

Explanatory Memorandum to the Products of Animal Origin (Disease Control) (Wales) Regulations 2008

This Explanatory Memorandum has been prepared by the Office of the Chief Veterinary Officer and is laid before the National Assembly for Wales.

In this memorandum, the following abbreviations are used:

- 'The Regulations' is used to refer to the Products of Animal Origin (Disease Control) Regulations 2008;
- 'The Directive' is used to refer to Council Directive 2002/99/EC laying down the animal health rules governing the production, processing, distribution and introduction of products of animal origin for human consumption;
- 'The Decision' is used to refer to Commission Decision 2007/118/EC laying down detailed rules in relation to an alternative identification mark pursuant to Council Directive 2002/99/EC.

(i) Description

The Regulations implement in Wales articles 3 and 4 of the Directive which seek to reduce the risk of spread of certain exotic diseases transmissible to animals via products of animal origin intended for human consumption by setting out general animal health requirements and optional derogations from those requirements.

The regulations also implement the Decision insofar as this relates to the control of poultry meat during an outbreak of Newcastle Disease.

This legislation is concerned with reducing the risk to animal not human health.

(ii) Matters of special interest to the Subordinate Legislation Committee

None.

(iii) Legislative Background

This legislation is made to comply with the Welsh Assembly Government's obligations under both the Directive insofar as it deals with control of meat and milk for human consumption during an outbreak of specified exotic diseases and the Decision insofar as it applies to marking and supply of meat during an outbreak of Newcastle Disease.

The Directive was a consolidation of other European Directives which had already been implemented into Welsh law. However, previous domestic legislation complying with the directive was repealed in January 2006 when new measures in respect of food hygiene were introduced by the Food Standards Agency (Food Hygiene (Wales) Regulation 2006). This left a gap in the transposition of articles 3 and 4 of the Directive and both legal and operational risk to the control of meat during a disease outbreak.

This Directive came forward from the EU Council Proposal 10427/00 of 19 July 2000 which included a package of proposals on food hygiene and animal health. This was initially considered by the Select Committee on European Scrutiny in 2000/2001. Measures were subsequently debated in the European Standing Committee in April 2002. The Committee took note of these measures and supported the Governments aim of securing effective proportionate legislation throughout the food chain.

The powers enabling this Instrument to be made are conferred on Welsh Ministers by section 2(2) of the European Communities Act 1972 and the Government of Wales Act 2006. This SI is to be made through the use of the negative procedure.

(iv) **Purpose and intended effect of the legislation**

The objective in making this Regulation in Wales is to reduce the risk of transmission of disease to animals via products of animal origin intended for human consumption during an outbreak of certain exotic diseases.

To mitigate this risk, and to transpose article 3 and 4 of the directive, the Regulations include:

- A prohibition on the sale of meat from animals originating from Protection and Surveillance Zones (PZ & SZ) declared during an outbreak of exotic disease until such time that the meat is treated with an approved treatment;
- Requirements for premises handling such meat prior to treatment to be designated under the Regulations, keep such meat separate from other meat and retain records;
- During an outbreak of Newcastle Disease (a disease of birds) a derogation from the requirement to treat such poultry meat and certain other requirements where the poultry meat is intended for domestic consumption and will not be exported. This implements Commission Decision 2007/118/EC

This policy ensures meat will be traceable, handled safely and treated correctly thus providing confidence in the system of controls to minimise the risk of disease spread. In doing this the regulations are designed to require the minimum of Government interventions in day-to-day meat production.

The Regulations provide powers for the control of milk and milk products in the event of an outbreak of Rinderpest or Sheep and Goat Plague, these diseases being of very low likelihood to occur in the UK. The Regulations are drafted to allow the controls required by the Directive, or some less onerous regime agreed with the EU at the time, to be implemented during any such outbreak.

Implementation

This Instrument applies to Wales.

