



Department  
for Environment  
Food & Rural Affairs

[www.gov.uk/defra](http://www.gov.uk/defra)

## Consultation

**Electronic movement reporting system  
(including an underpinning database for  
sheep, goats and deer (England)) and  
proposed changes to the way in which sheep  
and goats are identified**

**July 2013**

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[psi@nationalarchives.gsi.gov.uk](mailto:psi@nationalarchives.gsi.gov.uk)

Enquiries regarding this document should be sent to us at:

Email: [sheepdatabaseconsultation2013@defra.gsi.gov.uk](mailto:sheepdatabaseconsultation2013@defra.gsi.gov.uk)

Defra, Livestock Identification Team  
(E-reporting consultation)  
Nobel House (Area 5b)  
17 Smith Square  
LONDON, SW1P 3JR

This document can be viewed at and responses submitted to the questions therein via the Defra Citizens Space Consultation Hub at:

<https://consult.defra.gov.uk/farming/05a57241>

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# **Chapter 1: This consultation**

## **What this consultation is about and who is being consulted**

### **Changes to reporting movements of sheep, goats and deer in England**

- 1.1 New arrangements for reporting sheep, goat and deer movements are planned from 1 April 2014. This consultation seeks views on the way these new arrangements will operate.

### **Changes to the identification of sheep and goats**

- 1.2 Simplification of the way in which slaughter lambs are identified by removing the option to use a non-electronic slaughter tag to identify them.

### **Changes to the permitted types of electronic identifier**

- 1.3 Extension of the range of EID identifiers to permit the use of an injectable identifier – as part of the option for ‘double identification’ of sheep and goats, and subject to certain restrictions.

## **What consultation has already been carried out on this subject**

- 1.4 The new arrangements on electronic movement reporting and the proposals to simplify the slaughter lamb identification requirements have been the subject of extensive discussions with industry bodies.

### **What will the outcome of this consultation be?**

- 1.5 Responses received by the deadline will be analysed and a summary will be placed on the consultations section of the Government web site. They will inform policy decisions on the practical implementation of the new electronic reporting arrangements and the proposed changes to the identification of sheep and goats. New legislation is planned for early 2014.

### **What is the deadline for comments?**

- 1.6 Given the extensive consultation with stakeholder bodies during 2012-13 on the planned/proposed measures and having regard to the Governments consultation principles the consultation period will be eight weeks. Comments are requested by 20 September 2013.

## **What comments are requested?**

- 1.7 We are seeking views on specific questions posed in chapters 3-5 (summarised at Annex A) related to the three areas covered by this consultation (electronic movement reporting, the identification of slaughter lambs/goats, and injectable identifiers for sheep and goats).
- 1.8 The consultation is accompanied by two partial impact assessments (Appendices 1 and 2) describing the cost/benefit rationale for the proposals on movement reporting and slaughter lamb identification. An IA has not been prepared on injectable identifiers as their use will be entirely voluntary. Views on these IAs and their underlying assumptions are welcomed.
- 1.9 In line with Defra's policy of openness, copies of the responses we receive will be publically available, at the end of the consultation period, for at least 6 months. If you do not consent to this, you must clearly request that your response be treated confidentially. Any confidentiality disclaimer generated by your IT system in an e-mail response will not be treated as such a request. You should also be aware that there may be circumstances in which Defra will be required to release information to comply with its obligations under the Freedom of Information Act and the Environmental Information Regulations.

## **Consultation principles**

- 1.10 This consultation is being conducted in accordance with the Governments principles for the conduct of consultations which can be viewed at:  
<https://www.gov.uk/government/publications/consultation-principles-guidance>

## **How to respond to this consultation**

- 1.11 A list of interested organisations Defra has approached directly for views will be published on the Defra section of the Government website. We welcome views from all interested parties or individuals.
- 1.12 We would like to receive responses to the boxed questions in Chapters 3-5 (listed also at Annex A).
- 1.13 You may wish to respond to some or all of the questions. You may also submit additional comments.
- 1.14 We would prefer to receive your answers to the questions in this consultation using the online survey facility at Defra's Citizen Space Consultation hub:  
<https://consult.defra.gov.uk/farming/05a57241>

- 1.15 If you are unable to do so, we will accept responses via email to:

[sheepdatabaseconsultation2013@defra.gsi.gov.uk](mailto:sheepdatabaseconsultation2013@defra.gsi.gov.uk)

Or, by post to:

Pat Brophy  
(E-reporting consultation)  
Defra  
Livestock Identification Team  
Nobel House (Area 5b)  
17 Smith Square  
London, SW1P 3JR

- 1.16 Alternatively, if you would need to receive a hard copy of these documents, you may contact the Defra Livestock Identification team on 020-7238-5618 or via the above email and one will be sent to you.

# Chapter 2: The current legislative base

## Sheep and Goats

2.1 The requirements for the identification of and the recording and reporting of movements of sheep and goats are laid down in EC Council Regulation 21/2004<sup>1</sup>, as amended. They are enforced in England through The Sheep and Goats (Records, Identification and Movement) (England) Order 2009<sup>2</sup> (commonly referred to as the 'Sagrino' Order).

2.2 The core elements of the system prescribed in this legislation are:

- Individual identification (with derogations)
- Holding registers - kept by keepers.
- Movement documents used to report movements - by keepers
- Records of the movements on a central competent authority database.

Note: A keeper is a person who is responsible for the day-to-day care of livestock. This can be on a temporary basis and includes personnel at markets, assembly centres, and abattoirs as well as farmers i.e. they must keep holding registers and record and report movements.

## Farmed deer

2.3 The proportion of deer movements between different premises is insignificant relative to other livestock (see table 1). They are however susceptible to tuberculosis and can spread foot and mouth disease. Requirements for their identification and movement recording are therefore laid down in domestic (as opposed to EU) legislation.

2.4 The core elements of the system prescribed in that legislation are:

- Individual identification when TB tested or when leaving the farm of origin.
- Use of movement documents to report movements - by keepers
- Movement records retained on a central competent authority database.

