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**Consultation**

**on Equine Identification in Northern Ireland**

**Horse Passport Regulations (Northern Ireland) 2018**

**November 2018**

Closing Date for Responses is Friday 30 November 2018

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Purpose

The Department of Agriculture, Environment and Rural Affairs (DAERA) is seeking views on its proposed approach to the implementation of the European Union Commission Implementing Regulation (EU) 2015/262 regarding the identification of equidae in Northern Ireland.

How to respond

Please forward your comments on the consultation document to:

Jonathan Wightman

Agri-Food Policy I

Department of Agriculture, Environment and Rural Affairs (NI)

Room 919 Dundonald House

Upper Newtownards Road

Belfast BT3 3SB

or
E-mail: FarmPolicyBranch@daera-ni.gov.uk

Closing date

Responses should be submitted by Friday 30 November 2018

A summary of the responses received will be published after the consultation has closed. We will not respond individually to the points you raise nor will we acknowledge receipt of individual responses unless requested.

Additional copies of this consultation paper are available on written request to the address or email above or by telephoning 028 9052 5459. It is also available at:

[www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018](http://www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018)

Confidentiality of Consultations

The Freedom of Information Act 2000 gives the public a right of access to any information held by a public authority, namely the Department in this case. This includes information provided in response to this consultation. The Department cannot automatically consider information supplied to it in response to a consultation to be confidential.

However, it does have a responsibility to decide whether any information provided by you in response to a consultation, including information about your identity, should be made public or be treated as confidential. If you do not wish information about your identity to be made public please include an explanation in your response.

Please be aware that confidentiality cannot be guaranteed, except in very particular circumstances. Please note, if your computer automatically includes a confidentiality disclaimer, that won’t count as a confidentiality request.

The Department will process your personal data in accordance with the Data Protection Act 1998, should you respond in an individual capacity. This means that your personal information will not be disclosed to third parties should you request confidentiality.

You should be aware that the Department will publish a synopsis of responses to the consultation. This summary will include a list of names of organisations that responded but not people’s personal names, addresses or other contact details.

For further information about confidentiality of responses please contact the Information Commissioner’s Office (or see web site at:

<http://www.informationcommissioner.gov.uk/>)

**INTRODUCTION**

EU Regulation on Equine Identification

1. Commission Implementing Regulation (EU) 2015/262 applies throughout all European Union Member States from 1 January 2016, and needs to be implemented here through domestic legislation, which will apply to Northern Ireland only.
2. Equidae or Equine animals is defined in the Regulation as any wild or domesticated soliped mammals of all species within the genus Equus of the family Equidae, and their crosses. It therefore includes any horses, mules, ponies, donkeys or other equine animals such as zebras.
3. Where the term horse is used in this document it relates to any equidae or equine animals.

Brexit

1. The United Kingdom has decided to leave the European Union following the referendum in June 2016. However, all EU rights and obligations will remain in force until exit negotiations are concluded and the outcome of the negotiations will determine what arrangements will apply thereafter.

Implementation into Northern Ireland Legislation

1. The proposed legislation will apply to Northern Ireland only.
2. DAERA’s priority is to ensure that legislation is in place to implement the essential requirements of EU Regulation 2015/262 before March 2019.
3. At this point in time, in the absence of a Minister DAERA is not minded to introduce, by March 2019, any of the optional additional measures in the EU Regulation (known as “derogations”) that go beyond the essential requirements of the Regulation. This includes areas such as retrospective microchipping and changes to penalties with the introduction of civil sanctions.
4. However, we are seeking the views of stakeholders on those derogations as part of this consultation too. The Department will consider the consultation responses carefully and should we conclude that there is an overriding case to proceed to implement any of the derogations, we would consider taking those forward under a separate legislative process before the end of March 2019.
5. The information gathered from the consultation will also inform the Department’s advice to any incoming Minister. At this stage, it is unclear if the Department would have the immediate powers to introduce the derogations after March 2019. Therefore, a Minister may need powers should a decision be made to introduce any of the derogations in the future.

**OVERVIEW**

Background

1. All equine animals born in or imported into the European Union must be identified in accordance with EU Regulations. The Regulations require all horses to be identified within set deadlines by means of an identification document, generally a horse passport, which must accompany the horse at all times. The Regulations are primarily a human health measure, which seek to make the horse passport regime more effective in preventing horses treated with veterinary medicines that could be harmful to human health from entering the food chain.
2. In 2013 the European Union Commission announced a 5-point action plan to address the horse meat scandal and that plan included new EU Equine Identification Regulations laying down new rules on the methods of identification to strengthen the existing horse passport regime.
3. The new Regulation, (EU) 2015/262, came into force on 1 January 2016 and from that date it has been a legal requirement to identify horses in line with that Regulation.

