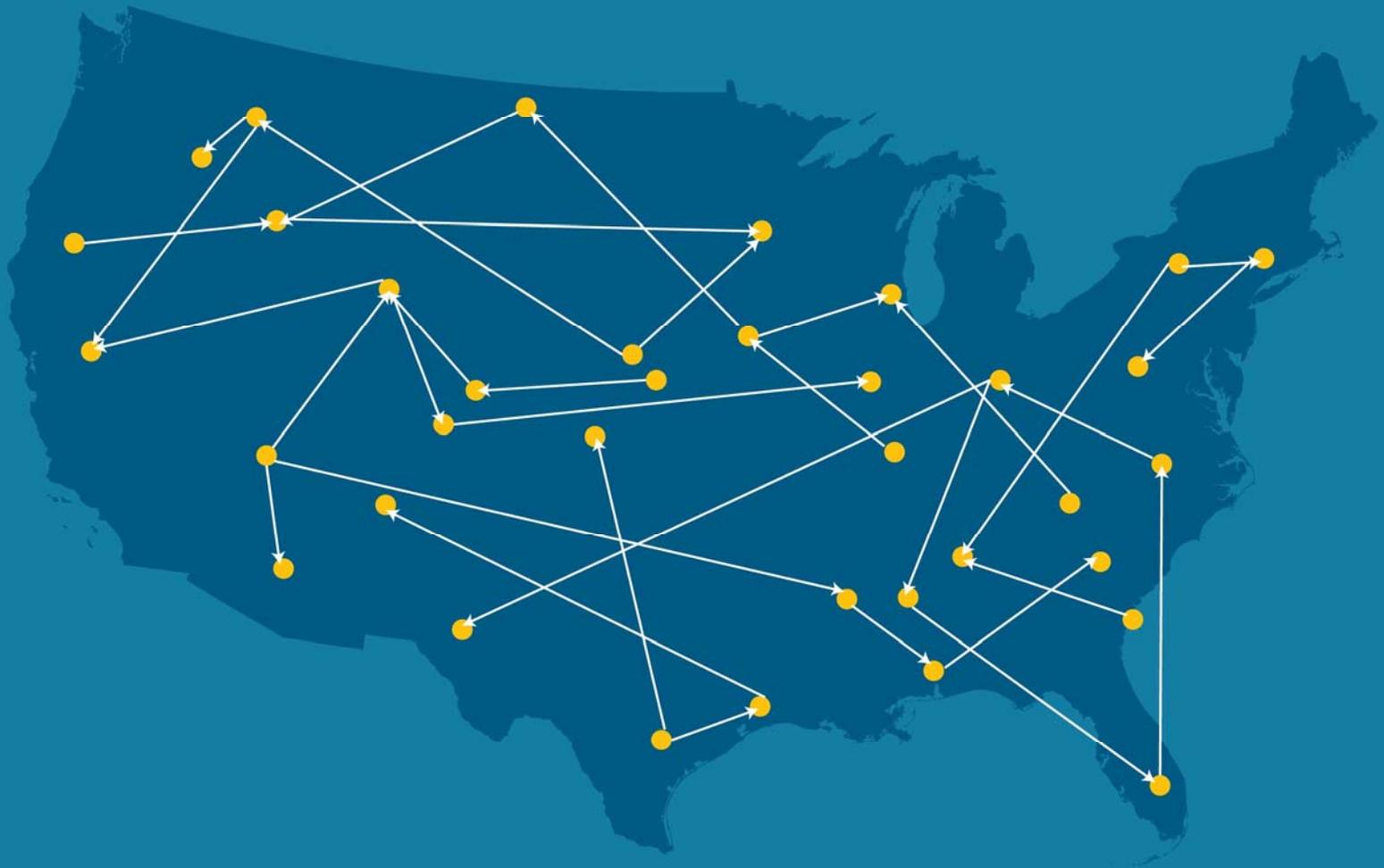


# A Business Plan to Advance Animal Disease **Traceability**

Through the Harmonization of State, Federal, and Industry Programs  
and Convergence with the National Animal Identification System

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United States Department of Agriculture  
Animal and Plant Health Inspection Service

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## Preface

This report, *A Business Plan to Advance Animal Disease Traceability*, details recommended strategies and actions to enable existing State/Federal regulated and voluntary animal health programs, industry-administered animal health and marketing programs, and various animal identification techniques to work in harmony to enhance animal disease traceability.

USDA expanded its animal disease efforts in 2004<sup>1</sup> by developing and implementing the National Animal Identification System (NAIS), which provides the opportunity for producers that are not part of a disease program to voluntarily participate in national animal health safeguarding efforts. To ensure that NAIS participants and other interested stakeholders have access to pertinent information about the program, USDA has published a series of reports that provide participant guidance, technical standards, and implementation strategies.

### **NAIS User Guide**

The *NAIS User Guide*, first published in November 2006, provides guidance to producers and owners of animals as well as other sectors involved in the animal agricultural industry on how to participate in NAIS, and how participation will benefit them. Part I of the *User Guide* provides a brief overview to familiarize producers with NAIS, its advantages and benefits, and other helpful information concerning its cooperative development and implementation. In Parts II through IV, each of NAIS' components are discussed in greater detail, and "how to" information and resources are provided. As the most up-to-date information guide on the program to date, the *NAIS User Guide* replaced all previously published program documents, including the *2005 Draft Strategic Plan* and *Draft Program Standards*, and the *2006 Implementation Strategies*. Those documents provided the opportunity for the public to comment and offer feedback on the NAIS as USDA worked through many issues with industry and the States and Tribes. The *User Guide* continues to be updated as the program evolves.

*The following issues*, summarized below, are thoroughly discussed in the *NAIS User Guide* and will not be reviewed again in the Business Plan.

- *Voluntary participation*  
NAIS provides the opportunity for producers that are not part of a disease program to freely participate in national animal health safeguarding efforts.
- *Confidentiality*  
Federal law protects individuals' private information and confidential business information from disclosure. Through both intent and design, NAIS is limited in scope in terms of the type and quantity of information maintained by the Federal Government. The system will hold and maintain only limited premises, official identification device, and animal event information.
- *Animals officially identified to support disease traceability efforts*  
USDA recommends that animals be officially identified if they are moved from their current premises to other commercial production locations, auctions/markets, feedlots, or any location where the commingling of animals from multiple premises takes place. In these situations, the potential risk of disease exposure and spread increases, thus increasing the need for individual animal or group/lot animal identification. This business plan explains which species and sectors are prioritized

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<sup>1</sup> U.S. animal health is protected by existing Federal and State regulations for disease surveillance, control, eradication, and response. While the NAIS is a national system, it does not alter any regulations in the *Code of Federal Regulations* or any regulations that exist at the State level. Rather, the NAIS enhances ongoing animal health protection efforts by offering national standards and increasing the level of participation beyond what is already required in existing disease programs.

for participation in NAIS to provide the greatest improvement in disease traceability.

- *Animal identification devices*  
USDA has defined and utilized official identification devices since disease programs first began. NAIS has established various standards, including the Animal Identification Number (AIN) for use in official identification devices. Unlike most other official identification devices, AIN devices are also provided for use “outside” disease programs and are distributed through private channels as well as being used by State and Federal animal health officials for disease programs. In addition to the AIN, NAIS recognizes all existing official identification devices, as defined in the in *Code of Federal Regulations*, as NAIS-compliant.

USDA has not designated any specific identification technologies beyond the minimum requirements for official identification that have been listed in the *Code of Federal Regulations*. NAIS remains open with regard to the technology used to identify an animal and will not require any specific identification technology—such as radio frequency identification (RFID) tags or injectable transponders. However, when a technology, such as RFID, is incorporated with an AIN device, International Organization for Standardization (ISO) standards, or their equivalent, are used to ensure the compatibility of the technology across multiple manufacturers.

#### **NAIS Program Standards and Technical Reference**

As a supplement to the *User Guide*, USDA also published the *Program Standards and Technical Reference* document that establishes data standards for NAIS. Use of these standards by States, Tribes, industry organizations, identification device manufacturers, and other entities will ensure the system is effective. Section I lists the data element formats for premises identification numbers, animal identification numbers, and group/lot identification numbers, which are needed to ensure compatibility across information systems. Section II establishes standards for official identification devices that utilize the animal identification number. Section III provides information on ISO standards that are utilized in NAIS.

Taken together, this suite of documents – the *Business Plan*, the *User Guide*, and the *Program Standards*, which are all available on the NAIS Web site – provides detailed information about the current status of NAIS, how to participate in the program, including the necessary technical details, and the future direction of program implementation. NAIS will continue to evolve, based on feedback from participants and stakeholders, to ensure that the most practical and effective system is implemented.

## Executive Summary

Successful conclusion of an animal disease outbreak investigation is, in many cases, dependent on the ability to trace the disease to its source. Animal health officials require accurate and complete information to respond effectively to animal disease events and to successfully conduct disease surveillance programs. Rapid response minimizes the potential spread of contagious diseases, and lessens the detrimental effects of disease events. The United States Department of Agriculture's (USDA) emergency response capabilities can be improved through greater standardization of the data elements needed for animal disease control programs, as well as increased premises registration and animal identification.

### Key Objectives

This report identifies significant opportunities and strategies for advancing the U.S. animal disease traceability infrastructure. Improvements will result from strategies that support the:

- Utilization of data standards in disease programs to increase the compatibility of information systems,
- Incorporation of data and animal identification standards by industry in producer-based programs, and
- Integration of technologies to improve efficiency and accuracy of data collection.

USDA defines retrieval of traceback data within a 48-hour window as optimal for efficient, effective disease containment. Within this timeframe, animal health officials must have the data required to trace a disease back to its source and limit potential harm to animal agriculture, such as loss of producer income. The sooner reliable data is available, the sooner affected animals can be located, appropriate response measures can be established, and disease spread can be halted.

The National Animal Identification System (NAIS), developed in partnership with the animal agriculture production industry, State animal health authorities, and USDA, provides the common data standards required to close traceability gaps. Although the optimal 48-hour window remains the vision of NAIS and its long-term goal, the industry can make immediate progress towards meeting the needs of animal health officials, in addition to maintaining the confidence of consumers and trading partners.

NAIS is comprised of three components:

- **Premises Registration.** Registration of locations that manage livestock or poultry (farms, feedlots, veterinary clinics, and livestock markets) in a system that prevents the assignment of more than one identifier to a given location;
- **Animal Identification.** Officially identifying animals (either individually or as groups) using an approved method prior to their commingling with animals from other premises; and
- **Animal Tracing.** Recording animal movements from one premises to another in private and State animal tracking databases (ATDs) using standard data fields and data transfer.

### **NAIS Participation**

NAIS provides the opportunity for producers that are not part of an animal disease program to participate in national animal health safeguarding efforts. The program has been structured as a Federal-State-industry partnership. Responsibility for implementing NAIS is shared among numerous entities – State and Tribal governments, industry groups/private companies, and USDA.

The strategies discussed in this report support progress to the long-term goal of 48-hour traceback with continued focus on increasing the number of premises registered and, now, initiating efforts to increase the number of animals identified to the premises of origin. USDA is prioritizing its efforts by species/sectors where an increase in the traceability infrastructure can have the greatest return on investment. Traceability objectives, action timelines, and participation benchmarks are provided for the priority species.

Although 48-hour traceback continues to be the long-term goal of NAIS, USDA believes that focusing on achieving a “critical mass” level of participation is essential to making incremental progress toward that long-term goal. Currently, USDA estimates a critical mass level of participation to be 70 percent of the animals in a specific species/sector identified and traceable to their premises of origin; however, this is an interim measurement that will serve as a benchmark through 2009 but will be re-evaluated as additional data is gathered.

In addition to working toward achieving a critical mass level of participation, USDA is also focusing on immediate actions that can enhance the current traceability infrastructure and reduce the time it takes to conduct disease investigations, especially in the cattle industry. Specifically, the goal of this plan is to significantly increase the number of animals identified at their birth premises, especially for those species that will benefit most from this practice (cattle, sheep and goats) in order to provide a starting point for disease investigations. Being able to conduct a disease investigation from two points of reference, commonly known as the bookend approach, significantly increases an animal health official’s ability to more quickly trace a disease of concern.

Collaboration between the animal agriculture production industry, State animal health authorities, and USDA remains the catalyst for continued traceability progress. USDA’s collaborators will be crucial to the success of the actions identified in this plan, as well as future strategies—including more detailed actions related to the collection of data on animal movements—as progress is made towards the long-term goal. Industry organizations and the NAIS Species Working Groups and Subcommittee will take an active role in the review of these strategies and provide feedback and additional recommendations as USDA moves forward to facilitate animal disease traceability.

