

TESTIMONY OF

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Concerning

The National Animal Identification System

Before the

House of Representatives Committee on Agriculture

Subcommittee on Livestock, Dairy, and Poultry

March 11, 2009



Thank you, Mr. Chairman, and members of the Subcommittee. I am Dr. Ron DeHaven, chief executive officer of the American Veterinary Medical Association (AVMA), which represents more than 78,000 veterinarians across the United States.

I appreciate the opportunity to testify before you today on the National Animal Identification System (NAIS) and its important role in helping protect our nation's food supply and contain disease outbreaks in the food animal population. I would also like to acknowledge the United States Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) for working so diligently to advance the NAIS, which the AVMA considers crucial to controlling potentially disastrous livestock disease outbreaks. The AVMA strongly believes that a mandatory system that allows us to identify animal locations and track their movements is key to quickly minimizing the impact of a potentially catastrophic animal disease on America's public health, animal health and food supply.

The AVMA strongly supports the implementation of the NAIS, and I would like to emphasize several important points:

- The AVMA believes the U.S. cannot afford to wait for a devastating animal disease outbreak to make the NAIS a reality – the NAIS needs to be a mandatory program to ensure timely implementation.
- The information needed for identifying livestock production premises to make the NAIS fully functional is not much more than what is already in publicly accessible sources, such as phone books, and individual animals' identification systems are used daily by livestock producers for other purposes. In short, the privacy concerns raised by the opponents of NAIS are unwarranted.

- Compared to the costs associated with a widespread outbreak of a potentially devastating disease that is not contained due to lack of an identification system, the cost of implementing the NAIS is minimal.
- An effective NAIS would help the U.S. livestock industry and state and federal government agencies track and more quickly contain/eradicate a disease outbreak, minimizing the number of animals affected and thereby reduce the amount of animal pain, suffering and destruction.
- International standards that directly affect animal trade are moving toward the direction of traceability “from farm to fork” – if the United States is to remain competitive or grow export markets, an effective NAIS will be required.
- An effective NAIS will significantly enhance the ability to rapidly track, control and eradicate endemic livestock diseases, thereby increasing overall productivity for livestock owners and associated industries.

Livestock production in the United States is an asset that feeds not only our country, but a great deal of the world, every day. It is an asset that must be protected from accidental or malicious outbreaks of potentially catastrophic animal diseases. The NAIS is a critical tool to protect animal health.

Veterinarians’ Roles in Protecting Public Health and America’s Food Supply

The AVMA’s membership reflects more than 84 percent of America’s veterinarians. Among other things, our members protect the health and welfare of our nation’s animals; protect animal and human health through prevention and control of zoonotic diseases; and help protect our nation’s food supply – from farm to fork. Our members protect the health of the animals on

farms through preventive care and by examining, diagnosing and treating them when they are ill. Veterinarians also provide farmers and producers with guidance on nutrition, disease prevention, management and other health-related issues. Veterinarians examine animals before slaughter and examine the carcasses during processing to ensure that diseased animals do not enter the food supply. We also inspect and certify that animals, and animal products, transported in interstate and international commerce are not infected or diseased.

But it doesn't end there. Veterinarians are on the front lines when it comes to surveillance and response to foreign animal diseases, such as foot and mouth disease, highly pathogenic avian influenza, bovine spongiform encephalopathy and many more diseases that could, and have previously, severely impacted animal health, the nation's food supply and U.S. trade.

Veterinarians are experts in zoonotic diseases – animal diseases that can be spread to people. Veterinary epidemiologists develop strategies for understanding optimal responses to diseases – how they develop, how they are spread, how they can be eradicated, and how they can be prevented.

Our members are not only in private practice, research, academia and industry, they are also employed in key positions within state and federal governments. Food supply veterinarians working in government have a variety of roles, including ensuring that meat, eggs and dairy products are safe for consumption. They oversee the health of the animals that produce these items that are such an integral part of our nation's diet and economy. On both the state and federal levels, food animal veterinarians are in critical food safety and defense roles at agencies such as the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS), Food Safety Inspection Service (FSIS) and Agricultural Research Service. They also

fill vital positions at the U.S. Food and Drug Administration, the Department of Homeland Security and in the U.S. Army. Every state has veterinarians in its government to help support those efforts on the state level. The veterinary profession, therefore, plays an integral role in the infrastructure and daily operations of systems that ensure the high quality of U.S. livestock production and animal products that we all enjoy today. An effective NAIS will further enhance these efforts.

The Impact of an Effective National Animal Identification System

As many are aware, the impact of an accidental livestock disease outbreak can be devastating to animal production, food production and trade. In addition, intentionally introduced foreign animal diseases are a national security issue. NAIS would dramatically reduce the time required to control a disease outbreak and minimize the economic and public health impact such an outbreak would create.

