

VISION FOR FUTURE OF AGRI-FOOD INDUSTRY

REPORT FROM THE FOOT AND MOUTH DISEASE SUB-GROUP

Members: Mr M McAree (Chairman)
Mr K Sharkey
Mr N McLaughlin
Mr G Lowe
Mr S Johnston
Dr G McIlroy
Mr T Stainer

Mr W Taylor (Chairman of Agri-food Sector Structures Sub-Group) also attended most meetings

Mr N Fulton (Secretary)

The FMD Sub-Group convened on five occasions. It met with representatives of seven key organisations and considered written submissions from a further two, as well as background statistical and other information supplied by the Department of Agriculture and Rural Development (DARD). A list of presentations and written submissions is provided at Appendix 1.

REMIT

The remit of the Sub-Group was as follows:

To consider and report to the Minister as a matter of urgency on any issues which the Sub-Group regards as relevant to the outbreak of Foot and Mouth Disease in Northern Ireland. In particular, the Sub-Group will look at the regulations which govern animal movements and trading in the sheep sector.

The outcome of the work of the Sub-Group may be put forward for inclusion in the main Report of the Vision Steering Group but issues which require urgent action should be brought forward to the Minister for Agriculture and Rural Development for immediate decision.

In its work, the Sub-Group will consider FMD and epizootic disease issues under four headings:-

- ?? disease control – short term;
- ?? disease control – long-term;
- ?? economic issues – short term;
- ?? economic issues – longer-term.

The Sub-Group is asked to take account of the views of all interested parties, including the Northern Ireland Meat Exporters' Association, the Northern Ireland Auctioneers' Association, HM Customs and Excise and the Northern Ireland Office. It should also reflect on measures being introduced in the Republic of Ireland.

FINDINGS

1. Although the FMD Sub-Group was established as a direct consequence of the outbreak of foot and mouth disease in the UK, the information it has gathered and the recommendations flowing from that apply to a much broader spectrum of animal, and indeed plant, diseases which could threaten the economic position of the Northern Ireland agri-food industry or even pose a threat to human health. Therefore, the following discussion and recommendations have been framed and should be considered in this wider context.
2. Much of the evidence and opinion received by the FMD Sub-Group can be divided into four broad areas:
 - Prevention of disease entry and spread;
 - Reduction of incentives and scope for fraud;
 - Improvements to animal traceability and movement controls;
 - Strengthening of legal instruments and their enforcement.

Prevention of Disease Entry and Spread

3. It is a self-evident truth that the most effective way of preventing the spread of new diseases in Northern Ireland is to prevent their entry in the first place. As part of a small island with only a limited number of ports of entry, potentially there is greater scope for pursuing this policy of prevention here than anywhere else in Europe.
4. Clearly, there is the potential for valuable co-operation and the development of a common approach on this issue between the authorities in Northern Ireland and the ROI. Indeed, there is a strong argument that prevention can only be effective if there is such close co-operation. The North South Ministerial Council offers the vehicle at both political and official level for furthering this agenda.
5. However, it is recognised that there will be significant political and practical hurdles to overcome in this respect as the ROI is a sovereign state and Northern Ireland is only a region of a separate member state. Moreover, the ROI is a competitor to Northern Ireland in terms of the marketing of animal and plant products and has its own policy agenda to pursue.

6. The Group also recognises that there are very significant restrictions on the ability of the Northern Ireland and ROI authorities to pursue a “fortress Island” policy within the context of a single European market and a well established, comprehensive EU legislative framework in respect of animal and plant health. This is particularly true of Northern Ireland as a region of a larger member state. The Group also recognises that there may be direct and indirect costs to the economy of pursuing such a policy (e.g. the possibility of retaliatory action or legal challenge) which need to be weighed against the potential benefits.
7. Nevertheless, the Group believes that urgent steps need to be taken by DARD to investigate what practical and/or legislative measures can be undertaken to strengthen the protection afforded at ports against the introduction of new animal and plant diseases without hindering the free flow of trade or contravening existing EU legislation.
8. In making this recommendation, the Group fully recognises that although ostensibly this is a sensible and obvious approach to the problem of preventing disease entry, it may well reveal that little action is possible within the existing strictures of EU legislation. However, the Group still considers this exercise essential as it would provide the necessary assurance to the industry that the protection afforded by this means was being fully deployed, thereby underpinning the requirement to seek other means of protection.
9. Where appropriate and feasible, efforts and resourcing should also be enhanced in developing and pursuing an all-Ireland animal and plant health policy aimed at controlling the spread of, or eliminating, diseases that already exist on the island and which have a significant economic or human health impact.
10. Even in the absence of such an all-Ireland approach, DARD and the industry must look afresh at the animal health status of Northern Ireland. There needs to be a realistic assessment of this based on an objective comparison with other member states rather than a reliance on the popular and dubious assumption that Northern Ireland is in a good position in this respect.
11. Based on this assessment, informed decisions can then be taken on animal health policy and, in particular, on any moves to eradicate diseases of current or potential economic or public health significance. However, a precursor to any such initiatives must be active industry support.