This plan defines the following strategies to facilitate animal disease traceability in the United States:

#### **Strategy 1: Prioritize NAIS Implementation by Species/Sectors**

The establishment of priorities among species and sectors within specific industries will ensure resources are applied where improvement in traceability is needed the most. This business plan first categorizes species based on existing tracing capabilities and the need for improvement. Tier 1 species include the primary commercial food animal industries – cattle, poultry (chickens and turkeys), swine, sheep, and goats. Additionally, horses that, when moved, require either a test for equine infectious anemia or a health certificate, are also included in Tier 1. All other livestock and poultry are Tier 2. Additionally, sectors within the

Tier 1 species have been prioritized for additional emphasis; for example, the beef and dairy breeding herds are the highest priorities within the cattle sector.

### **Strategy 2: Harmonize Animal Identification Systems**

Harmonizing animal identification systems will undoubtedly result in more cost-effective options that benefit producers while achieving increased animal disease traceability for the entire industry. Today, numerous existing disease control programs require and/or benefit from official animal identification. In addition, in the private sector, producers are seeking improved and flexible identification methods, and compatible processes and data standards that can be used for multiple purposes. The value of harmonizing animal identification in government and industry programs is more evident now than ever before and presents a clear opportunity to enhance traceability. For instance, NAIS-compliant 840 AIN tags provide an easy option for producers and livestock owners to meet Country of Origin Labeling (COOL) requirements.

### **Strategy 3: Standardize Data Elements of Disease Programs to Ensure Compatibility**

USDA will take steps to standardize data elements in existing disease programs, including international/interstate commerce regulations. For example, incorporating a consistent data format that identifies premises importing and exporting livestock, locations participating in official disease control programs, and origin and destination premises listed on Interstate Certificates of Veterinary Inspection (ICVI) will greatly enhance animal disease tracing and emergency response capabilities.

### **Strategy 4: Integrate Automated Data Capture Technologies with Disease Programs**

USDA will take steps to integrate electronic data capture and reporting technologies into existing disease programs. By using NAIS-compliant identification devices that support automated data capture technology and integrating handheld computers/readers to replace paper-based forms, animal health officials will be able to electronically record and submit essential data to the USDA Animal Health and Surveillance Management database and other appropriate animal health databases. The electronic collection of data will increase volume and quality, minimize data errors, and speed data entry into a searchable database.

### **Strategy 5: Partner with States, Tribes, and Territories**

State animal health authorities play a critical role in advancing national animal disease traceability. Working in close partnership with State/Territorial animal health officials and Tribal authorities, USDA will continue to facilitate the development of each State's disease traceability infrastructure. Each State's animal health official will administer and manage localized plans reflecting the animal health priorities in individual regions.

### **Strategy 6: Collaborate with Industry**

Achieving traceability objectives requires a partnership between the production sector and animal health officials. Producer organizations, representing member interests, can accelerate the adoption of practices that advance traceability. USDA has entered into cooperative agreements with non-profit industry organizations to promote premises registration within various species groups. Collaboration with USDA accredited veterinarians will enable the delivery of accurate information to producers, as well as facilitate the adoption of animal identification data elements in everyday production management systems and disease program activities at the producer level. Additional partnership efforts with industry alliances, service providers, auction markets, feedlots, harvesting facilities, and other industry sectors are a priority for USDA.

### **Strategy 7: Advance Identification Technologies**

Continued advancements in traceability require practical, affordable technology solutions that improve efficiency and accuracy of animal ID data collection. USDA will collaborate with stakeholders to facilitate the development of performance standards for ID devices and evaluate emerging technologies with emphasis on systems that can operate at the “speed of commerce.”

### **Communications and Outreach**

Communications and outreach play an integral role in the effort to advance animal disease traceability. Producer and stakeholder education and outreach are vital to achieving successful levels of participation in NAIS, thereby advancing the traceability of livestock and poultry in the United States. USDA has developed and implemented multi-year, national outreach and education activities aimed at increasing producer awareness and understanding of NAIS and promoting producer participation in premises registration. In partnership with States and industry, USDA will continue to build and maintain a variety of stakeholder, media, legislative, and public relationships to increase understanding, dispel misinformation, promote producer participation in NAIS, and, ultimately, achieve the long-term 48-hour objective.

### **Timelines and Outcomes**

Significant progress will result from the planned strategies and actions detailed in this business plan. As noted previously, because the need to advance traceability differs among the various species and sectors, it is important for USDA to establish clear priorities as it proceeds with NAIS. Targeted timelines for the key strategies and actions are summarized in Section 6 to guide the implementation of these priorities.

At this time, the cattle industry has the greatest need to advance traceability. The outcomes described in this plan represent a huge incremental step in advancing traceability for this large and diverse industry. Benchmarks to gauge progress towards the ultimate 48-hour traceability goal will be used to ensure success. Traceability objectives for each species are defined in this section along with benchmarks for the Critical Location Points. NAIS implementation charts, at the end of the section, illustrate progress made in previous years, the years targeted in this plan (2008-09), and future years (2010-11).

### **Conclusion**

The most efficient, cost-effective approach for advancing the country’s traceability infrastructure is to capitalize on existing resources—mainly, animal health programs and personnel, as well as animal disease information databases. These resources represent an available capability and key opportunity to optimize traceability. Accordingly, they will play a significant role in USDA’s efforts to strengthen the U.S. animal health traceability system.

Opportunities to facilitate animal disease traceability will continue to evolve as these strategies are successfully implemented. Additionally, industries will face new animal health demands as the animal agriculture industry changes. Therefore, the strategies will continue to be evaluated and adjusted to ensure that USDA continues to advance towards the optimum goal of a 48-hour traceback in as timely and efficient a manner as possible.

## Background: Traceability and Key Resources

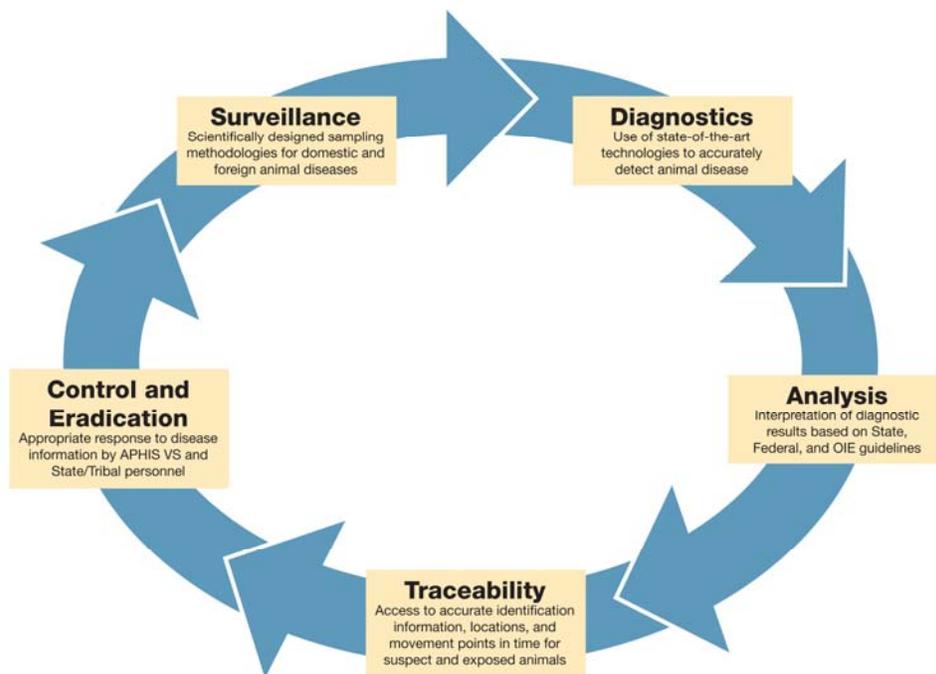
### Introduction

The main goal of an animal disease traceback system is to provide information regarding the source and extent of disease infection—which is key to protecting U.S. animal health and marketability. In the field of animal health, traceability is defined as the ability to document all relevant elements needed to determine the life movement history of an animal. This is accomplished by uniquely identifying animals, either individually or by group/lot, and recording their movements within the production chain.

### The Role of Traceability in Disease Control Programs

Disease control programs depend on the successful implementation of each step in the illustration below. Traceability is an essential component of any disease control effort.

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For many years, animal identification and traceability have played a critical role in USDA animal health programs—from vaccination eartags within the brucellosis eradication program, to the use of approved identification devices within the national scrapie and tuberculosis eradication programs. Animal identification and traceability are key to:

- Managing disease outbreaks;
- Monitoring official vaccination programs;
- Documenting affected and unaffected regions of a country or State for zoning and compartmentalization necessary for maintaining trade;
- Providing timely animal movement information, when needed; and
- Establishing effective animal health inspection and certification programs.

In most cases, animal health officials have used animal identification and traceback within programs in response to existing or threatening outbreaks of specific diseases. Successful examples of this approach include the Cooperative State/Federal Brucellosis Eradication Program (cattle), the Pseudorabies Eradication Program (swine), and the National Scrapie Eradication Program (sheep/goats). Disease surveillance, eradication, and control programs such as these have achieved significant success over the years in reducing animal disease in the United States.

## The Current Challenge

The success of existing disease surveillance, eradication, and control programs, however, has led to a paradox in the field of animal health. As diseases have been eliminated, participation in active disease programs has lapsed—causing the traceability infrastructure in our country to be less effective than it once was. In the past, when livestock diseases (e.g., brucellosis, tuberculosis) were widespread, cattle herds and other animals were commonly tested and vaccinated. The animals were officially identified as part of this process, and their movements were recorded in government systems. As a result, the cattle industry had a high level of traceability.

This level of identification not only supported the needs of specific disease programs, but also provided traceability for foreign animal disease investigations and other disease control efforts. Today, most States are free of tuberculosis, brucellosis, and other significant livestock diseases. With the decreasing need to regularly test and vaccinate animals for these diseases, there has been a drastic reduction in the number of officially identified animals.

In addition to reduced participation, the current structure poses a second challenge: it is based on animal identification and data collection that is focused on individual objectives (i.e., specific disease eradication programs, interstate commerce, breed registries, and age/source verification). These separate programs use distinct herd and flock identification protocols that are not based on common data standards, and do not use integrated data systems. Because the data systems from separate programs cannot “talk” to each other, an animal could be identified multiple times yet still not be fully traceable. For example, if an animal is only identified as part of the brucellosis eradication program, it is difficult to trace that animal in the event of a bovine tuberculosis infection.

This lack of standardization of data elements and integration within U.S. animal health data systems is the most significant challenge today in conducting successful animal traceback and controlling animal disease. To overcome this challenge, common data elements and modern technology must be applied so that separate databases can communicate with each other. This will enable animal health officials to access accurate and complete traceback information which is maintained by multiple sources. When an outbreak occurs, animal health officials must identify the specific animals involved or exposed—including where they have been, when they were there, and in some cases, why they were there. Obtaining this information quickly significantly reduces the scope and magnitude of an animal disease investigation and minimizes the time and costs involved in these efforts.

### **Prior to NAIS**

When a herd is tested for brucellosis, the event is recorded in the brucellosis section of the Animal Health and Surveillance Management system. The data entry clerk, before entering the data, first searches for the herd to determine if it has already been entered into the system. If the herd cannot be found, a new record for that herd is created that includes all the contact information and descriptive data that is needed. The problem is that the Generic Database does not have a built-in mechanism to prevent more than one herd record to be created for a single location. Thus, if the clerk does not do a thorough and exhaustive search, duplicate records might exist.

As another example, the Smith Farm (purely fictitious) located at 123 Somewhere Lane, Anywhere, Kansas, could be listed as Smith Farm, Smith and Sons, Ltd., S and S Farms, etc. A record also might be created once for the brucellosis program, again for the tuberculosis program, and yet again for the scrapie program. Some States are better about entering duplicates, but there have been many cases where a given address is associated with five or six different records that were found only after time-consuming database searches.

Duplicative records can cause delays as State animal health officials attempt to determine the number and location of premises potentially affected in an outbreak or which animals were commingled at a given premises. Elimination of duplicative records is essential to ensure that both State animal health officials and others involved in disease programs have access to accurate information without additional waste of time and personnel resources.

## **Resources**

NAIS was designed by industry representatives and State and Federal animal health officials to complement the numerous USDA Animal and Plant Health Inspection Service (APHIS) Veterinary Services (VS) programs and databases already in place to protect animal health and respond to disease. NAIS enables producers to participate in animal health safeguarding efforts that use identification methods and data standards that work in harmony with all programs. Using data standards for animal identification, location, and animal movement information systems that also can be used for management, marketing, and animal health purposes for all animal and livestock species will improve the quality of the information as well as provide the most cost-effective solutions. USDA-APHIS is focused specifically on animal health programs—NAIS provides the common link between existing disease control programs and databases. This approach conserves time, money, and effort by using systems and data already in place.