A potential response time of 48 hours is a vast improvement over the current, outdated system of tracking outbreaks of animal disease to their sources. Investigators spent an average of 199 days tracing the sources of animals infected with bovine tuberculosis between October 2005 and August 2007. Some could not be traced back to the herd of origin. For a disease such as foot and mouth disease (FMD), which spreads very quickly, a rapid response time is critical to preventing a potential national outbreak that could cost millions of animals' lives and billions of dollars. Another example: if a cow is showing any signs that it may have "mad cow disease" (BSE, or bovine spongiform encephalopathy), NAIS would allow authorities to rapidly identify and locate the offspring of that cow and other cows that may have been exposed to the same feed that was eaten by the affected cow and prevent them from entering our food system. NAIS would

enable the savings of significant time, minimize trade impact and, more importantly, significantly reduce the potential for the disease spreading to other parts of the country.

Most of us are familiar with the impact of the FMD outbreak in the United Kingdom and Europe a few years ago. Because the disease is endemic in perhaps 60 percent of the world, the United States is fortunate to have last experienced an outbreak in 1929. If FMD does enter the United States, the impact of an effectively functioning NAIS that has efficient animal traceability and disease surveillance components would be dramatic. A conservative estimate of the total consumer and producer losses from an FMD outbreak in the United States¹ with the animal traceability and surveillance of a mandatory NAIS is significantly less than without it: \$50.3 billion with NAIS and \$266.3 billion without it; depopulation of latent infected herds would drop from 60 percent without a NAIS to 30 percent with NAIS; the loss of market share to the beef industry alone would drop from \$18.25 per head sold to \$9.26.

Because of delays caused by the inability to rapidly trace and perform surveillance, the small number of actual cases of bovine spongiform encephalopathy, or “mad cow” disease, that have occurred in the United States under the existing system had a real financial impact similar to what is projected by a potential FMD outbreak. Much of this came from loss of trade and decreased global competitiveness. Following the BSE events in the United States in December 2003, the vast majority of the beef export market was completely closed. Five years later, U.S. beef producers have regained only about 75 percent of the beef export market volume they had

¹ Zhao, Z., T.I. Wahl, and T.L. Marsh. (2006). “Invasive Species Management: Foot-and-Mouth Disease in the U.S. Beef Industry.” *Agricultural and Resource Economics Review*, 35: 98-115.)

prior to the BSE event. A 2008² study that reviewed animal identification systems in North America argues that animal identification systems are becoming “prerequisites to international trade.”

Indeed, in many countries the demand for traceability has compelled government action. Case studies³ of poultry, beef, pork, lamb and fish firms located in France, Holland, Germany, Norway and Scotland that employ traceability indicate that the company officials adopted traceability because they believed that consumers wanted to know the origin of their food and the processing methods used in preparing it.

A number of studies describe how the United States lags behind a number of major livestock producing countries in animal traceability. According to these studies, the pork industries in the United Kingdom, Denmark, Japan, New Zealand, Australia and the European Union (EU) all lead the U.S. pork industry in animal traceability. In addition, Australia and the EU have advanced mandatory sheep traceability systems beyond the voluntary system present in the United States. Australia, the EU, Japan, Brazil, Argentina and Canada also lead the United States in beef traceability systems. It is important to note that Meat and Livestock Australia, a company that provides a variety of services to Australia’s red meat industry, considers cattle identification in their country to be an insurance policy in the event of a trade disruption. Since 2004, the EU

² Murphy, R.G.L, D.L. Pendell, D.L. Morris, J.A. Scanga, K.E. Belk, and G.C. Smith. 2008. “Review: Animal Identification Systems in North America.” *Professional Animal Scientist* 24:277-286.

³ Buhr, B.L. (2003). “Traceability and Information Technology in the Meat Supply Chain: Implications for Firm Organization and Market Structure.” *Journal of Food Distribution Research* 34(3):13-26.

has been implementing a revised system known as TRACES (Trade Control and Expert System). This system is specifically designed to identify animals and animal products and track their movements from outside the EU and within and between all EU countries. It consolidates and simplifies existing systems and creates better tools for managing animal disease outbreaks. As David Byrne, the EU Commissioner for Health and Consumer Protection announced in 2004⁴, “The new TRACES database will facilitate tracking the 50,000 animals transported in the EU each day. This is a major innovation and will help in case of an outbreak of an animal disease like foot and mouth disease. The new database will reduce red tape for both economic operators and competent authorities.”

Beyond financial repercussions, disease outbreaks have the potential to quickly infect and decimate livestock populations. Because NAIS is a modern, streamlined information system, producers and animal health officials would be able to respond quickly and effectively to animal disease outbreaks. NAIS’ components allow for tracing animal movements to locate, quarantine and eliminate suspicious and confirmed diseased animals in the event of an outbreak.