12. It is the Group's understanding that the achievement of disease free status with respect to particular diseases, apart from delivering economic and marketing advantages, may, within the confines of EU legislation, enable more stringent checks and controls to be imposed on live imports.
13. One way of making significant improvements to the health and welfare of the Northern Ireland livestock population would be the widespread adoption of herd/flock health plans on individual holdings. These have the potential to produce significant financial benefits by reducing veterinary treatment costs and controlling production losses due to sub-clinical or chronic conditions. Moreover, the regular and routine presence of veterinary professionals on farm holdings will facilitate enhanced disease surveillance within the Northern Ireland livestock population.
14. Therefore, the Group recommends that all farm quality assurance schemes covering livestock should have a significant animal health and welfare component drawn up in conjunction with the veterinary profession, including a herd/flock health plan and covering farm biosecurity. These should be subject to on-farm audit and regular review.
15. The Group further recommends that use should be made of the network of model farms proposed elsewhere in the Vision Exercise to promote and demonstrate the practice and benefits of high herd/flock health and welfare status.
16. Animal movements pose the greatest risk of introducing and spreading disease. The industry itself must do all that it can to mitigate the risks of importing disease by assuming responsibility for ensuring that stock are bought only from reputable sources, that the health status of the animals is known, that the necessary statutory checks and controls have been adhered to and that animals are properly transported to, and handled on, the farm of destination (including isolation from existing stock). In this context, DARD should initiate an update and re-launch of the industry codes of practice for importing livestock which were first produced shortly after the completion of the Single European Market at the end of December 1992.
17. The Group heard evidence of very good inter-agency co-operation during the foot and mouth disease crisis and would like to see this developed to help improve the animal import monitoring systems at the two main ports in Northern Ireland - Belfast and Larne. Ideally, the Group would like to see a system whereby, with inter-agency and industry co-operation, DARD would be notified by meat plants or individual farmers of all expected movements into the ports on a daily basis. DARD could provide a list of these

movements to other agencies, which would help to monitor them as necessary. Incoming animal movements which had not been pre-notified to DARD would be subject to particular scrutiny and in all cases, both notified and non-notified, DARD would conduct follow-up checks to confirm that the animals reached their specified destination. The Group feels that the tracking of imported animal movements offers a significant opportunity for reducing the risk of importing disease. However, it recognises that there are substantial legal and resourcing issues which would need to be addressed in advance of pursuing such a policy. It recommends that DARD explores these as soon as possible with a view to implementing a workable system at the earliest opportunity.

18. While food imports, particularly those originating from within the EU, pose a much lower level of risk compared with animal imports, there is still a danger of introducing disease from unregulated movements, particularly from third countries. Small amounts of foodstuffs brought into the country from outside the EU potentially carry a very high disease risk if introduced to the animal population. Therefore, the Group welcomes the proposals by the Minister of Agriculture and Rural Development and the Secretary of State for Environment, Food and Rural Affairs to ban the use of pig swill. In the view of the Group, the animal disease risks associated with this practice far outweigh the benefits.
19. There are very few direct passenger movements into Northern Ireland from outside the EU. Therefore, the biggest threat of unregulated personal food imports arises from passengers travelling to Northern Ireland via GB (or, to a lesser extent, other EU member states). The Group recognises that there can be very few checks or controls on such passengers as they enter Northern Ireland and that education and information offer the only practical means of reducing the risks of introducing exotic animal and plant diseases. Therefore, it is recommended that DARD liaises with the port and airport authorities and operators to ensure that a proactive, on-going programme is in place to encourage incoming passengers to act responsibly in this respect.
20. The UK authorities should also be lobbied to ensure that incoming direct Third Country passenger movements are subject to particular scrutiny and education.
21. The opportunity should be taken as soon as possible, and while the memory of FMD is still fresh, to lobby the Irish and UK Governments to raise with the EU Commission the question of animal and plant health protection on Third Country trade and to seek a reappraisal of the control mechanisms that exist. There must be a recognition that any moves towards freer trade, when

