

24 JULY 2015

Stella McArdle
Clerk, Committee for Agriculture & Rural Development
Northern Ireland Assembly
Room 244 Parliament Buildings
Ballymiscaw
Stormont
Belfast



Dear Stella

COMMITTEE INQUIRY INTO BETTER REGULATION

Thank you for your letter of 24 June 2015 regarding the Committee's inquiry into better regulation in Northern Ireland. LMC is supportive of the Committee's championing of the cause of decreasing the level of regulation that is faced by Northern Ireland farmers. As a statutory body charged with the general duty of examining and recommending improvements in the marketing of livestock and livestock products from Northern Ireland LMC is acutely aware of the practical and economic challenges that regulation places on farming businesses trying to eke out a financial margin, particularly when market prices are under severe pressure.

In terms of addressing the various elements in the Committee's Terms of Reference for the inquiry LMC would offer the following comments:

- 1. Establishing a baseline regarding the level and type of regulations facing farmers with an emphasis on that originating from DARD. This will include opening communications with the farming community to anecdotally identify which regulations are considered by them to be most onerous:**

An important point when engaging with farmers about regulation is their understanding of the difference between regulatory requirements, commercial market requirements and measures taken on a voluntary basis to set the region apart from other competitors. The vast majority of baseline regulations facing farmers emanate from the European Union legislature whether in terms of regulatory measures to support the common market (such as the Common Agricultural Policy) or official control regulatory measures to ensure common approaches to food safety, animal health and welfare and care for the environment across the 28 EU Member States.

Excluded from the baseline should be commercial market requirements, such as the number of farm residences an animal may reside on to meet a customer specification, as these are not regulatory issues. Similarly, voluntary measures taken by government and industry to set Northern Ireland supply apart from our competitors, such as the

Food Fortress Scheme, the NI Beef and Lamb Farm Quality Assurance Scheme and the voluntary BVD Eradication Scheme are not regulatory measures and should be excluded from the baseline.

2. Identifying and assessing how DARD operates in practise regarding transposing ‘regulation’ into Northern Ireland law, assessment of impact of regulation, and any review of impact of such regulation including enforcement and sanctions:

One of the key issues that arises when discussing regulation with industry is how the UK interprets EU regulations and applies the requirements on the ground. Northern Ireland regulators have the reputation of having a very low appetite for risk and it is quite often stated that the authorities here are masters at ‘gold-plating’ regulations. A simple example is in the complex area of disease control – parts of Great Britain have equivalent or higher incidences of TB in cattle than in Northern Ireland yet the rules with regard to movements of cattle from movement restricted farms to Approved Finishing Units in GB have been much more practically applied than the authorities in Northern Ireland were ever prepared to consider.

3. Identification of barriers that prevent simplification of, reduction in or cessation of regulation:

As indicated in Point 1 the main barrier to simplification is the origin of regulation, much of which is negotiated and agreed at EU level.

4. Taking one specific area as an example, analyse the origin of the regulation and how it was transposed into law in Northern Ireland, including an analysis of the approach taken to the same regulation in other jurisdictions:

Sometimes the transposition of EU regulations into law in Northern Ireland can have positive and negative consequences for farmers. A good example is Regulation (EC) No 1760/2000 of the European Parliament and of the Council of 17 July 2000 establishing a system for the identification and registration of bovine animals and regarding the labelling of beef and beef products and repealing Council Regulation (EC) No 820/97.

A key feature in Northern Ireland’s transposition of the EU regulation is the use that is made of DARD’s Animal and Public Health Information System (APHIS) in implementing and enforcing the requirements on the ground. APHIS is one of the most sophisticated traceability systems in the world and that can sometimes lead to the application of certain restrictive statuses on animals on farms that can result in movement restrictions (which isn’t possible to do in other areas with less sophisticated or joined up systems such as in Great Britain). On the other hand APHIS is held up by the industry as a world leading traceability system when it is marketing its wares to customers and potential customers of Northern Ireland produce and having this edge over competitors is very useful. Getting the right balance is therefore essential.

5. Consider what actions need to be taken (by DARD) to improve its approach to reducing the regulatory burdens on farmers.

There are a number of practical considerations in this area:

- Full engagement with industry is vital by Competent Authorities when considering how to apply legislative requirements at ground level;
- DARD should be open to benchmarking its approach to application of regulatory requirements with other devolved regions of the UK;
- The concept of earned recognition could be more widely applied where inspections of farms by control authorities are minimised (for example giving greater consideration in risk assessments to farmer participation in voluntary assurance schemes);
- More joined up inspections between the various control authorities could reduce the number of visits to farms for official inspections;
- Investing to save – In 2009 the beef industry was prepared, with the support of DARD, to invest in the introduction of Electronic Identification (EID) of cattle across the board in Northern Ireland. The concept was an excellent one in that the amount of paperwork needed to record animal movements and events could have been greatly reduced to farmers, processors, vets and government with considerable efficiency savings for all parties. Despite considerable efforts of industry DARD was not prepared to invest to help industry get all existing cattle on the ground at the time tagged with an electronic identifier to get the critical mass needed to bring this exciting and world leading initiative to fruition.

I trust you will find the comments of LMC useful and please do not hesitate to get in touch if you require any points of clarification or further information.

Yours sincerely

A handwritten signature in black ink that reads "Ian Stevenson". The signature is written in a cursive, slightly slanted style.

Ian Stevenson
Chief Executive