

Business and Regulatory Impact Assessment

Title of Proposal

The Bovine Viral Diarrhoea (Scotland) Amendment Order 2015

Final and Implementation stage Business and Regulatory Impact Assessment for measures to reduce the spread of Bovine Viral Diarrhoea (BVD) infection in cattle.

1. Purpose and intended effect

1.1 Objective

1.1.1 The purpose of the proposed legislation is to identify infected animals and reduce the spread of Bovine Viral Diarrhoea (BVD) in cattle, as part of a plan to eradicate BVD from Scotland. The proposed legislation is the next stage of BVD eradication, following on from The Bovine Viral Diarrhoea (Scotland) Amendment (No 2) Order 2013, requiring movement restrictions on PI animals and untested herds and The Bovine Viral Diarrhoea (Scotland) Order 2012 for compulsory BVD testing by 1st February 2013, and is under the Animal Health Act (1981).

1.2 Background

1.2.1 From the 1st February 2012, under The Bovine Viral Diarrhoea (Scotland) Order 2012, (superseded by the Bovine Viral Diarrhoea (Scotland) Order 2013) there has been a legal requirement for all cattle farmers with breeding herds, to screen their herd for BVD, by the 1st Feb 2013 and annually thereafter. The knowledge of BVD status was to raise awareness of BVD, and encourage eradication. In January 2014 amendments were made to the Bovine Viral Diarrhoea (Scotland) Order 2013, which prevented the movement of untested herds and persistently infected (PI) animals along with requiring declarations of herd status. To eradicate BVD from a herd, the removal of PI cattle is essential. PIs contract BVD in the first 3 months of gestation, and never become immune to the disease. PIs shed large quantities of the virus throughout their lives, causing transient infection in other cattle, and if a pregnant cow becomes infected, it causes abortions or creates new PIs. Therefore, to reduce the number of PIs being created and to reduce the spread of infection, PIs must be identified and then removed from the system.

1.2.2 The previous legislation prevented the movement of known PI animals, but did not require the keeper to find out whether or not PI animals were present on their holding. Now that we are reaching the final stages of the eradication scheme it is essential to know whether there are PI animals present on a holding and this can only be established through increased testing in a “not negative” herd. Along with this, the reinfection of herds through the introduced of untested animals is a constant risk.

1.2.3 The scheme is in four stages, of which this Order constitutes Stage 4: Enhanced testing.

Stage One: Subsidised screening (September 2010 to April 2011)

The Scottish Government provided £36 towards testing for BVD for each herd, and a further £72 towards further testing or veterinary advice if the result was positive. Around 4,000 herds took advantage, at a cost of £180,000.

Stage Two: Mandatory Annual Screening

All keepers of breeding herds were required to screen their herds for BVD by 1st February 2013, and annually thereafter. A range of testing methods is available. Also, where there are calves born in non-breeding herds, they must be tested within 40 days.

Stage Three: Control Measures - reducing the spread of infection

From 01 January 2014

1. Movement restrictions/prohibitions related to any animal confirmed as infected with BVD;
2. The keeper was required notify the current BVD finding prior to movement of any breeding herd/animal;
3. Movement restrictions/prohibitions were put in place for herds/animals during any period where there has been a failure to comply with sampling and testing obligations.

Stage Four: Enhanced Testing

From spring 2015 movement restrictions/enhanced testing requirements will be placed on herds that are not free of BVD (not-negative herds). These restrictions will also apply where animals enter herds from untested herds/herds without a status. There will be a change in the number of tests available to farmers in order to establish whether an active infection occurs in the herd and which animals are PI.

1.3 Rationale for Government intervention

1.3.1 The Scottish Government BVD eradication programme contributes to the following national outcomes:-

- Greener – “We value and enjoy our built and natural environment and protect it and enhance it for future generations” by reducing calf mortality and infertility in beef and dairy herds.
- Greener - “We reduce the local and global environmental impact of our consumption and production” by reducing emissions from livestock production.
- Wealthier and Fairer – “We live in a Scotland that is the most attractive place for doing business in Europe” by improving the reputation of the Scottish cattle industry, and the confidence for international trade and in the process making potential savings of £50-80 million over 10 years to the Scottish Cattle Industry.