2.5 Conditions under which a keeper can use an official 'AML' movement document to move and to report the movement of their sheep/goats/deer are detailed in a series of specific General Licences (GLs). They are made under powers conferred on the Secretary of State in the Disease Control (England) Order 2003.

2.6 If the proposals outlined in the following chapters are implemented consequential changes will be required to: the Sagrino Order, and the relevant GLs. If necessary a draft Order will be examined through the Ministry of Justice offences and justice impact gateway.

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<sup>1</sup> [http://ec.europa.eu/food/animal/identification/ovine/legislation\\_en.htm](http://ec.europa.eu/food/animal/identification/ovine/legislation_en.htm)

<sup>2</sup> <http://www.legislation.gov.uk/uksi/2009/3219/contents/made>

# Chapter 3: Proposals for electronic movement reporting

## The current paper only system

- 3.1 In 2012/13 over 597,000 movements of sheep, goats and deer took place in England. The vast majority were sheep moves (22 million animals in 587,000 batches). Over 70% of sheep moves are via high throughput premises including markets, abattoirs, and collection centres.

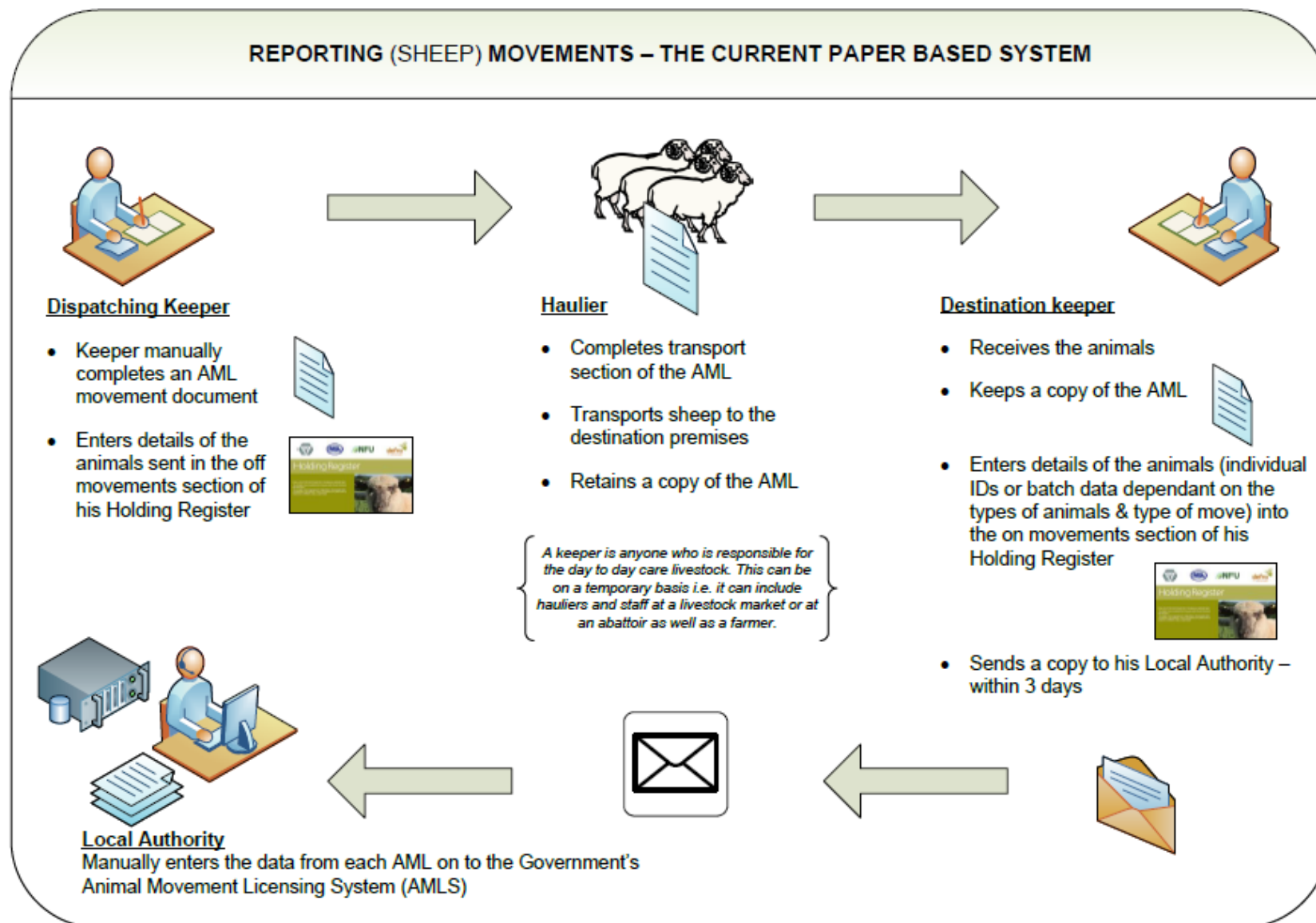
Table 1.

Destination	Sheep		Goats		Deer	
2012/13	Batches	Animals	Batches	Animals	Batches	Animals
Farm to Farm	85,606	4,497,151	5,472	26,045	533	2,410
Farm to Market	243,313	6,978,101	489	2,813	1	2
Farm to Abattoir	95,073	3,596,049	1,487	8,638	21	217
Market to Farm	79,921	3,084,998	214	897	1	6
Market to Abattoir	56,527	3,433,705	119	516	-	-
Other	27,450	893,409	1,497	8,378	14	30
Total	587,890	22,483,413	9,278	47,287	570	2,665

- 3.2 Each of these moves are reported and recorded on to the Government's Animal Movements Licensing System (AMLS) using a paper based process shown in diagram1. Anyone transporting the animals must carry a copy of the movement document. After each movement is completed the keeper at the *destination* premises sends a copy of the accompanying movement document to their Local Authority (LA) who uses it to manually enter details of the move on to AMLS. That keeper is required by law to provide the movement document to the LA within 3 days of the move taking place.



Diagram 1.