Summary - Key Changes to Requirements

1. Many of the requirements in the new EU Regulation are the same or similar to the previous EU Regulations, but there are some key changes:
* A requirement for all Member States to operate a central equine database containing certain information on horses within their territory, with greater sharing of information between Member States;
* Changes to the format and content of the passports including additional requirements to improve the security standard of the passports;
* The setting of a time limit for identification;
* A requirement to notify a Passport Issuing Organisation (PIO) when a horse has been signed out of the food chain following treatment with certain medicines so that the details can be recorded on the central equine database.
* Passports for breeding and production horses (ID-only) may only be issued by a PIO in the Member State of holding. This means that if an ID-only horse is resident in Northern Ireland its passport must be issued by an appropriate PIO within the United Kingdom.
* Passports for registered horses can still be obtained from a studbook PIO or a national branch for competition or racing in another Member State. However, now owners must lodge a horse passport obtained from a PIO outside the United Kingdom with a United Kingdom PIO, within 30 days, for the purpose of updating the central database.
* Similarly if any horse is brought into the United Kingdom from another Member State the horse’s passport must be lodged with a United Kingdom PIO, within 30 days, for the purposes of updating the central database. There are some exceptions in this circumstance for:
1. Horses participating in competitions, races, shows, training and hauling for a period not exceeding 90 days;
2. Stallions based in the Member State for the breeding season;
3. Mares based in the Member State for breeding for a period not exceeding 90 days;
4. Horses accommodated in a veterinary facility for medical reasons;
5. Horses destined for slaughter within 10 days.
6. In practice, the main requirements are already in place in Northern Ireland, as a central UK database has been created (see below), and Passport Issuing Organisations are operating in line with the new standards.

Central Equine Database

1. The United Kingdom Central Equine Database (UK CED) was developed by Defra, and the Welsh and Northern Ireland administrations. The Scottish Government has developed a separate Scottish database which will link to the UK CED.
2. A Chip Checker facility is available at [www.equineregister.co.uk](http://www.equineregister.co.uk) which can be used by anyone to search the database, using a microchip number or unique equine life number (UELN), to see basic information on the equine including the gender, colour, species, approximate age, food chain status, as well as details of the passport issuing organisation(s) which registered the passport. There is no personal data shown.

**The Horse Passport Regulations (Northern Ireland) 2010**

1. The Horse Passport Regulations (Northern Ireland) 2010, which were introduced to implement the previous EU Regulation 504/2008 by defining offences and penalties and the derogations being applied in Northern Ireland, need to be replaced to fully implement EU Regulation 2015/262.

This Consultation

1. The table at Annex A provides a summary of the main requirements and the optional additional measures (known as derogations) within the new EU Regulation, along with information on the position in the Horse Passport Regulations (Northern Ireland) 2010 and the Department’s proposals for the new legislation.
2. The following sections describe in more detail the Department’s proposals on the **key changes** which **must** be implemented in NI legislation before March 2019 (sections A to E), along with information on the **optional derogations** (sections F and G) which are not essential to ensure compliance with the EU Regulation.
3. We are seeking your views on the specific questions within each section. However, your views on any other aspect of the information in the Annex A table are also welcome.
4. At this point in time, in the absence of a Minister DAERA is not minded to introduce, by March 2019, the optional derogations that go beyond the essential requirements of the Regulation. However, the Department wishes to gather the views of stakeholders on all of the derogations to allow further consideration and also to inform advice to any incoming Minister in the future.
5. The Department will consider the consultation responses carefully and should we conclude that there is an overriding case to proceed to implement any of the derogations, we would consider taking those forward under a separate legislative process before the end of March 2019.
6. At this stage it is unclear if the Department would have the immediate powers to bring forward further changes to the legislation after March 2019. Therefore, any incoming Minister may need powers should a decision be made to introduce any of the derogations in the future.

**PROPOSALS ON THE NEW REQUIREMENTS**

1. **Time Limit for applications for identification documents for equidae born in the Union (Article 11)**
2. Article 11(2) of Regulation 2015/262 requires Member States to set a time limit for the owner to submit an application to a passport issuing organisation (PIO) in order to obtain a horse passport. This **time limit** is the date by which an owner must have submitted an application. It is **not** the deadline (see section 2 below) by which the passport has to be issued. The time limit needs to give a PIO sufficient time to issue a passport and DAERA’s view is that 6 months from the date of birth of the horse is a reasonable period of time.
3. This time limit would apply to **owners** with a horse in a holding in Northern Ireland.

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| **Question 1. Do you agree that 6 months from the birth of the horse is a reasonable time limit for an application to be submitted to a PIO in order to identify a horse?** **If NO, what do you consider to be a reasonable time limit and why?***You may wish to consider this with Section B below - Deadline for Identification before answering* |

1. **Deadline for Identification of equidae born in the Union (Article 12)**
2. Article 12 of Regulation 2015/262 sets a default deadline to identify a horse at 12 months following the date of birth. Article 12(2) allows Member States to limit the maximum permitted period for identifying a horse to 6 months or the calendar year of birth.
3. The **deadline** is the date by which the horse passport must be issued to comply with the legislation. It is **not** the time limit (see Section 1 above) for submitting an application.
4. If a horse is not identified before the deadline, that horse will be issued with either a duplicate or replacement passport and will be signed out of the food chain.
5. The requirement in the 2010 Horse Passport Regulations was for an equine to be identified by 31 December in the year of birth, or 6 months from the date of birth, whichever was later.
6. The Department is proposing that the default deadline of 12 months from the date of birth is used as the single deadline in Northern Ireland, along with a shorter time limit, such as the 6 months proposed above, for submitting the application to a PIO. A single deadline within Northern Ireland would remove any confusion over the deadline date (rather than 6 months or calendar year of birth) and will help to ensure that horses are not needlessly signed out of the food chain.
7. It should be noted that a horse will, in any case, need to be identified before permanently leaving the holding of birth, except where such movement is as a foal at foot of the dam.