Separate and similar instruments are being prepared in England, Scotland and Northern Ireland.

(v) Consultation

A 6 week consultation exercise was held between 8 February 2007 and 22 March 2007. Industry representative bodies and farming unions were invited to comment on the draft Regulations, details are included in the Regulatory Impact Assessment below.

(vi) Regulatory Impact Assessment

Options

The options considered were:

- i. Option 1 – Do Nothing
- ii. Option 2 – Transpose the Directive exactly including invoking the derogations and bring in the control measures
- iii. Option 3 – place restrictions on products of animal origin from Protection Zones and Surveillance Zones.

Analysis of Options

Option 1. To continue with previous animal health rules on meat and meat products is not possible because they have largely been repealed by the Food Standards Agency. There are therefore insufficient control measures in place to deal with meat and animal products during a disease outbreak. There would be greater risks of disease spread if control measures were not implemented. If there were no restrictions on meat or meat products the scale of the outbreak would likely be longer and more dispersed geographically. There would also be a risk of unpredictable, sporadic outbreaks arising from meat and meat products that can lie in storage in the supply chain for eighteen months or more. However, it should be noted that the risk here is posed when the meat is fed back to livestock – notably pigs for Classical Swine Fever, Swine Vesicular Disease etc and Newcastle Disease in poultry. An example is the outbreak of Classical Swine Fever in Germany which arose from the illegal feeding of infected wild boar meat which had been deep frozen for several years. The disease went undetected for some time and ultimately resulted in 2 months of movement restrictions and costs well into 8 figures demonstrating how a lack of official control can cost a country a large amount of money. Non implementation of control measures would not only mean the non fulfilment of the UK's Community obligations, but there is a very real risk of infraction proceedings if the 2002/99 Directive is not fully transposed.

Option 2. The Directive prohibits the movement of products of animal origin from PZ's and SZ's. Wales is transposing the Directive exactly as it is but we are including the derogations as specified by the Directive in article 4. This would mean that transport and slaughter of restricted animals are separate from animals from other areas. Meat from restricted animals is required to be slaughtered and stored separately from others and subject to specified treatments before marketing, either in the UK or for export. The application of the unique health mark to the fresh meat from animals from the PZ or a SZ will ensure it is readily identifiable from other fresh meat produced from animals outside the PZ or SZ. Such meats need to be stored and

transported separately. Compliance with these controls under appropriate enforcement measures should restrict trade in untreated products from the PZ and SZ. These measures would prevent the spread of disease. Article 4 of the Directive also provides: That products may only be manufactured from animals which originate in a 'territory' which is subject to animal health restrictions if they are:

(a) Obtained, handled, transported and stored separately or at different times from products made from animals which were not subject to restrictions. In other words, such products must be 'channelled'.

(b) Transport of animals or products out of the restricted territory must be under conditions approved by Animal Health (AH) formerly the State Veterinary Service (SVS).

(c) Products must be identified. In the case of meat, this means the application of a cross stamp as set out in annex II of the Directive.

(d) Products must be treated to eliminate any animal health risk. Treatments are set out in annex III of the Directive.

Option 3. Article 3 of Council Directive 2002/99 requires a total ban on the production, processing and distribution of products of animal origin from restricted territories. We could transpose but without the derogation that permits the production, processing and distribution of products. This means animal products are prohibited from being obtained from farms in areas subject to animal health restrictions i.e. PZ and SZ. This option ensures that products of animal origin within PZ and SZ do not cause the spread of those diseases to other livestock. It also prevents the meat industry from processing these animal products in any way. This could create serious welfare problems if the PZ's and SZ's are in place for some time and we do not allow the movement of animals to slaughter when they are ready.

Article 3 requirements in the Directive are summarised as follows:

It provides that animal products shall not be obtained from animals which come from a holding, establishment, territory or part of a territory subject to animal health restrictions.