A brief description of existing animal health resources is provided below.

### **Animal Health Programs and Personnel**

APHIS-VS protects and improves the health, quality, and marketability of the Nation's animals, animal products, and veterinary biologics by preventing, controlling, and/or eliminating animal diseases, and monitoring and promoting animal health and productivity.

Current examples of APHIS-VS disease eradication programs include, among others, cooperative State-Federal efforts for:

- Brucellosis in cattle, bison, and swine;
- Tuberculosis in cattle and cervids;

- Scrapie in sheep and goats; and
- Pseudorabies in swine.

APHIS-VS also has control and certification programs to address chronic wasting disease in cervids; Johne's disease in cattle; and trichinae in swine. Ongoing surveillance programs include bovine spongiform encephalopathy (BSE), infectious salmon anemia, classical swine fever, and avian influenza.

Disease control and eradication measures include:

- Quarantines to stop the movement of possibly infected or exposed animals;
- Testing and examination to detect infection;
- Depopulation of infected and sometimes exposed animals to prevent further disease spread;
- Treatment to eliminate parasites;
- Vaccination; and
- Cleaning and disinfection of contaminated premises.

APHIS-VS animal health programs are carried out by a field force of approximately 250 veterinarians and 360 lay inspectors working out of Area Offices (usually located in State capitals). The Plum Island Animal Disease Center, New York, and APHIS' National Veterinary Services Laboratories at Ames, Iowa, provide laboratory support for these programs.

State animal health authorities are responsible for animal disease issues at the State level, the administration of interstate certificates of veterinary inspection, assisting with the delivery of the Federal programs, and overseeing State-specific disease control activities and regulations.

Accredited veterinarians are private veterinarians authorized by USDA-APHIS to perform official regulatory functions on behalf of the department. Accredited veterinarians are the first line of surveillance for reportable domestic and foreign animal diseases. They assist with interstate and international movement of animals and animal products, ensure national uniformity of regulatory programs, and are key participants in State-Federal-industry Cooperative programs.

Currently, 15,000 of the more than 60,000 accredited veterinarians in the United States are involved in large animal practices. In both 2005 and 2006, accredited veterinarians tested more than 600,000 cows and heifers for brucellosis, vaccinated in excess of 4 million calves against brucellosis, and conducted over 1 million tests for tuberculosis.

## Animal Disease Information Databases

A highly reliable, complete, cost-effective information system is key to the success of animal health programs. The APHIS-VS Animal Health Information System (described in the table below) has evolved over time using distinct herd and flock identification protocols. NAIS now provides a "standardized source" for key data elements. This standardization enables the various animal health databases to communicate with one another by using the same fundamental epidemiological information regarding animal(s), place, event, and time across multiple programs and systems.

Databases are not new to USDA animal health programs. The following databases and information systems were in place prior to NAIS and continue to provide critical infrastructure that supports APHIS-VS animal disease programs. These systems use the National Premises Information Repository (NPIR) and the Animal Identification Number Management System (AINMS) to obtain premises and animal identification information. These databases will provide data to an animal event repository that will be integrated with the Animal Trace Processing System (ATPS), which enables animal health officials to request necessary information from all systems when responding to a disease event.

Database	Purpose	Dates	NAIS Link
Animal Health and Surveillance Management (AHSM)	Maintains test and/or vaccination data from herds and flocks in disease programs such as brucellosis, tuberculosis, pseudorabies, etc.	1977 (initially known as the Animal Disease Generic Database)	NPIR AINMS ATPS <sup>1</sup>
Veterinary Services Process Streamlining (VSPS)	Administration of permits and certificates for import/export, interstate commerce, and veterinary accreditation	1996	NPIR AINMS ATPS <sup>1</sup>
Emergency Management Response System (EMRS)	Records information resulting from all foreign animal disease investigations and provides incident management	2002	NPIR AINMS ATPS <sup>1</sup>

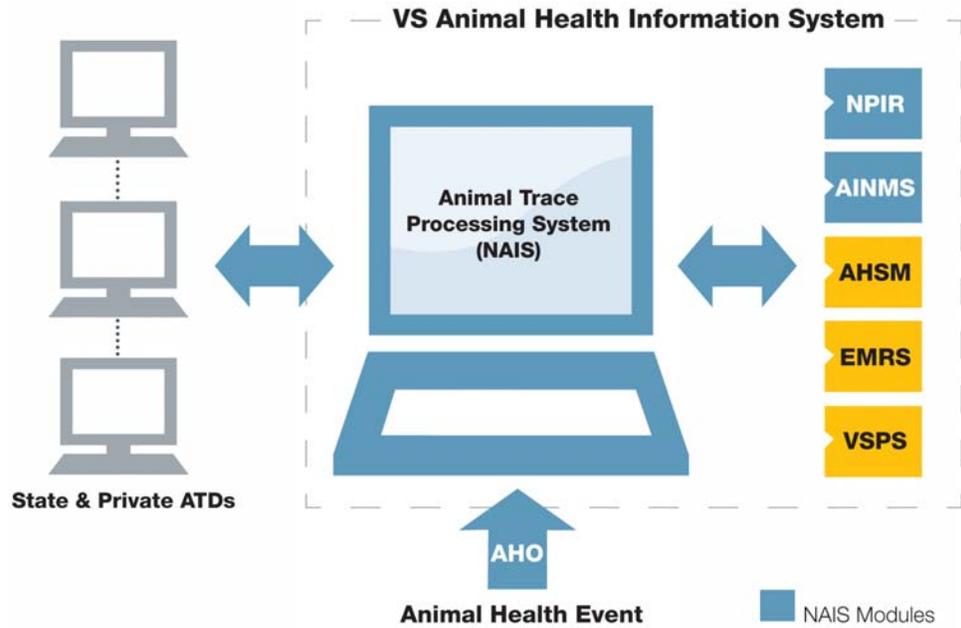
<sup>1</sup> An animal health event repository receiving data from the animal health systems will be integrated with the ATPS.

NAIS was developed to provide the data formats and system functionality needed to link APHIS-VS databases, and those maintained separately by the States and private sector. States, Tribes, and Territories use established standards to register premises within respective geographic regions and maintain Premises Registration Systems. Industry organizations and States provide the ATDs that maintain animal movement records. The following information systems reflect those developed through the implementation of NAIS.

Databases	Purpose	Date Deployed
Standardized and Compliant Premises Registration Systems (SPRS and CPRS)	Administration of premises registration by States, Tribes, and Territories.	2005
National Premises Information Repository (NPIR)	Maintains record of all premises identification numbers allocated and premises information submitted by the SPRS and CPRS.	2005
Animal Identification Number Management System (AINMS)	Maintains events associated with the AINs (allocation, distribution, termination, etc) and events associated with other official numbering systems.	2005
Animal Trace Processing System (ATPS)	Provides communication capabilities with animal tracking databases (ATDS) and all APHIS-VS Animal Health information systems during a disease investigation.	2007
Animal Tracking Databases (ATD)	Systems provided by States and private sector to maintain animal movement records.	2007

The USDA provides the Animal Trace Processing System (ATPS) that allows State and Federal animal health officials to have a single point of access premises, animal identification location and event information needed to conduct an investigation. The following diagram

illustrates one of the most significant outcomes of NAIS — the capability for databases to provide information when it is needed to support responses to animal disease events.



Authorized access of Federal and State animal health officials to the ATPS for requesting information from the ATDs is initiated when:

- An indication (suspect, presumptive positive, etc.) or confirmed positive test of a foreign animal disease;
- An animal disease emergency as determined by the Secretary of Agriculture and/or State departments of agriculture; or
- A need to conduct a traceback/traceforward to determine the origin of infection for a program disease (brucellosis, tuberculosis, etc.)

## Strategies to Advance Traceability

USDA's overall objective is to establish an animal tracing infrastructure that will retrieve traceback data within 48 hours of a disease detection. For efficient, effective disease containment, animal health officials need the data required to trace a disease back to its source and limit potential harm to animal agriculture. The speed with which one can access critical animal location and movement information, subsequently referred to as "traceback data," determines the timeliness—and effectiveness—of the disease control and containment effort. USDA defines the retrieval of traceback data within 48 hours as optimal for effective disease containment.

USDA will work toward this long-term objective by implementing immediate, short-term strategies, as outlined in this business plan. Through the strategies, it is USDA's goal to facilitate increased participation in NAIS, bolster the existing animal disease response network, reduce the amount of time required to conduct and complete a disease investigation, and continue to build critical Federal-State-industry partnerships necessary for animal disease control and eradication success.

The development of the complete traceability infrastructure is complex and will take significant time and resources. USDA is committed to achieving incremental and timely progress by achieving necessary levels of participation (referred to as "critical mass") in both premises registration and identification of animals, in particular cattle, at their premises of origin.

### Immediate Focus

#### Achieving Necessary Participation - "Critical Mass"

The seven strategies discussed below are designed to increase participation in NAIS in order to achieve a "critical mass" level of participation. This is a performance measure to gauge the progress being made towards obtaining the participation levels necessary to achieve the optimum traceability goal. It is an interim measurement to support incremental advancement, specifically in the cattle industry where significant improvement is necessary.

In order to achieve critical mass, USDA estimates that 70 percent of the animals in a specific species/sector need to be identified and traceable to their premises of origin. This 70 percent level estimate was derived by:

- Reviewing epidemiological reports from the past 5 years involving a variety of animal diseases and species;
- Reviewing published scientific literature regarding animal disease traceability;
- Using a land-grant-university-developed animal disease traceability computer model;
- Assessing USDA National Agricultural Statistics Service (NASS) data involving all reported species and industries relative to animal numbers and operations;
- Reviewing best available participation data in present animal disease control and eradication programs; and
- Projecting a practical and achievable level needed to facilitate animal disease traceability among all species/sectors/livestock industries as the next logical step.

The strategies below are designed to offer short-term advances in the number of animals and premises officially identified, while increasing the quantity and quality of traceback data that could be used to respond to a disease event.

### **Critical Mass—An Interim Performance Benchmark**

The 70 percent critical mass estimate will serve as a benchmark for advancing animal disease traceability through 2009. For the cattle industry—the priority of this business plan—achieving 70 percent will significantly improve the quantity of traceability information. As the program advances and more information is available, this estimate will be reevaluated. The results of the benefit cost analysis will also provide valuable information to further define the level of participation needed. In late 2008, minimum and long-term participation levels will be established based on a balance of economic risk and the cost necessary to achieve the next level of traceability.

### **The “Bookend” Approach**

Current animal identification systems generally provide enough information to allow an animal health official to immediately trace most livestock back to the previous owner’s premises, and eventually back to other premises, including the premises of origin (birth), when necessary. Knowing where an infected animal has been and what other animals may have been exposed is necessary to ensure rapid and effective disease containment. The challenge is that when you have only the last premises from which to initiate a traceback, the process is often time-consuming and labor-intensive. Having another reference point from which to work, such as the birth premises, can greatly accelerate the process by allowing the animal health official to simultaneously trace the animal’s movement back from the last premises and forward from the premises of origin. This is commonly referred to as the “bookend” approach.

Today, many disease investigations are conducted using only the information available on the backtag collected at slaughter, which allows the animal health official to determine the last production premises of the animal. These investigations often involve testing hundreds of animals in an attempt to determine the scope of a disease outbreak and to locate potentially affected and exposed animals. The longer an investigation takes, the greater the chance for significant production losses, increased testing costs, restriction of interstate and international animal movement, and, unfortunately, further spread of the disease. By using the “bookend” approach, the result will be an immediate improvement in the way animal disease investigations are currently conducted. Producers can further enhance the traceability of animals by maintaining herd records that contain the official identification numbers and the dates and destination information of the animals that permanently leave their premises. As NAIS implementation proceeds, the animal movement information within the “bookends” will be added to the system, further increasing the efficiency and effectiveness of animal disease investigations as the long-term goal of 48-hour traceback information is achieved.

The goal of this plan is to significantly increase the number of animals identified at their birth premises, specifically for those species that will benefit most from this practice (cattle, sheep and goats). Being able to conduct a disease investigation from two points of reference, preferably from opposite end points in time, significantly increases an animal health official’s ability to more quickly trace a disease of concern.

### **A “Bookend” Scenario**

Cow “A” has been diagnosed with bovine tuberculosis at slaughter plant “X.” Because cow “A” had a NAIS-compliant radio frequency identification eartag applied at the premises of origin, the State animal health official is able to initiate both a traceback from the previous premises and a trace forward from the premises of birth. NAIS will provide immediate information regarding the animal’s premises of origin. Without official identification, determining the origin of the animals could take weeks. By knowing where the animal’s movements began and ended, the animal health official is able to review sales receipts and other producer records and talk to previous owners to more accurately and efficiently determine where cow “A” has been and what other animals might have been exposed.

