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## Opinion

**Title**                    **SANCO - Electronic identification of bovine animals and reducing administrative burden in animal passports, holding registers and beef labelling, revision of Regulation (EC) No 1760/2000**

**(draft version of 20 December 2010)**

### **(A) Context**

Regulation (EC) No 1760/2000 establishes a system for the identification and registration of bovine animals, such as cows and buffalo, and regulates the mandatory and voluntary labelling of beef and beef products. It strengthens earlier Regulation (EC) No 820/97. The regulation includes obligations relating to double ear tags, holding registers, cattle passports and national computerised databases. While bovine ear tags must bear an identifying code, the current EU rules do not regulate electronic tags for bovines (in contrast, such tags are required for sheep and goats and some other animals). The requirement is instead for manual registrations which are subsequently fed into a database. Some Member States have started to introduce electronic tags for bovines at national level on a voluntary basis.

### **(B) Overall assessment**

**In its current form the report does not provide a sufficiently clear case to justify its preferred option. It should provide better evidence about the precise problems to be tackled demonstrating the drawbacks of requiring unnecessarily slow registration and explaining the seriousness of the potential for divergence in technical standards. The report should also clarify the objectives of the initiative in relation to the identified problems, as well as content of its options and should provide an option on voluntary beef labelling. More systematic assessment should be supplied, covering the impacts on trade and on different groups including both large and small farmers. Finally, the impacts should be presented in a comparable manner against a clearly defined baseline with an indication of both overall costs and set-up and registration costs per animal.**

**Given the nature of these concerns the IAB requests DG Health and Consumers to resubmit a revised version of the IA report, on which the IAB will issue a new opinion.**

### **(C) Main recommendations for improvements**

#### **(1) Provide better evidence about the problem and the groups most likely to gain.**

Evidence should be supplied to support the claim that traceability goals are adequately achieved as this justifies the focus on allowing easier, cheaper compliance where possible. If data is available relating to error rates or compliance levels in both manual and electronic recording, it should be supplied. The report should more precisely explain the nature of the "unnecessarily slow registration" problem, discussing infringements or other signs of non-compliance, groups that struggle most to comply, the baseline level of administrative burden and the wider consequences. The report should also mention additional differences among stakeholder groups and Member States which affect their potential gains from an electronic system, for example in terms of internet access, cattle registration frequency, use of non-official electronic tags that official ones could probably replace. The report should draw on experiences with electronic tagging of sheep and goats to clarify the sort of problems that could occur if technical standards diverge and the likelihood of this. It should be clear that a shift to electronic identification is a market-driven process and therefore interoperability difficulties are probable if no action is taken but are not yet causing practical problems.

#### **(2) Clarify the objectives of the initiative in relation to the identified problems and the content of options, and provide an option on voluntary beef labelling.**

The report should clarify the objectives and their relation to the problems. It should clarify what each option involves, briefly explaining how EU-level technical standards would be developed, what they would cover (tag and tag-reader characteristics, tag content and/or related methods e.g. for applying tags), and where they would go beyond ISO standards. The report should also clarify if EU-level obligations would require the purchase of tag-reading equipment by any particular stakeholder groups. To better explain the proposed burden reduction on 'voluntary beef labelling', this should be presented as an option and its impacts should be explained in the main text.

#### **(3) Improve the assessment and comparison of options.**

The report should contain a more systematic discussion of how each option would affect key stakeholder groups such as small farmers, large farmers, markets or slaughterhouses and those engaged in intra-EU trade in bovines. It should also explain if impacts on the beef and dairy sectors will differ. The report should clearly explain the estimated impact on costs for key stakeholders including large and small farmers, taking into account differences between Member States, both in overall terms and in terms of the altered per animal cost for initial tagging and the altered per registration cost. In assessing options 2a and 2b (state-wide or user-chosen voluntary adoption of EU format e-tags), the report should more fully consider the impacts on trade, distributional impacts that may disadvantage small farmers and the impact on competent authorities of managing implementation. The implications of having two parallel systems either within or across Member States should be discussed. The report should briefly state the impacts on traceability, to make explicit to readers that adequate controls could still be maintained. Further effort should be made to present the assessment in a comparable manner.

**(D) Procedure and presentation**

The executive summary should be expanded to better explain the costs and benefits of each option. Stakeholder views should be given for all options. The key findings of the administrative burden analysis should be provided in an Annex using the format recommended in the IA guidelines. The report would benefit from careful proof-reading.

**(E) IAB scrutiny process**

Reference number	2011/SANCO/004 (catalogue)
External expertise used	No
Date of IAB meeting	26 January 2011