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REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

on the technical and economic feasibility of introducing mandatory electronic identification of bovine animals throughout the Union

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Introduction

The purpose of this document is to provide the European Parliament and the Council with an overview of the current situation regarding the use of electronic identification of bovine animals in the EU and to present the Commissions analyses of the feasibility of making it mandatory throughout the Union.

Electronic systems for identification of animals have been introduced in the European Union, through legislation which is in force for already more than 20 years. These include mandatory systems for electronic identification of ovine and caprine animals, according to Regulation (EC) No 21/2004¹, as well as voluntary systems for bovine animals introduced by Regulation (EC) No 1760/2000², as amended by Regulation (EU) No 653/2014³.

Article 23a of Regulation (EC) No 1760/2000 requires the Commission to submit to the European Parliament and to the Council a report by 18 July 2023 on the technical and economic feasibility of introducing mandatory electronic identification of bovine animals throughout the Union and that that report should, if necessary, be accompanied by appropriate legislative proposals. This provision was introduced by Regulation (EU) No 653/2014, which presupposes that the use of electronic identification ('eID') systems could potentially streamline the traceability processes by automating the reading and recording into the register kept by the operators keeping bovine animals. Moreover, it could enable automated reporting of movements of bovine animals to the computerised database, improving the speed, reliability and accuracy of the traceability system. The use of eID systems could also have the potential to improve the management of certain direct payments to farmers.

Background

Electronic identification means in general an identification by using radio frequency. There are two elements of such electronic identification: the identifier and the reader. The identifier contains a passive transponder (microchip with no energy source inside) which transmits memorised information (identification code) when the reader (transmitter-receiver) activates it at a certain frequency. Electronic identification can contribute to improvements in existing systems for identification of bovine animals. For example, electronic identifiers allow for a faster reading and a higher reading accuracy than classical ear tags. Dynamic reading and direct entry of data into databases is also possible (removing potential errors caused by inaccurate manual database entry). In particular, this could ease the procedure to report the movements of animals to the database. However, the contribution of electronic identification to improve animal identification and traceability should not be overestimated in view of the nature of difficulties in applying existing systems. Complete tagging of all animals and an efficient data management are preconditions for any system of identification, irrespective of whether electronic identifiers or classic ear tags are used.

In the light of the technological development of new types of electronic identifiers, Regulation (EC) No 1760/2000 was amended by Regulation (EU) No 653/2014 in order to provide a venue for future EU rules enabling the use of electronic identifiers as an official means of identification. Recital 16 to that Regulation points out that "making bovine eID mandatory

¹ Council Regulation (EC) No 21/2004 of 17 December 2003 establishing a system for the identification and registration of ovine and caprine animals and amending Regulation (EC) No 1782/2003 and Directives 92/102/EEC and 64/432/EEC (OJ L 5, 9.1.2004, p. 8)

² 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 (OJ L 204, 11.8.2000, p. 1).

³ Regulation (EU) No 653/2014 of the European Parliament and of the Council of 15 May 2014 amending Regulation (EC) No 1760/2000 as regards electronic identification of bovine animals and labelling of beef (OJ L 189, 27.6.2014, p. 33)

throughout the Union could have economically adverse effects on certain operators". It was therefore appropriate that its use by keepers was made voluntary. Member States have very different husbandry systems, farming practices and sector organisations. Member States were therefore allowed to make eID compulsory on their territory.

Several reports were used in the preparation of Regulation (EU) No 653/2014. In 1998 the Commission launched a large-scale research project on livestock electronic identification called the IDEA-project (<u>ID</u>entification <u>E</u>lectronic des <u>A</u>nimaux). The work was performed by the Joint Research Centre of the Commission (JRC). The final report was presented in April 2002 and necessary clarifications were made in July 2002. This project demonstrated that in principle, the use of electronic identifiers can deliver a substantial improvement in animal identification systems provided that a number of conditions concerning the accompanying measures are fulfilled.