## Why change?

- 3.3 Defra has been considering the potential benefits of 'e-reporting' for sheep moves to take advantage of and maximise the benefits of the implementation of EU origin rules on electronic identification (EID) of sheep.
- 3.4 AMLS is recognised by the European Commission as our Central Competent Authority (CCA) database for recording livestock movements. The baseline requirement of the relevant EU legislation is for those movements to be recorded on the CCA system at batch level – i.e. the total number of animals only in each batch – not any individual identities. AMLS (which has been operational since 2003) was therefore not developed to record the millions of individual identities of animals that are now recorded in GB every year. Opportunities exist to make the current movement reporting system for these species more efficient and much less burdensome for industry.
- 3.5 The current manual data entry system is no longer viable. In the current economic climate it is too expensive to operate and is therefore subject to resource pressures. This is an unsustainable position.
- 3.6 Having also looked at ways of reducing regulatory burdens on farmers, the independent Farming Regulation Task Force recommended e-reporting for all farmed livestock species<sup>3</sup>. Government accepted their recommendation. The Task Force advised that a commercially operated service/database to record sheep and goat movements be introduced at the earliest opportunity. (Cattle and pig moves can already be reported electronically).
- 3.7 A high level specification for an e-reporting service/database was developed in 2012 in consultation with stakeholder bodies. It formed the basis of a procurement competition earlier this year following which Defra has selected a service provider to deliver the service in England.
- 3.8 Protecting animal health is a Defra priority<sup>4</sup>. Without improvements to the movement reporting system movement data for these species will become progressively out of date and unreliable. This would jeopardise Defra's ability to trace animal movements quickly and accurately in a disease outbreak.

## Proposed changes to the system

- 3.9 A challenge faced by sheep/goat/deer keepers<sup>5</sup> is how to manage compliance with their statutory obligation to record and report the tag number identities when their animals move. EU law requires that when sheep/goats, unless intended for slaughter and under 12 months of age, are moved their *individual* identities must be recorded by keepers. This is completed in the movements section of their on-farm/premises holding registers, and on their accompanying movement documents.

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<sup>3</sup> <https://www.gov.uk/government/publications/independent-farming-regulation-task-force-report> (Chpt. 8)

<sup>4</sup> <https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs/about#priorities>

<sup>5</sup> Any person responsible for the day-to-day care of the animals including on a temporary basis.

- 3.10 Where batches of slaughter sheep and goats are moved (who do not have to be individually identified) there is also a requirement on keepers to record (in their holding registers) how many flock marks (part of the official ID number) are included in the batch when the animals have originated from different holdings. This is commonly referred to as 'batch-within-batch' or 'mixed batch recording' (Chapter 4).
- 3.11 Since 2010 individual recording has been facilitated by the introduction of electronic identification (EID) of sheep (EID is voluntary for goats). As increasing numbers of sheep are now identified with electronic identifiers (typically ear tags) this presents an opportunity to facilitate electronic reporting of the requisite (batch level) movement data on to the AMLS system, and potentially also the recording of other information that may be of interest to sheep producers (3.22-4).
- 3.12 To address the issues and opportunities highlighted above, following a procurement exercise, Defra has awarded a contract for the delivery of an electronic movement reporting service and an underpinning central database which will deliver efficiencies in the way that movement data is collected and provide opportunities for the sheep industry to maximise the benefits of electronic identification. The cost/benefit implications are outlined summarised at annex B.
- 3.13 In order to ensure operational efficiencies for/from the new system a high level of electronic reporting is necessary. Ideally all movements would be reported electronically. Some farmers may not, however, be confident users of computers and web-based systems, and/or not yet have reliable access to broadband internet. We do not think at this point it would therefore be reasonable to require all keepers to report movements electronically.
- 3.14 To that end Defra intends to only require markets, abattoirs, collection and assembly centres to report moves through their premises electronically. These businesses account for around 70% of movements. Most are already highly automated and IT capable and indeed most livestock markets already offer a commercial EID tag reading service to sheep producers as Central Point Recording Centres (CPRCs). Changes to the current system will necessitate an amendment to the Sagrimo Order.

**Question 1. Do you agree that only markets, abattoirs, collection and assembly centres should be required to report moves of sheep/goats/deer through their premises electronically?**

- 3.15 The service provider will also provide a paper 'bureau service' to which destination keepers can send paper AML movement documents. This will be similar to the current system; the only real change that these keepers will see is a single address to send the documents to and a new form (designed in consultation with industry).

- 3.16 We are proposing that farmers will have the choice to report moves electronically. The service provider will be required to encourage them to do so. Defra's digital strategy<sup>6</sup> emphasises the cross-government 'digital by default' principle for services i.e. it is Defra's aim that the electronic movement reporting service should be so straight-forward and convenient to use that all those who can use it will (eventually) choose to do so. With that in mind we aim to have 80% of all movements reported electronically within 5 years of the e-reporting service commencing.

**Question 2. Do you agree that *farmers* should be allowed the option to continue to report moves on paper whilst being encouraged, to use (voluntarily) the e-reporting system?**

- 3.17 An example of how the system would work is shown at Diagram 3. This example is for the most frequent type of move - (sheep) to a market. It is worth noting that for a *move to a farm* set up electronically (e.g. by a market or indeed any other keeper) the service provider will be able to send an email to the receiving keeper (if/once that keeper's email has been provided) to enable that keeper to confirm receipt of those animals i.e. to report the move.
- 3.18 The purpose of the new underpinning database for this service is to collect the key movement data for each move, including any electronically recorded animal identities, and to 'concentrate' those individual identities into the batch level data for upload to the AMLS system. When the above-mentioned high throughput premises scan an EID on an individually identified animal, they will scan the **full** individual animal number encoded therein (and will upload that number with the movement data for that move, to the new database).
- 3.19 Keepers at destination premises must at present report a move on to their premises within 3 days of it happening. Given that some 70%+ (increasing over time) of moves will be reported by electronic means under the proposed new system it makes sense to vary this requirement so that those moves are reported more promptly.

**Question 3. Do you agree that markets, abattoirs, collection and assembly centres *and* any farmers who choose to report moves to their premises by the electronic route must report those moves within 24 hours of the move being completed?**

- 3.20 These premises will of course encounter the single EID ear tags which can be used to identify slaughter sheep (lambs intended for slaughter within 12 months). Approximately one third of all slaughter lambs will be so identified. A slaughter animal is identified with a single ear tag (electronic or non electronic) which displays visually its flock mark only (table 3 – Chapter 4). However, a full individual animal number is encoded in the transponder in the electronic slaughter tag. The reason for not printing the full individual number on the tag is that individual (visual) identification attracts the individual recording and reporting burden.