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| **Question 2. Do you agree that the (single) deadline for identification should be no later than 12 months following the date of birth****If No, please state why you believe it should be six months or calendar year of birth.** |

1. **Equidae Intended for Slaughter for Human Consumption and Medication Record** – **Signing Out of the Food Chain** **(Article 37)**
2. The main function of the equine identification regime is to ensure that equines cannot enter the food chain if they have been treated with medication that is not permitted in animals intended for slaughter for human consumption. It is therefore important that the food chain status is updated on a passport and communicated to the Central Database; this will allow informed decisions to be made by veterinarians when treating a horse and by abattoir staff when presented with a horse for slaughter.
3. Where the treatment to be given to a horse obligates the veterinarian to sign an animal out of the food chain before providing the treatment, the new Regulation requires the keeper of an equine to lodge the passport with a PIO in the Member State of holding within 14 days of the veterinarian signing the equine out of the food chain.
4. There is a derogation that allows the Member State to require the veterinarian to make a notification of the action they have taken in signing an equine out of the food chain, instead of the keeper of the equine.
5. The Department believes that it should be the responsibility of the **keeper** to ensure that the passport is lodged with a PIO to ensure that the database is kept up to date. This will help to promote responsible ownership and ensure the correct horse is recorded on the Central Database as being signed out of the food chain.

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| **Question 3. Do you agree that the keeper should lodge the passport with a PIO when a veterinarian has signed the horse out of the food chain?****If No, please state why****(NB: The Regulation only allows the option of the keeper or the veterinarian)** |

1. **Responsibility for making an application for a passport (Article 3)**
2. Article 3 of Regulation 2015/262 allows Member States to require that the application to a PIO to obtain a passport (Article 11), or to modify details in an existing passport (Article 27), is to be submitted by the owner rather than the keeper.
3. The Horse Passport Regulations (NI) 2010 made this the responsibility of the owner and the Department believes that continuing to require the **owner** to make the application and to notify modifications to the passport will promote responsible ownership and removes any potential confusion over who has this responsibility

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| **Question 4. Do you agree that the owner should be responsible for submitting applications for a passport and for submitting modifications made to a passport to the PIO?** **If No, please state why** |

1. **Change of Ownership Details**
2. Section IV of a passport records the details of ownership for a horse. Article 9(1)(c) allows Member States, or the issuing body for registered horses if it is in their rules, to require that this section is completed.
3. The Department believes that there should be a requirement for this information to be recorded in the passport and the database as it is an important element of traceability and food chain protection.

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| **Question 5. Do you agree that details of ownership, including change of ownership, should be recorded in the passport and the database?** **If No, please state why** |

**OPTIONAL CHANGES (DEROGATIONS):**

1. **Microchipping of Equines for Identity Verification (Article 18)**
2. Since 1 July 2009, any horse being identified for the first time in Northern Ireland must have a microchip implanted by a veterinary surgeon. Although many owners will have had their equines implanted with a microchip when they were identified prior to 1 July 2009, there was no requirement to do so.
3. Article 18(5) of Regulation 2015/262 allows the Competent Authority to require that all equines are implanted with a microchip to ensure identity verification. It also allows the Competent Authority to require that any microchip that ceases to function is replaced.
4. Whilst DAERA is not minded to introduce retrospective microchipping at this stage, your views are invited to allow further consideration and also to inform advice to any incoming Minister in the future.

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| **Question 6. Should the requirement to implant a microchip be extended to include all equines?** **If No, please state why****Question 7. Do you think that when a microchip ceases to function that there should be a requirement to have it replaced?****If No, please state why** |

1. **Civil Sanctions**
2. Regulation 2015/262 requires the Member State to lay down rules on penalties for infringements of the Regulation. Under the Horse Passport (NI) 2010 Regulations, the penalty is a criminal conviction resulting in a fine.
3. In Northern Ireland, the horse passport legislation is enforced by DAERA. Enforcement of the regulations has been undertaken at point of slaughter (though there is no horse slaughter facility in operation in Northern Ireland at present) and at point of import or export, as well as at a limited number of horse sales. Enforcement also often takes place alongside investigations into infringements of fraud and animal welfare legislation. In Northern Ireland, District Councils enforce animal welfare legislation in relation to horses.
4. The Department would welcome your views on whether civil sanctions such as compliance notices and the ability to issue a fine such as a Fixed Penalty Notice should be used as a proportionate response to minor infringements of the regulations. A civil sanction would avoid criminal convictions for minor offences, but criminal convictions would be retained for the more serious offences.
5. Whilst DAERA is not minded to introduce civil sanctions at this stage, and indeed it may not be possible to bring forward civil sanctions in the absence of a Minister, your views are invited to gather information to allow further consideration and also to inform advice to any incoming Minister in the future.

