The objective is to retain effective controls on animal disease, that are consistent as far as possible with EU rules, and that do not place disproportionate burdens on UK businesses and deter trade.

### What policy options have been considered? Please justify any preferred option.

Our policy options are:

1. to maintain our current system of checks at destination
2. to permit research animals to be checked at destination but all zoo animals and animals destined for the pet trade to be checked on entry
3. to require that all rabies-susceptible animals are checked on entry.

Our preferred option would be option 3 as it is the only option that fully meets the requirements of EU legislation and treats all importers in the same way, provided it could be introduced without unacceptable burdens on industry.

**When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?** Three years after the introduction of the agreed policy.

**Ministerial Sign-off** For consultation stage Impact Assessments:

*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 Minister:

..... Date:

## Summary: Analysis & Evidence

<b>Policy Option: 2</b>	<b>Description: to permit research animals to be checked at destination but zoo animals and animals for the pet trade to be checked on entry</b>
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<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' Completion of CVED by importer (20min =£4.50), Cost of the veterinary check paid by importer (£25), BIP handling fee (levied by the airport on the importer) (£114 per consignment), Additional costs for change of route (£250 for a third of consignments).
	<b>One-off (Transition)</b>	<b>Yrs</b>	
	£	3	
	<b>Average Annual Cost (excluding one-off)</b>		
	£ 0.22m-0.23m		<b>Total Cost (PV)</b> £ 0.64m – 0.69m
Other <b>key non-monetised costs</b> by 'main affected groups'			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups' The animals will benefit from earlier action if the welfare of the animals is compromised by transport conditions or they are unfit to travel. Better compliance with the EU Directive.
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit (excluding one-off)</b>		
	£		<b>Total Benefit (PV)</b> £
Other <b>key non-monetised benefits</b> by 'main affected groups' The animals will benefit from earlier action if the welfare of the animals is compromised by transport conditions or they are unfit to travel. Better compliance with the EU Directive.			

### Key Assumptions/Sensitivities/Risks

- (1) Costs considered over 3 years reflecting period until review.
- (2) Volume of imports similar to 2007

<b>Price Base Year</b>	<b>Time Period Years</b>	<b>Net Benefit Range (NPV) £</b>	<b>NET BENEFIT (NPV Best estimate) £</b>
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What is the geographic coverage of the policy/option?	England and Wales			
On what date will the policy be implemented?	October 2009			
Which organisation(s) will enforce the policy?	Animal Health			
What is the total annual cost of enforcement for these organisations?	£ 26k paid by importer			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	No			
What is the value of the proposed offsetting measure per year?	£ 0			
What is the value of changes in greenhouse gas emissions?	£ unknown			
Will the proposal have a significant impact on competition?	No			
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A

<b>Impact on Admin Burdens Baseline (2005 Prices) (completion of CVED)</b>		<b>(Increase - Decrease)</b>	
Increase of	£ 3200	Decrease of	£
		<b>Net Impact</b>	£ 3200 increase

Key: Annual costs and benefits: (Net) Present

## Summary: Analysis & Evidence

**Policy Option: 3**

**Description: To check all rabies susceptible animals on entry into the UK**

<b>COSTS</b>	<b>ANNUAL COSTS</b>		Description and scale of <b>key monetised costs</b> by 'main affected groups' Completion of CVED by importer Cost of the veterinary check paid by the importer BIP handling fee (levied by airport on the importer) Additional costs for change of route
	<b>One-off</b> (Transition)	<b>Yrs</b>	
	£	3	
	<b>Average Annual Cost</b> (excluding one-off)		
	£ 0.32m-0.33m		<b>Total Cost (PV)</b> £ 0.92m – 0.95m
Other <b>key non-monetised costs</b> by 'main affected groups'			

<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		Description and scale of <b>key monetised benefits</b> by 'main affected groups'
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit</b> (excluding one-off)		
	£		<b>Total Benefit (PV)</b> £
Other <b>key non-monetised benefits</b> by 'main affected groups' The animals will benefit from earlier action if the welfare of the animals is compromised by transport conditions or they are unfit to travel. Full compliance with EU Directive.			

### Key Assumptions/Sensitivities/Risks

- (1) Costs considered over 3 years reflecting period until review.
- (2) Volume of imports similar to 2007.