**Herd records are critical.** Producers can greatly enhance disease traces of animals to other premises by maintaining an accurate record of the official animal identification number, the date moved from premises, and the destination of each animal they sell and/or move to another premises (another producer’s premises, market, feedlot, slaughter plant, etc.).

## **Long-term Focus**

### **Full Traceability**

In future years, and in particular within the cattle industry, priority will be placed on the establishment of the infrastructure necessary to have a higher percentage of animal movement records collected and reported to the Animal Tracking Databases (ATDs) maintained by States and the private sector. Ongoing progress in technology is anticipated to ensure these activities can be practical, affordable, and achieved at the speed of commerce. In the meantime, APHIS will continue to work with States and the private sector to provide the opportunity for stakeholders to report animal movements to the ATDs. Likewise, the Animal Trace Processing System (ATPS) is being fully developed to ensure its operability with existing records and for expansion in the long-term as the volume of records increases.

Implementation charts (pages 62 – 70) provide key actions for future years (2010/11) that will need to be established to achieve full traceability, including a transition to identification devices that enable automated data capture capabilities at the rate of commerce.

## Strategy 1: Prioritize NAIS Implementation by Species/Sectors

### Targeted Species

Animal diseases are not always species-specific; therefore, the traceability plan includes all livestock and poultry species. However, the need to advance tracing capabilities for certain species is greater than others. To address these differences, while also considering the economic merit (sales and revenues) of each species or sector to U.S. agriculture, each species/commercial sector has been designated as either Tier 1 or Tier 2. Tier 1 species/sectors include the primary food animal species/sectors: (1) beef and dairy cattle, (2) swine, (3) poultry (chickens and turkey), and (4) the sheep and goat industries. Additionally, horses that, when moved, require either a test for equine infectious anemia or a health certificate, are also included in Tier 1. All other livestock and poultry are designated as Tier 2.

While animal disease traceability is necessary for all species, this business plan will focus on Tier 1 species.

### Species/Sector Prioritization

The information and infrastructure needed to achieve USDA's long-term goal of 48-hour traceback can vary significantly by species, and for sectors within species. Variations in the management and marketing structure of each species sector, including degree of vertical integration, can complicate progress towards achieving this goal as well. Prioritization of species/sectors will ensure resources are applied where traceability advances are of the highest importance and that will offer the greatest return on investment.

### Method for Determining Priorities

In 2007, USDA conducted a qualitative assessment to determine which species/sectors would benefit most from increased use of premises identification, individual animal or group/lot identification, and the reporting of specific animal movements in regards to controlling and eradicating animal disease. USDA examined the following key factors and their role in advancing traceability:

1. Disease characteristics/issues
  - Risk of contracting diseases of concern (both foreign and domestic)
  - Interaction with other species and/or wildlife and the potential of disease spread to other species or sectors
  - Potential impact on human health
  - Rate and scope of disease spread
  - Degree of animal movements and commingling
  - Existence of an ongoing Federal/State disease surveillance/control/eradication program
  - Cost of indemnifications
  - Historical costs of controlling or eradicating diseases
2. Animal identification
  - Need for individual or group lot identification
  - Current use, if any, of individual or group lot identification methods

3. Disease tracing requirements/capabilities
  - Level of tracing (traceback or traceforward) necessary to control or eradicate diseases of concern (trace to last premises, to birth place, etc.)
  - Ability of industry to provide critical animal location and movement information to USDA within 48 hours of a disease detection
4. Demographic information
  - Economic value of industry
  - Size of industry (number of animals)
  - Degree of vertical integration
  - Vulnerability to intentional attack

## Definition of Priority Designations

Based on the results of the assessment, each species was assigned a designation of low, medium, or high priority. The designation of “Low,” “Medium,” and “High” priority reflects the emphasis each species and each sector will be given in the implementation of the strategies and actions of this report.

- The “High” priority designation indicates those species/sectors that currently have the most need to improve traceability infrastructure relative to the risk and impact of disease spread. For example, a “high-priority” species sector could benefit by shortening the timeframe it currently takes to conduct a traceback investigation. In another high-priority species sector, the risk and associated impact of a potential disease outbreak warrants stronger, more comprehensive traceback capabilities.
- The “Medium” priority designation is used for species/sectors that have adequate animal tracing systems in place, but still have significant opportunities for improvement in their traceability levels.
- A “Low” priority designation means that the species/sectors either already have high levels of traceability or have lesser disease concerns that would be of economic significance. Therefore, the return on investing additional resources in these species/sectors could provide minor benefits and improvements in the U.S. animal health traceability infrastructure.

## Priority Designations

The species were prioritized as follows:

Low	Medium	High
Ovine (Sheep) Aquatics <sup>1</sup>	Porcine (Swine) Equine (Horses) <sup>2</sup> Poultry (Chickens and Turkeys) Cervid <sup>1</sup> (Deer and Elk) Caprine (Goats)	Bovine (Cattle)

<sup>1</sup> Tier-2 species that are part of the existing APHIS-VS animal health programs.

<sup>2</sup> Horses that, when moved, require either a test for equine infectious anemia or a health certificate, are designated Tier 1 and Medium priority among Tier 1 species.

## Sector within Species Priority Designations

Most species have a few distinct sectors that might differ significantly in their structure and traceability needs. To ensure proper attention is given to those sectors that have the most to gain, each was categorized separately on the “High” to “Low” scales to reflect sector priorities within the species. These sector ratings are illustrated in the following profiles.

## Sector Profiles and Opportunities

The population estimates provided in the following charts were obtained, for the most part, from the National Agricultural Statistics Service's (NASS) *2002 Census of Agriculture* report and, when available, from the July 2007 NASS commodity reports.

### Cattle

#### Industry Size

As of July 2007, it has been estimated that there are over 104 million cattle located on more than 1 million premises.

<b>Cattle Populations</b>	
<b>Beef Cattle<sup>1</sup></b>	
Cows	33,350,000
Replacements	4,700,000
Other Heifers	8,000,000
Steers > 500 lbs.	14,900,000
Bulls > 500 lbs.	2,100,000
Calves < 500 lbs.	28,700,000
<b>Total</b>	<b>91,750,000</b>
<b>Dairy Cattle<sup>1</sup></b>	
Cows	9,150,000
Replacements	3,900,000
<b>Total</b>	<b>13,050,000</b>
<b>Total Cattle</b>	<b>104,800,000</b>
<b>Premises<sup>2</sup></b>	
Beef Operations (>1 cow)	762,880
Dairy Operations	75,140
Feedlots (>1,000 head)	2,165
Feedlots (<1,000 head)	86,000
Other Cattle Operations	120,355
<b>Total</b>	<b>1,046,540</b>

<sup>1</sup> *Cattle*, USDA National Agricultural Statistics Service, July 2007.

<sup>2</sup> *Cattle*, USDA National Agricultural Statistics Service, 2006.

### Sector Priorities

The cattle sectors overall could benefit significantly from advancing traceability. In particular, the breeding populations are designated as the highest priority, due to their longer lifespan and subsequent likelihood to occupy multiple premises throughout their lifetimes.

Bovine Sector	Sector Rank		
	Low	Medium	High
Bison <sup>1</sup>	■		
Beef - Cow/Calf			■
Beef - Feeder Cattle <sup>2</sup>		■	
Dairy - Cows/Bred Heifers			■
Dairy - Replacements			■

<sup>1</sup> While bison are noted as a low priority in the business plan, due to the smaller size of the animal population, USDA recognizes the importance of this species for brucellosis eradication efforts, especially in the Greater Yellowstone Area (GYA). The GYA is one of the last known niduses of brucellosis in the country. Abundant wildlife populations and the potential for wildlife to contact or commingle with livestock are concerns. The presence of brucellosis in free-ranging bison and elk in the GYA threatens the brucellosis status of the surrounding States and the health of their livestock herds and continues to be a challenge in the final eradication of brucellosis from the United States. Eliminating brucellosis in the GYA is of critical importance to achieving the ultimate, shared goal of eradicating the disease throughout the United States. USDA continues its multi-agency cooperative effort toward the development of brucellosis elimination and risk management plans for the GYA.

<sup>2</sup> Feeder, Stocker and Fed Cattle

### Beef Cattle

#### Industry Structure

Independent operations dominate the U.S. beef industry, and, while it is not as vertically integrated as other industries, retained ownership of calves beyond weaning has increased. The beef industry has several distinct sectors, including cow/calf operations, stocker/backgrounder, feedlots, and harvesting facilities. Often, information on cattle is not seamlessly passed from one sector to another, at least not on an individual animal basis. Accordingly, the ability to trace an animal through all production segments is not consistent.

#### Tracing Capabilities

According to the 1997 USDA-APHIS National Animal Health Monitoring System (NAHMS) Beef Study, approximately 50 percent of the beef producers did not use any form of individual identification on cows and heifers. However, nearly 65 percent of the cows and calves have some form of individual identification. A high percentage (approximately 75 percent) of feedlot and stocker cattle are unofficially identified upon entry for recordkeeping and management purposes. Frequently, however, identification from the birth place is removed upon the animal's arrival at the feedlot or stocker operation. To ensure proper surveillance and response to a contagious disease, animal health officials often find it necessary to test more herds than would be necessary if animal identification was at a higher level. Additionally, the time required to complete disease traceback is greatly extended as the percent of unidentified animals increase.

### **Opportunities to Advance Traceability**

Significant potential exists to enhance the tracing capability for U.S. beef herds by focusing on efforts to increase unique identification of beef cattle. Verification programs (source, age, process, etc.) are becoming more common and are increasing the value of animal identification and other information specific to each animal. More fed cattle are identified with radio frequency identification (RFID) tags so their history can be tracked for ownership, genetics, post-weaning performance, health status and carcass composition and quality. While a small percent of breeding heifers are officially identified, a significant number of them are identified through the calfhood vaccinations program. Animal health officials, as a rule, can successfully trace many beef cattle from the slaughter plant to the feedlot. However, the ability to trace individual animals from the feedlot to origin of birth is often limited.

#### **Disease Surveillance Data**

**Situation:** Evaluation and review of USDA adult bovine surveillance data acquired from September 2006 through April 2007 indicate that of 21,893 samples obtained, only 6,203 (28 percent) possessed an official, unique USDA silver tag or USDA orange brucellosis vaccination tag. An additional 17 percent of this sample population possessed a unique backtag number. Combined, less than half of adult cattle (45 percent) can be associated with any USDA official identification system.

**Impact:** Breeding cattle herds in the United States, which are important to multiple cattle disease surveillance programs, are often lacking in unique individual identification. The ability to associate official identification with various points in time, and gain useful information in conducting a traceback, is substantially hampered by this lack of animal identification.

### **Dairy Cattle**

#### **Industry Structure**

Like the beef industry, the U.S. dairy industry is not vertically integrated. Herd sizes have increased significantly over the past decades due to the now common practice of raising heifer replacements on farms and ranches separate from milking facilities.

#### **Tracing Capabilities**

Approximately half of the 69,000 U.S. dairy herds are identified through the industry's milk recording program, the Dairy Herd Information Association (DHIA) (formerly Dairy Herd Improvement Association). Producers who participate in DHIA identify each cow for performance recording, and many contribute to generic summarization. DHIA, for the most part, has used the National Uniform Eartagging System for official identification purposes. Breed registries also provide valuable identification and such records are sometimes used to enhance disease traceback efforts. Holsteins currently represent about 95 percent of the dairy herd, 15 percent of which are registered.

### **Opportunities to Advance Traceability**

By using the standardized Premises Identification Number (PIN) in the administration of the National Uniform Eartagging System, a significant number of dairy cattle would be identified to their birth premises. Additionally, the use of NAIS-compliant animal identification numbers for breed registration purposes would increase the number of calves identified and traceable to their birth premises.

Increasingly, dairies are using RFID eartags for management and recordkeeping purposes. Establishing the NAIS "840" numbering system as the official numbering system for RFID eartags and phasing out the recognition of other numbering systems over time will increase the widespread use of NAIS-compliant tags for day-to-day management purposes.

### National Bovine Tuberculosis Statistics

**Situation:** From October 1, 2003, through May 14, 2008, 199 positive cases of bovine tuberculosis were identified in the United States. Of those cases, 12.6 percent of the animals had no identification whatsoever, and 84.4 percent of the positive cases did not have official USDA individual identification present.

**Impact:** USDA and State investigative teams spend substantially more time and money in conducting tracebacks, including an expanded scope of an investigation to identify suspect and exposed animals. According to disease traceback close-out summaries, the average time spent conducting a traceback involving 27 recent bovine tuberculosis investigations was 199 days; 125 days for the last 4 investigations.

