1. The British Veterinary Association (BVA) is the national representative body for the veterinary profession in the United Kingdom. With over 17,000 members, our primary aim is to represent, support and champion the interests of the United Kingdom’s veterinary profession. We, therefore, take a keen interest in all issues affecting the profession, including animal health and welfare, public health, regulatory issues and employment matters.

2. We welcome the opportunity to respond to this inquiry into the Government’s consultation: ‘Health and Harmony: the future for food, farming and the environment in a Green Brexit.’

Introduction

3. The veterinary profession is an integral part of the agricultural and food sectors. Veterinary surgeons, working collaboratively with others, protect animals, people and the environment they share. Veterinary surgeons provide preventive healthcare and treatment for livestock, as well as carry out surveillance, promote good biosecurity, promote high animal health and welfare, undertake research and development, and optimise food productivity and sustainability.

4. Veterinary surgeons negotiate, draft and uphold necessary legislation and international standards. By carrying out surveillance and enforcement from farm-to-fork, Official Veterinarians (OVs) certify the trade in animals and animal products thus contributing to economic prosperity and the sustainability of food production. The future of the UK agri-food production is therefore of great interest and importance to the veterinary profession.

5. Brexit provides the opportunity to develop a strong, competitive and innovative food industry which enjoys the confidence of customers at home and abroad. A new agricultural policy should be both ambitious and focussed on delivering outcomes.
Leaving the Common Agricultural Policy

6. The Common Agricultural Policy (CAP) is the EU policy to provide financial support to farmers in member states. CAP payments are an important part of farm incomes in the UK: In the UK, EU farm subsidies currently make up around 50-60% of farm income.¹

7. There are two major strands to CAP payments: one for direct income support (pillar 1) and the second for rural development (pillar 2). Direct income support is a much larger programme than rural development.

8. Pillar 1 payments are based on the amount of land a farmer owns, not how much they produce. To qualify for payment, farmers must meet certain standards on environmental management, animal welfare standards and traceability – these conditions are known as “cross-compliance”. Member states can also apply market support measures in certain conditions.

9. Pillar 2 is rural development policy which supports rural areas of the EU to meet the wide range of economic, environmental and social challenges. This is intended to complement the system of direct payments to farmers. Pillar 2 is funded by the European Agricultural Fund for Rural Development which supports national Rural Development Programmes. Rural Development Programmes include projects and capital grants which support the wider rural economy e.g. farm business grant schemes, knowledge exchange programmes or rural broadband.

10. The UK Government has pledged to maintain the same cash funds as currently for CAP until the end of the Parliament, under the expectation that this will be 2022. There is uncertainty as to the total quantum of support that will be made available after 2022.² The UK Government will have different spending priorities than the collective EU and it is possible that the total budget for agricultural support will reduce post Brexit. It is therefore essential that a future agricultural policy maximises the impact of the associated budget.

11. At present, member states can transfer up to 15% of the Pillar 1 payments they receive from the EU to its Pillar 2 allocation. There will be greater freedom, after EU exit, to shift the balance between pillars one and two style support to stimulate benefits.

¹ House of Commons Library, EU Referendum: Impact on UK Agriculture Policy, 2016
² House of Commons Library, EU Referendum: Impact on UK Agriculture Policy, 2016
12. The breakdown of payments for the whole UK is set down below for EU budget year 2015, in € millions.³

<table>
<thead>
<tr>
<th>Pillar 1 (Total)</th>
<th>3,150</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of which:</td>
<td></td>
</tr>
<tr>
<td>Direct payments</td>
<td>3,112</td>
</tr>
<tr>
<td>Market support</td>
<td>38</td>
</tr>
<tr>
<td>Pillar 2 (Total)</td>
<td>959</td>
</tr>
<tr>
<td>Of which:</td>
<td></td>
</tr>
<tr>
<td>EU</td>
<td>709</td>
</tr>
<tr>
<td>UK co-financing</td>
<td>250</td>
</tr>
<tr>
<td>Total UK CAP payments</td>
<td>4,109</td>
</tr>
</tbody>
</table>

What will the consequences of the withdrawal of Direct Payments be?

13. As noted above, CAP payments are an important part of farm incomes in the UK in the UK. EU farm payments currently make up around 50-60% of farm incomes. Any change in policy must be cognisant of this dependence and properly examine any consequences.