It also provides that the slaughtering of meat and meat products or carcasses or parts of such animals, should not be in an establishment in which animals infected or suspected of being infected with one of the diseases covered by the Directive were present during the slaughtering or production process.

After taking account of the consultation responses it was agreed that Option 2, the preferred option, should be implemented.

Costs and Benefits

Transposition of the Directive would ensure that there are clear disease control measures governing the production, processing, distribution and introduction of products of animal origin for human consumption. To evaluate the costs and benefits

of the options above, Classical Swine Fever (CSF) has been used as an illustrative example. CSF is the disease most likely to give rise to outbreaks as a result of “leaks” from the proposed H4 control system (see Annex A for the full Veterinary Risk Assessment). It is estimated that there is a 1/15 probability that CSF could occur in each year, which is higher than for all other diseases (apart from FMD, controls for which have been subject to a separate RIA and legislation). CSF also carries a high risk of disease spread through products of animal origin. Studies have shown that the risk of infection is by the oral route and it is capable of surviving for extended periods in some meat and meat products. In general, an outbreak of CSF is likely to be localised due to:

- The geographical distribution of the pig industry in UK
- The ban on swill-feeding
- CSF is not considered to be spread by the wind
- Movement controls: Identification, registration of premises and stringent movement controls for live pigs
- The centralised control of the industry and the general high standards of husbandry and management
- The vertical integration of the many pig producing companies (production pyramid).
- Pigs tend not to be sold in livestock markets nowadays
- The age batching of pigs in the production process
- The high-levels of bio-security present in the established industry
- The high levels of health and production monitoring, which are the norm in the industry
- Ante and post-mortem inspection at slaughter
- Wild boar which are the main wildlife host for CSF are currently present in very restricted areas, at relatively small population densities
- Backyard and though increasing pet pigs are still small in number and widely dispersed.

According to expert opinion, in any year where a CSF outbreak did occur, there is thought to be approximately a two-in-three chance that it would be a moderate outbreak, affecting one IP in the UK and lasting 32 days. A larger outbreak scenario is thought to be likely to occur one-in-three times when an outbreak occurs. This scenario would be a large outbreak, estimated to cover 23 IPs in the UK and lasting 47 days. If there were no controls, there would be a risk of disease spreading to the PZ and SZ and, from there, leading to more IPs and increasing the duration of the outbreak.

In general, the cost to industry and the government of larger scale and longer lasting outbreaks (options 1 below) needs to be compared with the moderate costs of controls on meat from PZs and SZs which allow the outbreak to be contained (option 2 below).

Sectors and groups affected

In the event of a disease outbreak, any or all of the livestock and export industry in the UK with susceptible animals from the PZ and SZ and beyond would be affected, either by the disease itself or, more likely, through national movement restrictions which are uncompensated. This RIA considers the costs and benefits to industry and government in Wales only.

Statistical data shows livestock numbers in Wales as at 2005

- 1,240,765 cattle
- 9, 510,384 sheep
- 28,363 pigs

In our illustrative scenario we have chosen pigs in the SZ and PZ as being affected.

Although farmers may incur many of the costs of the proposed legislation, they may also benefit from a reduced risk of disease spread. This will mean they are less likely to incur costs from controlling the disease on their farm. Reducing the risk of disease spread also reduces the likely length of an export ban, (which would be expensive for farmers only if they export).

Under the proposed legislation a disease outbreak would also have an impact on industries such as the meat trade, including abattoirs, food processors and specialist road hauliers as a result of the control measures imposed.

This legislation will require abattoirs to be designated before they can carry out the control measures. The impact on industry is dependant on the size of the PZ and SZ. However, supplies of livestock for slaughter will still be available from unrestricted areas and imports.

Slaughterhouses that do not wish to meet the costs of compliance with the legislation or who feel that dealing with meat from PZs and SZs will have an adverse effect on their business will simply choose not to be designated, and hence will incur no designation costs. They may however experience problems finding suitable pigs to slaughter in the event of an outbreak, which may mean they have to pay higher prices and hence lose some profit margin.