applied to animal and plant products, need to be tempered with the knowledge of the very real risk that alien animal and plant diseases could be introduced and spread very quickly and that not only could these have serious economic consequences for the EU agri-food industry, they could also pose serious risks to human health.

Reduction of Incentives and Scope for Fraud

22. A significant part of the risk of introducing and spreading animal diseases in Northern Ireland stems from illegal activities aimed at securing financial gain. In the case of sheep, the main elements are fraud associated with the operation of the Sheep Annual Premium Scheme and the illegal reclaiming of VAT from the ROI revenue authorities on animals imported from Northern Ireland for slaughter. In both cases, unrecorded and uncontrolled movements pose a significant risk of spreading disease and make the task of controlling disease outbreaks immeasurably more difficult. It could be argued that the movement of breeding stock poses the greatest risk as these can pass disease through the reproductive flock. Uncontrolled movements of animals moving to slaughter pose a significantly lower risk from an animal health standpoint.
23. The Group recognises that most of these illegal activities are committed by a small number of individuals. For example, in 1999/2000, of the 80,000 claims for producer subsidy that were subject to inspection, only 0.35 per cent were referred for investigation. However, there has been a degree of tolerance, and even a facilitation, of illegal activities by the industry as a whole. This must change and there must be a willingness on the part of the industry to report any suspicious activities. DARD must facilitate this both by raising awareness of the damage that can be done (both from an animal health viewpoint and in terms of the image portrayed by the Northern Ireland agri-food industry to its major customers) and by encouraging whistleblowing (e.g. by operating a confidential telephone line).
24. The Group welcomes DARD's plans to adopt a more proactive and higher profile approach to the prevention, detection and punishment of illegal activities in relation to animal health and animal movement violations and subsidy fraud. The resources devoted to this must be significantly enhanced and targeted more accurately based on an assessment of risk. Efforts must be made to increase the level of communication, co-operation and data sharing within DARD and between DARD and other agencies in pursuit of this agenda.

25. In relation to the operation of the Sheep Annual Premium Scheme, the Group recognises that the existence of a 100 day retention period for breeding ewes as the main qualifying criteria for premia payment renders the Scheme open to abuse. However, it also recognises that the Sheepmeat Regime is negotiated at an EU level and that fundamental changes to this aspect of the Regime (or even to the basis of the regime itself, such as a move to an area-based payment) seem not only unlikely, but will not be driven by an anti-fraud agenda. Therefore, every effort must be made to police the existing arrangements effectively. Risk-based inspections by DARD should be spread throughout the 100 day retention period (and those inspected near the start of the inspection period should not be immune from re-inspection later on). Co-ordinated, simultaneous inspections of districts should also be considered. Individual identification of sheep (see below), with identities notified on claim forms, would, of course, do much to ease the policing of the Scheme and reduce the scope for fraud.
26. The major difficulty with VAT related fraud insofar as it relates to animal movements is that it occurs outside the jurisdiction of the Northern Ireland authorities. The Group recognises that major changes to the VAT regime in the ROI will not be brought about by a desire to control, in relative terms, what is probably a minor problem for the ROI revenue authorities. However, every effort should be made by DARD to encourage enhanced policing by the ROI authorities of their VAT system with respect to the origin of sheep slaughtered in ROI meat plants.

Improvements to Animal Traceability and Movement Controls

27. The individual identification of animals is the most effective means of facilitating the tracking and control of animal movements for disease and fraud prevention purposes. The Group recognises that although the cattle identification and tracing system may not be infallible, it has greatly curtailed the ability of unscrupulous individuals easily to engage in cattle-related fraud and that illegal cattle movements are of a lower order of magnitude compared with sheep.
28. In terms of disease control, the Group recognises that checks on animal imports can not be relied upon to confer complete protection from introducing fresh sources of infection. Even under the most stringent of regimes, seemingly healthy animals which have passed veterinary scrutiny on import could be harbouring sub-clinical infections or diseases at an incubatory phase. The existence of an efficient and effective traceability system offers the opportunity of quickly tracking, isolating and eliminating any such potential problems and in many respects, is one of the most effective tools at the disposal of the industry to protect itself from animal disease.