14. Any decision will also be made within a context of considerable uncertainty about future trading relationships with the EU and other countries. Agriculture, as a sector, is particularly exposed to any disruption in trading relationships with the EU and other countries.⁴ Any requirement for veterinary checks on animals and

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³ Institute for Government, Common Agricultural Policy, 2017  
https://www.instituteforgovernment.org.uk/explainers/common-agricultural-policy

⁴ House of Commons Library, Briefing Paper Number 8065, 1 August 2017 Importance of trade with the EU for UK industries
products of animal origin at ports could reduce the efficiency of produce moving to European markets and place additional administrative costs upon farmers.

15. This uncertainty means it will be difficult to assess the full impact of the withdrawal of direct payments to farm incomes. More challenging will be determining the impact on the wider rural economy that deliver goods and services to farms. Farm animal veterinary practices in the UK represent an important service sector to livestock farmers, and act as means to detect disease and enforce animal health and welfare legislation. Ensuring the continued capability of farm animal practice as a means of achieving the public goods of animal health and welfare should be properly assessed by the Government.

The Government plans to base the new policy on public money being used to pay for public goods. To what extent do you agree with this approach? What public goods should be supported?

16. The Health and Harmony consultation paper sets out a recalibration of the system of agricultural support in England, with a phased withdrawal of direct payments to farmers. This will be replaced with a system of public money being used for public goods that benefit producers, consumers and wider society. BVA has supported this approach of public money for public goods.

17. BVA has called on the Government to utilise public money to incentivise and support animal health and welfare outcomes as public goods. Therefore, we welcome the Government recognition of animal health and welfare as public goods that will be supported within future agricultural policy post-Brexit.

18. Public goods by their very nature, are not market goods in the same way as livestock products such as meat or milk. Public goods have no explicit value in terms of market prices and so the market cannot efficiently allocate resources to them. Other means therefore must be used – such as the intervention of Government in the form of regulation or financial support.5

19. The market may not allocate resources for animal health or animal welfare; however, the wider economic and societal impacts of animal health and welfare can be substantial. This was most clearly illustrated by the Foot and Mouth outbreak in 2001. This was estimated to have cost £5 billion to the private sector and £3 billion to the public sector, damaged the lives of farmers and rural communities, harmed the reputation of UK agriculture and caused a general

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5 Farm Animal Welfare Committee (FAWC), *Economics and Farm Animal Welfare*, 2011
election to be postponed. Animal disease outbreaks are a strategic risk on the National Risk Register.

20. Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs, has stated that “high animal welfare standards and high environmental standards reinforce the marketability of our produce.” Therefore, agricultural policy should support animal health and welfare which underpins the reputation of UK agricultural produce.

21. The UK should consider how best to utilise agricultural support to incentivise animal health and welfare within the rules of the WTO. The WTO Agreement on Agriculture provides a framework on agricultural support. If the UK wants to reduce the likelihood of any challenge in the WTO to a new agricultural support regime, it may seek to minimise both trade distortion and direct impact on production. Financial incentives focused on animal welfare outcomes are trade compatible under the World Trade Organisation rules.

How should the new policy based on supporting public goods be coordinated and delivered?

22. Delivering animal health and welfare as public goods should be at the heart of a new post Brexit agricultural policy- benefiting producers, consumers and wider society. We welcome the intention contained within the Health and Harmony consultation document to develop policies to achieve these aims. Specifics proposals suggested in the consultation paper include:

- Pilot schemes that offer targeted payments to farmers who deliver higher welfare outcomes in sectors where animal welfare largely remains at the legislative minimum.
- Payments to farmers who trial a new approach or technology which could improve welfare outcomes but which is not an industry standard.
- Providing greater clarity of information to consumers to support higher welfare production.

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6 National Audit Office, The 2001 Outbreak of Foot and Mouth Disease, 2002
7 Cabinet Office, National Risk Register of Civil Emergencies 2017, 2017
8 Michael Gove MP, Secretary of State for Environment, Food and Rural Affairs noted this giving evidence to the House of Lords Select Committee on the European Union Energy and Environment Sub-Committee
10 Royal Society of the Protection of Animals, An introduction to the WTO rules that affect animal welfare, 2016
• Collaboration between government and industry to develop an ambitious plan to tackle endemic disease and drive up animal health standards. A clear vision and programme of partnership action to tackle non-statutory endemic disease and health conditions in the form of an Animal Health ‘Pathway’.
• Improved use of data as a risk management tool through improved traceability, surveillance and use of electronic identification.

23. We note that these suggestions are at a formative stage. We welcome the opportunity to work closely with Defra to expand upon these proposals. We would note the below principles which will be fundamental for success.

