

**EXPLANATORY MEMORANDUM TO**  
**THE AGRICULTURE AND HORTICULTURE DEVELOPMENT BOARD**  
**(AMENDMENT) ORDER 2020**

**2020 No. xxxx**

**1. Introduction**

- 1.1 This Explanatory Memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

**2. Purpose of the instrument**

- 2.1 This instrument amends the Agriculture and Horticulture Development Board Order 2008 to assign additional functions to that Board. These functions relate to collecting, managing and making available information regarding the identification, movement and health of animals, and allocating unique identification codes to the means of identifying animals. This enables the Agriculture and Horticulture Development Board (“AHDB”) to run the new Livestock Information Service (“LIS”), which will provide a multi-species traceability system in England and facilitate the tracing of livestock movements across the UK.

**3. Matters of special interest to Parliament**

*Matters of special interest to the Joint Committee on Statutory Instruments*

- 3.1 None.

*Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)*

- 3.2 The territorial application of this instrument includes Scotland and Northern Ireland.

**4. Extent and Territorial Application**

- 4.1 The territorial extent of this instrument is the United Kingdom.  
4.2 The territorial application of this instrument is the United Kingdom.

**5. European Convention on Human Rights**

- 5.1 Lord Gardiner of Kimble, the Parliamentary Under Secretary of State for Rural Affairs and Biosecurity has made the following statement regarding Human Rights:  
“In my view the provisions of the Agriculture and Horticulture Development Board (Amendment) Order 2020 are compatible with the Convention rights.”

**6. Legislative Context**

- 6.1 This instrument amends the Agriculture and Horticulture Development Board Order 2008 (“SI 2008/576”) in order to assign additional functions to the AHDB. These functions relate to the running of the new Livestock Information Service specifically:
- Functions that relate to collecting, managing and making available information regarding the identification, movement and health of animals; and

- Functions that relate to allocating unique identification codes to the means of identifying animals. The Natural Environment and Rural Communities Act 2006 provides that the Secretary of State may assign these functions to a body, and the purpose of this amending legislation is to place them under AHDB, as the body identified by Defra for running the new Livestock Information Service.

## 7. Policy background

### *What is being done and why?*

- 7.1 This instrument enables the AHDB to run the new Livestock Information Service, which will provide a multi-species traceability system in England and facilitate the tracing of livestock movements across the UK. AHDB has established a subsidiary company, Livestock Information Ltd (“LI Ltd”), to carry out these services on behalf of AHDB and Defra. The new service will replace separate species-specific systems and allow faster, more accurate livestock traceability, benefiting disease control and trade. AHDB is an executive non-departmental public body which is accountable to Defra. It provides services to levy payers such as farmers and processors. It currently serves six agricultural and horticultural sectors, including the beef, sheep and pig industries in England and the milk industry in Great Britain. It is therefore uniquely placed to deliver the new livestock traceability system.
- 7.2 Livestock are currently identified through three separate livestock traceability services, one for cattle, one which covers sheep and goats, and one for pigs. These services were introduced over the last two decades as various pieces of EU legislation came into force. As the existing systems are species-specific, keepers with more than one species of livestock need to switch between databases, and the services were not built or designed to integrate. The existing systems are also designed to collect rather than to share data. The current system is inefficient due to paper based processes and lack of integration.
- 7.3 The LIS, a multi-species service, will be more cost effective and easier to use than existing separate services, by reducing duplication and providing keepers with a single portal to meet their reporting responsibilities. Of the 165,000 keepers of farmed livestock today, nearly 60,000 keep more than one species and therefore currently need to engage with different services and systems. A multi-species service will make it easier for keepers to know what they need to do, and to meet their responsibilities. A multi-species service will also enable Defra and the Animal and Plant Health Agency to trace all livestock movements through a single system, improving capability in disease outbreak situations.
- 7.4 The service will operate in England. As animals can and do move across borders, this instrument applies across the UK so that AHDB may handle data on animal movements from traceability systems outside of England where necessary to allow a complete picture of animal traceability. AHDB will also run a unique number identification service on behalf of England and Wales, which controls the issuing of official individual identification numbers to animals. The new system will also allow for ‘value added’ services where submitted data can be used to generate information in wider areas such as livestock productivity and disease management.

## **8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union**

8.1 This instrument does not relate to withdrawal from the European Union.

## **9. Consolidation**

9.1 No consolidation exercise has been carried out.

## **10. Consultation outcome**

10.1 AHDB is established under the Natural Environment and Rural Communities Act 2006 (“NERC”). There is a duty under Section 97(5) of the NERC to consult organisations representative of affected interests. In 2017 Defra set up the Livestock Identification Traceability Design User Group (“TDUG”), a partnership of interested industry and government bodies, who have been involved throughout the design and development of the LIS. Defra consulted this group on this instrument in June 2020. As this instrument applies throughout the UK, Devolved Administrations were also consulted.

10.2 A three-week consultation period was undertaken with stakeholder organisations and Devolved Administrations, which were all already familiar with the plans for AHDB to run LIS. Five responses were received.

10.3 A joint industry response was provided by TDUG on behalf of livestock industry which confirmed that they were content with this instrument. AHDB confirmed that this instrument provided the appropriate powers for LI Ltd to run the service.

10.4 Both Scottish Government and the Department of Agriculture, Environment and Rural Affairs (“DAERA”) in Northern Ireland noted in their responses that they would be operating their own systems for issuing identification numbers to animals. The area in which the function of the allocation of unique identification codes is exercisable has subsequently been amended in this instrument to apply to England and Wales only.

10.5 Welsh Government were content with the geographical scope of this instrument.

## **11. Guidance**

11.1 As this instrument relates only to the assignation of administrative functions, guidance is not required.

## **12. Impact**

12.1 There is no, or no significant, impact on small businesses, charities or voluntary bodies.

12.2 The impact on the public sector is positive: it involves a significant financial saving and important traceability benefits relative to a situation where LIS did not launch.

12.3 An Impact Assessment has not been prepared for this instrument because the impact on businesses falls below the threshold for producing one.

## **13. Regulating small business**

13.1 This instrument applies to activities that are undertaken by small businesses.

13.2 No specific action is proposed to minimise regulatory burdens on small businesses.

13.3 The basis for the final decision on what action to take to assist small businesses is that apart for an expected small familiarisation cost, businesses will be impacted positively and make savings.

#### **14. Monitoring & review**

14.1 Defra and its agencies will monitor and review the impact of this instrument as part of its standard policy-making procedures and will ensure that the provisions are adhered to and implemented.

#### **15. Contact**

15.1 Jon Rouse at the Department for Environment, Food and Rural Affairs, Telephone: 02080263412 or email: jonathan.rouse@defra.gov.uk can be contacted with any queries regarding this instrument.

15.2 Laura Bellingham, Head of Livestock and Equine Identification and Movement, Biosecurity and Food Projects, at the Department for Environment Food and Rural Affairs, can confirm that this Explanatory Memorandum meets the required standard.

15.3 The Parliamentary Under Secretary of State for Rural Affairs and Biosecurity, Lord Gardiner of Kimble, at the Department for Environment, Food and Rural Affairs can confirm that this Explanatory Memorandum meets the required standard.