29. The introduction of individual identification of sheep, and pigs, would yield significant benefits not only in terms of animal disease and fraud risk reduction, it would also offer potential benefits arising from product traceability for marketing purposes and improved animal husbandry on individual holdings. However, the Group recognises that this has a cost attached to it.
30. Animal traceability is being addressed at an EU level, with trials of electronic identification systems currently being sponsored by the EU Commission. This should eventually result in the emergence of proposals for EU legislation, although this is unlikely for at least 18 months. A common EU approach would ensure that no group of farmers was being advantaged or disadvantaged by a piecemeal approach.
31. The Group is strongly of the view that Northern Ireland producers should not suffer a significant cost disadvantage within the context of the British Isles and would like to see a similar approach to this issue being adopted across the UK and Ireland. Nevertheless, the Group firmly believes that, in principle, sheep and pigs in Northern Ireland should be individually identified and their lifetime movements traceable.
32. The existence in any part of the British Isles of unidentified sheep which could enter Northern Ireland would undermine any traceability system that might be put in place. Therefore, there needs to be close co-operation between the Northern Ireland, GB and ROI authorities on at least the broad principles to be applied in this issue, with individual regions then able to operate within this overall framework.
33. There are many issues to be considered in the context of individual identification. Electronic identification has clear practical advantages in terms of the rapid processing of animals through markets, the potential reduction in paper records and the ability to integrate this with production management information. However, the Group recognises that there are significant technology costs associated with an electronic system, which is exacerbated by the lack of an industry standard.
34. Electronic ear tags would almost certainly pose significant retention problems, but are at least visible to an observer. Electronic identification systems for ruminants based on a stomach bolus would not suffer this retention problem and would be less easy to tamper with, but on the other hand, there is no visible sign that the animal is properly identified and there could be welfare issues associated with untrained farmers inserting boluses into small animals.

35. Bar coded ear tags could also suffer retention problems and be much less amenable to the rapid processing of animals through markets and probably require more paper records.
36. A totally “manual” ear tagging system would require the most in terms of manual inspection and paper records but would be cheapest in terms of technology costs.
37. Overall, any system of individual identification is expensive relative to the value of a sheep, lamb or pig. The electronic systems are costly in terms of equipment but less labour intensive to operate. Ordinary tags are cheap but involve a lot more labour and a heavy commitment to record keeping. Overall, the balance seems to be in favour of an electronic system as being less amenable to interference and easier to operate in a practical situation.
38. In terms of the implementation of electronic identification, the worst case scenario would be the development of a number of different identification systems with incompatible technology and which were at variance to the standards which may eventually be specified under EU legislation. Clearly, there is a high risk of this occurring if immediate moves are made to adopt an electronic system in Northern Ireland.
39. The Group is aware that the ROI is moving to implement a manual, tag-based, individual identification system for sheep in the short term and that GB is also considering moving in this direction. Therefore, there is a danger that Northern Ireland will be left behind if it does not also make similar moves. However, given the lead time necessary to establish a full traceability system, there is a strong possibility that the EU Commission will have reached its conclusions in respect of an electronic version and that any outstanding technical difficulties will have been resolved. Therefore, instead of moving now to implement a manual system which may be short-lived, there is merit in Northern Ireland awaiting the outcome of the EU deliberations and then moving straight to an electronic system. In the meantime, the existing, herd-based identification system for sheep should be rigorously enforced and DARD should prepare as much of the groundwork as possible so that it can move quickly to implement an electronic system for sheep when the time is right.
40. One option that should be explored as an interim measure for sheep is that of individually identifying (by means of an ear tag) only breeding stock entered for premia claims, with other stock being identified by an ear tag with the flock number (as present). This would reduce the scope for fraud in SAP claims and, hence, the movement of breeding sheep, which present the greatest risk

of spreading disease through the population. However, it would allow trade in lower-risk, non-breeding animals with a minimum of bureaucracy until such times as a fully electronic individual animal identification system was introduced.