1.3.2 The BVD eradication scheme is industry led, as industry leaders asked the government to enforce control measures.

1.3.4 Voluntary schemes in the past have had limited success, such as in Orkney and Somerset. Voluntary schemes often do not lead to complete eradication, as some

farmers may not comply with the full measures necessary, leaving a reserve of BVD to re-infect the wider cattle population.

1.3.5 Currently, the punishment for breaking the BVD Scotland Order 2013 comes under the Animal Welfare Act (1981), which has a maximum penalty of £5000 and a 6 month jail sentence. Instead, it has been proposed to enforce this policy by movement restrictions, which should make it increasingly uncomfortable for farmers who do not comply with the Order.

2. Consultation

2.1 Within Government

Animal Health and Welfare Division – meetings with relevant policy makers about strategy and organisation.

Rural Science and Analysis Unit (RESAS) – Economists produced “an analysis of the effects of BVD eradication in Scotland: a farm business level impact assessment”.

ScotEID - Scottish Agricultural Organisation Society (SAOS), who operate the wider ScotEID project on behalf of Scottish Minister, were consulted to ensure we could create a national BVD database that could help fulfil our policy aims. The database went live with its 1st phase on 18th June 2013.

BVD National Advisory Group – to assist with the BVD eradication programme a BVD National Advisory Group has been set up. Membership comprises Government officials, veterinary professionals, laboratories, APHA, and Industry organisations (IAAS and NFUS). This group advises on all aspects of the BVD eradication programme.

2.2 Public Consultation

2.2.1 A BVD policy team consulted many potentially affected bodies, to create effective policies and plan of action to reduce the spread of BVD. A formal consultation on these control measures was launched on the 18th May 2012 and closed on the 18th August 2012. It was sent directly to over 400 interested bodies and we received 48 responses. The final measures to be introduced takes account of the responses received, of which a summary can be found at -

<http://www.scotland.gov.uk/Topics/farmingrural/Agriculture/animal-welfare/Diseases/disease/bvd/eradication/consultation>

2.2.2 Advice from market leaders were paid special attention, as they would be crucial in the implementation of proposed regulations, for declaring cattle at sale, and ensuring BVD statuses are correct.

2.2.3 The effectiveness of the policies, to reduce the spread of BVD, were consulted with leading BVD and epidemiological scientists, including Prof. Joe Brownlie (Royal

Veterinary College), Peter Nettleton (Moredun), George Caldow (Scottish Rural College (SRUC), and George Gunn (SRUC).

2.2.4 Nigel Miller, who was the president of the National Farmers Union Scotland, was consulted about impact legislation would have on farmers, as were 6 individual farmers – see section 2.3.1

2.2.5 The BVD eradication scheme has been presented at about 80 BVD events across Scotland to around 2000 farmers and vets, face to face.

2.2.6 In May 2014 around 25 representatives from the dairy industry were brought together to discuss the impact that phase 4 changes may have to the dairy sector.

2.3 Business

2.3.1 Six cattle farmers were interviewed to assess how the proposed regulations would affect their businesses.

Locations: Aberdeenshire, Galloway, Thurso, Borders, West Kilbride, Lanark

Size of herd: Between 85 – 330

Types of herds: 3 Dairy, 3 Beef

Herd Status: All negative herds negative: 2 with past exposure, 2 with past severe infection, 2 with naïve herd (no past exposure to BVD).

The majority (5 out of 6) were in favour of the proposed measures. Section 3.2 provides further specific details.

3. Options

3.1 Sectors and groups affected

The sector primarily affected is breeding cattle farmers, as their trading may be restricted. A number of other sectors will also be affected by the implementation of the restrictions, testing, law enforcement, and the potential increase in production and health in cattle.

The following people may be affected by the proposals

- Cattle farmers in Scotland
- Agricultural workers
- Beef traders
- Dairy traders
- Approved labs
- Cattle trading markets
- Consumers
- SAOS maintaining the BVD database
- Sheep Farmers
- Cattle farmers in the rest of the UK
- Vets
- Pharmaceutical companies producing antibiotics

- Local authorities
- Cattle trading markets

3.2 Options

3.2.1 Option 1: Do Nothing

No action.

Benefits

There would be no need for any further legislation. Farmers with a 'not-negative' status will not need to bear the costs to eradicate BVD and be able to continue normal trade. Animals could move into negative herds without the need to test them to establish if they are bringing infection with them.

