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22 August 2008

The Rt. Hon. Hilary Benn MP
Secretary of State
Environment, Food and Rural Affairs
Nobel House
17 Smith Square
London SW1P 3JR

Dear Secretary of State

ANIMAL HEALTH – RESPONSIBILITY AND COST SHARING

We are aware that you are considering options for responsibility and cost sharing between Defra and industry for animal health and welfare policies and programmes. We are concerned that the information provided to you may not reflect the divergent views within the livestock sectors on which options present the best way forward. This letter summarises the views of the poultry meat and egg industry, which is the biggest livestock sector in the UK.

On responsibility sharing, we believe that there is no proven need for animal health and welfare policy to be removed from Ministerial responsibility and passed to a new non-ministerial department or non-departmental public body. Carving off this policy area from Defra will inevitably damage the benefits of the existing integrated policy approach across the related Defra portfolio, leading to more fragmentation and less coherent policy formulation and implementation.

We strongly favour development of the full partnership working approach instead of the much more convoluted decision making and higher resource costs entailed in an independent arms length body. We think the current system, by and large, is working

well, and should not be jettisoned so readily in the mistaken belief that this will allow easier resolution of particular animal disease control issues in which the public have real interests.

On cost sharing, we are, in principle, against the imposition of levies to fund Defra animal disease activities. The overall cost of recent exotic avian influenza outbreaks to the public purse has been very small in comparison with other livestock sector diseases. We believe that these costs can be reduced by greater use of company resources in the management of an outbreak and ultimately through prevention as far as possible, and we are working actively with your officials on both fronts.

A levy imposed in England only would be untenable. Were a levy to be applied, then it must be across GB, at least, to avoid serious distortions in the livestock sectors and in competition. UK poultry companies operate across the whole of the UK. It is up to the Governments of the three countries of Great Britain to find a united position on this important issue. Failure on this will fragment united companies and industries through the discriminatory imposition of taxes on livestock keepers. We strongly advocate waiting until EU legislation and common member state obligations are adopted in Brussels on this, facilitating a common approach across GB, at least.

We understand that you are planning to impose a levy collection system based on livestock registration. We are very concerned that a registration approach would have a potentially perverse impact on disease control as well as unnecessarily high administration costs compared with other more efficient mechanisms.

Unlike some other sectors, the GB Poultry Register already exists and has proved valuable in management of AI outbreaks. We would not wish to see poultry keepers deterred by a levy from registering or from re-registering and thereby lessening the value of the Register for disease control purposes. It is not necessary to have a one-size-fits-all approach when the livestock sectors are manifestly quite different, and we ask you to think carefully about the implications of what is apparently being recommended to you.

The British Poultry Council represents individuals and companies responsible for breeding, hatching, rearing (either directly under contract) and processing 90% of all UK poultry bred and reared for meat. Poultry meat accounts for almost half of total UK meat production, almost the same volume as beef, pork and sheep meat added together.

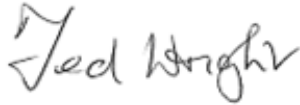
The British Egg Industry Council represents the interests of the UK egg industry - breeding, hatching, rearing, laying, packing, egg processing and marketing. BEIC also owns and administers the Lion Quality scheme for eggs. Currently over 85% of UK egg production meets the stringent standards of the Lion Code of Practice which sets higher standards of food safety and animal welfare than is required by UK and EU legislation. BEIC also finances research and development.

The Chief Executives of both bodies were members of the Joint Industry/Government Working Group which reported on Responsibility and Cost Sharing in July 2006, and we have kept your officials fully informed of our views as RCS has been developed.

British poultry meat and egg production have never been subsidised under the CAP. The sector has always taken full responsibility for preventing and controlling endemic diseases of poultry at its own cost, and consequently the poultry sector accounts for only a very small part of the Defra funding for Animal Health and Welfare programmes. We believe the best, and constitutionally correct, course is to continue to improve industry participation in animal health and welfare programme development within the integrated Defra policy portfolio under ministerial responsibility.

We would be pleased to clarify or elaborate our views in a meeting with you.

Yours sincerely



Ted Wright
Chairman, BPC



Andrew Parker
Chairman, BEIC

Cc The Rt Hon the Lord Rooker
Phil Woolas MP
Joan Ruddock MP
Jonathan Shaw MP