

LVI Information: State Aid for Pre-movement tests in England

For Action: LVIs completing pre-movement tests on cattle herds in England

For Information : LVIs completing pre-movement tests on cattle herds in Wales and Scotland

Background information

1. Compulsory pre-movement testing was introduced in England on **27 March 2006**. This testing was one of the short term measures underlying the Government's strategic framework for the sustainable control of bovine TB in GB.
2. The Secretary of State for Defra has decided to support the introduction of this new requirement by meeting the cost of **one pre-movement test per English herd** owner (as identified by CPH) for cattle aged over 15 months of age moving out of a 1 or 2 year tested herd in England. These transitional arrangements will end on **30th June 2006**.

Summary of transitional arrangements

3. To participate in this scheme, herd owners from **25th April 2006** until 30 June 2006, will need to first contact their local AHDO to ensure they are eligible for state aid support. *If it is confirmed that they are eligible*, herd owners must then arrange their pre-movement test with their LVI in the usual way. The LVI will then be paid by Defra rather than the farmer, at standard TB testing rates
4. This is a time-limited state aid scheme which will cover tests carried out between 20 February 2006 and 30 June 2006. State aid payments can be claimed retrospectively for pre-movement tests going back to 20 February 2006.
5. If herd owners have already had a pre-movement test at their own expense in this period the test can qualify as their one paid test. In these instances, Defra will reimburse herd owners for the cost of the test subject to presentation of appropriate paperwork to the SVS.
6. The SVS are currently working to put procedures in place to enable the LVI Claims system to facilitate these new arrangements, which will be in place from **25th April 2006** onwards.
7. LVIs should be aware of the following if any herd owners express an interest in the new scheme and require the pre-movement test to be carried out before the 25th April 2006:-

The herd owner be advised to:-

- arrange for the test completed by their LVI and pay the LVI invoice directly;
- subsequently provide a copy of the paid invoice to the SVS in order to apply to be reimbursed for the cost of the test;
- must be aware that they may not be eligible for reimbursement if they have exceeded the maximum *de minimis* state aid level.

8. Payments will be made under EU state aid agriculture rules, which allow a maximum of €3,000 per business over three years. If an English business has previously received aid under the state aid *de minimis* scheme and the cost of a pre-movement test takes them over their €3,000 maximum ceiling, they will not qualify to have a pre-movement paid for by Defra. *Preliminary investigations indicate that few herd owners will be in this category.*

Key Information

9. For all LVIs

- The scheme is for **one** Defra paid pre-movement test per English herd owner (as identified by CPH) for cattle over 15 months of age and moving out of a 1 or 2 year tested herd in England.
- Each herd owner must contact the SVS to establish if they are eligible to receive state aid, before the test is carried out.

Action

10. For LVIs completing pre-movement tests on cattle herds in England:

- If a herd owner informs an LVI that they are eligible for state aid the LVI should complete the LVI claims section on the TB52 sheet before submitting the pre-movement test chart to the SVS.
- The LVI is not permitted to charge the herd owner for any pre-movement test that has been paid for by Defra.
- If a herd owner has not previously contacted the SVS to establish if they are eligible for state aid, the LVI should request that the herd owner contact the SVS before completing the test.
- The decision to claim one government paid test must come from the herd owner, following confirmation from the SVS of their eligibility. Any pre-movement test that has been arranged in advance of this scheme should be charged to the herd owner.
- Pre-movement tests started between 20th February 2006 and 30th June 2006 will be covered by the new arrangements.

Further information

11. This is a new scheme that has been introduced at short notice in order to ease the transition for pre-movement testing in England and recognises the wider financial pressures facing cattle owners at this time. Local AHDOs in England will have further information and procedures in place from the **25th April 2006** in order to process enquiries for state aid.

The Scottish Executive Environment and Rural Affairs Department introduced compulsory pre- and post-movement testing requirements for Scotland on 23 September 2005. These transitional arrangements do not affect herd owners in Scotland. There are no changes to payment arrangements for pre and post movement testing in Scotland.

The Welsh Assembly Government has announced they will introduce pre-movement testing on 2 May 2006.

This transitional support scheme currently applies only to farmers in England.