Price Base Year	Time Period Years	<b>Net Benefit Range (NPV)</b> £	<b>NET BENEFIT (NPV Best estimate)</b> £
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What is the geographic coverage of the policy/option?	England and Wales			
On what date will the policy be implemented?	October 2009			
Which organisation(s) will enforce the policy?	Animal Health			
What is the total annual cost of enforcement for these organisations?	£ 36k paid by importer			
Does enforcement comply with Hampton principles?	Yes			
Will implementation go beyond minimum EU requirements?	No			
What is the value of the proposed offsetting measure per year?	£ 0			
What is the value of changes in greenhouse gas emissions?	£ unknown			
Will the proposal have a significant impact on competition?	No			
Annual cost (£-£) per organisation (excluding one-off)	Micro	Small	Medium	Large
Are any of these organisations exempt?	No	No	N/A	N/A

<b>Impact on Admin Burdens Baseline</b> (2005 Prices) Completion of CVED		(Increase - Decrease)	
Increase of	£ 4480	Decrease of	£
		<b>Net Impact</b>	£ 4480 increase

Key:

Annual costs and benefits: Constant Prices

(Net) Present Value

## Evidence Base (for summary sheets)

[Use this space (with a recommended maximum of 30 pages) to set out the evidence, analysis and detailed narrative from which you have generated your policy options or proposal. Ensure that the information is organised in such a way as to explain clearly the summary information on the preceding pages of this form.]

### Objective

The objective of the policy is to ensure that imported animals do not present a risk of introducing rabies or any other animal or public health threat into the UK. We aim to ensure that as far as possible we implement Council Directive 91/496/EC. We are also seeking a policy which will not compromise the viability of UK firms importing rabies-susceptible animals. A transitional period will be provided for the industry to adapt if it is decided to introduce Option 2 or 3. Quarantine measures are not being considered as part of this consultation.

### Background

1.1 Commercial imports and non-PETS compliant pet animals are currently imported in accordance with UK Rabies controls which are set out in the Rabies Order. This order requires the import of rabies-susceptible animals to be licensed for entry into the UK at one of several specified entry points (and thereafter to be moved by an approved carrying agent to an authorised quarantine premises where they are held for 6 months). The main exception to this regime is the import of laboratory rodents which, while still imported under a rabies import licence when coming from third countries, may not be required to undergo 6 months quarantine if they comply with certain conditions. Further information on the PETS (Pet Travel Scheme) is available on [the Defra website](#).

1.2 EU law also places import requirements on commercial imports of rabies-susceptible animals. Council Directive 92/65/EC lays down EU import requirements for various animals including rabies-susceptible animals (which include some controls to protect against Rabies). This Directive allows the UK to continue with its own import regime. We decided that we would use this derogation and continued to license imports under the Rabies Order under stricter conditions than are generally applied across the rest of the EU.

1.3 In addition to Directive 92/65 which lay down import conditions for commercially imported rabies-susceptible animals, Council Directive 91/496 requires Member States to check animals imported from third countries at the point of entry into the Community territory: these checks (called veterinary checks) should be carried out immediately when the animals land at specially approved facilities called border inspection posts (BIPs). The Directive applies to all live animals except accompanied pets.

1.4 Current UK rabies import controls do not require rabies-susceptible animals imported from outside the EU to be checked on entry as they are checked at the quarantine premises (kennels, zoos or laboratories) specified on the import licence where the animals can be held in secure facilities whilst the checks are carried out. The animals are transported in a secure transport container by specifically approved carriers and are subject to veterinary inspection on arrival at those premises. In our opinion this provides equivalent animal health protection. We believed that the derogation provided in Council Directive 92/65/EC enabled us to do this. However we have been advised by the Food and Veterinary Office of the European Commission that this is

not the case. We believe that the current system provides equivalent protection against the introduction of animal diseases.

## Options for future policy

3. We believe that there are 3 possible approaches for future imports:

3.1 We continue with our current policy. Consignments destined for quarantine are checked at destination and are exempt from veterinary checks on entry into the UK or

3.2 Consignments of animals destined for laboratories are checked at destination but other consignments (eg those destined for the pet trade or for zoos) will be checked at a BIP or

3.3 Animal Health inspects all commercial consignment of rabies-susceptible animals on entry into the UK at an approved border inspection post. Imports at designated entry points not approved as a BIP would no longer be permitted.

## Option 1

4.1 Maintains the status quo so there would be no financial or administrative impact on UK businesses.

4.2 However this option does not fully implement Council Directive 91/496/EC as animals will continue to be moved directly from the port/airport of entry to the quarantine premises without being checked at the border. The Commission may, therefore, consider taking infraction proceeding against the UK government. If the European Court agree with the Commission line then the Court may impose a penalty on the UK (such as a fine or a ban on exports of rabies-susceptible animals).