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| **Question 8. Do you think that the use of civil and administrative sanctions would provide proportionate enforcement for minor offences?** **If No, please state why****Question 9. Do you think if civil and administrative sanctions were introduced that criminal sanctions should be available as well?****If No, please state why** |

**IMPACT ASSESSMENT**

**Costs**

1. We have set out the estimated cost of implementing the new legislation in a draft Regulatory Impact Assessment (**ANNEX B**). Please provide any comments you may have regarding the costs set out in the Regulatory Impact Assessment, and if you envisage any impact on yourself or your business or organisation. You may also wish to provide information on potential costs related to the optional changes (derogations) that we are not minded to introduce before March 2019 e.g. retrospective microchipping.

**Equality Impact Assessment**

1. The Department has carried out an equality and human rights impact assessment screening and has screened out the need for a full impact assessment for this policy. The screening document is available at:

[www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018](http://www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018)

We would welcome any comments you may have on our assessment.

**Rural Needs Impact Assessment**

1. The Department has carried out a Rural Needs Impact Assessment which is available at:

[www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018](http://www.daera-ni.gov.uk/consultations/consultation-equine-identification-horse-passport-regulations-northern-ireland-2018)

We would welcome any comments you may have on this assessment.

| **Article in EU Regulation 2015/262** | **Horse Passport Regulations (Northern Ireland) 2010** | **Proposals by the Department**  |
| --- | --- | --- |
| Article 7(5) – Member State may set rules on harmonisation of passports | New | We do not intend to set restrictions on the format of passports at this time but Passport Issuing Organisations (PIOs) must ensure that their passports comply with the requirements set out in Regulation 2015/262 |
| Article 9 (1)(c) Ownership details to be recorded | The 2010 Regulations required ownership details to be sent to the passport issuing organisation on transfer of ownership. | We have asked for your views at Question 5 in the consultation.  |
| Article 10(1) Derogation not to complete the Outline Diagram at Part B of the passport if a photograph or print displays sufficient details | This was a requirement in 2010  | The Department does not intend to authorise PIOs not to complete the outline diagram. We believe the outline diagram has general support from the equine sector.  |
| Article 11 Time Limit to submit an application for a horse passport | New | We have asked for your views at Question 1 in the consultation |
| Article 12 Deadline to issue a passport | This was previously before 31 December in the year of birth or within 6 months of the date of birth whichever occurs later | We have asked for your views at Question 2 in the consultation |
| Article 11 and Article 27 Who should be responsible for making an application for a passport. | It was previously the responsibility of the owner to apply for a horse passport. | We have asked for your views at Question 4 in the consultation |
| Article 18(3) Member States must lay down the minimum qualification of the person implanting a microchip | Minimum qualification was membership of the Royal College of Veterinary Surgeons (RCVS) | The Department intends to maintain the existing minimum qualification of membership of the Royal College of Veterinary Surgeons |
| Article 18 (5)(c) Retrospective Microchipping of all equines  | It has been a mandatory requirement since 1 July 2009 to implant a microchip in an equine when it is first identified. That will continue but there is now an option to require horses not previously microchipped to have one implanted. | Whilst the Department is not minded to implement this derogation at this time, we have asked for your views on retrospective microchipping at Question 6 in the consultation  |
| Article 18(5)(a) Implanting a new microchip when a previously implanted microchip has ceased to function | New | Whilst the Department is not minded to implement this derogation at this time, we have asked for your views on failed microchips at Question 7 in the consultation |
| Article 41 Penalties for infringement of the regulations | The penalty in the previous regulations meant that a fine of up to £5,000 could be applied if found guilty | The Department intends to retain this penalty but we have asked for your views on civil sanctions at Question 8 in the consultation  |
| Article 19 Management of the uniqueness of the microchip code. | The microchip implanted by a veterinarian had to meet the ISO standard in the EU Regulation | The Department will maintain the current arrangement whereby a vet must ensure uniqueness of the transponder code by only implanting an ISO compliant microchip that can be read by an ISO compliant reader.  |
| Article 21 Member States may authorise suitable alternative methods of identity verification | Microchipping was considered to be the most reliable method of identity verification. | The Department believes that microchipping is still the best way to link a horse to its passport and we do not intend to authorise alternative methods at this time.  |
| Article 25 Member States may authorise movement within the same Member State without their passport as long as they are accompanied by a smart card issued by the PIO that also issued the passport. | Smart Cards were previously allowed although no PIOs issued them.  | Although there are no PIOs in Northern Ireland issuing smart cards the Department will maintain the current position and allow their use. The use of smart cards issued in other parts of the UK would be valid within Northern Ireland. |
| Article 26 Derogation for movement to slaughter without a passport for equines less than 12 months old | This was not allowed previously. The passport had to accompany a horse being moved or transported to the slaughterhouse | The Department does not intend to allow this derogation, in keeping with previous regulations.  |