Under option 2, once disease had been confirmed and zones had been put in place, all fresh meat and meat products from animals from PZs and SZs would be separated from products which were not subject to restrictions. Under option 3 these controls would not apply and all movement of animals from the zones of such products would be banned.

Slaughterhouses that received these animals would need to be designated to operate under this Order. Slaughterhouses would be required to slaughter animals from restricted zones separately from animals which are not from restricted zones. Veterinary advice is that there is no need for physical separation of slaughter areas, as long as the areas used are cleansed and disinfected as normal before being re-used for unrestricted animals. Products are required to be identified by health marks (crossed stamp) applied to the meat or its packaging.

Hauliers would need to observe the cleansing and disinfection requirements as they normally do during peacetime.

An outbreak of disease would also greatly impact on those involved in the export business of fresh meat and meat products. Exports of fresh meat to third countries may stop and exports to the EU may be severely restricted.

Any confirmation of CSF within the UK would result in severe restrictions on the export of pigs and pig products including fresh meat and germplasm. The SVS would immediately withdraw official veterinary certification for commodities ineligible to be exported which would render them inadmissible to importing countries. High risk meat and meat products would not be eligible to receive the normal EU health mark so any non-compliance would be evident to officials throughout the supply chain.

In 2005 the UK exported 88,000 tonnes of pork and 10,000 tonnes of bacon and ham¹. This represents 13% of pork and 5% of bacon and ham produced in the UK in 2005. Approximately 64,000 live pigs are also exported annually (out of a UK population of more than five million). Equivalent data on a Wales only basis are not available.

Option 1 (Do nothing) – Benefits

Under option 1, there would be no change, so there would be no benefits over the current situation. Benefits of other options where controls are introduced are compared to this baseline.

Option 1 (Do nothing) – Costs

Under option 1, there would be no change, so there would be no costs over the current situation. Costs of other options where controls are introduced are compared to this baseline.

To continue current practice would result in under implementation of the EU Directive and therefore the risk of infraction proceedings against the UK.

12.3 This might also result in significant costs to the entire UK pig industry as the European Commission may close our borders to all exports and possibly our internal movements of pigs as witnessed in Germany when they failed to do what was expected of them in their recent outbreak - as quoted above in para 6.3 and costs into 8 figures.

Under this option the risk of disease spreading in the event of an outbreak is unchanged.

However, to pose a risk, the meat has to be eaten by a pig. Adherence to normal standards of good practice in the industry will ensure that introduction to the pig population is likely to be restricted to:

- a. back-yard / pet pigs that are illegally fed kitchen waste, or

¹. From "Agriculture in the United Kingdom"

- b. by outdoor pigs illegally fed “over the fence”.

Back-yard / pet pigs are likely to give rise to isolated outbreaks or may even fail to pass on infection to other pigs due to the lack of opportunity. Introduction of disease to the intensive indoor pig production sector is unlikely for the reasons discussed above.

Option 2 (Transpose exactly including invoking the derogations) - Benefits

The benefit of this option is that the control measures reduce the risk of incurring the costs of disease spreading. If disease spread from the original outbreak this would result in additional costs - costs to animal health from infection and disease incidence, costs to government from taking action on IPs beyond the original IP (including the costs of culling animals) and costs to industry in terms of lost production (including lost production due to both diseased animals being less productive and due to reduced numbers of animals for production due to culling controls).

In terms of international trade in both live pigs and pig meat, controls would remove the risk of disease spread from the PZ and SZ which could result in a longer outbreak, and therefore a longer ban on exports of live pigs and pigmeat.