### Recommended Actions - Cattle<sup>2</sup>

- Collaborate with industry organizations, including accredited veterinarians, to increase the awareness of animal disease traceability issues and to advance premises registrations of cattle operations and official identification at point of origin;
- Integrate NAIS-compliant RFID tags in the brucellosis calfood vaccination/testing program and bovine tuberculosis testing;
- Utilize the standardized PIN in the administration of all animal disease programs;
- Establish regulations to require the recording of PINs for the destination of all imported cattle and the last premises of cattle that are exported;
- Use the standardized PIN on Interstate Certificates of Veterinary Inspection (ICVI) to record origin and destination premises of cattle;
- Integrate the use of Animal Identification Number (AIN) devices with the “840” number with industry programs, marketing alliances, verification programs, breed registries, and performance recording; and
- Use of ISO-compliant identification devices on imported and exported animals.

## Swine

### Industry Size

As of September 2007, estimates indicate that there are more than 65,000 swine operations in the United States caring for nearly 65 million pigs.

Swine Populations	
<b>Hogs and Pigs<sup>1</sup></b>	
All Breeding	6,145,000
All Market	58,503,000
<b>Total</b>	<b>64,648,000</b>
<b>Premises<sup>2</sup></b>	
Operations with Hogs	65,540

<sup>1</sup> *Hogs and Pigs*, USDA National Agricultural Statistics Service, September 2007.

<sup>2</sup> *Hogs and Pigs*, USDA National Agricultural Statistics Service, 2006.

<sup>2</sup> For each sector, USDA has identified a number of actions that will help capitalize on the available opportunities to advance traceability. These actions are explained more fully in the remaining “strategies” sections of this document.

### Industry Structure

While most U.S. swine operations (34,900 out of 65,540 premises in 2006) have 100 or fewer pigs in inventory,<sup>3</sup> the vast majority of pigs are produced on a small number of operations. In 2006, roughly 30 percent of all hogs marketed were produced by companies that have vertically integrated production and slaughter/processing enterprises. Approximately 60 percent of all hogs marketed in 2006 were transferred from producer to packer using some sort of contractual marketing agreement.<sup>4</sup>

### Tracing Capabilities

Slaughter plants maintain records regarding the number, date, and supplier for pigs received, permitting traceability to the previous production phase. Commercially integrated businesses are able, with varying degrees of specificity, to trace groups of animals through each segment of the production chain (nucleus, multiplier, production, farrowing, and wean-to-finish operations) for animal disease control purposes. Records are maintained for weaned, finished, or culled pigs regarding movement dates, number moved, as well as where they were moved to and from (specific to both geographic location and building).

Swine Sector	Sector Rank		
	Low	Medium	High
Commercial Operations		■	
Sows/Boars		■	
Transitional		■	
Show Pigs			■
Food Waste Feeding Operations			■

### Opportunities to Advance Traceability

The Group/Lot numbering system included in NAIS fits well with production management practices used in the swine industry. The Group/Lot Identification Number (GIN) incorporates the PIN and the date the group was assembled, providing valuable traceability information simply by examining each GIN itself. Having this information recorded in producer and packer records and readily available for animal health officials to use during disease traces significantly increase traceability. Although it might take some time to achieve full participation of all pork producers, given the structure of the industry in which the majority of hogs are produced on a small number of operations, increasing the participation of the producers who raise most of the pigs is achievable in the short term.

### Recommended Actions

- Provide cooperative agreement funds to the National Pork Board to achieve a high level of premises registrations of swine operations; and
- Partner with swine veterinarians to advance swine premises registrations; and

<sup>3</sup> United States Department of Agriculture, “Farms, Land in Farms and Livestock Operations – 2006 Summary,” National Agricultural Statistics Service, Report Sp Sy 4 (07), Washington, DC. February 2007.

<sup>4</sup> Meyer, Steve R. Personal communication of analyses using data from USDA Agricultural Marketing Service’s Mandatory Price Reporting system.

- Apply premises identification number tags to sows and boars as a means of official identification prior to their entry into the harvest chain to enhance traceability.

## Poultry

### Industry Size

It is estimated that there are more than 1.8 billion chickens and 93 million turkeys on approximately 162,000 locations.

Chicken and Turkey Populations <sup>1</sup>	
<b>Chickens</b>	
• Broilers	1,389,279,000
• Layers	334,435,000
• Pullets	94,882,000
<b>Total</b>	<b>1,818,597,000</b>
<b>Turkeys</b>	
• Turkeys	93,028,000
<b>Total</b> (Chickens and Turkeys)	<b>1,911,625,000</b>
<b>Premises</b>	
Chickens	146,200
Turkeys	16,600
<b>Total</b>	<b>162,800</b>

<sup>1</sup> *Census of Agriculture*, USDA National Agricultural Statistics Service, 2002.

### Industry Structure

The majority of chickens and turkeys marketed in this country are part of a highly integrated production chain led by commercial interests.

### Tracing Capabilities

The commercial poultry industry currently is able to trace groups of animals through all aspects of the production chain (nucleus, multiplier, breeder, hatchery, grower, and layer operations), for either animal disease control purposes. Records are maintained by the industry regarding specific dates that eggs, chicks, pullets, spent breeders, or layers are moved, the number moved, where they were moved from, and, specifically, where they were moved to, i.e., the incubator, building, or slaughter plant level.

Poultry	Sector Rank		
	Low	Medium	High
Chickens			
Multipliers		■	
Broilers			■
Layers		■	
Turkeys			■

### Opportunities to Advance Traceability

The National Poultry Improvement Plan (NPIP) is a cooperative industry-State-Federal program through which new technology can be effectively applied to improve poultry and poultry products. Regulations regarding NPIP, developed jointly by industry members and State and Federal officials, establish standards for the evaluation of poultry breeding stock and hatchery products, and the elimination of hatchery-disseminated diseases. Over 95 percent of the commercial poultry industry participates in NPIP. As a result, the industry is able to provide highly complete premises information when a disease is detected. This government-industry collaborative effort supports a high degree of traceability in the commercial poultry industry.

### Recommended Actions

- Establish policy and procedures to ensure the timely availability of premises information from industry-maintained systems;
- Work with industry to integrate industry systems that maintain commercial poultry location with the premises registration systems;
- Work with the Subcommittee on Tracking and Accountability of the Committee on Live Bird Markets (part of the NPIP H5/H7 Low Pathogenic Avian Influenza Program) to determine how best to locate and obtain non-commercial poultry premises information in a disease emergency; and
- Continue ongoing education and outreach to owners of backyard flocks, free range birds, game birds, etc., through the Biosecurity for Birds campaign, including integration of information about traceability and the NAIS in outreach and education materials.

## Sheep

### Industry Size

As of July 2007, there were an estimated 7.7 million sheep on approximately 69,000 premises.

Sheep Populations	
Sheep <sup>1</sup>	
Market Sheep and Lambs	3,120,000
Breeding Sheep and Lambs	4,610,000
<b>Total</b>	<b>7,730,000</b>
Premises	
Sheep and Lamb Operations <sup>2</sup>	69,090

<sup>1</sup> *Sheep and Goats*, USDA National Agricultural Statistics Service, July 2007.

<sup>2</sup> *Sheep and Goats*, USDA National Agricultural Statistics Service, 2006.

<sup>3</sup> *Census of Agriculture*, USDA National Agricultural Statistics Service, 2002.

### Industry Structure

The U.S. sheep industry is composed primarily of independent producers and is not vertically integrated.

### Tracing Capabilities

Most sheep can be traced back to the flock of origin due in large part to industry participation in the National Scrapie Eradication Program (NSEP). Using National Agricultural Statistics Service (NASS) statistics, an estimated 95 percent of sheep flocks are

listed in the scrapie database. Of these flocks, 78 percent have requested official NSEP eartags. Additionally, the National Premises Information Repository has 77,866 registered sheep premises while NASS estimates reflect 71,304 sheep premises. NSEP works with industry to provide traceability for breeding sheep and cull sheep.

Ovine	Sector Rank		
Sector	Low	Medium	High
Purebred Sheep		■	
Commercial Sheep	■		

## Goats

### Industry Size

As of July 2007, there were an estimated 3.6 million goats on more than 91,000 premises.

Goat Populations	
<b>Goats<sup>1</sup></b>	
Angora	260,000
Dairy Goats	335,000
Meat Goats	3,000,000
<b>Total</b>	<b>3,595,000</b>
<b>Premises</b>	
Goats <sup>3</sup>	91,462

<sup>1</sup> *Sheep and Goats*, USDA National Agricultural Statistics Service, July 2007.

<sup>2</sup> *Sheep and Goats*, USDA National Agricultural Statistics Service, 2006.

<sup>3</sup> *Census of Agriculture*, USDA National Agricultural Statistics Service, 2002.

### Industry Structure

The U.S. goat industry is composed primarily of independent producers and is not vertically integrated.

### Tracing Capabilities

Most goats can be traced back to the flock of origin due in large part to industry participation in the National Scrapie Eradication Program (NSEP). An estimated 52 percent of goat herds and 60.3 percent of goat premises (63,873 of 105,971 premises estimated by NASS) are listed in the scrapie database. Of these herds, 78 percent have requested official NSEP eartags. NSEP works with industry to provide traceability for breeding goats.

Caprine	Sector Rank		
Sector	Low	Medium	High
Dairy Goats		■	
Meat Goats	■		
Exotic Goats	■		

## Opportunities to Advance Traceability for Sheep and Goats

Regulation modifications and increased emphasis on enforcement could bring an estimated 90 percent of the sheep and goat industries into 90 percent compliance with NSEP requirements.

### Recommended Actions

- Work with industries to achieve the cross-referencing of Flock ID numbers with standardized premises identification numbers;
- Support efforts to increase compliance for existing animal identification requirements; and
- Work with industries to develop a long-term plan to ensure the animal identification infrastructure is maintained, following scrapie eradication.

## Equine

### Industry Size

June 2007 estimates indicate that there are approximately 5.8 million horses on 570,000 premises. The horse industry has a significant number of horses that are individually identified. Based on breed registry statistics, it is estimated that this number may be as high as 50 percent of the 5.8 million horses.

### Industry Structure

Among livestock, horses are unique in that they live longer, are generally more valuable, are transported interstate and internationally more often, and are imported and exported on a regular basis. Many horses are routinely identified for breed registries, horse identification services, or to ensure the integrity of the racing and wagering industry. The traceability of horses for disease control purposes is considered critical by the horse industry. Existing identification programs can be utilized to support disease traceability efforts. The sport/competition horses are identified through two major categories, with the following subgroups:

- *Race Horses* identified through the breed registry identification programs; Jockey Club, United States Trotting Association and American Quarter Horse Association
- *Show Horses* identified through the new mandatory United States Equestrian Federation Horses Identification Program

### Tracing Capabilities

Of the 5.8 million horses in the United States, approximately 2.2 million are tested annually for equine infectious anemia (EIA). There are numerous equine breed registries that record individual animal identification and location-related information. However, availability of registry information for traceback purposes is variable. Because a given equine premises can board many different breeds of registered horses, utilized in a variety of different disciplines, a single premises might be registered with multiple organizations, with the resulting address redundancy complicating premises identification.

This traceability plan focuses on those horses that move to other premises and are commingled with horses from other premises, in particular at races, shows and sales, and exhibitions where horses move from across a State and/or multiple States. The Equine Species Working Group recommends that the population of horses that, when moved, require a certificate of veterinary inspection (CVI) or EIA test, be considered a priority in the business plan. The significant revenues to animal agriculture from these horses and the frequent, sometimes continuous, movements of these horses to events, warrant their designation as a high-priority sector.

Equine Sector	Sector Rank		
	Low	Medium	High
Horses that require a CVI or EIA test			■
Horses that do not require a CVI or EIA test	■		

### Opportunities to Advance Traceability

Testing for EIA is a prerequisite for all interstate movement (State requirement), and in some States, for intrastate movement as well. Efforts are underway to develop a USDA national State-Federal cooperative program for the control of EIA that would establish national EIA testing requirements for (a) interstate movement and (b) change of ownership. Horses must be identified (description/drawing, digital photograph, electronic implant) on the requisite EIA test-related paperwork. Overall, establishing regulations to require premises registration in association with EIA testing would substantively increase the number of both premises registered and horses identified. When horses move interstate to attend shows or exhibitions, registration is required upon entry. Accordingly, event officials are able to track horses moving intrastate or interstate (via interstate passport) to the farm of origin. Concurrently, animal health officials are able to track to the premises of origin and destination via interstate CVI for horses moving interstate. Though impossible to quantify nationally, experience has shown that the number of EIA tests performed annually increased three-fold following implementation of a “change-of-ownership” testing requirement in Texas.

