

Talking Points

Animal Disease Traceability Public Meetings

May 2010

1. Introduction - Animal Disease Traceability

- I would also like to welcome you to the Animal Disease Traceability Forum and thank you for making time in your busy schedules to attend and participate.
- I am very grateful we are assembled here to discuss the animal disease traceability framework. Your cooperation is appreciated and essential to the success of this initiative.
- This meeting is a fresh, exciting opportunity to truly work collaboratively on improved animal disease traceability. I am confident that together we can successfully implement the new framework recently announced by Secretary Vilsack.
- We will continue to build upon this basic traceability framework that we will discuss here today. Continuing to make progress over time is critical to the long-term success of the program.
- We are committed to maintaining these cooperative efforts with full engagement of States, Tribes, and industry in this critical component of our overall animal health safeguarding efforts.

2. Meeting Objectives

- Today we will:
 - Review and clarify the new traceability framework
 - Summarize the March 2010 Traceability Forum with States and Tribes
 - Share concepts of traceability performance standards
 - Discuss and obtain feedback on traceability performance standards

3. Animal Disease Traceability Framework

- The Secretary's February 5 announcement on traceability not only set a new course for the Department's approach to animal disease traceability, but also described a series of actions aimed at preventing the entry of animal diseases into the United States and strengthening our ability to successfully respond to animal diseases.
- Those actions include strengthening our animal import regulations, enforcing existing disease control regulations, and finding ways to provide more resources to the States and Tribes to combat emerging diseases.
- And — the reason why we're here today — USDA will also look to implement a flexible yet coordinated approach to animal disease traceability that embraces the strengths and expertise of States, Tribes, and producers, and empowers them to find and use the traceability approaches that work best for them.
- An approach based on State and Tribal Nations, supported and coordinated with Federal funds and resources, will allow workable solutions to evolve from the local level.
- Having appropriate standards, as many of you have commented, is critical to avoiding roadblocks that could impede the interstate movement of animals. We can be flexible, yet remain committed to developing compatible, consistent standards.

4. Fundamentals

- I'd like to focus on the fundamentals of the new approach to traceability.
- First, it applies only to certain animals moving interstate. We will need to address what animals and interstate movements, if any, will warrant exemption from the new rule, but in general, we are looking at regulating the interstate movement of all farm-raised livestock and poultry.
- Second, we have had successful traceability through the identification methods used in disease eradication programs, and we will build on those successes.
- Our priority is cattle due to the significant void in traceability for that sector.
- The fundamentals include re-establishing the use of the very basic methods that have proven to be successful, widely accepted by producers, and cost effective. The nine-character alphanumeric silver tag, commonly known as the "brite" or silver tag, is an example. As Dr. Clifford has stated, "We need to get more cattle identified — we need official tags in ears. And we need to record distribution so they are traceable."
- Yes, this is a very basic approach. Some have advocated implementing a greater level of traceability or even full traceability, and I understand that.
- But this approach will cost far less than the \$220 million estimated for full traceability with radio frequency identification (RFID) technology. And this basic method of identification provides the greatest return on investment and remains the most palatable for most producers.
- Once we have the basics in place, we will make further progress over time.
- The flexibility of the new approach will allow for the use of advancing technology. That is, producers wishing to use the RFID for official identification must continue to have that option.

5. Regulatory Changes

- This approach will put into place what many of you have suggested all along: the establishment of new regulations.
- USDA will be taking deliberate and transparent steps to establish the framework for implementation. The first priority will be to publish in the *Code of Federal Regulations* (CFR) a new animal disease traceability section, after allowing for and considering public comment.
- This new rule will apply **only** to animals moving interstate.
- We will maintain our identification regulations for disease programs and consolidate them in the new traceability section in the regulations. It is important to understand that any identification regulations for disease programs will supersede the new regulations.
- In addition to reviewing disease-specific regulations, we will review section 71.18 regarding the individual identification of breeding cattle or sexually intact females over 24 months of age that move interstate. We will also review section 71.19, which requires the identification of swine of any age. We will consider how these existing sections apply to the new regulation.
- The new approach, as stated earlier, is outcome based, with these outcomes presented and defined as traceability performance standards. We will elaborate and discuss these performance standards throughout our forum today.
- The rule will require that animals moving interstate be traceable and that the animals be officially identified in accordance with the CFR that will provide various identification

methods. Each State and Tribe will develop traceability plans that meet the needs of producers.