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| **Title:****Equine Identification**  | **Regulatory Impact Assessment (RIA)** |
| **Date: October 2018** |
| **Type of measure:** |
| **Lead department or agency:****DAERA** | **Stage:** |
| **Source of intervention:** |
| **Other departments or agencies:** | **Contact details:** Farm Policy Branch |
| farmpolicybranch@daera-ni.gov.uk |
| Room 919, Dundonald House, Belfast BT4 3SB |

**Summary Intervention and Options**

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| **What is the problem under consideration? Why is government intervention necessary?**EU legislation requires that all equidae are individually identified with a passport including in most cases a microchip. The primary purpose of the legislation is to ensure the safety of horse meat for human consumption by providing a record of veterinary treatment. Following the horse meat scandal in 2013 the EU Commission introduced new implementing regulations - EU Regulation 2015/256 - to strengthen the horse passport regime and these have been directly applicable in Member States since 1 January 2016. Government intervention is needed to enable the new regulations by setting out penalties, offences and implementing derogations.  |
|  |
| **What are the policy objectives and the intended effects?** The objective is to implement the requirements of the EU Regulation on equine identification in order to ensure that horse meat produced in the United Kingdom is safe for human consumption and to regulate compliance with those regulations in Northern Ireland. The EU legislation introduces a number of directly applicable changes which will increase standards for passports and issuing bodies, including a mandatory database in each Member State. There are also some derogations aimed at giving Member States the ability to better effect the legislation such as a requirement to have all equines microchipped. |
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| **What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**Four options have been considered i) Option 0: Do nothing ii) Option 1: Do the minimum required to implement the EU requirements iii) Option 2: Do the minimum required to implement the EU requirements with some enhancements iv) Option 3: Maintain arrangements in existing NI legislation as far as possible plus implement the essential requirements of the Regulation before March 2019.Option 3 is preferred. DAERA’s priority is to ensure that legislation is in place to implement the essential requirements of EU Regulation 2015/262 before March 2019. This Option will maintain the principles from the Horse Passport Regulations (Northern Ireland) 2010 where these are working well, such as making the owner responsible for applying for a passport. At this point in time, in the absence of a Minister DAERA is not minded to introduce, by March 2019, any of the optional additional measures in the EU Regulation (known as “derogations”) that go beyond the essential requirements of the Regulation. This includes areas such as retrospective microchipping and changes to penalties with the introduction of civil sanctions. However, we are seeking the views of stakeholders on the optional derogations.  |
| **Will the policy be reviewed?**  | **If applicable, set review date:** Month/Year |

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| **Cost of Preferred (or more likely) Option** |
| **Total outlay cost for business** £m | **Total net cost to business per year** £m | **Annual cost for implementation by Regulator** £m |
| 0.006 | 0.0008 | - |

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| **Does Implementation go beyond minimum EU requirements?** | **NO** **[x]**  | **YES** **[ ]**  |
| Are any of these organisations in scope? | **Micro**Yes [x]  No [ ]  | **Small**Yes [ ]  No [ ]  | **Medium** Yes [ ]  No [ ]  | **Large**Yes [ ]  No [ ]  |

Summary: Analysis and Evidence Policy Option 1

Description:

**ECONOMIC ASSESSMENT (Option** 3**)**

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| --- | --- | --- | --- |
| **Costs (£m)** | **Total Transitional (Policy)** | **Average Annual (recurring)** | **Total Cost** |
|  | (constant price) | Years | (excl. transitional) (constant price) | (Present Value) |
| **Low** | **Optional** |  | **Optional** | **Optional** |
| **High** | **Optional** | **Optional** | **Optional** |
| **Best Estimate** | **0.025** | **0.0008** | **0.025** |
| **Description and scale of key monetised costs by ‘main affected groups’** The one off cost of familiarisation with the new regulations amount to just over £24,000 with around £10,000 falling to business. The updating of the database will be an on-going cost but amounts to around £500.  |
| **Other key non-monetised costs by ‘main affected groups’** - |
| **Benefits (£m)** | **Total Transitional (Policy)** | **Average Annual (recurring)** | **Total Benefit** |
|  | (constant price) | Years | (excl. transitional) (constant price) | (Present Value) |
| **Low** | **Optional** |  | **Optional** | **Optional** |
| **High** | **Optional** | **Optional** | **Optional** |
| **Best Estimate** |  |  |  |
| **Description and scale of key monetised benefits by ‘main affected groups’** The benefits have not been measured. The policy seeks to maintain the status quo from the existing arrangements with the derogations set out in Table 1. |
| **Other key non-monetised benefits by ‘main affected groups’** There will be benefits from the central equine database relating to food chain information on the eligibility of equines for slaughter, an ability to identify microchipped horses on the database that have been lost or abandoned which may assist with enforcement and in welfare cases as well as in preventing fraud to horse owners. |
| **Key Assumptions, Sensitivities, Risks** Full compliance is assumed from horse owners and passport issuing organisations and other affected groups. |