The NAIS Equine Species Working Group has recommended the use of ISO-compliant injectable transponders for horse identification.

### Recommended Actions

- Integrate the standardized PIN on EIA test-related paperwork;
- Implement the recording of PINs for the destination of all imported horses and the last premises of exported horses;
- Use PINs for both premises of origin and destination on interstate CVIs;
- Collaborate equine organizations to integrate the utilization of the AIN “840” identification devices;
- Expand the utilization of electronic interstate CVIs; and
- Provide communication standards to support industry efforts to integrate automated data capture technologies at equine events and establish necessary interfaces with APHIS-VS information systems.

## Strategy 2: Harmonize Animal Identification Programs

As mentioned previously, there are now numerous government and industry programs in place—both in the United States and abroad—that use animal identification. Animal identification can be used for management purposes, marketing opportunities, and disease control. The functions and activities it supports are rapidly expanding. As the uses for animal identification continue to grow, the demand for improved, streamlined animal identification systems and technology also is increasing.

With NAIS, USDA is committed to the development of a flexible identification system that—while meeting the primary needs of animal disease traceability—can be used by the industry for other valuable opportunities. USDA will work with other Federal, State, industry, and international partners to ensure the availability of improved identification methods and compatible processes and data standards that can be used for multiple purposes. Available opportunities for improvement and harmonization, both domestic and international, are discussed below in greater detail.

### Domestic Programs

#### Breed Registries and Performance Recording Programs

Breed registry and performance recording programs present a significant opportunity to advance traceability if current identification approaches adopt the common data standards proposed in this plan. Registered and seedstock programs that provide most of the genetic base for the livestock industry require official and accurate identification. In some species, a single numbering system and identification method is preferred, while in others a combination of identifiers is used. Breed registries may use additional techniques such as DNA or tattoos to supplement national standards.

As noted in the dairy cattle profile, the standardized use of the PIN through the administration of the National Uniform Eartagging System in Dairy Herd Information Association (DHIA) (formerly Dairy Herd Improvement Association) would bring significant benefits to the industry. Specifically, this practice would result in having the majority of animals in DHIA identified to the birth premises or, at minimum, to the premises where the animal was first officially identified. Likewise, the use of the AIN in the breed registries of all species would help unify identification methods across many sectors of the industry.

#### Industry Alliances

Participation in marketing alliances is growing rapidly. Animal identification helps document the information necessary for age, source, and process-verified animals. As a higher percentage of cattle producers participate in such programs, the opportunities to capitalize on standardized and compatible systems increase.

Harmonization activities will emphasize collaboration among industry stakeholders. In addition, State and Federal animal health officials will work on shared identification issues. RFID technology, for example, has been highly utilized in marketing alliances for several years. The incorporation of the AIN “840” visual and radio frequency tags into these programs will increase tracing capabilities with minimal, if any, additional effort or requirements of the industry.

#### Agricultural Marketing Service (AMS)

Many USDA-AMS verification programs require animal identification. Individual identification is required for USDA Process Verified Programs and USDA Quality System Assessment (QSA) Programs to verify the animal’s age. The AMS “Program Compliant” eartag is a one-time use, tamper-evident tag, which contains a non-repeatable, unique number.

APHIS will work with AMS to coordinate definitions of identification requirements to provide solutions that comply with both agencies' requirements. Additionally, AMS is considering how best to incorporate the PIN standard when a location identifier is needed to support their programs.

The AIN 840 tags, either visual or radio frequency, also provide a solution for livestock owners to meet Country of Origin Labeling (COOL) regulations.

## International Collaboration

Although USDA will not select or require the use of specific technology for use with NAIS, we recognize the importance of having a basic level of harmonization for animal identification. Such basic technology requirements ensure, among other things, that other countries recognize the identification technologies and/or devices used with NAIS. Accordingly, the standardization of animal identification with trading partners—specifically Canada and Mexico, due to the high degree of integration with the U.S. herd—is imperative to support trade.

The North American Animal Health Committee and the Emergency Management Working Group have established an Animal Identification Subcommittee to consider animal identification issues and to ensure development of a compatible system. Review of potential standards for data elements and animal identification technologies are the primary focus. USDA also supports the use of technology standards published by the International Organization for Standardization (ISO); these standards are most important when species, such as horses, move internationally. The appropriate Species Working Groups will provide recommendations on identification and technology standards to support international movements of key animals.

## World Trade

USDA actively supports the work of the World Organization for Animal Health (OIE) to develop science-based international standards for the safe trade of animals and animal products. OIE is developing generic standards with basic criteria for use when its 169 member countries are establishing or improving their animal identification programs. While animal identification programs can and should be designed and developed with all pertinent stakeholders, the OIE states that veterinary authorities in each country should provide oversight.

OIE requirements for identification in exported animals and animal products are being established and added to the *Terrestrial Animal Health Code* chapters for each of OIE's listed diseases. In addition, the OIE will continue its work on the development of specific guidelines for animal identification and traceability. The Terrestrial Animal Health Standards Commission has issued draft guidelines and asked for comments from member countries.

## Strategy 3: Standardize Data Elements of Disease Programs to Ensure Compatibility

USDA will take steps to standardize data elements in existing disease programs, including international/interstate commerce regulations. First, USDA will proceed with finalizing the NAIS data elements in the *Code of Federal Regulations* (CFR). The utilization of the data elements then can be fully practiced in the administration of disease programs. For example, national data elements that identify premises importing and exporting livestock, locations participating in official disease control programs, and origin and destination premises listed on ICVIs will greatly enhance existing animal disease tracing and emergency response capabilities.

### Establishing National Data Elements

#### Premises Identification Number (PIN)

Premises identification numbers (PIN) are unique, seven-digit codes that include both letters and numbers (e.g., A123R69). Each PIN reflects a location where animals are managed or held. The use of a single premises numbering system in all animal health data systems is essential for standardizing information and enhancing existing disease tracing and emergency response capabilities. Since 2004, USDA has been working to establish the NAIS PIN as the standard format for location identifiers.

USDA published an interim rule on November 8, 2004, in the *Federal Register* (Docket No. 04-05201 Livestock Identification; Use of Alternative Numbering Systems), recognizing the Premises Identification Number (PIN), the Animal Identification Number (AIN), and the Group/Lot Identification Number (GIN) as additional official numbering systems. The alpha characters USA and the numeric code assigned to the identification device manufacturer by the International Committee on Animal Recording also were recognized in order to avoid placing an excessive burden on producers who were already using those numbering systems for identifying their animals.

The final rule, which adopted the interim rule with several changes, was published on July 18, 2007 (Docket No. 04-052-2 Livestock Identification; Use of Alternative Number Systems), taking into account all public comments received during the comment period (which ended on January 7, 2005).

A proposed rule will detail a potential process for phasing out one of the commonly used premises numbering systems, the State postal code prefix followed by a number. The industry will have the opportunity to comment on the proposed rule prior to its finalization and implementation.

#### Animal Identification Number (AIN)—“840” Number

Identification requirements have been established for a number of existing USDA animal disease control programs, specific species, and classes of animals moving in interstate commerce. Currently, AIN devices can be used to meet the official identification requirements for all animal disease programs regulated through the CFR or by the States.

#### Animal Identification Number

The AIN contains 15 digits, with the first three being the country code. The country code for the United States is “840.”

A proposed rule will detail a potential transition process to official use of the 840 AIN and termination of the official recognition of the USA and manufacturer-coded prefixes. The proposed rule will offer a systematic process that could be used to avoid conflicts with

existing tag inventories and would avoid the need to re-tag animals currently identified with the devices being removed from the definition of official identification. The industry will have the opportunity to comment on the proposed rule prior to its finalization and implementation.

Similarly, an interim rule is being developed that would limit the use of 840 AIN devices to use on animals born in the United States only. The rule will also stipulate that imported animals who lose their official identification applied in their country of origin cannot be re-tagged with official identification devices bearing an 840 AIN. USDA is considering establishing these provisions to ensure that producers have a cost-effective, readily-available, and convenient means to comply with Country of Origin Labeling (COOL) requirements.

These rules would enhance traceability because distribution records for AIN devices are required and are then automatically linked to the standardized PIN. This would provide critical and timely information to animal health officials when conducting a disease investigation.

## Utilizing Data Elements with Disease Programs

The convergence of national data elements with disease programs will increase traceability through the following actions.

- **NAIS-compliant requirement for import/export protocols.**  
APHIS is considering a regulation that will support the advancement of traceability through the integration of NAIS standards for livestock import and export movements. These regulations could amend existing APHIS live animal regulations to require:
  - A premises identification number (PIN) for (1) the first U.S. destination premises after release from the port of entry to the United States, (2) any post-entry quarantine facility required for livestock, poultry, commercial birds, semen/embryos, and germplasm from these species; (3) VS port facilities; (4) VS animal import center facilities; and (5) all private quarantine facilities.
  - A PIN for the last premises where these animals were raised, maintained, assembled, isolated, or quarantined prior to export from the United States as well as VS inspection facilities at any port of embarkation from the United States.
  - A permanent, ISO 11784/11785-compliant radio frequency identification device (RFID) for all imported livestock that currently require individual identification, and NAIS-compliant methods for groups of animals when group/lot identification is applicable.
  - An AIN radio frequency device for all livestock that are identified individually and are exported from the United States.
- **PIN use in all official disease control programs and for emergency response.**  
Using the PIN as the standard location identifier in all official disease control programs and during emergency response activities ensures the evolution of a compatible system for locating livestock production and holding premises.

Disease programs currently use herd and flock identification protocols that vary across programs and are not based on the standardized PIN location identifier. A key first step in increasing traceability is to use the PIN when recording locations that participate in existing disease programs and related activities. This approach will accelerate the integration of NAIS data elements into disease programs.

The assignment of a standardized PIN location identifier is of significant importance in all disease programs and will be used in the administration of Federal disease control programs:

- Bovine Tuberculosis
- Brucellosis
- Pseudorabies
- Scrapie
- Chronic wasting disease

Use of a standardized PIN location identifier during an emergency response to an animal disease event or outbreak is also essential to ensure that data in the Emergency Management Response System is standardized and that the system is compatible with other databases in the APHIS-VS animal health information system.

- **PIN use on Interstate Certificates of Veterinary Inspection (ICVIs).**  
The option to use the PIN for origin and destination premises on ICVIs administered by States will provide more precise location information on the animals' planned movement. Accordingly, this option will greatly improve the value of existing documentation certificates already used for interstate commerce.

#### **Historic and Current Location Identifiers for Federal Disease Programs**

Disease programs such as the brucellosis program and the bovine tuberculosis program, have historically assigned location identification numbers when program activities (e.g., vaccination, herd tests, etc.) occurred on those premises. Prior to the development of NAIS and its National Premises Information Repository, each State generated numbers in State-specific formats (commonly known as State herd numbers) and recorded the data in the Animal Health and Surveillance Management System (AHSM) (formerly known as the Generic Database). As part of the APHIS-VS animal health information system, AHSM stored data for use by State and Federal animal health officials during disease investigations, however, use of the State herd numbering system has been problematic since duplicate numbers were often assigned to the same location, if more than one program activity occurred. Use of a standardized data format for location identifiers is essential to enhance the ability of animal health officials to access necessary data, especially in time-sensitive situations such as a disease traceback. Standardized data formats will allow all of the databases in the APHIS-VS animal health information system to communicate quickly and accurately.

The development of NAIS has provided the opportunity to establish a standardized data format for location identifiers. The premises identification number (PIN) format is a unique, 7-digit code that includes both letters and numbers; for example, A123R69. As a standard operating procedure, disease programs will continue to assign location identifiers as before, however, all States will now use the PIN format, rather than State herd numbers. For instance, when a producer elects to participate in a disease program (e.g., brucellosis vaccination in a Class-Free State) or is part of a disease investigation, a standardized, 7-digit PIN will be assigned to that premises, rather than a State herd number. The NAIS premises number allocator will assign the PIN, and the data will be stored in the National Premises Information Repository within NAIS.

## Strategy 4: Integrate Automated Data Capture Technologies with Disease Programs

Aligned with improving government performance as outlined in the President's Management Agenda of FY 2002, these advancements are consistent with the goal of expanded electronic government. This migration from paper-based animal health data collection systems to electronic-based systems is part of an Agency-wide eGov initiative to meet this goal and is congruous with the requirements of the Government Paperwork Elimination Act.

USDA will take steps to integrate electronic data-capture and reporting technologies into existing disease programs. By using NAIS-compliant RFID devices and integrating handheld computers/readers to replace paper-based forms, animal health officials will be able to electronically record and submit essential data to the USDA Animal Health and Surveillance Management database and other appropriate animal health databases. Where NAIS-compliant RFID devices are not used, but other official identification devices are, provisions will be made to record the identification information and electronically assist in submitting the information to appropriate animal health databases as well. The electronic collection of data will increase volume and quality, minimize data errors, and speed data entry into a searchable database.