Controls reduce the risk of an export ban. The cost of an export ban would be that uncooked pig meat and live pigs would have to be sold at an estimated price reduction of 50% on the domestic market. A longer ban (resulting from disease spread) would therefore result in larger costs to industry as they would have to sell their meat at a reduced cost for longer. The size of the export ban is currently uncertain. A UK wide ban would have large costs, whereas the costs of a ban only on pigs and pig products from the PZ and SZ would be very small.

The benefit of Option 2 is that the small risk of incurring the cost of disease spread is reduced. We do not have an estimate of what this reduction in risk might be.

Option 2 (Transpose exactly including invoking the derogations) – Costs

The implementation and provisions of this Directive will cause additional burdens for the industry. There is the burden of obtaining additional licenses (specific licence) for the movement of the animals to the slaughterhouse. They would be required to have adequate facilities and resources for treatments and control measures (such as separation of fresh meat products). There would also be administrative burdens required in terms of reporting every movement of fresh meat/products from the consignor to consignee. Additional costs to government are in terms of checks and enforcement of control measures.

In the event of an outbreak, restrictions are placed on movements of animals from the PZ and SZ, including restrictions on movement to slaughter. Farmers with holdings within the PZ or SZ could withhold their animals (that is, no animals would leave the holding for the duration of the outbreak while restrictions were in place). However, this is not practical for the farmer and is very expensive due to the reduced value of the pig once it has gone past its optimal finishing date. Furthermore pig units simply do

not have the space and facilities to retain animals. This could also cause welfare problems. If a welfare scheme is set up farmers would not be compensated for the loss of their animals but Government would pick up the cost of disposal of the carcasses. This option is not considered further.

When farmers continue to sell and move their animals while the PZ and SZ is still in place, a number of costs are incurred. These include SVS inspections of the premises and licenses for the animals to be moved (these costs are met by Defra). These costs are incurred regardless of whether H4 legislation is implemented.

The greatest cost to farmers would be the reduction in price per head, which would decrease by between 30% and 50%. This is because H4 controls would require licenses and checks for hauliers, abattoirs, cutting plants, meat processors, cold stores and at export points. These businesses would incur costs, which they would then pass on to farmers in the form of lower prices. Most meat is sold fresh, so cooked meat would have limited uses, and would therefore have a reduced price compared to fresh. High value cuts of pig meat e.g. fillet cannot be sold in the normal way i.e. raw and there is no established market for cooked pig fillet. Many food producers would not be interested in promoting such products for a short space of time.

Slaughterhouses and processing plants would have to apply for designation in advance, would be required to separate animals and products from restricted and non restricted areas, and would have to stamp meat coming from a PZ or SZ with the unique mark. Processing plants would have to keep uncooked meat from PZs and SZs separate until such time as the raw meat had irreversibly entered the cooking process. There would also be a series of movement notifications required, each time the animal or untreated meat was moved – which could cost industry approximately £10 each time (there will be additional costs to government from processing these notifications, and these are included below). Meat from PZs and SZs will, in general, not be allowed to be kept in cold storage and will only be able to go to a cutting plant if it was located with the slaughterhouse – which may cause inconvenience and some additional costs to the industry. The majority of these costs would be passed back to the farmers, through lower prices.

The additional costs of inspection at abattoirs would be small because even when there is no outbreak, it is routine for MHS and Local Authorities to supervise at abattoirs, cutting plants, meat processing and cold storage – although some additional activity would be required. There would also be costs incurred by Government in processing movement notifications and designating slaughterhouses. In total costs incurred by inspection bodies are estimated to be £30,000.

Option 3 (Restriction on products of animal origin from PZ and SZ) – Benefits

In the event of an outbreak the ban reduces the risk of disease spreading to other parts of the country.

Option 3 (Restriction on products of animal origin from PZ and SZ) – Costs

The cost of Option 3 to farmers will be that those located in a PZ or SZ will be unable to sell their animals during the outbreak. These costs may be less in the case of other diseases and species, as pigs lose value particularly quickly.