## Option 2

5.1 If option 2 is adopted, import procedures will change for traders who import animals for zoos, other animal collections and pet trade and they will, as a result, face additional administrative and financial burdens.

5.2 The importer, or their agent, will have to pre-notify the consignment to a border inspection post by an electronic form, known as a CVEDA. This is available from the EC veterinary trade web-based information system known as TRACES. The form includes information on the consignment of animals, including the number and species of the animals, the consignor and place of destination. This information is only available to the agent and the inspectors at the BIP. It is estimated that completion of the CVED will take approximately 20 minutes per consignment. Given a per hour wage rate of £10.50 this will cost £3.50 per consignment. In addition a 30% overhead charge has been added to this administrative burden to give a total of £4.50 per CVED (see table below for estimate of total burden). The figure for the administrative burden at the bottom of the summary sheet is based on 2005 figures (hour wage rate of £9.48).

5.3 When the animals arrive they must be transported directly to the border inspection posts. The airport/BIP operators may charge an additional fee for the movement of the animals but in a few cases it may be included in the carriers' charge.

5.4 When the animal arrives at the BIP it will be inspected by a official veterinarian employed by Animal Health. By EU law, Animal Health are required to recover the costs of the check from the importer. Currently these are laid down in The Animals and Animal Products (Third Country Import Charges) Regulations 1997(a pdf version of these Regs is available on the [Stationery Office website](#)).

5.5 As the animals are inspected on entry, there will be a short delay at the airport so animals will arrive later at the quarantine establishment. There may also be disruption to traditional routes for these animals because there are fewer approved BIPs (only 2) than points of entry approved under the Rabies Order. This may increase costs (e.g. current carriers may not fly directly into the approved BIPs and other carriers may be more expensive) and increase journey time (again because direct routes are not available, therefore longer journey from entry point to destination (which may increase costs of fuel and driver time)). Animals would not be allowed to fly into an airport not approved as a BIP and be moved to a BIP. The list of ports/airports of entry currently permitted for imports of rabies-susceptible animals is on the Defra website:

<http://www.defra.gov.uk/animalh/quarantine/quarantine/procedures/support-info/ports.htm>

5.6 Zoos will already be aware of the current system as they will have used these procedures for importing animals which are not susceptible to rabies, such as birds and reptiles. Some importers for the pet trade will also be aware of the requirements as they may also bring in reptiles and birds for the pet trade. Importers who only bring in dogs, cats and small mammals for the pet trade will be most affected by the changes.

5.7 This option exempts animals for research centers as they are frequently transported in pathogen/virus free environments. If packages are opened the animals will not be suitable for the intended research, though it is possible to carry out a visual inspection through the viewing panels so they are included in option 3. These animals are also subject to strict import arrangements and the current system has proved to be robust and secure in keeping animal diseases out of the UK. Restricting entry points for these animals may affect the viability of this trade because of the additional bio-security and physical security (because of the risk of disruption by protestors) associated with these imports.

5.8 The requirement to obtain a licence under the Rabies Order and to undergo quarantine will remain unchanged. There should therefore be little impact on quarantine establishments. Importers may be discouraged by the additional burdens and may alternatively choose to import animals from other Member States which would not require the border check. An LVI will still need to attend the quarantine establishment to vaccinate the animal so the existing costs will not be reduced as a result of the veterinary check at the BIP. As there are no changes to the current quarantine system, there will be no offset of the cost of veterinary checks.

	Completion of CVED	Cost of inspection	Cost of transport to BIP <sup>1</sup>	Additional costs from route change (approx 1/3 of consignments) <sup>2</sup>
Per consignment	£4.50	£25	£114	£250
Costs based on 980 consignments <sup>3</sup>	£4,410	£24500	£111,720	£81,666
Costs based on 1050 consignment <sup>3</sup>	£4,725	£26250	£119,700	£87,500

<sup>1</sup>Based on the cost of moving consignments of mammals arriving at Heathrow Airport by BA. The charge is levied by the carrier/BIP operator and is not part of the Government charges for the check.

<sup>2</sup>Based on the number of licences issued by Animal Health for entry points which are not BIPs, cost provided by the industry

<sup>3</sup>Based on number of licences issued in 2007 plus/minus about 3%

5.9 This option does not fully implement Council Directive 91/496/EC as animals for research premises will continue to be moved directly from the port/airport of entry to the quarantine premises without being checked at the border because of the special transport arrangements for these animals. The Commission may, therefore, consider taking infraction proceeding against the UK government. If the European Court agree with the Commission line then the Court may impose a penalty on the UK (such as a fine or a ban on exports of rabies-susceptible animals).