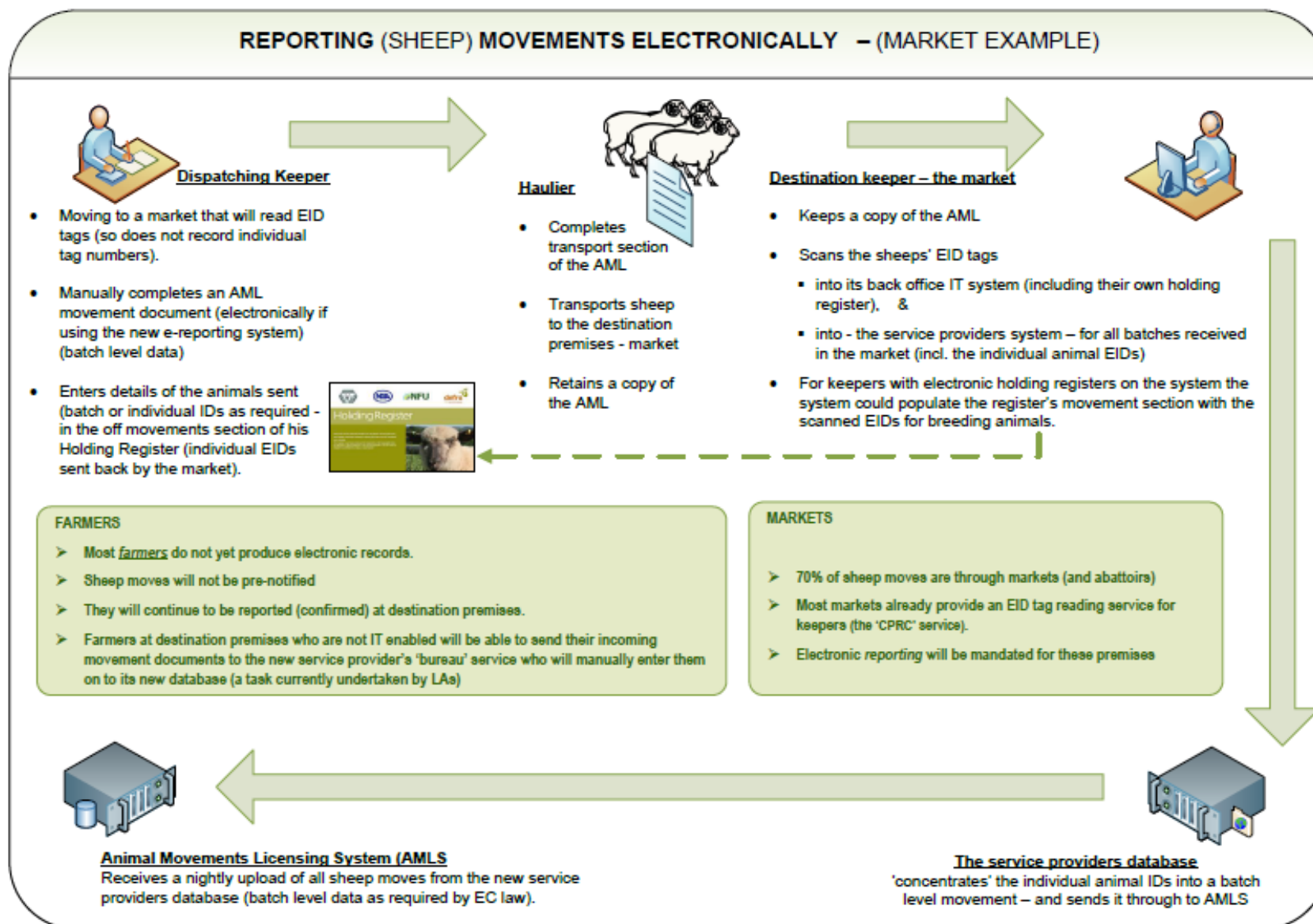
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<sup>6</sup> <https://www.gov.uk/government/publications/defra-digital-strategy-2012>

- 3.21 Given that the purpose of the database is to concentrate data for upload to AMLS and maximise the benefits of EID it makes sense to scan and collect individual animal numbers from slaughter animals' tags so that a more robust set of data is available to support disease control. The alternative is only to scan/record that part of the ID containing the flock mark. Whilst this would facilitate keepers' batch-within-batch recording requirement (covered in detail in Chapter 4) it does not provide any benefits for producers, such as the ability for more detailed production data to be fed back to them.

**Question 4. Do you agree that markets, abattoirs, collection and assembly centres should be mandated to scan/report the full ID number encoded in a slaughter animal's EID tag?**

Diagram 2.





## **Commercial database = future opportunities for industry/keepers**

- 3.22 A database recording individual animal ID data for millions of animals presents an opportunity for producers to use that data to record and maintain associated information that may be of benefit to them in operating their businesses. With that in mind Defra has required the service provider to develop their database so that it will be 'capable' of developing and offering services to producers. Such services might include for example recording of data on: performance, assurance scheme compliance, health, medicines, breed registrations etc.
- 3.23 Such services will not be the immediate priority for the service provider – that will be to ensure that the movement reporting service is up and running and operating effectively. They can however be developed over time - in response to demand from keepers, and with regard to advice from industry bodies. Such services will also be 'permissive' i.e. the service provider will not send a keeper unsolicited offers. We envisage a requirement for keepers to indicate when they register to use the e-reporting system that they are content (or not) to be contacted about the availability of such services in the future.
- 3.24 Given that there are also existing farm management software packages used by keepers providing similar functions that keepers may wish to continue using, or instead of the service offered by the e-reporting service provider Defra has also specified that their database must be capable of recording movements captured by farmers in their own farm software packages which they choose to submit electronically to its database.