41. The case for electronic identification of pigs is arguably less pressing than in the case of sheep given the fact that there are relatively few producers in Northern Ireland, the incidence of inter-farm movements is much less and there is no anti-fraud issue in respect of direct producer subsidies. Moreover, the Group understands that in the case of pig electronic identification devices, there are significant practical and technical problems that have still to be resolved (pigs can eat ear tags, boluses are suitable only for ruminants and subcutaneous implants have yet to be trialled). Therefore, while the Group believes that electronic individual identification should be extended to pigs, this is of a lower priority than in the case of sheep.
42. Any traceability system with individual animal identification would require a central register of animal movements to be truly effective and to guarantee as far as possible that the system was being properly deployed. Although DARD developed its Animal and Public Health Information System (APHIS) with a view to including species other than cattle if necessary, the capacity of the system would clearly need to be expanded to cope with the additional data arising from identifying and recording the movements of individual sheep (and pigs). Clearly, there will be significant resource implications in such an investment and DARD will need to explore means of addressing this at an early opportunity. As there are human health aspects to the control of animal diseases, there is a strong argument for Government funding at least a significant proportion of this cost.
43. The imposition of standstill periods for farm-to-farm livestock movements is based on sound veterinary logic. If an animal moves onto a farm and it, plus other stock, are prevented from moving off the holding again for a period (such as 21 days), it allows any disease present in the animal to manifest itself, to be detected and to be prevented from onward spread. Essentially, it is a form of quarantine operated at a farm level.
44. However, the Group recognises that there would be severe practical difficulties for certain groups of farmers in operating such a policy, particularly for herds or flocks which have a limited window of opportunity for buying and selling stock each year (such as hill livestock producers). Moreover, if the policy was applied on a farm holding basis (i.e. all species on the holding would be subject to standstill when there was an inward movement of any

one), then the difficulties posed on mixed enterprise holdings would be acute.

45. Proposals have been made both in GB and in the ROI on this issue and it is also being considered in a wider EU context. DARD is currently monitoring the progress of these moves with a view to learning the lessons from the experiences of each. The Group endorses this approach. However, it also believes that Northern Ireland should not be left behind and be the only region of the British Isles not operating a policy of this type. Therefore, DARD must be prepared to move quickly if a workable herd based system can be identified.
46. Although there are considerable, perhaps insurmountable, practical difficulties in operating a “herd/flock standstill” policy, the Group sees considerable merit in introducing an “individual animal standstill” policy (i.e. an animal introduced into a herd or flock can not be moved out again for a period of, for example, 21 days). Although perhaps not as effective as a herd/flock standstill policy in controlling the spread of animal diseases, it is a much more practical proposition (although it could still cause difficulties for producers returning home from markets with unsold animals). Moreover, it would curtail the rapid, speculative movement of animals between markets and holdings that can occur and which is damaging in terms of the health and welfare of the animals involved, adds unnecessary costs to the production system and places unnecessary strain on any traceability system tracking the movement of these animals.
47. A precursor to any standstill system, be it herd-based or applied to individual animals, is individual animal identification and effective traceability. Therefore, in the short term, any standstill policy could be introduced for cattle only, with an extension to sheep and eventually pigs when full traceability systems have been established in the case of the latter two species.
48. The operation of such a standstill policy on domestic movements means that it can also be applied to imported animals without contravening EU legislation. This would offer further protection against the risk of importing and spreading disease. In this context, it would be particularly advantageous if herds/flocks importing animals from outside Northern Ireland were subject to a 21 day standstill rule rather than just the individual imported animals.
49. The role of livestock dealers has been the subject of much comment and criticism in the wake of the foot and mouth disease outbreak in Northern Ireland and there have been calls for greater regulation of their activities.