Costs

If there is no requirement to identify the PIs (Persistently Infected) animals within a 'not-negative' herd, animals are allowed to move freely from these herds which might be PIs it is likely that BVD will continue to spread, which could cost the Scottish Cattle industry £50-80 million over ten years. The introduction, or reinfection, of BVD into naïve (unvaccinated) herds through untested animals is likely to cause large productivity losses and increase the costs of BVD eradication, as eradication may be required multiple times. The potential increase in cost and action required to keep a 'negative' BVD status, could reduce the morale among farmers and industry, and total BVD eradication would be unlikely. Voluntary schemes in Somerset (Booth & Brownlie, 2011¹), and Orkney (Truyers *et al.*, 2012²), were not effective in eradicating BVD, as there was not full participation, and therefore a reservoir of BVD was left to re-infect healthy herds.

3.2.2 Option 2: Introduce requirement for further testing (full package) –

This would introduce the following control measures at the same time -

- 1) Movement restrictions/prohibitions to any animal coming from a 'not-negative' herd unless it has been individually tested.
- 2) Reduce the number of tests available to two options for animals from a 'not-negative' herd and leave three options for 'negative herds'.
- 3) Require animals entering a herd from an untested herd to be tested or this will affect the status of the receiving herd thereby putting movement restrictions in place.

¹ Booth, R. E. & Brownlie, J., 2011. Establishing a pilot bovine viral diarrhoea virus eradication scheme in Somerset. *Veterinary Record*, 170(3).

² Tuyers, I. G. R. et al., 2012. Eradication programme for bovine viral diarrhoea virus in Orkney 2001 to 2008. *Veterinary Record*, 167(15), pp. 566-570.

3.2.2.1 Movement restrictions and enhanced testing requirements for 'not-negative' herds

General impact

This is essentially an extension of the mandatory screening requirements, which aims to establish if PI cattle are currently present within a 'not-negative' herd and the identity of those animals. The restriction will also prevent the movement of unidentified PI animals as animals from 'not-negative' herds will be unable to move other than directly to slaughter unless those animals have been individually tested. This will mean that unidentified PI animals from 'not-negative' herds should no longer pose a threat at cattle markets and negative herds will be unable to buy in unidentified PI animals from 'not-negative' herds.

For 'not-negative' herds the BVD advisory group decided that only two testing options should be available to farmers which should establish if they have PI animals in their herds. These are the calf screen and the whole herd tests. PI cattle are known to be the main reservoirs of BVD virus, and continue to shed high volumes of BVD virus throughout their lives infecting cattle in close proximity.

Benefits

Negative herds will be protected from bringing the disease in to their herds. Market places would have less unidentified PI animals having contact with breeding herds. BVD virus positive animals would be identified in 'not-negative' herds therefore making it possible to remove them from the farming system, which would in turn take away the main source of infection. Removing PIs will dramatically reduce the number of PIs created and reduce the chance of buying a PI animal, which should reduce the spread of BVD. Removing PIs will stop transient infections within herds, and could save £37 per animal per annum (Gunn, *et al.*, 2004³).

Costs

There will be no additional costs to any farmer who receives a 'negative' status under the current mandatory testing requirements as provide for in the 2013 BVD order as amended. For holdings that receive a 'not negative' there will be no legislative requirement to carry out more testing, but in order to ensure all their animals are free to move farmers may choose to carry out enhanced testing to identify any PI animals and remove them, which would lift any restriction placed on the farm. There would also be a small cost in testing animals prior to movement. These costs should only be short term, as once all PI animals have been removed from a holding the cost of testing will reduce again. A PI not going to slaughter would cost £70 for disposal. There would be a loss in value of about £400-500 from selling the meat of a PI at a younger age. However most identified this as more of an investment than a cost, with positive financial implication in the long term.

³ Gunn, G. J., Stott, A. W. & Humphrey, R. W., 2004. Modelling and costing BVD outbreaks in beef herds. *The Veterinary Journal*, 167(2), pp. 143-149.