**BUSINESS ASSESSMENT**

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| **Direct Impact on business (Equivalent Annual) £m** |  |  |
| **Costs:0.01** | **Benefits:0** | **0.01** |  |  |

**Cross Border Issues**

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| **How does this option compare to other UK regions and to other EU Member States (particularly Republic of Ireland)** Maximum 3 linesEngland has introduced legislation which includes enhancements such as retrospective microchipping and introducing civil sanctions including fixed penalty notices. Otherwise the regulations are broadly similar. Scotland and Wales have yet to introduce legislation but have consulted on similar proposals to England. In the ROI the regulations are also broadly similar to ours, including the retention of the default 12 month deadline for identification of equines. |

Evidence Base

**Problem Under Consideration**

In early 2013, the European Commission was informed of horse meat contamination in beef products in what became known as the horse meat scandal whereby horse meat was being fraudulently mislabelled and sold as beef. In response the European Commission announced a five point action plan which included a review of the horse passport regime. Although horse passports would not prevent the mislabelling of meat, the review identified some weaknesses in the horse passport regime which resulted in new EU Regulation laying down rules on equine identification to be implemented by Member States.

The primary purpose of the EU Regulation is to ensure that horse meat entering the food chain is safe. The horse passport regime seeks to ensure that each horse is identified by means of an identification document (horse passport) which shows if a horse is eligible for the food chain. A horse can only be slaughtered for meat if it has not been signed out of the food chain. The default position is that all horses are considered to be eligible for slaughter for human consumption unless they have been irreversibly classified as not being intended for slaughter for human consumption in the passport. A horse can be signed out for a number of reasons either voluntarily by the owner or if it has been treated with certain veterinary medicines or if certain rules in the regulations have not been followed such as missing the deadline for identification. The key elements of the horse passport regime in Northern Ireland are:

* Each horse must be identified with a horse passport which must be kept with the horse and which contains information certified by a veterinarian about the identity of the horse including an outline diagram showing distinguishing marks and whether the horse is eligible for slaughter for human consumption
* All horses when first identified from 1 July 2009 must be implanted with a transponder which links the horse to the passport.
* Passports are issued by passport issuing organisations (PIOs) that are approved by the Competent Authority in each Member State. In Northern Ireland there are currently three approved PIOs and 66 in the United Kingdom as a whole.
* Enforcement is carried out by The Department for Agriculture, Environment and Rural Affairs

Some changes have already been made as a result of the new EU Regulation which are directly applicable in each Member State.

* A Government funded central equine database in each Member State is a requirement of the new EU Regulation and a UK database has been developed and is now live with information required by the legislation including food chain status which is captured on an ongoing basis from the databases of the PIOs in the UK.
* Passports now include additional security features such as machine riveting, serial numbers on pre-printed pages and laminating of the identification details section of the passport.
* Clearer operating standards for PIOs including powers to suspend or remove approval to issue passports.

The Department now needs to repeal and replace domestic legislation, The Horse Passport Regulations (Northern Ireland) 2010, to enable the new EU Regulation by defining offences and penalties and the derogations to be applied in Northern Ireland.

**Rationale for Intervention**

Intervention is necessary to comply with European legislation to ensure that horses are properly identified and that horses that are not eligible for human consumption do not enter the human food chain.

**Policy Objective**

The policy objective is to ensure that horse meat is safe to eat and that owners who choose to do so have a viable option for disposal of horses through a viable UK equine meat industry. The policy seeks to ensure that stakeholders understand and are able to meet their responsibilities in relation to equine identification.

**Description of options considered (including do nothing), with reference to the evidence base to support the option selection**

Option 0 – Do nothing (ruled out)

Under this option we would not implement the EU Regulation which could lead to infraction fines from the EU and would pose a risk to food safety. It may also disadvantage horse owners moving their horse to, or selling to, owners in other Member States.

Option 1 – Do the minimum required to implement EU requirements (ruled out)

This would involve legislating for the minimum, default requirements in the EU legislation and would not allow for changes that may be beneficial to Northern Ireland.

Option 2 – Do the minimum to implement EU requirements with enhancements (ruled out)

Options considered included options such as retrospective microchipping of older horses, replacement of failed transponders, introduction of civil sanctions, requiring PIOs to update the central database and send notifications to other Member States sooner than the 15 days in the legislation. This option has been ruled out at this stage primarily because it has the potential to have the greatest impact on stakeholders. However, the Department will consider the consultation responses carefully and should we conclude that there is an overriding case to proceed to implement any of the enhancements, we would seek to take those forward under a separate legislative process before the end of March 2019..