50. Nevertheless, individuals who are acting as purchasing agents on behalf of a third party do play a useful and valid role in the livestock marketing chain. This applies equally to the fat livestock and store livestock trade. It could even be argued that agents will play an even greater role in future as larger numbers of producers turn to part-time farming and have less time to devote to the buying and selling of stock.
51. Speculative dealers, on the other hand, who act on their own behalf, seem to offer relatively little to the industry and add no value to the animals that they trade. The imposition of a standstill period on individual animal movements would do much to curtail their speculative activities which can lead to the rapid movement of animals between markets over a short period of time, with the attendant risks to animal health and welfare.
52. Having considered the matter, the Group does not see any particular or justifiable reason to implement additional controls on the activities of dealers per se (assuming that a workable definition of a dealer could be devised). Rigorous enforcement of animal welfare and traceability legislation by DARD, which should be applied equally across the entire livestock marketing chain, should be sufficient to drive out the unscrupulous elements without denying others the right to earn a living.
53. Protection of the animal health status of the Northern Ireland livestock industry is not simply a matter for the regulatory authorities alone, although clearly the authorities must take a lead role where there are human health issues involved. The industry itself, through its own practices, must assume a significant part of the overall responsibility.
54. Individual producers must be made aware of the risks to their livelihood of mixing animals from unknown sources with their herds, which could compromise their long-term profitability for short-term gain. They must be encouraged to manage these risks and to adopt practices which will not facilitate, or even tolerate, the activities of unscrupulous individuals. They must also be made aware of the penalties for non-compliance with legislation which is for the good of the industry as a whole and be in no doubt that this will be vigorously enforced. There is a significant education role here for DARD and this needs to be resourced and taken forward quickly.
55. Similar comments apply to other links in the livestock marketing chain, but in particular, to the livestock markets, where the mixing of animals and their return to farms creates the potential for very rapid disease spread throughout the livestock population.

Legislative controls must be rigorously observed by market and abattoir operators and policed by DARD. There must also be a determination on the part of these operators not to tolerate or facilitate the activities of unscrupulous individuals and to report suspicious transactions to the appropriate authorities as a matter of routine.

Strengthening of Legal Instruments and Their Enforcement

56. A number of the legal instruments available to DARD and the other Northern Ireland authorities are now clearly outdated. There are also a number of grey areas where the powers available could be subject to legal challenge, particularly in the context of the movement of animals and products between GB and Northern Ireland. All of this is in need of urgent review. However, the Group recognises that the legislative reform process can be very slow, particularly where primary legislation must be altered and where it impinges on parties outside Northern Ireland.
57. The Group also recognises the wider UK, ROI and EU dimension to the casting of new legislation, which must fall within limits laid down in EU law. Nevertheless, the Group is strongly of the view that the legislative framework within Northern Ireland must be comprehensively reviewed and reformed. The aims of this should be to ensure:
- clarity;
 - enforceability;
 - adequate sanction for wrong-doing; and,
 - comprehensive coverage of the livestock chain, including hauliers.
58. DARD must initiate this review process as soon as possible with a view to achieving a comprehensive overhaul of the animal health legislative framework within three years. DARD must also take the opportunity to review its plant health legislative framework at the same time.
59. In the meantime, DARD must aim to secure the resources it needs to enforce adequately the existing legislation. Enforcement and deterrence should also be afforded a higher profile within the Department (as already outlined above) and DARD should make efforts to encourage the Judiciary to deploy the full range of sanctions available to it when sentencing those convicted of breaches of animal health legislation. Deterrence is as important as detection in ensuring compliance with legislation which is for the greater good of the entire industry.

SUMMARY OF RECOMMENDATIONS

1. Urgent steps need to be taken by DARD to investigate what practical and/or legislative measures can be undertaken to strengthen the protection afforded at ports against the introduction of new animal and plant diseases. Although this may well reveal that little action is possible within the existing strictures of EU legislation, it would provide the necessary assurance to the industry that the protection afforded by this means was being fully deployed, thereby underpinning the requirement to seek other means of protection.
2. Where appropriate and feasible, DARD efforts and resourcing should be enhanced in developing and pursuing an all-Ireland animal and plant health policy aimed at controlling the spread of, or eliminating, diseases that already exist on the island and which have a significant economic or human health impact.
3. DARD and the industry must make an objective assessment of the animal health status of Northern Ireland compared with other member states. Based on this assessment, informed decisions can then be taken on animal health policy and, in particular, on any moves to eradicate diseases of current or potential economic or public health significance.
4. All farm quality assurance schemes covering livestock should have a significant animal health and welfare component drawn up in conjunction with the veterinary profession, including a herd/flock health plan and covering farm biosecurity. These should be subject to on-farm audit and regular review.
5. Use should be made of the network of model farms proposed elsewhere in the Vision Exercise to promote and demonstrate the practice and benefits of high herd/flock health and welfare status.
6. The industry itself must do all that it can to mitigate the risks of importing disease by assuming responsibility for ensuring that stock are bought only from reputable sources, that the health status of the animals is known, that the necessary statutory checks and controls have been adhered to and that animals are properly transported to, and handled on, the farm of destination (including isolation from existing stock). In this context, DARD should initiate an update and re-launch of the industry codes of practice for importing livestock which were first produced shortly after the completion of the Single European Market at the end of December 1992.
7. The Group would like to see the development, with inter-agency and industry co-operation, of a system for monitoring and tracking