- While official animal identification will be required for ages and classes of animals, yet to be determined, moving interstate, USDA will not define a specific method of official identification.

6. USDA Commitments

- We recognize and acknowledge that States, Tribes, industry groups, and thousands of American producers invested heavily in the National Animal Identification System (NAIS) and worked hard to make it succeed. As we transition to the new framework, we'll seek ways to capitalize on the progress of NAIS and determine what pieces can be used to leverage our investment to support the new approach.
- USDA will also maintain all current systems and provide them to States and Tribes that wish to use them as they implement and administer their traceability plans.
- USDA supports the development and publication of data standards and guidelines to ensure the connectivity and compatibility of information and identification systems.
- USDA will collaborate with States and Tribes to establish performance measures and timelines that will be created transparently through the rulemaking process.
- We have established a State, Tribal, and Federal Traceability Regulation Working Group to give input on developing the proposed rule that will define traceability performance standards for States and Tribes.
- Additionally, a working group will be established to prepare standards for other traceability related issues; for example, data element standards to ensure disease tracing information systems are compatible.
- USDA is establishing an advisory committee with representatives from a broad range of commodity organizations and underserved communities to help USDA in evaluating and offering input on the traceability efforts.
- Finally, and possibly most importantly, USDA is committed to help fund the implementation of this traceability framework.

7. VS 2015 Initiative

- I also want to briefly inform you of relationship of this traceability framework with our Veterinary Services (VS) 2015 initiative, which represents our long-term strategic vision.
- Through the VS 2015 initiative, we are adapting the mission and role of VS to meet the animal health challenges of the 21st century, and we are also adapting our programs, such as animal disease traceability, in line with that mission and role.
- Several forces are driving this need for change, such as changes in the animal agriculture industry, technology, emerging diseases as well as threats beyond disease, food safety concerns, the expansion of international trade, and tightening budgets.
- The expertise and core capabilities of VS position the organization not only to meet animal health challenges arising from these forces, but also to become the national veterinary authority of the United States.
- Strong partnerships are part of the VS 2015 initiative and the new approach for animal disease traceability. For the VS 2015 initiative, VS will continue its strong partnerships with State and Tribal animal health officials, agricultural producers, and veterinary organizations

and will continue to strengthen its relationships with the emergency management community at State and national levels.

8. Moving Forward with Traceability

- Before turning the podium over to my colleagues, I want to acknowledge that many details of this approach must be worked out in careful coordination with States and Tribal Nations and with producer's input from all sectors of the industry.
- This new direction and approach for animal disease traceability address the many issues we've been confronted with and will:
 - Achieve basic, effective national traceability and response to animal disease outbreaks without overly burdening producers
 - **Only** apply to animals moving interstate
 - Be led and administered by the States and Tribal Nations with Federal support focused entirely on animal disease traceability
 - Allow for maximum flexibility for States and Tribes to work with their producers to find identification solutions that meet their needs
 - Ensure traceability data is owned and maintained at the discretion of the States and Tribes
 - Encourage the use of lower cost technology
- The approach outlined by the Secretary responds to the concerns USDA heard about its past efforts, while outlining a way forward that supports and respects the work of America's farmers and ranchers.