USDA and States have begun to incorporate electronic data capture and reporting into existing programs and information systems. This effort in mobile information management (MIM) for field collection of animal identification data, whether chute-side with producers or at surveillance points such as harvest facilities or livestock markets, is continuing to expand because of need and success. Examples include the electronic bovine tuberculosis testing system, electronic brucellosis system for vaccination and testing, electronic ICVI, and the scrapie handheld system.

### Electronic Bovine Tuberculosis Testing System

For fiscal years 2005 and 2006, over 7,000 herds and over 250,000 cattle were tested for bovine tuberculosis in Michigan alone. Each animal was required to be individually identified and the number recorded on official tuberculosis test records. For those animals previously identified with visual-only devices, each animal had to be head-restrained and the number accurately recorded from its ear tag, sometimes requiring extra effort to clean the tag of debris to be readable. APHIS-VS has developed automated systems based upon readily available and price-conscious technology such as RFID for use by Federal and State animal health officials to assist with tuberculosis testing. In the recent bovine tuberculosis investigation in the State of New Mexico, in 1 day, over 1,300 animals were test evaluated for the disease, identification and complete test form data was recorded, and the data was transmitted to animal health databases without ever using a pencil or pen. This tuberculosis control and eradication effort has served as a model for the development of other animal health automated data capture systems. The accuracy and efficiency of the data collection, and the seamless interaction with appropriate animal health databases, provides critical traceability information now available from APHIS-VS animal health program databases.

### Electronic Brucellosis System—Vaccination and Testing

Approximately 4 million beef and dairy heifers are vaccinated annually for brucellosis. In addition, for surveillance purposes, about 4 million slaughtered cattle, 3 million livestock market cattle, and 1 million cattle on farms are tested for brucellosis. In all cases, with the exception of slaughter surveillance, the animals are individually identified using official identification. More specifically, vaccinated animals are permanently identified with an ear tattoo and by placing an official vaccination tag in the right ear. The orange brucellosis vaccination tag has been used, over many years, to easily identify vaccinates. Industry and animal health officials value the orange brucellosis vaccination tag because its high visibility

means that the animals do not have to be handled to determine whether they have been vaccinated. The official vaccination eartags follow the format of the nine-character National Uniform Eartagging System, starting with the State prefix (two alpha characters).

With over 12 million annual observations possible through the brucellosis vaccination and testing program for cattle, automated data capture systems to upload this information into APHIS-VS animal health databases are integral for enhancing traceability information. AIN eartags that incorporate RFID technology meet the requirements for official identification of brucellosis vaccinated or tested animals. If an AIN tag is used as the official identifier, the complete AIN must be recorded on the official vaccination or official testing form. As currently proposed and in development, the automated data capture system will integrate radio frequency technology with recording the identity of heifers as they are vaccinated or for animals being tested. Handheld scanners will capture the AIN electronically. In addition, the associated information currently collected on the forms, along with the PIN, would also be recorded electronically, and then collectively the information will be automatically entered into the APHIS-VS Animal Health and Surveillance Management System (AHSM) database. This effort will provide the essential epidemiological information of animal identification, place, event, and point in time necessary for traceability.

### **Electronic Interstate Certificate of Veterinary Inspection (ICVI)**

Commonly known as health certificates, ICVIs are required for transporting livestock and poultry across State boundaries. A copy of the document must accompany each shipment. For interstate purposes, this document is intended to inform the State of origination and the State of destination of animals officially identified that have been inspected by an accredited veterinarian and meet specific animal disease requirements for movement eligibility. Many times, the certificate of veterinary inspection is linked to other APHIS-VS animal health programs such as brucellosis vaccination and testing, tuberculosis testing, and equine infectious anemia testing (EIA testing), among others. It also can link to various veterinary diagnostic laboratories. As a result, this document provides useful epidemiological information needed in a traceback disease investigation. To facilitate timely transfer of this information document, APHIS-VS has developed an electronic form of this document referred to as an Electronic Certificate of Veterinary Inspection (eCVI).

In the development of the eCVI, NAIS data standards regarding animal identification and premises identification have been incorporated. This standardization is essential since this document links to multiple APHIS-VS animal health databases. The ability to communicate with multiple databases is important for timely retrieval of traceability information. This standardization is even more important with the continued evolution and development of the eCVI since it applies to all livestock and poultry species in documenting eligibility for movement of animals and animal products, not just a program disease associated with a particular species or livestock industry. Accredited veterinarians in 15 States currently use the eCVI, having officially identified over 850,000 animals in the past 18 months. In that same timeframe, there has been a nine-fold increase in the number of accredited veterinarians using the system on a monthly basis. The eCVI has the capability of accepting 900 unique individual identification numbers electronically per form, thus the value of this traceability information associated with APHIS-VS animal health programs will increase exponentially.

Electronic international health certificates also are being planned for development. The importance of electronic access to traceability information associated with all import and export animals uniquely identified, along with associated premises identification numbers of destination and origination points, will be instrumental not only in global trade, but for disease response purposes as well.

## Scrapie Handheld System

Electronic test charts for scrapie susceptibility genotyping are created in the field using official 840 RFID identification eartags, RFID readers, and tablet personal computers. The electronic charts are then routed to the Animal Health and Surveillance Management (AHSM) System database and transmitted electronically to a contract laboratory for association with sample testing. The results are then returned electronically to AHSM. The electronic collection of data in the field minimizes transcription errors and ensures the timely entry of test results into the database.

The National Scrapie Eradication Program also uses official RFID eartags to identify scrapie-exposed animals. A software program is being developed to capture these identification numbers using a mobile system similar to the one used to upload test charts into AHSM. As a result, traceability information associated with animals at increased risk will be readily available.

## Strategy 5: Partner with States, Tribes, and Territories

Successful animal disease control programs are a result of well-established partnerships among Federal and State animal health authorities, accredited veterinarians, and many other resources throughout the industries.

### State-Based Priorities and Traceability Plans

State/Territorial animal health officials and Tribal authorities play a critical role in advancing national animal disease traceability. NAIS is a national effort and has Federal accountability, but it is administered by States, Tribes, and Territories at the local level. Working in close partnership with State/Territorial animal health officials and Tribal authorities, USDA will continue to support the advancement of each State/Tribe/Territory's disease traceability infrastructure. Each State/Tribe/Territory will administer and manage localized plans reflecting the animal health priorities in individual regions.

### Cooperative Agreements

APHIS-VS provides Federal support for NAIS implementation activities and infrastructure within each State, Tribe, or Territory through a Federal funding instrument referred to as a cooperative agreement. This differs from a grant in that grant recipients follow Federal guidelines but are more independent in using the funds. With a cooperative agreement, both parties contribute to the successful completion of the project as outlined in the application and mutually agreed-upon work plan. Cooperative agreement awards require quarterly reporting and engagement of Federal oversight in the successful completion of the goals, objectives, and description of efforts outlined in the work plan. Beginning with fiscal year 2008, this business plan uniquely serves as a blueprint for the development of work plans associated with NAIS implementation cooperative agreement funding.

The overall goal for NAIS implementation cooperative agreement funding from fiscal year 2008 onward is to advance animal disease traceability. This business plan provides uniform guidelines for all applicants in prioritizing goals, objectives, and strategies in developing their cooperative agreement work plans. Each State, Tribe, or Territory is required to evaluate, describe, and identify animal disease traceability risks within their boundaries. Priorities of industry, species, or sectors are aligned with the priorities outlined in this business plan. Work plans describe how each applicant will reduce those risks and advance animal disease traceability within their State, Tribe, or Territory. Because States, Tribes, and Territories have made varying progress to date regarding NAIS implementation, this approach allows each applicant the flexibility needed to advance animal disease traceability appropriate for their State, Tribe, or Territory. This approach builds upon previously funded efforts while recognizing that the lack of NAIS participation and the failure to use NAIS data standards are also traceability "risks." Approaches to reduce those traceability risks are projected through 2011, partitioning progress goals for each year using the same strategies. By allowing States, Tribes, and Territories to define their needs and tailor their NAIS implementation work plans in concert with this overall Federal business plan, the monitoring of performance measures and the integration of budget with that performance will be more uniformly applied to all applicants regarding Federal accountability needs.

## Strategy 6: Collaborate with Industry

Active involvement and support from producer organizations and other key figures in the animal agriculture community are essential to establish a successful NAIS and advance national animal disease traceability. These groups provide a direct link to producers, offering an invaluable resource to communicate clearly about NAIS and secure the level of participation needed to make it fully functional for all industry sectors. To meet this end, USDA will pursue a variety of avenues to strengthen partnerships with industry and solicit direct feedback from producers and other key industry stakeholders as NAIS is developed.

### NAIS Subcommittee and Species Working Groups

As NAIS implementation has progressed, the needs and comments of many individuals have shaped the system's development. Unique needs and preferences must be considered and addressed to make the system work well for different parts of the animal industry and also for U.S. producers who raise many different species of animals in many different environments.

Some issues can only be addressed sequentially as NAIS is developed and more fully implemented. The Species Working Groups represent a significant, first-tier level of those individuals who will help shape the answers to many of the remaining technical and procedural issues concerning NAIS. The groups' primary objective is to provide their species-specific knowledge and experience to address species-specific issues and further NAIS' development and implementation.

The working groups include representatives from various levels and segments of industry. Their input to NAIS' development is critical, and they contribute the species-specific, ground-level information that is necessary to create an effective system. NAIS working groups are focused on the production of cattle (beef and dairy), bison, poultry, swine, sheep, goats, deer and elk, equines, and alpacas and llamas.

The recommendations developed by the various Species Working Groups are provided to the NAIS Subcommittee, which is aligned with the Secretary's Advisory Committee on Foreign Animal and Poultry Diseases (SACFAPD). The Subcommittee is comprised of State and industry stakeholders, with Federal staff providing program resources and administrative support. Two members of the SACFAPD generally serve on the NAIS Subcommittee as well. In addition to the recommendations from the Species Working Groups, the Subcommittee also accepts recommendations from State and national organizations.

The NAIS Subcommittee reviews and consolidates recommendations it receives and, in turn, reports its findings to the SACFAPD. This structure for gathering input and shaping decisions provides an excellent opportunity for industry issues – including those unique to producers – to be thoroughly discussed and to have a consensus position shared with USDA.

The Species Working Groups continue to meet and facilitate discussion on issues and solutions relative to the advancement of traceability. In developing this business plan, USDA carefully considered many of the groups' recommendations over the past several years, and this input was incorporated into the strategies described here. As USDA continues to move forward, the Species Working Groups will continue to evaluate the strategies in use, offer input, and identify new strategies needed as the action items are successfully put in place.

## Support Industry Leadership Efforts

Achieving traceability objectives requires a partnership between the production sector and animal health officials. Partnering with industry organizations enhances communication efforts as producers receive information directly from the organizations they know and respect. USDA, through cooperative agreements with industry non-profit organizations, is supporting outreach efforts and the registration of premises. The organizations, with producers' consent, assist with the completion of the premises registration form and provide it to the appropriate State animal health authority's office for processing.

APHIS has signed cooperative agreements with several organizations, including:

- National Pork Board
- United States Animal Identification Organization
- National FFA Organization
- National Milk Producers Federation for IDairy
- American Angus Association
- American Sheep Industry
- Humane Farm Animal Care
- National Cattlemen's Foundation

Through the efforts of these organizations, a significant number of new premises are slated to be registered. The actual processing and administration of the registrations will remain the responsibility of each State/Territorial animal health official or Tribal authority.

Additional partnership efforts with industry alliances, service providers, auction markets, feedlots, harvesting facilities, and other industry sectors are a priority for USDA.

## Accredited Veterinarians

Veterinarians are often the most utilized source of information by producers. As “on-farm/ranch” experts, they are conduits for information and serve as first responders to disease outbreaks. USDA has established an outreach program specific to accredited veterinarians. This collaboration with USDA accredited veterinarians with large animal clinics and practices will enable the delivery of accurate information on the NAIS to producers, breeders, and animal owners who have a business need to protect the health of their animals. The knowledge of veterinarians will enhance the adoption of NAIS data standards in everyday management and disease program activities at the producer level.

In addition, USDA is developing a NAIS training module for use in the veterinary accreditation process. USDA is also including information about NAIS in all disease related training modules, as traceability is an integral component of all programs.