**Question 5. Do you agree that it makes sense for the new movement reporting system/database to be used to offer keepers commercial services of benefit to their business?**

## **A free electronic holding register**

- 3.25 All sheep and goat keepers are required by law to maintain a register on their premises to record specific information including: details of when their animals were identified, (individual) tag numbers, 'mixed batches', tag loss/replacements, movements on/off the premises (including individual identities when moved out of the farmers business), and an annual flock/herd inventory. Defra has traditionally provided a model document for keepers to assist them in keeping accurate records.
- 3.26 The advent of a database that will hold much of this information presents an opportunity to offer keepers the choice of maintaining these records electronically with the potential to reduce their record keeping burden and, to maintain more accurate records (a cross compliance requirement). Competent authorities in England (e.g. Defra and Local Authorities) would have access to these records – as they have now with a keeper's existing records (paper or electronic). Being able to review them beforehand could save a considerable amount of time during a cross compliance inspection. There is **no** intent to increase the minimum number of inspections from the 3% p/a mandated by EU law.

- 3.27 From the commencement of e-reporting the service provider will therefore offer keepers the opportunity to use an **electronic** holding register **free of charge**. Reported movements will automatically appear in a keeper's register, but individual animal details will only automatically appear if they are reported electronically. Where a keeper creates or reports a move on paper they would be able to enter the individual information themselves into their electronic holding register, manually, through a browser based interface.
- 3.28 If a keeper requests the service provider's paper bureau to enter individual animal ID information from their paper movement document into their electronic holding register there will be a £5 charge per movement document (It is however most unlikely that a farmer with an electronic holding register would not be electronically reporting also).

**Question 6. Do you agree that keepers should have the opportunity to use the new movement reporting system/database as a means of keeping an electronic holding register?**

- 3.29 If food chain information (FCI)<sup>7</sup> is recorded (which the database will be capable of doing) the possibility also exists for the service provider and the Food Standards Agency to develop linkages for the transfer of that information to Agency systems.

## Other parts of the UK

- 3.30 The Northern Irish, Scottish, and Welsh Governments' either have or are developing similar movement reporting systems. The new database will also be capable of recording cross-border movements from other parts of the UK into England, and vice versa.
- 3.31 In respect of such moves it may be desirable to permit the exchange of cross border movement information between keepers' electronic holding registers. For example, a keeper in England receiving animals from a Scottish farm might receive the requisite individual/batch level movement data for his register electronically from the official electronic movement reporting system/database operating in the dispatching territory. Or, an English farm receiving animals from a Welsh market ought to be able to record the requisite movement/origin data in its holding register. Our service provider will be ready to cooperate with their opposite numbers in other parts of the UK to facilitate the necessary linkages between the different administrations systems. The above mentioned linkages/synergies are of course best delivered when all parties in a movement are recording / reporting electronically.

## Delivery costs

- 3.32 The current impact assessment is summarised at annex B. Compared to the cost of operating the current paper system the overall net benefit for industry in monetary terms (2013-22) is £688,000. Initial benefits to Government for the same period have been estimated at £2.4m. These benefits were calculated before the service delivery contract costs were known. Final savings for Government taking account of actual contract costs are expected to be higher (£6-6.5m) when the service delivery costs are confirmed.

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<sup>7</sup> <http://food.gov.uk/business-industry/guidancenotes/meatregsguid/fcguidance/>



- 3.33 The contract for the provision of the new e-reporting service/database will run for between 3-5 years. Defra will be fully funding the design, delivery, and operation of the database / e-reporting service (during the current spending review period) and it is not proposed that keepers should be charged for recording/reporting of the requisite statutory movement reporting data. The viability of the system will also not be dependent on the provision or otherwise of commercial services and their uptake.

## Delivery and timing

- 3.34 The planned timetable for the delivery of the new service is illustrated in diagram 3.

Diagram 3.

Timetable	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14
Service provider chosen												
Industry engagement begins			(ongoing throughout the design, delivery, and after rollout of the new system)									
Public consultation												
System development												
Pilot testing												
Legislation in force												
E-reporting service begins												

- 3.35 The delivery of the project to the target service commencement date of April 2014 and its transition thereafter to a 'business as usual' state, will be managed by the Animal Health and Veterinary Laboratories Agency (AHVLA). They will bring to bear their extensive recent experience of successfully delivering and transitioning the e-reporting system for pigs including lessons learnt from that project.

## Working in partnership - stakeholder engagement

- 3.36 Our service provider has already met with industry representatives and has demonstrated sound plans for engaging with industry during the development of the new system, and ongoing involvement with industry bodies via a governance panel. It will communicate to and promote the new movement reporting arrangements to keepers via the farming press and industry workshops commencing later this year. Once the system is live there will be an ongoing programme of improvements to the system to be delivered in response to user feedback (3.16).
- 3.37 Defra will revise its published guidance for keepers. We will consult industry bodies and other stakeholders on the draft.

# Chapter 4: Proposals to simplify the identification of lambs

## The current ID / recording options

4.1 Currently keepers can choose from three options to identify their lambs.

Table 2.

Option	Scope
1	Double identify. 1 of the identifiers must be an electronic identifier and at least one must be an ear tag. <b>(This option is commonly referred to as ‘full EID’ it is obligatory for animals kept past 12 months of age. Most typically it is done with 2 ear tags. These animals are individually identified / recorded / and movement reported).</b>
2	A single non-EID ear tag <b>(The tag visually displays the unique flock mark only).</b>
3	A single EID ear tag <b>(The tag displays the unique flock mark only, which can also be scanned from its transponder).</b>

4.2 Options 2 and 3 above are most commonly used for identifying slaughter lambs. They are permitted in England as Defra chose to use a derogation it negotiated into the EC Regulation to allow animals intended for slaughter within 12 months of age to be identified with a single ear tag with a view to lamb producers avoiding the burden of double tagging.

### A problem – mixed batch recording

4.3 The EC Regulation did not envisage (nor prohibit) an electronic version of that tag. Defra permitted that option in response to industry requests received during its consultations in 2009 on the implementation of EU EID rules. This was done so that *keepers* including business could more easily comply with the legal requirement to record in their holding registers the number of each (different) flock mark in any batch of slaughter sheep when moved – the so called ‘mixed batch’ or ‘batch-within-batch’ recording requirement.