In 2005, the Commission presented a report to the Council and the European Parliament on the possibility of introduction of eID for bovine animals⁴. The purpose of that report was to summarise the experience gained on the basis of the IDEA project and to draw conclusions concerning the conditions of introducing electronic identification arrangements for bovine animals in the European Union. The Commission concluded in that report that it had been demonstrated that radio frequency identification had been developed to the extent that it could already be applied in practice. That report also concluded that it was highly desirable to switch to eID of bovine animals within the Union since, among other benefits, it would contribute to the reduction of the administrative burden.

In 2009, the European Commission commissioned a 'Study on the introduction of electronic identification (EID) as official method to identify bovine animals within the European Union', which included a cost/benefit analysis of the electronic identification of bovine animals. This study concluded that "EID is associated with higher costs for identifiers and reading equipment compared to conventional identification", and that "Direct costs and benefits are not balanced all along the production chain". The study concluded that the voluntary introduction of eID in the bovine sector on the basis of harmonised standards would be the preferred option. However, individual Member States should have the possibility to opt for an obligatory (or compulsory) regime at national level.

Current EU rules

Identification and registration of bovine animals was until 21 April 2021 regulated in dedicated Regulation (EC) No 1760/2000.

As of 21 April 2021, the rules for identification and reporting of bovine animals are laid down in Regulation (EU) 2016/429⁵ (Animal Health Law - AHL), supplemented by Delegated Regulation (EU) 2019/2035⁶ and Implementing Regulation (EU) 2021/520⁷. According to Article 112(a) of the AHL, bovine animals must be identified individually by a physical means of identification. Article 38(1) of Delegated Regulation (EU) 2019/2035 lays down that the means of identification must be a conventional ear tag in each ear. Article 41(1) of that

⁴ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52005DC0009

⁵ Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law') (OJ L 84, 31.3.2016, p. 1)

⁶ Commission Delegated Regulation (EU) 2019/2035 of 28 June 2019 supplementing Regulation (EU) 2016/429 of the European Parliament and of the Council as regards rules for establishments keeping terrestrial animals and hatcheries, and the traceability of certain kept terrestrial animals and hatching eggs (OJ L 314, 5.12.2019, p. 115)

⁷ Commission Implementing Regulation (EU) 2021/520 of 24 March 2021 laying down rules for the application of Regulation (EU) 2016/429 of the European Parliament and of the Council with regard to the traceability of certain kept terrestrial animals (OJ L 104, 25.3.2021, p. 39)

Delegated Regulation provides the opportunity for Member States to authorise that one of the conventional ear tags may be replaced by an electronic identifier. If a Member State authorises such replacement, the operators may apply voluntary bovine eID.

In accordance with Article 269 of the AHL, Member States may adopt national measures in addition to, or more stringent than, those laid down under that Regulation on traceability requirements for kept bovine animals. This provides an opportunity for Member States to make the use of bovine eID compulsory. This opportunity to make the use of eID compulsory at national level was also provided for in the rules for traceability of bovine animals which were in place prior to the application of the AHL.

Intensive discussions and reflections on identification and registration of animals, including bovine animals, took place in the framework of expert group meetings during 2018 and 2019, in preparation of Delegated Regulation (EU) 2019/2035. The approach for eID, including the economic aspects, was discussed thoroughly and the outcome of those discussions was retained in the final text of Delegated Regulation (EU) 2019/2035. It was seen as appropriate that its use by keepers should continue to be voluntary, unless made compulsory by national rules. Under such a voluntary regime, eID will be chosen by keepers who are likely to benefit economically from it, or find other incentives for using this method (e.g. optimising data collection, etc.) while it is possible for other keepers to continue to identify their animals with two conventional ear tags.