Detailed impact (derived from interviews with the six farmers as mentioned in section 2.3.1)

Main Benefits Identified

- All identified the proposal as a good thing, except one who was not affected.
- BVD will not be eradicated until there is a complete ban in the movement of 'not-negative' animals.
- Enhanced testing requirements along with movement bans on PI animals will isolate potential/unknown BVD, therefore protecting BVD free herds.
- Reduce the risk of buying a PI and bringing BVD into a clean herd
- Improve herd health and reduce medical (antibiotic) bills.
- Benefit business in the long term.
- It will speed up the process of eradicating BVD.
- It will be easier to be sure you are buying in BVD stock.
- Net benefits will be huge for the market.
- It will be more efficient for industry to have less BVD, for productivity, fertility, still births, calf mortality etc.

Likely Level of Costs to the Farmer

There may be an increase in the cost of testing to the farmer whose holding currently has a 'not negative' status as an increased level of testing may be required in order to identify any PI animals present in the herd. Individual testing will also enable farmers to move animals that individually test negative for the virus from a 'not negative' herd. To test animals for antibody costs around £3.15 per animal plus vet fee, but only 5 animals per management group need to be tested. For an individual animal virus test the price can range from £2.50-£4.50 per animal, but these tests do not always require a vet fee. Along with this, the mother of an animal that tests negative for the BVD virus will be able to move without being tested. A PI animal cannot give birth to a negative calf and therefore if a calf is negative its mother must also be negative. If a PI is identified and is too unhealthy to go to slaughter, the cost of animal disposal is £70 per head. If a PI animal goes to slaughter, the loss in sale value for sending the animal at a younger age is £400-500. However the loss is only for PI calves which had the potential to be healthy and reach normal weight, but many would grow poorly. Long term benefits for removing PIs would be far greater than short term costs, as PI removal has been shown to reduce calf mortality and improve herd health. As such, there would be more meat or milk to sell.

All but one interviewee said the costs would be less than 1% of turnover.

Competitiveness

Most would find it a positive effect for competitiveness. Due to the increased awareness of BVD, people in Scotland and abroad are wary of buying animals with an unknown BVD status. It will improve the Scottish brand, and increase the potential trade with other countries.

The only disadvantage identified was that it may be more difficult or complicated to replace stock, but farmers would much rather not buy a PI.

Effectiveness

All interviewees thought it would be very effective, if everyone follows the rules and it is policed properly. It will force people to get rid of BVD and stop cross infection.

3.2.2.2 Reduce the number of testing options available

General Impact

The bulk milk tank tests will no longer be applicable as we enter phase 4 of the eradication scheme. The results from all testing options available to keepers have all been scrutinised. Around 85% of all bulk milk tests give a 'not-negative' result for dairy herds compared to around 25% of blood tests for dairy herds. When combining these results along with scientific evidence and feedback from farmers and vets meetings, which indicated that the number of testing options available was too confusing, it has been decided that the three dairy options should be removed from the scheme. A dairy workshop was held for the dairy industry to discuss dairy specific issues and there was a general agreement that the bulk milk tank test should be removed from the eradication scheme. Scientific evidence would suggest that the bulk milk tests are sensitive enough to pick up both historic BVD infection and vaccine within the bulk milk tank and that interpretation is very difficult. The bulk milk tank was therefore suitable as an initial screen only, as the scheme progresses it is important to find out whether there is an active rather than a historic infection within a herd. For 'negative' herds a test of antibody levels from a subset of animals is still a suitable test, although this must be done twice annually for dairy herds due to their calving cycle.

Benefits

The benefits will be a truer reflection of the status of dairy herds. At the present moment 49% of dairy herds have a 'not-negative' status, which compares to only 12% of beef herds. In order to eradicate BVD from Scotland we need to identify which herds have an active infection in order that the PI animals can be identified and removed.

Costs

The bulk milk tank tests are amongst the cheapest tests available to farmers and along with this farmers of 'not-negative' herds would need to pay extra to screen their animals more thoroughly. However, this cost will be more than offset if they identify and remove PI animals from their herds through long term benefits.

Detailed impact (derived from a dairy workshop and vets and farmers meetings as interviewees were not questioned on test type)

Main Benefits Identified

- Less tests therefore easier for farmers to understand
- More likely to achieve a negative status using alternative method to bulk milk
- Other testing methods can identify the source of infection
- Gives vets greater involvement with dairy herds
- A 'negative' status will not revert back to 'not-negative' following bulk milk test

Likely Level of Costs to the Farmer

For bulk milk tests the price is approximately £20 per year compared to up to £4.50 per animal to tag and test including the tag, however a virus negative result will remain with the animal for life. If the herds is 'negative' and depending on the number of animals it may be preferable to carry out a 'check test' at approx. £3.50 per animal, with a minimum of 10 animals twice per year for the dairy sector, which would equate to £70 per annum.