To those unfamiliar with the history and epidemiological dynamics of livestock disease and the consequences of disease outbreaks, it may seem unnecessary to have an animal identification system that enables the government to effectively monitor the location of farm animals. Indeed, some producers have expressed concerns that the system will violate their privacy and personal property rights. But in reality, the information that will uniquely identify livestock premises is

⁴ Europa Press Room (2004) TRACES: Commission adopts new system to manage animal movements and prevent the spread of animal disease. European Union Press Release, Reference IP/04/487, April 15, 2004.

the same that is found in any phone book; the unique animal identification required by the NAIS is very similar to the brands, ear tags, tattoos and other forms of identification currently used by almost all livestock producers. A key difference is that premise and animal identification within NAIS will now be standardized throughout the country. A standardized system will ensure the United States can rapidly track, contain and eradicate animal diseases.

Many of the premises and disease monitoring systems used in national disease eradication and control programs in the United States have been in place for decades and are no longer sufficient to meet the traceability expectations of veterinarians, farmers, livestock industries or U.S. trading partners. Examples of these livestock disease control and eradication programs, some of which have been operational for more than 50 years, deal with: brucellosis and tuberculosis in all livestock species; spongiform encephalopathies in sheep (scrapie), cattle (“mad cow” disease) or farmed elk and deer (chronic wasting disease); pseudorabies in swine; Johne’s disease in most ruminants; avian influenza in poultry; and even viral diseases in fish. These outdated premise and disease monitoring systems must be upgraded if we are to effectively deal with animal disease outbreaks.

As a body that represents highly trained veterinarians who work in the front lines of protecting public and animal health and our nation’s food supply, the AVMA strongly believes that participation in the NAIS should be mandatory for all livestock premises and food animals in our country. By making the NAIS mandatory, America will not only protect a critical resource from potentially devastating diseases, but an effective NAIS will act as a safeguard for guaranteeing the availability of our animal food supply. With full producer participation in the NAIS, we will be able to quickly contain and eradicate diseases that would otherwise have

profound immediate and long-term impacts on both our food supply and the U.S. agricultural industry.

AVMA Policy on and Support for NAIS

It is for these reasons – protection of public health, animal health and the food supply – that the AVMA approved an updated policy supporting NAIS in 2006.

The AVMA policy states:

“The American Veterinary Medical Association (AVMA) supports an effective National Animal Identification System (NAIS) that contains the following key elements:

1. USDA implementation of all species working group reports that were submitted to the NAIS Subcommittee of the Secretary’s Advisory Committee on Foreign Animal and Poultry Diseases.
2. USDA development of minimum standards for a NAIS.
3. Rapid implementation of a mandatory NAIS.
4. Implementation benchmarks and timelines established in federal regulation to achieve the NAIS goals identified in the strategic plan.
5. Implementation that continues to engage all stakeholders in providing input through the NAIS Subcommittee of the Secretary’s Advisory Committee on Foreign Animal and Poultry Diseases and other designated forums.
6. Database(s) that are accessible 24 hours a day and 7 days a week by animal health officials.
7. System cost does not detract from effective implementation.

8. A system that is workable for producers of all sizes.
9. Exception from freedom of information disclosure laws for data collected in support of the NAIS.”

Since approving this policy, the AVMA has worked closely with APHIS on the implementation of NAIS. Last year, APHIS began offering *A Veterinarian's Toolkit*, a free informational toolkit developed by veterinarians for veterinarians. The toolkit will be continually updated by APHIS and includes fact sheets, conversation-starter tips and live links to provide veterinarians with the information they need to effectively participate in and advocate for NAIS.

The AVMA publicized the toolkit to our members to help veterinarians better understand the program and explain the livestock identification system. We urged all veterinarians to become involved in the NAIS program and to not only register their hospitals and their own premises, but also to encourage their clients to register their premises. As research time and again confirms, no one carries more credibility with animal owners than veterinarians.

But despite our best efforts – as well as the efforts of the USDA and its industry partners – only about one-third of the nation's food animal production facilities are registered with NAIS. Currently, only 505,000 (35 percent) of America's food animal production facilities were registered. Since it is impossible to predict which corner of our nation or sector of animal agriculture will be impacted by a disease outbreak, the AVMA believes that the system will not live up to its potential benefit unless all food animal production facilities are registered. It is for this reason that we believe voluntary NAIS registration is not effective and thus support mandatory participation in the system.

Conclusion

The NAIS is an essential tool in any livestock disease outbreak to track down all animals impacted by the outbreak and put a stop to the spread of the disease. We cannot afford to wait until the next disease outbreak to institute and implement a national animal identification program. A fully functioning NAIS will help control any potential disease outbreak, limit the spread of disease to more animals and, as a result, limit the diseases' impact on public health, animal suffering, interruption of food supply, and the financial health of livestock and related industries.

NAIS enables our nation's food supply to benefit from technological developments that will reduce what once took months to a matter of hours. The cost of participation and maintenance of this system pales in comparison to the cost of an outbreak and is essential for the benefit of animal health, food safety, food security and the nation's economy.

Thank you, Mr. Chairman and members of the Subcommittee, for giving the American Veterinary Medical Association the opportunity to speak in support of mandatory participation in the National Animal Identification System. America's veterinarians look forward to continuing to work with you on the implementation of this system and determining the most effective ways to protect and improve public and animal health.