Option 3 – Maintain arrangements in existing NI legislation as far as possible plus minimum required to implement EU requirements before March 2019

This is the preferred option and will allow the use of derogations that would be of benefit to the equine sector or are necessary to ensure that the identification regime in Northern Ireland is fit for purpose. This would include keeping the derogation to make the owner responsible for applying for a passport and also for registering modifications to passports, setting the time limit for making applications for passports, requiring Section IV details of ownership to be completed on the passport, and keeping the minimum qualification for implanting a transponder as membership of the Royal College of Veterinary Surgeons.

Option 3 will use the lowest cost option.

**Monetised and non-monetised costs and benefits of each option**

There will be no significant new monetary costs introduced as a consequence of this policy with any increase in costs minor. The EU Regulation became directly applicable on 1 January 2016 and there will have been costs to PIOs and to government at that time. Those costs will have included producing the new secure passports including machine riveting and laminating and administration costs in updating the central equine database as well as cost to Government in developing and maintaining the central equine database. The cost of equipment purchased by PIOs to meet new security standards required by the EU Regulation has been estimated at around £7,000 for the three PIOs here based on information share with us.

The cost to owners in relation to identification of horses is primarily the cost of obtaining a passport from a PIO including the implantation of a transponder. The new policy will not affect that cost as there is no enhanced requirement for microchipping of horses identified before 1 July 2009 being proposed at this stage.

The benefits of the policy will include increased traceability of horses and ownership details through the central equine database and increased confidence that horses presented for slaughter are eligible for human consumption. At present there are no plants slaughtering equines for human consumption in Northern Ireland.

**Rationale and evidence that justify the level of analysis used in the RIA**

The availability of complete and accurate data about the equine identification regime is limited. The EU Regulation is directly applicable and therefore there is no rationale to analyse the cost of directly applicable measures. Option 3 which maintains existing NI arrangements includes some cases where it is not the EU default and analysis of these has been set out in Table 1 below. The proposals under Option 3 represent the lowest cost options, as they in the main replicate existing requirements or seek to limit additional expense for horse owners. Detailed cost analysis has not been carried out for Options 1 and 2. However, it is recognised that they would represent a marginally increased cost for horse businesses e.g. if keepers were required to take on the responsibilities of owners in regard to applying for identification. Likewise, if retrospective microchipping of all equines was introduced, this would involve an increased cost for certain horse owners (approximately 24% of NI horse owners – see Table 2 below).

| **Measure** | **Description** | **Recommendation** | **Cost** | **Detail** |
| --- | --- | --- | --- | --- |
| Responsibility for identifying a horse | Whether the owner or the keeper should be responsible for submitting an application for a horse passport.The Regulation states that the keeper if not the owner should submit the application but gives a derogation whereby Member States or issuing bodies may require that the application is submitted by the owner. | Should retain existing requirement which makes the owner responsible  | Lowest cost option | The owner was previously responsible for identifying a horse.Any change would likely be a transitional cost to businesses.Keepers if not the owner are more likely to be business owners and this would place a new responsibility and cost to those businesses. Removes any potential for doubt about who should submit the application.Promotes responsible ownership. |
| Notification of a change to the identification details  | Modifications to any identification details must now be updated in the passport and on the central database by a PIO.This is a new requirement and the default EU position is that the keeper is required to make a notification but there is also a derogation to make the owner responsible. | Make this a responsibility of the owner in line with the responsibility for submitting an application. | Lowest cost option | The previous Northern Ireland legislation made the owner responsible for identification of horses.Keepers if not the owner are more likely to be business owners and this would place a new responsibility and cost to those businesses.Promotes responsible ownership. |
| Ownership Information | The EU legislation includes an option to require information on ownership to be included in the passport  | Recommendation is to retain this requirement | Existing requirement | It was a requirement in the previous NI legislation and is an important element of traceability and food chain protection.  |
| Minimum Qualification for inserting a transponder | Member States must set a minimum qualification for the person implanting a transponder | Should retain existing requirement of membership of the Royal College of Veterinary Surgeons (RCVS)  | Existing requirement | The implantation of the transponder in the specified location is classified as veterinary surgery and would require amendment to the Veterinary Surgeons Act 1966 to allow other persons to implant a transponder. |
| Unique transponder numbers | There is a requirement to set rules to ensure that transponder numbers are unique | Maintain the current arrangements and require a vet to check the uniqueness of a transponder being implanted. | Lowest cost option | The intention is to continue the requirement that a transponder can only be implanted in Northern Ireland by a member of the RCVS and the legislation requires that only transponders that comply with the standard ISO 11784 that are capable of being read by a reading device compatible with standard ISO 11785.Any alternative options would be onerous on business and government especially as a sizeable proportion of owners in NI have transponders supplied by organisations approved and managed by other Competent Authorities. The UKCED will not permit a transponder that has an existing number on the database to be used and will require checks to be made.  |
| Passport application time limit | This is a new EU requirement and Member States must set a time limit by which an application is to be submitted for a horse passport. | The recommendation is to set a time limit of 6 months from date of birth | Lowest cost option | Most owners of horses eligible for entry in a studbook will already be meeting this time limit.It is a generous time limit in comparison to other animals which need to be identified and particularly when coupled with the deadline for issuing a passport.Missing this deadline would not result in a horse being signed out of the food chain.  |
| Passport Issue Deadline | The EU Regulation requires that passports are to be issued within 12 months of birth but allows Member States to set the deadline to 6 months or the calendar year of birth | A deadline of 12 months is in line with the longest possible deadline in the existing requirement which was before 31 December of the year of birth of the equine animal or within six months following the date of birth whichever is the later | Lowest cost option | Having one deadline should be less confusing to owners particularly new owners.Missing this deadline would result in a horse being signed out of the food chain.It means that the same deadline will be afforded to any owner even if the horse is born outside the usual breeding season.UK PIOs are normally expected to issue passports within 20 working days but this will give NI PIOs some leeway in sorting out any unusual situations that may arise with some applications. |