Competitiveness

Due to the increased awareness of BVD, people in Scotland and abroad are wary of buying animals with an unknown BVD status. Removing the bulk milk samples will allow for the true number of 'negative' dairy herds in Scotland to be established. Those with a 'negative' status will be able to trade their animals freely within Scotland and it should improve the Scottish brand, and increase the potential trade with other countries.

Effectiveness

The removal of the bulk milk tank tests will allow for a truer representation of the level of BVD infection within Dairy herds due to the uncertainty of the results from the bulk milk tank tests. The removal of these tests will allow for PI animals to be more effectively identified in dairy herds which will aid with the eradication of the disease. The bulk milk test is inexpensive and simple, but this has allowed farmers to conduct this test and maintain a 'not negative' status without further action to identify the cause of the 'not negative' status. The reduction in the number of test options will also be simpler for farmers to understand.

3.2.2.3 Require animals from untested herds to be tested when entering a negative herd

General Impact

Breeding herds from Scotland are required to carry out mandatory screening in order to establish if they have BVD within their herd. Animals from many areas outside Scotland and from non-breeding herds are not currently required to find out whether they have BVD. Farmers in Scotland are free to purchase replacement cattle from non-breeding herds and from other countries where the BVD status of the animals may be unknown. This creates a risk of reinfection in to breeding herds in Scotland. In order to ensure that farmers test animals when they bring in animals from a non-tested herd they would revert to a 'not-negative' status until the animals have been tested.

Benefits

The main benefit is that it would protect negative herds from becoming infected by animals carrying the BVD virus; it would also encourage farmers to purchase animals which are shown to be negative for the disease.

Costs

It would require the farmer to pay to test introduced animals or movement restrictions would be applied on the rest of the herd. However, the cost of unknowingly bringing a PI animal in to a negative or naïve herd would be far greater.

Detailed impact (derived from interviews with the six famers as mentioned in section 3.2.1

Main Benefits Identified

- A few of the respondents raised the issue that BVD will keep coming into herds unless something is done to prevent this. It can be prevented by restricting movement of PI animals within Scotland but farmers may obtain animals from outside Scotland.
- Around half of the interviewees said their main concern with the eradication scheme was the reinfection of herds from untested animals which are not included in the eradication scheme.
- They suggested that possible options to deal with this would be to pre-test, to isolate or to post-test once the animals had entered the herd.
- Good from a financial point of view for the proactive farmers who have a negative status.
- Reduce the risk of buying a PI and bringing BVD into a clean herd

Likely Level of Costs

Compliance testing requirements is already a statutory requirement, additional costs would only apply to additional animals, and the cost per animal will depend on how many animals have been brought in to the herd and whether a vet is involved. Movement restriction/prohibition is simply an action as a result of non-compliance.

Competitiveness & Effectiveness

This action will bring a competitive advantage to farmers who have been proactive in eradicating BVD from their herds as the animals sold by them will not affect the status of the receiving herd. This action should be effective in preventing the unknown introduction of BVD into a Scottish herd.

Other general points raised in interviews with regards to BVD eradication

- Interviewees thought it was a good policy, but would like to see it in place immediately, or as soon as possible.
- Most interviewees thought SG needed to promote the financial benefits more, and to make farmers see that it is for the benefit of industry to get rid of PIs, not just another cost imposed on them.
- Interviewees wanted more clarity about the future of the eradication scheme, the time scale and regulations were not clear to them. The confusion is said to cause some farmers to think the government is not serious, and will only act once they are forced, or if their business is affected.
- One interviewee could not see any benefit of the policy, because he operates a closed herd, and sends all cattle to slaughter, so he is not at risk of buying or selling a PI, but has incurred a lot of costs looking for a PI.
- Interviewees saw a major disadvantage is the mixing of animals at market with different BVD statuses, which increases the risk of spreading BVD infection from 'not-negative' herds to 'negative' herds; this policy should help with this.
- Other disadvantages identified were risk of harming cattle while re-handling, and the minor costs to keep a 'negative' BVD status, particularly for farmers with neighbours with BVD.

