

Final Business and Regulatory Impact Assessment

Title of Proposal The Pigs (Records, Identification and Movement) (Scotland) Order 2011
Purpose and intended effect <ul style="list-style-type: none">• Background<p>Under the current legislation keepers are required to report pig movements to the relevant Local Authority (LA), who in turn notify moves to the Scottish Ministers. Scottish Government were approached by Industry (Quality Meat Scotland and Scottish Pig Producers) and asked to consider introducing a simplified system to allow for the electronic movement reporting of pigs – along similar lines to systems that are being developed in England and Wales. Industry feared that not doing so could have a negative impact on Scottish trade with England and Wales.</p>• Objective<p>The purpose of the proposed legislation is to transpose and fully implement Council Directive 2008/71/EC which lays out the minimum requirements for the identification and registration of pigs. The new legislation will clarify, simplify and consolidate existing requirements in relation to the identification, registration and traceability of pigs. It will allow keepers to continue to report moves by paper document, but will also allow for electronic and telephony reporting of moves. In addition, keepers will notify moves directly to the Scottish Ministers rather than notifying moves via Local Authorities, thereby providing efficiencies.</p>• Rationale for Government intervention<p>The proposed legislation will make provision for the identification and registration of pigs as set out in Council Directive 2008/71/EC and as requested by the pig sector. The legislation will be made under the Animal Health Act 1981 and will apply in Scotland only. Similar legislation applies in other parts of Great Britain. Clarifying and simplifying the legislation will assist keepers in complying with the existing requirements in terms of identification and registration of pigs. Notifying the Scottish Ministers directly will improve traceability in the event of a disease outbreak. By introducing electronic reporting systems this will help alleviate the paper burden on industry. This fits under the National Performance Framework, under 'Greener Scotland' – 'Improving Farming Businesses'.</p>
Consultation <ul style="list-style-type: none">• Within Government<p>The Rural Payments and Inspections Directorate and Animal Health Veterinary Laboratories Agency were consulted on the proposed changes to the legislation.</p>• Public Consultation<p>A discussion paper was issued to industry and local authorities in December</p>

2010 outlining the proposed changes to the legislation. Industry were supportive of the move to electronic movement and felt that this would make movement reporting more efficient. However, they were also of the view that paper reporting should continue to allow keepers with one or two pigs or who do not have access to the internet or a computer to comply. Local authorities were in favour of the proposed changes and welcomed the move to allow keepers to report direct to Scottish Ministers. They stated that as they would no longer receive this information directly from keepers they would require direct access to movement data, to allow them to effectively carry out enforcement of the legislation. This is in line with cattle movement reporting where local authorities access the Cattle Tracing System (CTS) for monitoring and enforcement purposes.

- **Business**

Face to face meetings have been held with representatives from Scottish Pig Producers, Scotlean, Vion, The British Pig Association, Quality Meat Scotland, ScotEID and Scottish Government on the development and delivery of the electronic reporting system for pig movements. There have also been face to face meetings with representatives from local authorities to discuss the implications of keepers notifying moves direct to Scottish Ministers and their access requirements to the data.

In the interests of proportionality we have not carried out further face to face discussions with business as the legislation proposed is something business have specifically asked for and does not impose any new or additional burdens on industry.

Options

Option 1 – Do Nothing

The current legislation is out of date and whilst the pig industry is well regulated the Scottish legislation is not aligned with legislation in other parts of GB, therefore allowing it to remain in place is not an option.

Option 2 – Implement The Pigs (Records, Identification and Movement) (Scotland) Order 2011

The new legislation will simplify and consolidate existing requirements for identification, registration and traceability of pigs along similar lines to systems that are being developed in England and Wales.

- **Sectors and groups affected**

All pig keepers and a small number of livestock markets involved in the sale of pigs and abattoirs involved in the processing of pigs.

- **Benefits**

Option 1

There are no benefits associated with doing nothing, implementing this legislation allows industry to remain on a level playing field with their English & Welsh counterparts.

Option 2

Will allow for electronic and telephony reporting of moves directly to the database. However, where this is not possible we will continue to allow for moves to be reported by paper. Moves being reported directly to Scottish

Ministers will lead to improved traceability in the event of a disease outbreak.

- **Costs**

Option 1

Doing nothing could have a negative impact on Scottish trade with England and Wales. This could cause issues with cross border trade as two different movement reporting systems would be operating – one electronic and one paper based that could not be directly linked and be unable to communicate efficiently.

Option 2

The proposed legislation will not impose any new or additional costs on business. However, there will be a saving across local authorities as they will no longer be responsible for notifying Scottish Ministers for movements. Based on figures received from local authorities the saving across Scotland will range from £8,000 to £40, 000 per annum in total.

Scottish Firms Impact Test

The proposed legislation does not impose any new or additional costs on industry and business and their representatives had already been extensively consulted with and had contributed significantly to the development of these proposals. For these reasons it was felt that it would not be proportionate to carry out additional direct face to face interviews.

- **Competition Assessment**

On the basis of a Competition Filter Test, the provisions in these regulations that affect business are unlikely to have a negative impact on competition. These provisions apply equally to all new and existing affected businesses and are unlikely to fall disproportionately on any individual firm. Entry barriers will therefore not be affected.

- **Test run of business forms**

No new forms will be introduced as a result of these regulations.

Legal Aid Impact Test

The proposed legislation does not create new criminal sanctions or civil penalties and is not expected to have any implications on legal aid.

Enforcement, sanctions and monitoring

Local authorities enforce the current legislation on farm, transport and in markets. The Food Standards Agency (Scotland) enforces in abattoirs. The Scottish Government carries out official on farm inspections. Responsibility for enforcing the new legislation will remain as is. There is an inspection regime that carries out risk based inspections. Keepers found to be in breach of the legislation could under summary conviction be imprisoned for up to 6 months, or face a fine up to level 5 or both.

Implementation and delivery plan

The legislation will be made under the Animal Health Act 1981 and come into force on 1st October 2011.

- **Post-implementation review**

Feedback will be provided by the Scottish pig industry and the enforcement bodies involved. The Scottish Government will review this regulation within 10 years of coming into force to ensure that it is still fit for purpose.

Summary and recommendation

The proposed legislation to be laid on 9 September and come into force on 1 October and will be implemented as above. The legislation will clarify and simplify the existing requirements for the identification and registration of pigs.

- **Summary costs and benefits table**

The proposed legislation does not impose any new or additional costs on industry. However, there will be a saving across local authorities as they will no longer be responsible for notifying Scottish Ministers for movements. Based on figures received from local authorities the saving across Scotland will range from £8,000 to £40, 000 per annum in total.

Declaration and publication

I have read the impact assessment and I am satisfied that (a) it represents a fair and reasonable view of the expected costs, benefits and impact of the policy, and (b) that the benefits justify the costs I am satisfied that business impact has been assessed with the support of businesses in Scotland.

Signed:

Date:

**Richard Lochhead MSP
Cabinet Secretary for Rural Affairs and the Environment**

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