### Option 3

6.1 If option 3 is adopted, the impacts will be the same as described above but more consignments will be affected.

	Completion of CVED	Cost of inspection	Cost of transport to BIP <sup>1</sup>	Additional costs from route change (approx 1/3 of consignments) <sup>2</sup>
Costs based on 1400 consignments <sup>3</sup>	£6,300	£35,000	£159,600	£116,667
Costs based on 1450 consignments <sup>3</sup>	£6,525	£36,250	£165,300	£120,833

<sup>1</sup>Based on the cost of moving consignments of mammals arriving at Heathrow Airport by BA. The charge is levied by the carrier/BIP operator and is not part of the Government charges for the check.

<sup>2</sup>Based on the number of licences issued by Animal Health for entry points which are not BIPs, cost provided by industry.

<sup>3</sup>Based on number of licences issued in 2007 plus/minus about 2%

## Provision of BIP facilities

7.1 There are only 2 BIPs in the UK that can handle rabies susceptible animals at the moment (Heathrow Airport and Gatwick Airport). If a port or airport wishes to upgrade the current facilities provided under the Rabies Order to become an approved BIP it will cost between £500,000 to £800,000 depending upon the scale of the BIP and the anticipated throughput.

## Enforcement

8.1 The checks will be carried out by official veterinarians employed by Animal Health. As mentioned above, under EU law cost of enforcement (or check) should be recovered from the importer. The costs have been given in the summary sheets but these will be recovered from the importers. There may be a small initial cost from recruitment of additional official veterinarians to carry out the checks but these have not been quantified.

8.2 Generally rabies-susceptible animals need to be vaccinated when they reach the quarantine establishment and this will not change if they are checked on entry. Therefore an LVI will still need to attend the quarantine establishment to vaccinate the animal so the existing costs will not be reduced as a result of the veterinary check at the BIP.

## Will implementation go beyond minimum EU requirements?

9.1 On the Summary: Analysis and Evidence we explain that all options do not go beyond the minimum EU requirements. Option 3 would fully implement Council Directive 91/496/EC but would not go beyond the requirements. Options 1 and 2 would, in fact, under implement Council Directive 91/496/EC as understood by the European Commission.

## Business sizes/Small Firms Impact Test

10.1 We believe that the business affected will vary from micro-businesses up to large businesses and possibly even multinationals.

10.2 The changes would apply equally to large and small companies. However it is not appropriate to make an exemption for micro and small firms as the animals imported by these firms present the same risk to public and animal health.

## Specific Impact Tests: Checklist

Use the table below to demonstrate how broadly you have considered the potential impacts of your policy options.

**Ensure that the results of any tests that impact on the cost-benefit analysis are contained within the main evidence base; other results may be annexed.**

Type of testing undertaken	<i>Results in Evidence Base?</i>	<i>Results annexed?</i>
Competition Assessment	No	Yes
Small Firms Impact Test	Yes	No
Legal Aid	No	Yes
Sustainable Development	No	Yes
Carbon Assessment	No	Yes
Other Environment	No	Yes
Health Impact Assessment	No	Yes
Race Equality	No	Yes
Disability Equality	No	Yes
Gender Equality	No	Yes
Human Rights	No	Yes
Rural Proofing	No	Yes

## Annexes

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Annex 1: Outcome of impact tests not referred to in the evidence base

### Competition Assessment

The policy options will only have a modest impact and therefore they are not expected to have a big impact on market competition in the affected area.

### Legal Aid

The policy options do not create new criminal sanctions or civil penalties.

### Sustainable Development

The policy options will have very little impact on sustainable development.

### Carbon Impact Assessment

The policy options will have very little impact on carbon emissions.

### Other Environmental Issues

The policy options will have no impact on climate change, waste management, landscapes, water/floods, habitat, wildlife or noise pollution.

### Health Impact Assessment

The policy options will not directly impact on health or well-being and will not result in health inequalities.

### Race/Disability/Gender

There are no limitations on meeting the requirements of the proposed policy options on the grounds of race, disability or gender. The options do not impose any restriction or involve any requirement which a person of a particular racial background, disability or gender would find difficult to comply with. Conditions apply equally to all individuals and businesses involved in the activities covered by the proposed policy options.

### Human Rights

The proposed options are consistent with the Human Rights Act 1998.

### Rural Proofing

The proposed policy options will not have a different impact in rural areas.