the movements of imported animals through the ports of Belfast and Larne. However, it recognises that there are substantial legal and resourcing issues which would need to be addressed in advance of pursuing such a policy. It recommends that DARD explores these as soon as possible with a view to implementing a workable system at the earliest opportunity.

8. DARD must liaise with the port and airport authorities and operators to ensure that a pro-active, on-going programme is in place to encourage incoming passengers to act responsibly in respect of food imports.
9. The UK authorities should be lobbied to ensure that incoming direct Third Country passenger movements are subject to particular scrutiny and education.
10. The opportunity should be taken as soon as possible, and while the memory of FMD is still fresh, to lobby the Irish and UK Governments to raise with the EU Commission the question of animal and plant health protection on Third Country trade and to seek a reappraisal of the control mechanisms that exist.
11. There must be a willingness on the part of the industry to report any suspected illegal activities in respect of animal movements and subsidy fraud. DARD must facilitate this both by raising awareness of the damage that can be done (both from an animal health viewpoint and in terms of the image portrayed by the Northern Ireland agri-food industry to its major customers) and by encouraging whistleblowing (e.g. by operating a confidential telephone line).
12. The Group welcomes DARD's plans to adopt a more proactive and higher profile approach to the prevention, detection and punishment of illegal activities in relation to animal health and animal movement violations and subsidy fraud. The resources devoted to this must be significantly enhanced and targeted more accurately based on an assessment of risk. Efforts must be made to increase the level of communication, co-operation and data sharing within DARD and between DARD and other agencies in pursuit of this agenda.
13. Every effort must be made by DARD to police the operation of the Sheep Annual Premium Scheme. Risk-based inspections by DARD should be spread throughout the 100 day ewe retention period (and those inspected near the start of the inspection period should not be immune from re-inspection later on). Co-ordinated, simultaneous inspections of districts should also be considered.

14. Every effort should be made by DARD to encourage enhanced policing by the ROI revenue authorities of their VAT system with respect to the origin of sheep slaughtered in ROI meat plants
15. The Group firmly believes that, in principle, sheep and pigs in Northern Ireland should be individually identified and their lifetime movements traceable. However, the Group is also of the view that Northern Ireland producers should not suffer a significant cost disadvantage within the context of the British Isles and would like to see a similar approach to this issue being adopted across the UK and Ireland. Therefore, there needs to be close co-operation between the Northern Ireland, GB and ROI authorities on at least the broad principles to be applied in this issue, with individual regions then able to operate within this overall framework.
16. The Group is in favour of an electronic identification system as being less amenable to interference and easier to operate in a practical situation. There is merit in Northern Ireland awaiting the outcome of the EU deliberations in terms of electronic identification rather than investing heavily in a manual system in the short-term. In the meantime, the existing, herd-based identification system for sheep should be rigorously enforced and DARD should prepare as much of the groundwork as possible so that it can move quickly to implement an electronic system for sheep when the time is right.
17. One option that should be explored as an interim measure for sheep is that of individually identifying (by means of an ear tag) only breeding stock entered for premia claims, with other stock being identified by an ear tag with the flock number (as present). This would reduce the scope for fraud in SAP claims and, hence, the movement of breeding sheep, which present the greatest risk of spreading disease through the population. However, it would allow trade in lower-risk, non-breeding animals with a minimum of bureaucracy until such times as a fully electronic individual identification system was introduced.
18. While the Group believes that individual identification should be extended to pigs, this is of a lower priority than in the case of sheep and should only be pursued when the EU legal position and the technical problems of pig electronic identification have been fully resolved.
19. The capacity of the APHIS system needs to be expanded to cope with the additional data arising from identifying and recording the movements of individual sheep (and pigs). DARD needs to explore means of addressing the resourcing issue at an early opportunity.

