

**Introduction of a statutory notification scheme for
imported firewood into England and Scotland**
**Department for Environment, Food and Rural Affairs
(Forestry Commission)**
RPC rating: validated

Description of proposal

The proposal is to introduce a new statutory scheme to require businesses to notify the Forestry Commission whenever they import a consignment of solid fuel wood from an EU or non-EU country. This should help address risks associated with importing infected wood.

Impacts of proposal

For each of 400 consignments of solid fuel wood imported each year, businesses will need to notify the Forestry Commission. Assuming that this takes 10 minutes each, and using a wage of £40 per hour, the Commission calculates the annual cost of notifications as approximately £2,700 ($400 \times 10/60 \times £40$).

In addition to this, and in response to comments made by the RPC at an earlier stage, the Commission has assessed the cost of verifying the origin of consignments from new suppliers and the cost of cooperating with inspectors. Both actions are thought to be relevant for only 10 per cent of consignments and both are thought to require 30 minutes of a business's time, again at £40 per hour. This equates to an additional annual cost of £1,600.

Finally the Commission estimates that the one-off cost to business of familiarising themselves with the proposed change would equate to £3,000. This assumes 25 businesses taking three hours each at £40 per hour.

In total, these costs equate to an equivalent annualised net cost to business (EANCB) of £3,523 or £0.004 million.

Quality of submission

The Commission identifies the key cost to business and uses proportionate assumptions in monetising the impacts.

One of the key assumptions is that there is no growth in the industry over the appraisal period. The Commission relaxes this assumption in its sensitivity testing and allow for two scenarios, 5 per cent and 10 per cent annual growth. Under these scenarios the costs increase to £6,675 and £8,430 respectively.

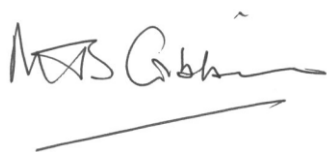
Given the uncertainties over industry growth and the small size of the measure, the RPC finds it proportionate to validate an IN with an EANCB of £0.004 million.

Initial departmental assessment

Classification	IN
Equivalent annual net cost to business (EANCB)	£0.004 million

RPC assessment

Classification	IN
EANCB – RPC validated	£0.004 million
Small and micro-business assessment	Not required (fast track low-cost regulation)



Michael Gibbons CBE, Chairman