Costs for enforcing the ban on moving pigs or pig meat out of the SZ and PZ would fall to Defra under the 'Framework agreement' to local authorities. The enforcement regime is currently uncertain and therefore costs cannot be accurately estimated at this time. Currently enforcement costs are assumed to be £30,000.

Summary of Costs and Benefits

The benefit of H4 controls is that they reduce the likelihood of disease spread. Therefore the certain costs of H4 controls can be seen as an insurance against potentially very large costs in the event of an outbreak spreading. This insurance is achieved at a lower cost under Option 2.

Competition Assessment

In the event of an outbreak the Regulations would restrict the supply of animal products from a limited number of firms within the Surveillance Zone. This would impact on the price that suppliers could charge by amongst other things limiting the sales channels that a supplier could use. However, the extent of any restrictions means they would affect only a small proportion of producers nationally. In addition any restrictions will be for a time limited period only. The Regulations may also help maintain competition on a national scale by reducing the likelihood of disease spread which could result in more stringent and wide ranging restrictions on suppliers at a later date. It also reduces the risk of the EU imposing an export ban on UK products which would have much wider ranging implications for competition.

In conclusion, it is considered that the Regulations are not likely to have significant impact on competition. This is due to the temporary nature of any restrictions which are not likely to have a long term impact on competition structures or performance.

In the event of a confirmed outbreak, this legislation would have an impact on small businesses, particularly the small number of farmers in the PZ and SZ (almost all farms are classified as small businesses). These costs have been covered above. There may also be a small number of specialist firms, for example market stalls trading in local organic pork, which may suffer if their suppliers were all located in the PZ or SZ.

During consultation on the draft FMD Directive in 2003, small businesses were consulted to determine the impact of the Directive (which also required heat treatments specified in the H4 Directive) on their business. We received no specific feedback from small businesses. After discussions with the Small Business Service, we carried out a further consultation exercise targeted specifically at those small business organisations recommended by the SBS but no feedback was received.

Consultation

The Welsh Assembly Government carried out a public consultation between the 8 February 2007 and 22 March 2007 to consider the transposition of the Meat Hygiene Council Directive 2002/99 into domestic legislation. The consultation sought to seek the views of the industry were invited to comment on the draft Regulations and the draft Regulatory Impact Assessment. Twenty two industry stakeholders in Wales were consulted as well as LACORS, Animal Health colleagues and members of the then Environment, Planning and Countryside Committee. Those consulted are listed at Annex A.

Three responses to our consultation were received from:

- Hybi Cig Cymru
- National Farmers Union (NFU) Cymru
- Welsh Consumer Council

A summary of responses may be found at Annex B.

Post implementation review

Monitoring of the effectiveness of the legislation will arise once it has been used in a disease outbreak situation.

Summary

The H4 controls in Option 2 would impose relatively small costs, while acting as an insurance measure against the potentially large costs of disease spread in the event of an outbreak. This benefits government, the meat industry and farmers.

ANNEX A

LIST OF CONSULTTEES

British Deer Farmers Association
Cig Cibyn Ltd
Commission for Racial Equality
Council of the Welsh Highland Shepherds
Country Land & Business Association (Wales)
Farmers Union for Wales
Farming & Livestock Concern UK
Food Standards Agency (FSA) Wales
Hybi Cig Cymru
Meat & Livestock Commission (MLC) Wales
Meat Hygiene Service (MHS) Wales
Muslim Communities
Jewish Communities
Sikh Communities
National Farmers Union (NFU) Cymru
National Sheep Association (NSA) Wales
Wales Agri Food Partnership
Welsh Consumer Council
Welsh Food Alliance
Welsh Lamb and Beef Supplies
Women's Farming Union Wales
Women's Food and Farming Union Wales
Members of Environment, Planning and Countryside Committee
Local Authorities Coordinators of Regulatory Services (LACORS)
Divisional Veterinary Officers, Animal Health Offices