Proportionality test (other types of control measures considered)

Whilst direct prosecution is an important 'end of the road' option for those failing to continually meet their statutory obligations it is not the most appropriate tool for addressing the failure to carry out the test. Restrictions are seen as a more proportionate response –

- It is simple for farmers to get out of (a keeper could comply with the testing requirements in a matter of days should they choose to),
- Criminal sanctions are considered as a less effective means of enforcement as opposed to the use of market forces to change the behaviour of farmers
- It allows for prosecution to be considered for more serious breaches

4. Scottish Firms Impact Test

4.1 To understand the impact the regulations could have on business, six farmers were interviewed about the policies. These businesses included large and small, three dairy and three beef herds, from a wide geographical distribution across Scotland. The interviews were carried out with the following businesses (business name, farmers name, location, size and type of herd):

- Titaboutie, Peter Robertson, Aberdeenshire, 160 Beef
- Alternall lyth, Donald Henderson & Son, Thurso, 200 Beef
- Rumbleton, William Barrie, Borders, >200 Beef
- Cream o Galloway, David Finlay, Galloway, 85 Dairy
- Low Ballees Farm, Tom Campbell, West Kilbride, 100 Dairy
- Hillend, William Fleming, Lanark, 330 Dairy

All interviews were carried out face to face, except for Titaboutie, which was a written questionnaire. For outcomes of the interviews, see **Section 3.2**. Specific case studies can also be found at the following –

<http://www.scotland.gov.uk/Topics/farmingrural/Agriculture/animal-welfare/Diseases/disease/bvd/bvd-case-studies-2013>

4.2 Competition Assessment

As well as assessing the impact on individual firms we have also considered the impact that the policy might have in competition between firms by applying the four OFT competition filters questions –

- 1) Will the proposal directly limit the number or range of suppliers? e.g. will it award exclusive rights to a supplier or create closed procurement or licensing programmes?
- 2) Will the proposal indirectly limit the number or range of suppliers? e.g. will it raise costs to smaller entrants relative to larger existing suppliers?
- 3) Will the proposal limit the ability of suppliers to compete? e.g. will it reduce the channels suppliers can use or geographic area they can operate in?
- 4) Will the proposal reduce suppliers' incentives to compete vigorously? e.g. will it encourage or enable the exchange of information on prices, costs, sales or outputs between suppliers?

For all four questions the answer is no. Whilst the overall policy should create a competitive advantage to BVD free herds within and outside Scotland with a premium for BVD free animals and animals from BVD free herds likely to emerge, it does not have an impact on competition.

4.3 Test run of business forms

There are no new business forms proposed.

5. Legal Aid Impact Test

It is not anticipated that there will be more than a handful of prosecutions and therefore there will be limited impact on the legal aid fund. The most likely breach to result in a prosecution is the known movement of a PI animal. While there have been a small number of illegal movements of these animals in the past year (less than 30) the vast majority of these were intended as moves to slaughter and therefore none have so far resulted in a prosecution.

We intend to enforce the legislation through criminal prosecutions, under the Animal Health Act (1981), with sanctions up to £5000 fine, and six months in jail.

SG colleagues in Access to Justice have been consulted and agree with this statement.

6. Enforcement, sanctions and monitoring

The penalty for breaking the BVD Scotland Amendment (No 2) Order 2013 comes under the Animal Welfare Act (1981), which has a maximum penalty of £5000 and a 6 month jail sentence.

The Scottish Agricultural Organisation Society (SAOS) will update and monitor the BVD database, containing all breeding herds BVD statuses, and cattle movements. The BVD database will be available for markets to check herd statuses before sale. If any illegal movements are made local authorities will be responsible for prosecuting offenders.

Implementation and delivery plan

1. To apply movement restrictions/prohibitions to any untested animal from a herd which has a 'not-negative' status

The intention is to restrict the movement of BVD positive animals from 1st April 2015. This measure is designed to reduce the spread of infection.

2. To reduce the number of testing options available.

The intention is to reduce the number of testing options available from 1st April 2015, if the farmer already has a result from one of the removed tests this result will stand until it expires and only at this point will they need to choose an alternative option.

