Subject: State aid/United Kingdom
Aid No N 488/2007
TSE testing of sheep and goats fallen stock

Dear Foreign Secretary,

I have the honour to inform you that, having examined the information supplied by your authorities on the above-mentioned aid scheme, the Commission has decided to raise no objections to the State aid scheme in question.

The Commission has taken this decision on the basis of the following considerations:

1. PROCEDURE

(1) The measure was notified by letter of 23 August 2007, registered as received on the same date, from the Permanent Representation of the United Kingdom to the European Union. Additional information was supplied by letter of 13 September 2007, registered as received on the same date.

2. DESCRIPTION

2.1. Title

(2) TSE testing of sheep and goats fallen stock.

2.2. Measure


(4) The UK authorities have explained that the circle of beneficiaries of the scheme at hand will be limited to sheep and goat farmers. The aid will be provided as a subsidised service; the final beneficiary will receive no cash payment.

The Rt Hon. David Miliband MP
Secretary of State for Foreign and Commonwealth Affairs
Foreign and Commonwealth Office
King Charles Street
LONDON SW1A 2AH
United Kingdom
2.3. Budget

(5) Overall budget: £22.4 million (approximately €32.9 million).

(6) Annual budget: £3.2 million (approximately €4.7 million).

2.4. Duration

(7) Extension from 1 March 2008 until 1 March 2014.

2.5 Legal basis

- The TSE (No 2) Regulations 2006 (SI 2006/1228);
- The TSE (Scotland) Regulations 2006 (SSI 2006/530);
- The TSE (Wales) Regulations 2006 (SI 2006/1226) (W.117);

2.6. Aid intensity

(9) 100%.

3. EVALUATION


(12) This measure concerns a six-year extension together with an increase in the budget. There are no other changes. The measure therefore complies with Article 4(2)(a) and (b).

(13) As regards assessment of the content of the measure notified, reference is made to the decision taken on State aid scheme N 263/2003 which was approved under Section III.C of the Community guidelines for State aid concerning TSE tests, fallen stock and slaughterhouse waste2.

(14) The rules on assessment of TSE testing of fallen stock have not changed substantially in the Community guidelines for State aid in the agriculture and forestry sector for 2007 to 20133 (hereinafter referred to as the “Community Guidelines”) as far as the evaluation of the present case is concerned.

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(15) Point 137 of the Community Guidelines limits the circle of possible beneficiaries to farmers only. The UK authorities have given assurances that the scheme in question complies with this requirement (cf. paragraph 4 above). The aid is provided in the form of a subsidised service (cf. paragraph 4 above) in line with point 134 of the Community Guidelines in conjunction with Article 16(3) of Commission Regulation (EC) No 1857/2006\(^4\).

(16) The UK authorities have submitted annual reports in accordance with Article 4(3) of Commission Regulation No 794/2004.

4. DECISION


(18) If this letter contains confidential information which should not be disclosed to third parties, please inform the Commission within fifteen working days of the date of receipt. If the Commission does not receive a reasoned request by that deadline, you will be deemed to agree to disclosure to third parties and to publication of the full text of the letter in the authentic language on the Internet site http://ec.europa.eu/community_law/state_aids/. Your request should be sent by registered letter or fax to:

European Commission
Directorate-General for Agriculture and Rural Development
Directorate H
Office: Loi 130 5/98A
B-1049 Brussels
Fax No: 0032.2.296 7672

Yours faithfully,

For the Commission

Mariann Fischer Boel
Member of the Commission