ANNEX B

SUMMARY OF RESPONSES

- **Issue:** The consultation presented 3 options and respondents were in favour of option 2, namely to transpose article 3 and take up the derogations available in article 4 of the Directive (2002/99/EC). Whilst supportive of disease control measures, the respondents sought implementation that involved as little increase to regulatory burden and costs as possible.
Outcome: Option 2 has been adopted and the burdens imposed by the legislation have been simplified as far as possible.
- **Issue:** Concerns were raised that the requirements of the Directive were perceived to be less stringently enforced in third countries exporting fresh meat to the EU. Standards imposed for intra-Community trade needed to be more harmonised with those for third countries. Given that the risk of introducing exotic diseases is higher from countries where these are already present there are massive costs to Government and industry of an outbreak which needs to be addressed as a matter of urgency.
Outcome: The European Community set strict rules for the import of meat into the EU. The rules aim to ensure that imported meat is of an equally high standard as meat produced in the EU and all consignments are subject to a veterinary check on import to ensure they comply with the rules. Meat can only come from countries approved by the European Commission's Food and Veterinary Office (FVO), and from establishments in that country that are approved to export to the EU. The FVO carry out visits to exporting countries to check that they are complying with the rules. In the event of a disease outbreak in a country permitted to export, the Commission takes safeguard measures which are designed to prevent the import of disease.
- **Issue:** It is accepted that the directive allows little scope for changes in relation to intra-community trade. Consideration should be given to negotiation of a derogation to permit trade on the domestic market of fresh meat from red meat animals in the restricted zones, subject to additional safeguards e.g. certification of the holding of origin as free of disease at time of despatch and recertification, and as free at the end of the normal incubation period for the specific exotic disease. Carcasses could be stored and matured prior to release at the point of recertification. This might only be used in the event of a widely disseminated outbreak.
Outcome: The proposals have been noted, however, this would be complicated for operators in terms of storage, and complex to administer. Such a scheme would need to be self funding. As noted, this is currently prohibited under the Directive.
- **Issue:** There is a need for research on the development of animal-side tests which could be used to certify carcasses as free of a specified exotic disease obviating the need for heat treatment. There is also a need for research on maturation and other techniques that would reliably eliminate infectivity without the need for heat treatment.

Outcome: The use of a pen-side test or indeed any single test does not always provide the necessary guarantees that an animal is not infected. With regard to the use of maturation or other techniques to reduce the infectivity it is only known to work for FMD when it is done in certain ways. As noted, this is currently prohibited under the directive.

- **Issue:** In the absence of a market for animals in restricted zones they would have to remain on the farm. This has the same potential to create serious welfare problems if the PZs and SZs are in place for some time as identified under Option 3 in the RIA. Some farms would no longer have feed supplies and would have to decide whether to slaughter the animals for disposal or purchase feed until the restrictions were lifted. Even if feed were available the animals would soon pass their prime condition and lose value every day. Apart from anything else the rules create a strong incentive for animals to be moved illegally, thereby increasing rather than reducing the risk of disease spread.

Outcome: The SI has been clarified so that it focuses on control of meat. Licensing and control of live animal movements is provided for under disease specific legislation. The Directive does, however, require meat for human consumption to be produced at designated slaughterhouses. The concerns are noted regarding the illegal movements and recognise these threaten the effectiveness of these controls.

- **Issue:** See the risk of raw meat and products containing raw meat being fed to cattle, sheep and goats as being incredibly low. Accept that in the past disease outbreaks have been attributed to the feeding of inadequately treated swill or catering waste, but it should be remembered that this was particularly to the pig industry.

Outcome: Accept that the risk of raw meat being fed to farmed animals is lower than it was, there still continues to be a risk. It is very important that industry observes controls on feedstuffs and by-products to minimise the risk of this route of disease introduction. However, the Directive (2002/99/EC) specifically requires such meat to be controlled and treated.