20. The Group endorses DARD's approach to the issue of a standstill policy (i.e. observing developments in GB, the ROI and the EU and adopting best practice from each). However, it also believes that Northern Ireland should not be left behind and be the only region of the British Isles not operating a policy of this type. Therefore, DARD must be prepared to move quickly to implement once a workable system has been identified. The Group is sceptical that a practical herd/flock standstill policy is feasible but sees considerable merit in introducing an "individual animal standstill" policy.
21. Notwithstanding the above, it is recommended that herds/flocks importing animals from outside Northern Ireland are subject to a 21 day standstill rule rather than just the individual imported animals.
22. The Group does not see any particular or justifiable reason to implement additional controls on the activities of dealers per se (assuming that a workable definition of a dealer could be devised). Rigorous enforcement of animal welfare and traceability legislation by DARD, which should be applied equally across the entire livestock marketing chain, should be sufficient to drive out the unscrupulous elements without denying others the right to earn a living.
23. Individual producers must be made aware of the risks to their livelihood of mixing animals from unknown sources with their herds. They must be encouraged to manage these risks and to adopt practices which will not facilitate, or even tolerate, the activities of unscrupulous individuals. They must also be made aware of the penalties for non-compliance with legislation which is for the good of the industry as a whole and be in no doubt that this will be vigorously enforced. There is a significant education role here for DARD and this needs to be resourced and taken forward quickly.
24. The other links in the livestock marketing chain also have an obligation to act with utmost integrity, particularly livestock markets, where the mixing of animals and their return to farms creates the potential for very rapid disease spread throughout the livestock population. Legislative controls must be rigorously observed by market and abattoir operators and policed by DARD. There must also be a determination on the part of these operators not to tolerate or facilitate the activities of unscrupulous individuals and to report suspicious transactions to the appropriate authorities as a matter of routine.

25. The animal health legislative framework within Northern Ireland must be comprehensively reviewed and reformed. The aims of this should be to ensure:

- clarity;
- enforceability;
- adequate sanction for wrong-doing; and,
- comprehensive coverage of the livestock chain, including hauliers.

DARD must initiate this process as soon as possible with a view to completing it within three years. DARD must also take the opportunity to review its plant health legislative framework at the same time

26. In the meantime, DARD must aim to secure the resources it needs to enforce adequately the existing legislation. Enforcement and deterrence should also be afforded a higher profile within the Department (as already outlined above) and DARD should make efforts to encourage the Judiciary to deploy the full range of sanctions available to it when sentencing those convicted of breaches of animal health legislation in order to maximise its deterrence value.

APPENDIX 1: Organisations Consulted

The Sub-Group received representations from the following individuals and organisations and wishes to record its appreciation for their valuable input to this exercise.

Mr G Lavery	(Director of Finance, DARD)
Mr P Scott	(Internal Audit, DARD)
Mr M Steel	(Veterinary Service, DARD)
Mr F Savage	Northern Ireland Office
Mr M Bailey	Northern Ireland Office
Mr J Gilmore	Northern Ireland Office
Mr C Mathers	Northern Ireland Meat Exporters' Association
Mr J Dobson	Northern Ireland Meat Exporters' Association
Mr W Waugh	Northern Ireland Meat Exporters' Association
Mr S Irvine	Northern Ireland Livestock Auctioneers' Association
Mr T Johnston	Northern Ireland Livestock Auctioneers' Association
Mr G Wylie	Northern Ireland Livestock Auctioneers' Association
Mrs Wylie	Northern Ireland Livestock Auctioneers' Association
Mr H Hewitt	Northern Ireland Livestock Auctioneers' Association
Mr E Adamson	National Sheep Association
Mr I Gibson	National Sheep Association
Mr S Wharry	National Sheep Association
Mr P O'Hagan	HM Customs and Excise
Ms J Woods	HM Customs and Excise
Mr J Spence	HM Customs and Excise
Mr F Malone	Northern Ireland Veterinary Association
Dr D Rice	Northern Ireland Veterinary Association
Mr D Stewart	Northern Ireland Veterinary Association
Mr C Orr	Northern Ireland Veterinary Association
Mr K Laughlin	Association of Veterinary Surgeons Practising in Northern Ireland
Mr M Maybin	Association of Veterinary Surgeons Practising in Northern Ireland
Northern Ireland Dairy Association (written submission)	
Dairy Council for Northern Ireland (written submission)	
National Beef Association (written submission)	