4.4 Significant volumes of sheep (batches) (table 1) move, frequently, between premises in England (and across GB borders) and have to be reported. This is a consequence of the unique and highly ‘stratified’ nature of sheep breeding/production in Great Britain. Very many of these moves are facilitated by livestock markets.

- 4.5 The mixed batch recording requirement therefore creates significant compliance issues for high volume premises (e.g. livestock markets/abattoirs/store lamb 'finishers'). It is impractical for example to expect their personnel to intervene in the sales process to manually read non-EID slaughter tags in order to compile the mixed batch record of flock marks. These businesses are important elements of the lamb supply chain. Together they ensure that a competitive price can be obtained for producers. On the one hand it is important not to disrupt the speedy throughput at auction sales and on abattoir kill lines on the other hand we must endeavour to facilitate compliance with the legal recording requirements.

## Why this problem is not yet resolved

- 4.6 The expectation advanced by the sheep industry prior to the introduction of sheep EID, was that farmers would make informed choices about the type of tag they would use when they first identify their lambs, based on the market situation. That is, they would recognise that EID slaughter tags would benefit in particular their customers (purchasers) with high throughputs as it would enable them to electronically collect and record any 'mixed batch' data for their own holding registers. Purchasers might therefore pay a premium for lambs with the EID tag. However despite extensive efforts by Defra and industry bodies since 2010 to encourage voluntary uptake of EID slaughter tags, this has not happened. Some 69% of single batch tags sold last year were non-electronic.
- 4.7 Consequently the aforementioned high volume premises/businesses have a great difficulty in striving to comply fully with the mixed batch recording requirement be it at a market when *receiving and selling* mixed batches of lambs, and store lamb finishers who buy and sell back through markets large numbers of lambs sourced from different producers.

## Proposed change to the current options

- 4.8 Defra has considered a range of options to resolve the current practical issues. These include :

Table 3

Option	Scope
1	Require all lambs to be electronically identified – using double tags
2	Require all lambs to be electronically identified - with at least a single EID batch tag ( <b>preferred option</b> )
3	Require only lambs not moving direct to slaughter from their holding of birth to be identified with an EID slaughter tag ( <i>the 'restricted derogation'</i> ).

- 4.9 The EU Commission recognises that manual recording of non-electronic identifiers requires considerable effort on the part of keepers and represents a potential source of errors. EU inspectors have already identified the operation of the slaughter tag derogation as a weakness in our implementation of the EU ID rules for sheep/goats. Doing nothing is not an option as it would not address the mixed batch recording requirement for high throughput premises. Removing the slaughter derogation altogether (option1) would significantly increase the recording burden and therefore the cost on industry as movements of slaughter lambs would have to be recorded individually.
- 4.10 The restricted derogation option (3) means that all animals in a batch would have the same flock mark because the non-electronic tag could only be used to identify animals moving direct to slaughter from their holding of birth. It attempts to address the non-compliance issue and would be the least costly option for industry in the short run. It may however cause business to divert from livestock markets which may in turn have a negative long term effect on competitive pricing for slaughter lamb facilitated by the auction market system. Most abattoirs would not wish to have to continue with different handling systems for non electronic and electronically tagged animals. Most will not examine each lamb's tag individually in order to read and record each flock mark as this would disrupt the high volume flow of animals with economic and welfare implications.
- 4.11 Mandating the use of EID tags for all lambs from 2014 is therefore Defra's preferred option. It addresses (i) the compliance problem most comprehensively, (ii) simplifies complex identification rules for producers - a perennial complaint made to Defra by keepers in recent years (iii) maintains the existing competitive market pricing arrangements for slaughter lambs and (iv) delivers a single slaughter identification system to make handling at abattoirs easier. In addition it will also maximise the benefits from the move to electronic movement reporting (Chapter 3) by facilitating performance recording for producers/processors. It will also enable the capture of more robust data at high volume premises which could support any future negotiations with the EU on EID or issues such as cross compliance tolerance.
- 4.12 If intended to be kept past 12 months of age animals must be individually/double identified. Non-EID (single) tagged lambs can only be 'upgraded' to double tagged/full EID status on their holding of birth. Requiring the use of the EID batch tag only will make it easier for keepers to 'upgrade' slaughter lambs that have just moved from their holding of birth if the purchaser decides then that he wishes to retain a lamb originally identified for slaughter for breeding instead.
- 4.13 Whilst the preferred option does increase costs marginally for the primary producer, we do not consider this marginal increase in costs will negatively impact on supply. This option delivers an overall net benefit to the sheep sector of £200k per annum.

**Question 7. Do you agree that, slaughter lamb producers who decide to *single* tag their lambs should be required to *only* identify lambs with the single EID tag?**

- 4.14 The preferred option would align the English ID rules with those in Scotland where the electronic slaughter tag is the only permitted batch identification option for lambs. Furthermore, in announcing its plans in March last year to introduce a parallel electronic movement reporting system the Welsh Government stated that it would review whether the slaughter derogation remains appropriate. We understand a consultation on the slaughter tag derogation will take place in Wales soon. Northern Ireland requires all sheep to be electronically identified - via 'full EID'.

**Question 8. Do you agree that with simplicity in mind it would also make sense to align the operation of the slaughter lamb derogation within the GB Devolved Administrations?**

- 4.15 We do not intend to mandate the use of EID tags for goats as the EC Regulation mandates electronic identification for goats only where the national herd is in excess of 160,000, the UK herd is circa 98,000.

# Chapter 5: Proposal to authorise the use of an injectable identifier for sheep and goats

## The origin of the proposal

- 5.1. The introduction of EID for sheep in 2010 prompted an increase in representations from vets and hobby keepers regarding tagging and ear damage more particularly in goats, lambs, and small breeds. The Farm Animal Welfare Committee (FAWC) subsequently examined the issue of sheep tagging and advised that it is unlikely to lead to poor welfare provided that good practice guidelines are followed<sup>8</sup>.
- 5.2. Currently the permitted forms of identification for sheep and goats include specific combinations of an ear tag, a ruminal bolus, or a pastern (leg band), and a tattoo. There are now a wider range of ear tags available for use in smaller animals. Although the EC Regulation on sheep and goat identification permits the use of an injectable transponder (implant) this has hitherto not been authorised in the UK owing to a lack of information on the use of implants, their migration, and how that might impact upon commercial meat production.

