EXPLANATORY NOTE

(This note is not part of the Order)

This Order varies the Medicines and Healthcare Products Regulatory Agency Trading Fund Order 2003 ("principal Order") so as to both extend and restrict the operations for which the Medicines and Healthcare Products Regulatory Agency Trading Fund ("the Fund") is established.

The operations are extended to include operations relating to Directive 2002/98/EC of the European Parliament and of the Council setting standards of quality and safety for the collection, testing, processing, storage and distribution of human blood and blood components ("the Blood Directive"); in particular the functions of the Secretary of State under the Blood Safety and Quality Regulations 2005, which implement that Directive.

The operations are restricted to exclude the operations of the Department of Health relating to the provision of device evaluation services.

Article 2 of the Order amends the interpretation provisions of the principal Order. Article 3 amends Schedule 1 to the principal Order, which sets out the operations of the Fund. Article 3(a) and (b) extends the funded operations to include functions relating to the Blood Directive and the safety and quality of human blood. Article 3(b) also restricts the funded operations so as to exclude the provision of device evaluation services.

Article 4 provides that the assets and liabilities set out in the Schedule, which the Secretary of State for Health has, with the concurrence of the Treasury, determined to be properly attributable to provision of device evaluation services (the operations ceasing to be funded), shall cease to be assets and liabilities of the Fund.

This Order does not impose any charge on business.