*Table 1 Derogations under Option 3*

Information is available from the UK CED in relation to numbers of passports issued to Northern Ireland owners, how many are issued by the NI approved PIOs and information such as how many of the horses are microchipped which is summarised in the table below. We are also aware of some 22,000 passports that have been issued to owners in Northern Ireland from PIOs in the Republic of Ireland. There are also generally low notification rates concerning the death or loss of horses other than those that have been slaughtered for human consumption.

|  |  |
| --- | --- |
| Passports for live horses issued to NI owners | 20,229 |
| Passports Issued by DAERA Approved PIOs | 5,914 |
| % of NI owners horses microchipped | 76% |
| % of NI owners horses not microchipped | 24% |
| Registered horses | 4,758 |
| Breeding and Production horses | 15,471 |

*Table 2. Information from the United Kingdom Central Equine Database*

The impact assessment produced by Defra for the Equine Identification Regulations (England) 2018 has also been used as a source of information. As there are no issues likely to be considered controversial in this policy we have considered that the information available is sufficient to carry out an impact assessment.

**Risks and assumptions**

The Strategy for the Equine Industry in Northern Ireland (2007) prepared by the Equine Sub Group of the DARD Stakeholder Forum in conjunction with BDO Stoy Hayward estimated the number of horses in Northern Ireland at over 35,000.

We have assumed a working figure of 40,000 equines in Northern Ireland taking into account the numbers recorded on the UK CED, passports issued in the ROI, historically low rates of notification for dead horses and an assumption that there are an unknown number of horses not identified within Northern Ireland.

**Direct costs and benefits to business**

The cost to businesses will primarily be for familiarisation with the new legislation which are estimated. Although there are no specific figures available to us and the cost of obtaining them would be disproportionate, we have used some of the Defra impact assessment analysis as a guide in terms of the proportion of horses owned by businesses and also the time spent on familiarisation. Using those figures approximately half of horses are privately owned with an average of 2 horses per owner and half owned by businesses with an average of 4 horses. This would equate to 10,000 private owners and 5,000 business owners. Familiarisation is taken as 2 hours for PIOs and 10 minutes for owners.

Familiarisation

Privately owned horses 20,000/2 owners x £8.81 x 0.166 hours = **£14,625**

Business owned horses 20,000/4 x £11.45 x 0.166 hours = **£9,503**

Passport issuing organisations 3 x 2 hours x £11.45 = **£69**

Uploading data to the UK CED

The Defra impact assessment used a figure of 3 minutes for uploads based on consultation with PIOs. PIOs in Northern Ireland have estimated this to be closer to 10 minutes. Of the three PIOs in Northern Ireland we are aware that two have software capable of uploads and one provides manual updates which is estimated at around 10 minutes per record with an average of around 170 records issued.

Uploads must be performed within 15 days of the information being recorded by a PIO. If we assume the 2 PIOs with software to carry out uploads perform an upload every 2 days which is likely more than required then the cost will be

(260 days – 12 bank holidays/2 = 124 x 2 PIOs) = 248 uploads

248 x 10 minutes = 12.4 hours x £11.45 = **£473.07**

1 x PIO manual upload of 170 records x 10 minutes = 170 x 0.166 = 28.32 hours x £11.45 = **£324.28**

**Wider impacts**

Although there is no exact data for horse businesses, the Passport Issuing Organisations in Northern Ireland are micro enterprises and it is thought that most horse owning businesses are micro businesses as well. There is no alternative to regulation as Member States are required by the Equine Identification Regulation to lay down rules and penalties to ensure that they are implemented.

**List of Consultees**

Belfast Zoological Gardens

Breeders Elite Studbook for Irish and European Sport Horses

British Equine Veterinary Association

British Horse Society

British Veterinary Association NI

Crosskennan Lane Animal Sanctuary

Equine Council for Northern Ireland

Equine Welfare Network

Fermanagh and Omagh District Council – Equine Welfare

Food Standards Agency NI

Holly’s Horse Haven

Microchip Trade Association

Northern Ireland Horse Board

Northern Ireland Shows Association

Pony Club (UK)

PSNI

Riding for the Disabled (NI)

Royal College of Veterinary Surgeons

The Donkey Sanctuary

Ulster Region Show-jumping Association of Ireland

USPCA

World Horse Welfare