## Research

- 5.3. In recognition of the above concerns and in order to inform future policy on the use of injectables Defra commissioned ADAS UK Ltd to carry out research in 2011-12 on the use of injectables<sup>9</sup>.
- 5.4. Application of the ear tags in the control animals was the least problematic identification method. In all groups implanting (subcutaneously) in the inner thigh/groin area proved to be the easiest application option, followed by the armpit, then the base of the ear. Single use throwaway implanting kits were used. The additional use of sterilised wipes to the clean application site before implantation had no impact on subsequent infection rates but made application more difficult as it was not easy to grasp wet skin into a fold, with consequent animal reactions.
- 5.5. The animals' visible reaction to the identification was least for ear tags, intermediate for the groin and armpit and most noticeable for the base of the ear. There was no noticeable difference of reaction depending on the size of the implant. Implanting in the groin was associated with the lowest levels of localised inflammation with slightly higher incidents for the base of the ear.
- 5.6. 100% of ear tags were recovered at the abattoirs, 85-95% of those in the groin, and 94% from the armpit. Only 60% were recovered from the ear region. There were some retrieval issues at abattoirs resulting in condemnation of parts or all of carcasses.

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<sup>8</sup> <http://www.defra.gov.uk/fawc/files/Sheep-ear-tagging-8-August-2011.pdf>

<sup>9</sup> <http://randd.defra.gov.uk/Default.aspx?Menu=Menu&Module=More&Location=None&ProjectID=18772>

## The proposed addition to the current ID options

- 5.7. In light of this research we propose to permit the use of 22 x 4mm injectable transponders that are applied in the groin region. However, we do not consider there is scope for this method of identification when animals are destined for the food chain. We therefore propose to permit the use of injectable transponders for the purposes of non food producing animals only.

**Question 9. Do you agree that injectable transponders should be permitted as a means for the double identification of sheep and goats (i.e. an ear tag and injectable)?**

**Question 10. Do you agree that the use of injectable transponders should be permitted *only* for sheep and goats that do *not* go into the food chain?**

- 5.8. Application by vets is an option but subcutaneous application can be regarded as a non-veterinary procedure and therefore application by a vet is not a legal requirement. It is nevertheless appropriate to minimise the risk to welfare by requiring implants to be applied by trained and competent personnel only.

**Question 11. Do you agree that injectable transponders need not be applied by vets but they should, as a minimum be implanted by trained and competent personnel?**

- 5.9. It will be necessary to have a visual indicator (ear tag) that a full EID sheep/goat has an injectable identifier. Presently, for ruminal bolus EIDs the animal must have a black ear tag – which may not be used as the colour for any other ear tag. We are proposing that the reserved colour for implants should be purple and that purple tags could no longer be used for management purposes.

**Question 12. Do you agree that the reserved tag colour to be used when an implant has been applied should be purple?**



## Chapter 6: Other ‘housekeeping’ changes

- 6.1. Since the 2009 Sagrimo Order came into force a number of changes have been made to the EC Council Regulation on sheep and goat ID. In addition to implementing the changes discussed in the previous chapters we will take this reflect those changes in the Order together with a number of housekeeping changes.

### Tag colours

- 6.2. At present EID tags must be yellow. Replacement tags (EID or non-EID) applied off the holding of birth must be red, and a tag applied to animals with a ruminal bolus EID must be black. These colours may not be used for any other ear tags. There are however some EID tags on the market where the fixing mechanism or pin are colours other than yellow or red. This is because some keepers will use that additional colour as a management tool e.g. as a visual identifier of, for example, the age of a cohort of lambs as part of their flock management regime. We intend to amend Sagrimo to clarify that this is permissible for tags of a mandated/reserved colour so long as the tag is predominantly of the mandated colour.

### Historic flock movement reporting

- 6.3. From 2011 the EC Council Regulation required individual ID numbers for sheep that had/have been individually electronically identified from 2010 to be entered on movement documents. For *older* animals (pre-2010/EID sheep) already individually identified - the ‘historic flock’ - the requirement to include their *non*-EID numbers on the movement document was due to come into force on 31 December 2011. In December 2011 following extensive negotiations Defra persuaded the EU Commission and other Member States to agree to defer that date until 31 December 2014. That change which will save English keepers £4.5million in a reduced reporting burden was publicised to keepers/industry<sup>10</sup>. This change to EU law needs to be reflected in our domestic legislation.

### Zoo animals

- 6.4. In June 2010 the EC Council Regulation on sheep and goat identification was amended to permit sheep/goats kept in or moved between Zoos approved under the ‘Bali Directive’<sup>11</sup> not to be tagged. Most of these animals belong to exotic species where visible identifiers might be impracticable for the purpose of exhibiting the animals as they may affect the authentic look of the animals. Given the limited numbers of animals it was deemed proportionate to permit them to be untagged so long as they are individually identifiable by other means and traceable. Again, this change to EU law needs to be reflected in our domestic legislation.

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<sup>10</sup> <https://www.gov.uk/government/publications/good-news-for-sheep-tagged-before-2010>

<sup>11</sup> <http://www.defra.gov.uk/ahvla-en/imports-exports/balai-directive/>



## Annex A: Summary of the questions in this consultation

**Question 1.** Do you agree that only markets, abattoirs, collection and assembly centres should be required to report moves of sheep/goats/deer through their premises electronically?

**Question 2.** Do you agree that *farmers* should be allowed the option to continue to report moves on paper whilst being encouraged, to use (voluntarily) the e-reporting system?

**Question 3.** Do you agree that markets, abattoirs, collection and assembly centres *and* any farmers who choose to report moves to their premises by the electronic route must report those moves within 24 hours of the move being completed?

**Question 4.** Do you agree that markets, abattoirs, collection and assembly centres should be mandated to scan/report the full ID number encoded in a slaughter animal's EID tag?

