Bovine Tuberculosis Controls; Bovine Tuberculosis, Bovine Brucellosis, Enzootic Bovine Leukosis and Bovine Spongiform Encephalopathy Compensation Payments; and support to cattle keepers in England Scheme

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1. Introduction

New agriculture state aid regulations were agreed by the Commission at the end of July 2014 (Commission Regulation (EU) No. 704/2014). Paragraph 735(b) of the guidelines accompanying these regulations confirm that existing aid schemes need to close and if continued be registered in line with the new regulations. That requirement applies to the current aid schemes covering Bovine Tuberculosis (TB) controls, and support and compensation payments to cattle keepers in England, administered by the Department for Farming, Environment and Rural Affairs (Defra).

TB is a disease considered to be of public concern, as borne out by the fact it is incorporated in Council Directive 77/391/EEC. The aid schemes form part of a TB eradication programme in England.

Cattle are monitored for TB in line with a programme governed by EU and national legislation (Animal Health Act 1981 and the Tuberculosis (England) Order 2014). Defra tests bovine animals for TB in accordance with its compulsory TB eradication programme. Cattle keepers in England whose animals are slaughtered as part of a TB, Bovine Brucellosis or Enzootic Bovine Leukosis (EBL) eradication programme are to be compensated in accordance with the Cattle Compensation (England) Order 2012; and the Individual Ascertainment of Value (England) Order 2012 made under section 32(3) of the Animal Health Act 1981. This Act gives the power for any animal which is affected or suspected of being affected with TB to be slaughtered in the interests of human and animal health. Cattle keepers in England whose animals are slaughtered as part of a Bovine Spongiform Encephalopathy (BSE) eradication programme are to be compensated in accordance with the Transmissible Spongiform Encephalopathies (England) Regulations 2010 as amended.

2. Aims and Objectives

To prevent and eradicate TB in England, to help cattle keepers minimise the impact of TB and reduce the risk of repeat breakdowns, and compensate for losses caused by the slaughter of their animals as a result of TB, Bovine Brucellosis, EBL and BSE.

3. Legal basis

4. Duration of the scheme

This is an ongoing requirement so the new schemes will commence on 1 January 2015 and will close on 31 December 2020.

5. Who is eligible?

The scheme is available for owners of cattle keepers in England and compensation is payable to those cattle keepers whose animals are slaughtered for TB, Bovine Brucellosis, EBL and BSE.

6. What funding is available?

For TB controls Defra provides health checks, analyses, tests, and other screening measures, enhanced veterinary, biosecurity and business advice, and compensation under the schemes. In accordance with Commission Regulations the aid will not exceed 100% of the eligible costs.

Compensation is paid at the market value of the animal before they were affected by the disease. Market value will primarily be determined on average sales prices collected, or, in the case of inadequate data, by individual valuation by an independent valuer as per procedures described under relevant legislation. The maximum amount of loss eligible for aid will be reduced by any amount received under insurance schemes for the relevant losses (applicants to the compensation scheme having to provide a declaration stating whether such payments have been received).

7. State Aid

The scheme is open to all small and medium sized enterprises.

The measures are aimed at compensating owners for losses caused by animal disease. In accordance with Article 26.1 of Regulation (EU) No. 702/2014, it shall be compatible with the internal market within the meaning of Article 107(3) (c) of the Treaty and shall be exempted from the notification requirement of Article 108(3) thereof where it fulfils the conditions laid down in paragraphs 2 to 13 of this Article and in Chapter I. The scheme will abide by Article 26(5) in relation to direct payment.

The aid intensity for this will not exceed 100%. The aid will be limited to losses caused by TB, which is currently endemic in England, plus compensation for Bovine Brucellosis, EBL and BSE. The cattle control and farmer support schemes are specific to TB as mentioned in the list of animal diseases established by the World Organisation for Animal Health and/or in Annex 1 to Regulation (EU) No. 652/2014.
The aid does not relate to measures in respects of which European Union legislation provides that the cost of such measures is to be borne by the agricultural holding. The scheme will comply with Article 26.7 through to Article 26.9 of Regulation (EU) No. 702/2014.

8. Ineligible costs

Compensation will only be granted to cattle keepers in England whose animals are slaughtered as part of a TB, Bovine Brucellosis, EBL or BSE eradication programme.