3. Require animals from untested herds to be tested when entering a negative herd.

The intention is to bring this in from the 1st April 2015. At this point anyone who brings an animal into their herd from an untested herd will need to get the animal tested, until this animal is tested their status will be 'not-negative'.

Timeline

2009-10	Industry-led group developed proposals on national BVD eradication scheme
April - July 2010	Consultation on general principles
22nd September 2010	Launch of BVD eradication scheme
Sept 2010 – April 2011	Subsidised screening available
January – April 2011	Consultation on mandatory annual screening
May 2011	Announcement that mandatory annual screening to go ahead
September 2011	Consultation on permitting ear tissue tagging
1st December 2011	Tests permitted from this date for mandatory annual screening
January 2012	Ear tissue tag legislation passed affirm. res.
February 2012	Guidance on mandatory annual screening sent to all cattle keepers and vets
2nd March 2012	BVD Scotland Order 2012 signed
1st April 2012	BVD Scotland Order 2012 came into force
May – July 2012	Consultation on Control Measures
8th January 2013	BVD Scotland Order 2013a to be signed
8th February 2013	BVD Scotland Order 2013a came into force
30th July 2013	European Technical Standards obtained
22nd November 2013	BVD Scotland Amendment (No 2) Order 2013 to be signed and laid in Scottish Parliament
1st January 2014	Control Measures came into force
	Guidance issued to all
26th January 2015	European Technical Standards obtained
28th April 2015	The Bovine Viral Diarrhoea (Scotland) Order 2015 to be signed and laid in Scottish Parliament
1st June 2015	Enhanced testing measures come into force

7.1 Post-implementation review

SAOS, via ScotEID database system, have built a BVD database to record and monitor BVD statuses. This will be regularly updated from the information made in the annual declarations. The database will provide information for monitoring illegal herd and positive BVD animal movements, and analysing how prevalence of BVD changes over time, and across Scotland.

Progress of the eradication scheme and stakeholders' progress will be reviewed regularly in the future, and any necessary modifications made. If prevalence does not continue to significantly reduce in the next two years or compliance falls discussions will be required with stakeholders as to whether to move to more stringent measures, or remove testing requirements. If the disease does continue to reduce significantly, more stringent methods may be required only for a small number of holdings who fail to deal with their infection and it may also be possible to reduce the level of testing for 'negative' herds.

8. Summary and recommendation

Option 1, leaving farmers to eradicate BVD voluntarily is not likely to be effective in eradicating BVD. To continue with the eradication programme it will require **Option 2** to reduce the spread of infection, by identifying BVD positive animals, and preventing animals moving from untested herds.

As such, **Option 2 is recommended** as these measures are seen to be critical in preventing the spread of BVD. The long term financial and health benefits far outweigh the cost of implementation. To give the time for technical standards to pass through Europe it is anticipated that the coming into force date will be early June 2015.

8.1 Summary costs and benefits table

	Benefits	Costs
Option 1	No further action required of SG.	As seen in Orkney, eradication without legislation is unlikely to be effective. Higher costs for those maintaining a BVD free status. Costs to herds suffering from BVD.
Option 2	<p>Identify positive BVD animals within 'not-negative' herds through increased testing requirements. This, along with the restrictions on the movement of PI animals will remove the source and reduce the spread of infection. Removal could save farms £30-37/cow/year in production losses. Average dairy and beef farmers could benefit by £15,800 and £2,400 per year respectively.</p> <p>People will know the animals they are buying are not PI if more intensive testing has taken place, e.g. if animals from 'not-negative' herds have been individually tested and if they are required to test animals that they bring in from untested herds. It will increase awareness and encourage farmers to eradicate BVD and to improve their business.</p> <p>This stage is essential in eradicating the disease, and protecting farmers with BVD herds. The Scottish Brand for quality meat will be improved, and there is more potential for international trade.</p>	Increased cost in testing for 'not-negative' and dairy herds in order to establish if they have an active BVD infection within their herds and identify PI animals. Costs for PI disposal £70, or reduced value in younger slaughter date £400-500 per animal. However, this is more of an investment, as the financial and health benefits of removing PIs are clear. Market disadvantage to farmers with BVD infected herds.

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****Scottish Government Contact point: Derek Wilson Scottish
Government Animal Health & Welfare Division, 0300 244 9813**