**Question 5.** Do you agree that it makes sense for the new movement reporting system/database to be used to offer keepers commercial services of benefit to their business?

**Question 6.** Do you agree that keepers should have the opportunity to use the new movement reporting system/database as a means of keeping an electronic holding register?

**Question 7.** Do you agree that, slaughter lamb producers who decide to *single* tag their lambs should be required to identify lambs with the single EID tag *only*?

**Question 8.** Do you agree that with simplicity in mind it would also make sense to align the operation of the slaughter lamb derogation within the GB Devolved Administrations?

**Question 9.** Do you agree that injectable transponders should be permitted as a means for the double identification of sheep and goats (i.e. an ear tag and an injectable )?

**Question 10.** Do you agree that the use of injectable transponders should be permitted *only* for sheep and goats that do *not* go into the food chain?

**Question 11.** Do you agree that injectable transponders need not be applied by vets but they should, as a minimum be implanted by trained and competent personnel?

**Question 12.** Do you agree that the reserved tag colour to be used when an implant has been applied should be purple?

# Annex B: Impact Assessment summary – electronic movement reporting

(See Appendix 1 to this consultation document for the full assessment)

This impact assessment considers three options on electronic reporting:

- Option 0: Do nothing, retain the current system – this is the baseline
- Option 1: A commercial owned and operated database which provides for electronic reporting and a paper bureau service for keepers. **The preferred option.**
- Option 2: Government develops and manages the new database and paper bureau service for keepers.

## Summary of the preferred Option 1 – Commercial database

- Replaces the current paper system for sheep, goat and deer. Includes a paper bureau service for non IT enabled farmers. Markets and abattoirs to report electronically = 70% of all annual movements.
- Provides much quicker and accurate movement data addressing deficiencies of the current data on AMLS and the associated EU infraction risk.
- A modern database will maximise the benefits of sheep EID, capturing millions of individual EID numbers which AMLS cannot accommodate.

## Cost / benefit for Option 1

Option 1 is the preferred as it addresses the shortcomings and risks associated with the current system. It is significantly less costly than the current system.

Over a ten year period it represents an estimated net saving of £688,000 for industry and £2,418,000 for government. The costs and benefits (over and above the current system) over ten year period for industry and government are summarised in the table below:-

## Option 1: cost/benefits and net saving in £s

Sector	Benefits (annual)	Total benefits (10 years)	Total costs (10 years)	Overall savings
Industry	47,000 (p/a) ~ 200,000 (p/a) over a ten year period  Savings in labour and postage by reporting electronically	1,136,000	448,000  One-off IT set up costs for markets and abattoirs. Equipment, maintenance and labour costs for abattoirs.	<b>688,000</b>
Gov't.	126,000 p/a	12,600,000	10,182,000 Nightly transmission of data to AMLS and provision of a paper bureau service	<b>2,418,000*</b>
Total	1,307,000 ~1,140,340 over a ten year period	13,736,000	10,630,000	<b>3,106,000</b>

\* Government savings may increase to as much as £6-6.5m

Industry figures are based on total movements per year for sheep, goats and deer of c.590,000 movement documents and c.22 million animals. The businesses involved in the buying/selling and slaughter of these animals include 55,000 keepers, 83 markets, 180 abattoirs and 50 independent small traders. The impact will therefore be positive with a net reduction for businesses.

# Annex C: Impact Assessment summary – identifying slaughter sheep (EID batch tag)

(See Appendix 2 to this consultation document for the full assessment)

This impact assessment considers three options on the identification of slaughter lambs:-

- Option 0: Do nothing, retain the choice of a batch or EID slaughter tag – this is the baseline
- Option 1: Only permit the use of the EID slaughter tag as the single tag identifier  
**The preferred option.**
- Option 2: Non EID batch tag restricted for lambs moving direct to slaughter

## Summary of the preferred approach - Option 1: Only EID slaughter tag permitted

The current choice of two types of slaughter tags has meant that almost 70% purchased are the cheaper non-EID tag. EU recording rules require that in batches of lambs moved the number of each different flock mark must be recorded in the keepers holding register – ‘mixed batch recording’.

High volume premises (markets and store lamb finishers) which handle many thousands of mixed batches are finding it extremely difficult to comply with this recording requirement unless these lambs are electronically tagged. Compliance would be significantly improved if only the EID slaughter tag was permitted for single tagged lambs.

Removing the option of using the non-electronic batch tag would increase costs for lamb producers lambs but would provide benefits for downstream high volume premises. It provides an overall saving (net benefit) of £200,000 per year for the industry. This is based on the number of slaughter tags purchased each year (c.6 million of which c.4 million are batch and c.2 million electronic) and savings in reading times for the high volume premises.

Other benefits include: simpler tagging rules for keepers, improved movement data (as all sheep could be electronically read), keepers could more easily keep/upgrade slaughter lambs for breeding, improved animal welfare (less handling), and more comprehensive recording data may support future EU negotiations on an EID record keeping tolerance for keepers. Option 2 would not provide this range of benefits.

## Expected Level of business impact

The proposal will have different impacts on the key industry sectors:-

### (i). Keepers who breed lambs

The cost of EID slaughter tags range from c.£0.56 to £1.00, non-EID tags from £0.9 to £0.26p. These keepers would bear the cost of withdrawing the non-EID batch tag.

### (ii). High Volume premises

Would benefit if all lambs had an electronic tag as they could rapidly read their IDs. They would not have the logistical problem of distinguishing between non-electronic and electronically tagged lambs and would therefore comply more easily with the mixed batch recording requirement.

High Volume premises include:-

- *Specialist store lamb finishers*: a vital outlet for lamb producers in upland and hill areas where the land is less suitable for finishing animals to slaughter weights.
- *Markets*: who match farmers selling sheep with buyers. Most store lambs are sold via markets which enable many of the hill/upland keepers to supply finishers.
- *Abattoirs*: All commercial sheep will at some point be sent to the abattoir. They too have problems complying with the mixed batch recording requirement.

**(iii). Tag manufacturers**

Might offer a modest reduction in the price of electronic tags as they would be better able to predict and plan the supply of the microchips required as all tags would be electronic.