Survey on bovine eID

In January 2023, the Commission invited the Member States to reply to a short survey, asking for a state of play with regard to bovine eID. All the 27 Member States, as well as Switzerland and Norway, participated in the survey and gave their replies. The responses will be summarised in the continuation of this report.

The survey consisted of the following questions (groups of questions) that Member States were invited to provide their contribution:

- 1. Is bovine eID compulsory in your MS?
- 2. Do you allow voluntary bovine eID in your MS?
- 3. How many operators (%) applies voluntary bovine eID in your Member State?
- 4. If bovine eID is compulsory or voluntary in your MS, which method(s) is/are authorised?
- 5. Do you find the current rules on bovine eID satisfactory?

Analysis of results

Possibility for the use of bovine eID

In Question 1 and 2 Member States were asked for the current situation regarding the possibility for operators to use bovine eID. The questions was: "Is bovine eID compulsory in your MS? Yes or No" and "Do you allow voluntary bovine eID in your MS? Yes or No".

Figure 1 shows that only 3 respondents (two Member States and Switzerland) do not allow the replacement of one of the conventional ear tags by an electronic means of identification. In 21 countries (20 Member States), the use of bovine eID is optional. In 5 Member States, the use of bovine eID is compulsory. In addition, eID is compulsory in part of the territory of 2 Member States, and another 3 Member States signalled that it is decided or under consideration to make bovine eID compulsory in whole or part of their territory.

Figure 1: Current situation in the Member States

Bovine EID in Member states



Current use of bovine eID

The use of bovine eID in Member States where this is optional varies from 0 to 100% of the bovine populations. In half of those Member States, less than 1% of the operators keeping bovine animals use eID to identify their animals. The very high coverage in some countries is mainly industry driven, either by subsidies or by request for electronically identified animals from actors like meat or dairy industry. The results are presented in Figure 2.

Figure 2: Use of bovine eID in countries where this is optional

How many operators (%) apply voluntary bovine EID in your Member State?



Electronic means of identification authorised

Electronic ear tags are the preferred means of identification in Member States which allows the use of eID for bovine animals. This method is authorised by the competent authorities in all countries where bovine eID is either compulsory or optional. The results are presented in Figure 3.

Figure 3: Which electronic means of identification is authorised

If bovine EID is compulsory/voluntary in your MS, which method(s) is/are authorized?



Satisfaction with current rules

The current rules for identification of bovine animals are found to be satisfactory or very satisfactory by a huge majority of the Member States, and only regarded as dissatisfactory by one Member State. The results are presented in Figure 4.

Figure 4: Satisfaction with current rules

Do you find the current rules on bovine EID satisfactory?



Conclusions

The survey on bovine eID shows that the Member States are still finding the current rules satisfactory. The survey also shows that compulsory bovine eID is applied or will be applied by 37% of the Member States in the whole or part of their territory under the current rules. Furthermore, eID is applied to all or a considerable share of the bovine population in some countries where the use is optional.

Under the current rules on bovine identification, the competent authority of each Member State may authorise the use of bovine eID on a voluntary basis or lay down national rules on mandatory use of bovine eID within their territories. Those rules have been applied successfully since 2014, and were again discussed and agreed with the Member States when the Delegated Regulation (EU) 2019/2035 was developed in 2019, in the context of the new legal framework for animal health. It was seen as appropriate to keep the flexibility for the operators and the Member States. These renewed rules have been applicable since 21 April 2021.

According to Article 282 of the AHL, the Commission shall evaluate that Regulation together with the delegated acts referred to in its Article 264 and submit the results of the evaluation in a report to the European Parliament and to the Council no later than 22 April 2026. As part of this evaluation, the experience with the implementation of the rules for identification and registration of bovine animals may again be assessed, whereby the assessment will cover a longer period of implementation of the rules.

Based on the conclusions of the survey referred to above, the outcome of the discussions in the expert groups and with the Member States during the development of the current rules and the foreseen evaluation of those rules, the Commission will not propose any legislative proposals at this stage.