Veterinary Involvement

24. Veterinary surgeons working within the production animal sector work closely with farmers and animal keepers to ensure biosecurity measures are formulated, implemented and health and disease threats are monitored and acted upon. Both private veterinary surgeons and Government employed veterinary surgeons, are uniquely positioned to make every on-farm contact count by providing a holistic approach to overall herd health and welfare, its wider determinants and, in turn, disease surveillance and prevention. Thus, the involvement of the veterinary profession within any new agricultural policy will be integral to achieving its aims. Policy-makers should actively engage veterinary expertise.

Outcomes based

25. We note the intention to replace cross compliance with “a new, better targeted and proportionate mechanism to enforce the regulatory baseline.” Measurement should be predominantly based on outcomes and done in a meaningful way. An outcomes approach should be utilised as a tool to drive continuous improvement of animal management and husbandry practices, thereby promoting high animal health and welfare. The standardised assessment of health and welfare outcomes provides a practical and scientifically informed method of assessment that aims to provide a more objective, accurate and direct assessment.

Animal welfare stewardship programme

26. In the report Brexit and the Veterinary Profession, we proposed a new animal welfare stewardship programme. This call is in line with the Farm Animal Welfare Committee (FAWC) and the Veterinary Development Council.

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12 FAWC (previously the Farm Animal Welfare Council), Economics and Farm Animal Welfare, 2011
recommendations that the UK governments should work with industry to actively protect animal health and welfare and that this should include consideration of a farm animal welfare stewardship programme. Such a scheme, focussed on health and welfare that is evidence based and with welfare outcome safeguards, would use financial support for animal welfare as a public good, as has been the case for environmental stewardship. In 2014, the FAWC set out a proposed approach to developing such a stewardship programme starting with limited trials in each of the main livestock sectors.\(^\text{14}\)

**Farm assurance**

27. Post-Brexit agriculture policy could also support animal health and welfare by encouraging uptake of farm assurance schemes to incentive animal health and welfare outcomes. Farm assurance schemes enable citizens to make sustainable and ethically informed choices about the food products they buy and the impact of these products on animal health and welfare. Health and Harmony states that Defra is “considering whether providing greater clarity of information to consumers could support higher welfare production.” We support this aim, and Government ensuring labelling and farm assurance schemes are underpinned by evidence and welfare outcome safeguards. The veterinary profession has a key role to play in informing and educating the public regarding the value and provenance of animal derived food.

**Disease surveillance**

28. The withdrawal of the UK from the EU will have far-reaching implications on the UK’s biosecurity and disease surveillance policy. EU legislation, structures and institutions are embedded within the UK surveillance network. The development of a new agriculture policy presents should be taken as an opportunity to modernise and optimise the disease surveillance network.\(^\text{15}\) This can be achieved through:

- Maintaining the current scanning surveillance network
- Adopting new approaches to data collection and feedback
- Optimising appropriate skills and expertise
- Rethinking traditional approaches to funding and coordination
- Articulating the value of surveillance reporting to the veterinary profession and other stakeholders through education to increase awareness and participation
- Working collaboratively with stakeholders to explore innovative communication strategies

\(^{14}\) FAWC, *An Animal Health and Welfare Stewardship Programme 2014*

\(^{15}\) British Veterinary Association, *BVA Position on veterinary scanning surveillance (animal health and disease monitoring)*, 2018
Coordinate with wider strategic goals

29. A new agricultural policy offers an opportunity to harmonise support to farms with other key national and international strategies, such as the UK’s Industrial Strategy. The design of a new agricultural policy could be used to further the objectives of the 5-year Antimicrobial Resistance (AMR) strategy.

30. As competence for future trade policy is transferred from the EU, this should be used to reinforce agricultural support, not undermine it. When negotiating future trade deals, the Government should prioritise, animal health, animal welfare, public health and food safety and not undercut efforts to address anti-microbial resistance. There should also be consideration given to UK farmers, ensuring they are not undercut on price while realising higher standards.

In which areas should the Government seek agreement with the Devolved Institutions to ensure a common approach across the UK?

31. Agricultural policy in the UK is devolved. Devolved administrations have been able to shape agricultural policy within their respective jurisdictions. At the same time, the EU has ensured a degree of coherence to agricultural policy amongst all four administrations. Brexit presents an opportunity to tailor agricultural policy to suit the respective regions of the UK, however coordination and oversight on matters of animal health and welfare is crucial. There will therefore need to be consideration where decisions on agricultural policy are taken, and how best to coordinate efforts across the nations of the UK.

32. To facilitate this, the UK governments should establish a body to oversee and coordinate animal health and welfare policy across the four administrations of the UK and facilitate partnership working between industry and government to tackle endemic disease and animal health and welfare challenges.