9. Financial Support

- The new approach will not be an unfunded mandate — Secretary Vilsack has made that principle very clear. USDA intends to provide funding to the States and Tribal Nations to help implement animal disease traceability approaches for their producers.
- This framework is focused on tracing capabilities. Therefore, rather than counting premises registered, we must measure and document true tracing capability.
- We will review the concepts of traceability performance standards later. These performance standards are the key principle for documenting the progress and status of our traceability system.
- As stated earlier, we are not looking at the ultimate full traceability system at this time. Rather, we need to show progress through traceability performance standards that are realistic and doable, yet have significant merit.
- This current fiscal year, USDA has \$14.3 million, with carryover, to support traceability activities.
- Next fiscal year, \$14.6 million is proposed in the President's budget.
- The funding request for future years will hinge on how USDA, States, and Tribes collectively construct their traceability plans.

10. Traceability Proposed Rule

- The proposed rule on traceability will contain the traceability performance standards.
- The Traceability Regulation Working Group will provide APHIS with input on the development of the proposed rule.

- The objectives of the working group are to draft the framework of a rule whereby States and Tribes will be responsible for their animal disease traceability programs and where compliance to performance standards directs interstate movement of livestock from the geographic area each State or Tribe is responsible for.

11. State and Tribe Working Group Members

- I would like to acknowledge and thank the members of the State, Tribal, and Federal Traceability Regulation Working Group. Adding a new section in the regulations with traceability performance standards is most important.
- Through the efforts of these dedicated individuals, along with your feedback, we will develop a proposed rule to advance animal disease traceability that is performance based and that provides the flexibility to meet the vast diversity of our industries.
- Along with several APHIS resources, the individuals listed here on the slide from States and Tribes are participating in the working group. We thank these individuals for their leadership to this important effort. Following my presentation, Dr. Becky Brewer, the Oklahoma State Veterinarian, will give an update on the working group to help guide our discussions today so your feedback can be obtained and considered by the group in preparing the content for the proposed rule.

12. Responsibilities of the Regulation Working Group

- As the working group members provide input on the proposed rule, they will work systematically on key elements of the proposed rule.
 - First and foremost, the traceability performance standards
 - Second, protocols for evaluating tracing capability
 - And third, issues related to compliance with the new standards
- These are important tasks that the working group members will discuss and make recommendations on, and given that they will be seeking your input on these elements at this meeting, we will review each in greater detail later in the meeting.

13. Obtaining Input from Industry

- While these elements are key to the proposed rule, we need to develop these collaboratively and transparently with input from industry.
- APHIS will give updates on progress of the regulation working group through the Web site, public meetings, industry meetings, State Animal Health Officials, and Tribal Authorities.
- We will actually make the content of the regulation available for discussion before publication as a proposed rule.
- In addition, we will consider input on the suggested “for discussion” traceability performance standards.

14. Obtaining Input from Industry (continued)

- We will also ask for feedback from industry on our Web site and during these public meetings. Written statements on the meeting topics and the proceedings of the March 2010 Traceability Forum may be filed through May 31. (See *Federal Register* notice published May 5, 2010, for addresses.)

- Further, industry can provide feedback during State and Tribal discussions with local industry and to a working group member as well as through Tribal consultation and national industry organizations and groups.

15. General Timeline

- In summary, the working group will give input on the content of the proposed rule by focusing on these three elements: Traceability performance standards, protocols for evaluating tracing capability, and compliance factors.
- Our goal is to publish the proposed rule next winter (winter of 2010). And of course, following the publication of the proposed rule, there will be a public comment period of 90 days.
- The goal is to publish the final rule 8 to 10 months after comment period closes.
- To transition to the new approach, some requirements (such as animal identification and compliance with traceability performance standards) may be phased in over time following publication of the final rule.
- After Dr. Brewer's comments, we'll have roundtable discussions to obtain your feedback on conceptual traceability performance standards and other related issues to the traceability regulation being considered to support the new traceability framework.

16. Thank You

- Thank you for your time and attention.
- I will now turn this back to Deb Millis.