## Markets/Auctions

In order for NAIS to enable effective traceback in the timeliest manner possible, it is necessary to record animal identification at critical location points, such as markets/auction barns where commingling occurs. Likewise, USDA must identify practical methods to cost-effectively record animal identification numbers at the “speed of commerce” at these locations. With these goals in mind, USDA continues to work with market groups to address concerns related to (1) the ability of current technology to meet the needs of all livestock markets, in particular the high volume markets; (2) the cost of the infrastructure; and (3) potential responsibility for tagging animals on arrival, because the additional handling will increase “shrink” (weight loss), requiring additional labor and administration.

Kansas State University recently released a report, available online, that outlines information about costs, opportunities, and recommendations for the implementation of NAIS in

Kansas auction markets. This report is one example of the progress made and USDA's renewed focus and efforts to address issues for this important segment of industry.

## Harvesting Facilities

As USDA progresses towards enhanced, effective animal traceability, it is fundamental not only to know the premises of origin of animals for certain species, but also to know which animals have been terminated or removed from the population. This "bookend" approach of knowing an origination and a termination point improves USDA's ability to determine other animal locations when conducting an animal disease traceback investigation. Establishing a practical and effective process for harvest facilities to report termination records of animals that are officially identified (either individually or by group/lot) is critical. Knowing which animals have been removed from a population allows animal health officials to focus on those animals that might need to be included in a disease trace.

A NAIS-funded project, coordinated by Colorado State University, is designed to gather input from beef, lamb, and pork processing plants and renderers concerning implementation of NAIS within those industries. Outcomes will include recommendations about how the packing and rendering industries might contribute to the needs of NAIS. These recommendations also will address issues of interest, including: (1) the potential complications associated with the use of injectable transponders for individual animal identification; (2) responsibility of removing those devices to avoid product contamination; (3) how to possibly deal with group/lot identification alternatives; and (4) the impact of data collection infrastructure on the speed of commerce.

## Brand States

APHIS-VS has long recognized the value of brand inspection systems and the animal tracing information these systems can provide. From the beginning of NAIS, brand inspection administrators have been invited participants in the design of NAIS and its subsequent implementation. APHIS-VS views both brand inspection systems and NAIS as mutually complementary traceability systems and will continue to seek ways to collaborate with this important industry segment. While NAIS provides the opportunity to expand official identification beyond disease programs, it does not interfere or conflict with brand programs, nor does it provide solutions to replace the need for brand programs.

Fifteen States have brand inspection programs with either full or partial State participation. With the initiation of premises registration in late summer of 2004, many brand programs assisted NAIS implementation with promoting premises registration, and continue to do so. By virtue of their proximity to producers, brand inspection personnel have been able to provide valuable feedback regarding implementation efforts.

After 2 years of work in promoting NAIS and observing NAIS implementation progress, brand inspection personnel requested an opportunity to provide feedback and address mutual issues of interest with NAIS staff in October 2006. A Brand State Working Group was then organized to specifically define and demonstrate how official brands can best be used to support the objectives of NAIS, how NAIS standards can be useful to brand inspection programs, and offer the results for consideration and inclusion as NAIS implementation plans continue. APHIS-VS has received valuable feedback so far and will continue working closely with brand States on NAIS issues. APHIS-VS remains committed to ensuring that NAIS capitalizes on the merits of branding and the brand systems infrastructure as the program moves forward. Brands and the brand infrastructure will continue to be a vital part of animal identification.

## Strategy 7: Advance Identification Technologies

Continued advancement in traceability requires practical and affordable technological capabilities that increase the efficient and accurate collection of animal identification information. To be successful, the data collection infrastructure must operate at the “speed of commerce” and in a multitude of different environments, including harvesting facilities.

### Performance Standards

Although USDA has adopted a technology-neutral position, APHIS recognizes that performance standards are necessary to ensure device compatibility across multiple platforms. Examples include ISO 11784 and 11785 for the Radio Frequency Identification of Animals. Detailed and measurable performance standards for these technologies must be clearly defined and established through stakeholder consensus. This approach can ensure successful use of technologies beyond NAIS, including management and marketing opportunities.

The American Society for Testing and Materials (ASTM) International Committee F10 on Livestock, Meat and Poultry Evaluation Systems is organizing a task force of interested stakeholders to establish RFID performance standards. Eventually, these additional performance standards and testing protocols will be used to develop and approve NAIS-compliant devices.

### Advancing Technologies

The animal health traceability infrastructure will continue to improve as market-ready technology for animal identification systems evolves. Field trials to assist industry in the evaluation of such technologies will be administered through specific NAIS-structured cooperative agreements. USDA remains cognizant that animal identification and traceability needs must not interfere with the speed of commerce. By continuing to monitor current technology standards with an eye to emerging technologies, it is expected that over time the collection of necessary traceability information will become seamless and routine. Issues of backward or multi-frequency compatibility, cost, and niche applications are also important. By continuing to participate in stakeholder meetings of standardization interests, future solutions can be achieved.

## NAIS Communications and Outreach

Producer and stakeholder education and outreach are vital to achieve successful levels of participation in NAIS. USDA is currently implementing ongoing national outreach and education aimed at:

- Increasing producer awareness and understanding of NAIS; and
- Promoting producer participation in premises registration – the foundation of NAIS.

### Overview

USDA initiated comprehensive outreach and education activities in July 2004. Initially, USDA focused on increasing producer awareness of NAIS and encouraged producers to seek information from their State animal health officials and from USDA's NAIS Web site.

In May 2006, USDA expanded the communications effort, emphasizing the importance of premises registration and offering practical information to producers about how to participate in NAIS. Central to the 2006 effort was the integration and coordination of outreach activities with State NAIS Administrators through the NAIS Community Outreach Partner program. This program was designed to support State NAIS Administrators in their efforts to increase premises registration by:

- Providing educational and outreach materials that States can use in local outreach efforts, decreasing the costs of developing State-specific materials;
- Providing Administrators with training to hone communications skills;
- Ensuring the development and delivery of consistent information throughout all levels of the program;
- Allowing for the dissemination of timely and accurate information to stakeholders; and
- Providing ongoing opportunities to exchange best practices among State participants.

### Continuation Plan

Today, the outreach and education campaign remains focused on:

- Increasing premises registration totals (in line with stated USDA objectives);
- Promoting producer participation in all three components of NAIS – premises registration, animal identification, and animal tracing; and
- Returning the national debate on NAIS to animal health and emergency disease response.

### Communications Plan and Campaign Implementation

Current NAIS information materials focus on premises registration and include both general and species-specific brochures, and topic-specific factsheets. Partner-oriented materials include customizable PowerPoint presentations and other internal and external collateral to support partner efforts. These materials were tailored to appropriate stakeholder groups, including minority and underserved producer communities.

Throughout 2008, USDA will develop additional materials that focus on the importance of improving animal disease traceability. These materials will be tailored to appropriate stakeholder groups, including minority and underserved producer communities, as well as accredited veterinarians. Emphasis will be placed on developing messages and materials that stress producers' ability to tailor their participation in NAIS to meet their needs. USDA will continue to work closely with States to provide cost-effective materials and to distribute consistent information.

### **Community Outreach Partner Events**

In October 2006, USDA hosted a two-day Community Outreach Partner meeting for State NAIS Administrators. The purpose of the meeting was to equip attendees with, and train them in the effective use of, NAIS outreach materials. USDA officials provided program updates and sessions included case studies from State outreach efforts.

USDA hosted another two-day Community Outreach Partner event in February 2008. This event allowed partners to share best practices, network, receive tools and training to enhance their outreach efforts, and learn about current national NAIS operational and communication activities.

### **Partnership Development**

USDA will continue to develop and nurture partnerships with appropriate State, Federal, and industry stakeholders. In 2006, USDA and the Cooperative State Research, Education, and Extension Service (CSREES) developed and distributed tools to Extension educators to help them more effectively educate and inform people about NAIS in local communities nationwide. USDA will work to maintain this partnership and build upon a partnership with 4-H. USDA will continue to develop tools and design materials for partners' use.

USDA will also continue to collaborate with those nonprofit industry organizations that have received cooperative agreement funds to promote premises registration.

### **Web Site Enhancement**

Recent enhancements include incorporating updated program messaging, revamping the document library, adding disease information, and improving navigation. Moving forward, the site will be further enhanced to serve the goals and objectives of the communications effort with traceability messaging. The Web site is a critical communications tool and will continue to be a central source of current, accurate information.

USDA recently launched a Partner collaboration site that provides Community Outreach Partners with a secure online location to exchange comments and recommendations, access documents and outreach materials, view and post announcements, and post and view events on a common calendar. This "one-stop-shop" resource ensures information is accessible in real time, that messages and themes are consistent between regions, and that feedback can be given and received at multiple levels.

### **Veterinary Outreach**

Producers rely on veterinarians for expert information on a wide range of topics. USDA is developing materials for distribution to USDA accredited veterinarians, especially practitioners who treat beef and dairy cattle. The materials will update these veterinarians about NAIS and the status of the program, and encourage practitioners to educate clients about the benefits of NAIS.

### **Future Communications**

USDA will take steps to identify and meet information needs as the strategies and actions described in this business plan are put into practice. The adoption of national data standards, for example, will involve communications to animal health officials at the Federal and State levels, as well as veterinarians and industry stakeholders. Moving forward, USDA will use targeted communications to support animal disease traceability objectives.

## NAIS Budget Summaries and Plans

### Summary of Funds and Obligations

#### Available funds

From fiscal year (FY) 2004 through FY 2008, approximately \$127.5 million has been made available to APHIS to implement NAIS. Funding during this time has come from both the Commodity Credit Corporation (CCC) and appropriated funds:

- FY 04 funding: \$18.8 million from CCC funds for implementation of NAIS.
- FY 05 Consolidated Appropriations Act included approximately \$33 million in the Animal Health Monitoring and Surveillance line item to continue into the second phase of implementation of NAIS.
- FY 06 Agriculture Appropriations Act included approximately \$33 million in the Animal Health Monitoring and Surveillance line item.
- FY 07 Agriculture Appropriations Act included approximately \$33 million in the Animal Health Monitoring and Surveillance line item.
- FY 2008 Consolidated Appropriations Act includes approximately \$9.7 million (after a 0.7-percent rescission) to continue implementation of NAIS.

Congress has stipulated that obligational authority for appropriated NAIS funding shall remain available until expended. For this reason, APHIS and its State cooperators have been able to spend conservatively as the implementation plan has developed. APHIS has been able to carry funds forward from FY 05 into FY 06, from FY 06 into FY 07 and FY 07 to FY 08.

Funding Availability						
	CCC Funds	2005 Approp.	2006 Approp.	2007 Approp.	2008 Approp.	Total
Total Availability	\$18,793	\$33,197	\$33,007	\$33,053	\$9,683	\$127,732

#### NAIS Budgets

The NAIS budgets are categorized in four primary activities:

- Information Technology
- Cooperative Agreements
- Communications and Outreach
- Program Administration: Program Development, Policy, and Support  
Headquarters, Field Staff, materials

The following charts summarize planned budgets for funds available by budget category through FY 2008 and present actual obligations through FY 2007 (dollars in thousands).

<b>Planned Obligations</b>							
	CCC Funds	2005 Approp.	2006 Approp.	2007 Approp.	2008 Approp.	Total	% of Budget Plan
IT Development, Maintenance, and Ops	\$2,009	\$6,858	\$7,733	\$5,224	\$1,311	\$23,135	18.1%
Cooperative Agreements	\$14,357	\$17,050	\$13,882	\$15,067	\$4,182	\$64,538	50.5%
Communications and Outreach	\$2,137	\$3,474	\$1,940	\$1,940	\$392	\$9,883	7.8%
Program Administration	\$290	\$5,815	\$9,452	\$10,822	\$3,797	\$30,176	23.6%
<b>Total</b>	<b>\$18,793</b>	<b>\$33,197</b>	<b>\$33,007</b>	<b>\$33,053</b>	<b>\$9,682</b>	<b>\$127,732</b>	

As of the end of FY 2007 (September 2007), approximately \$102 million has been obligated to support the development and implementation of NAIS. The following chart summarizes actual obligations through FY 2007 by budget category. A summary of accomplishments resulting from these investments is provided in this chapter.

<b>Actual Obligations as of the End of September 2007</b>						
	CCC Funds	2005 Approp.	2006 Approp.	2007 Current	Total	% of Budget Plan
IT Development, Maintenance, and Ops	\$1,829	\$4,140	\$2,466	\$6,260	\$14,695	14.4%
Cooperative Agreements	\$13,666	\$12,936	\$5,231	\$20,311	\$52,144	51.2%
Communications and Outreach	\$2,134	\$2,557	\$2,422	\$2,951	\$10,064	9.9%
Program Administration	\$357	\$3,948	\$6,424	\$14,264	\$24,994	24.5%
<b>Total</b>	<b>\$17,987</b>	<b>\$23,581</b>	<b>\$16,543</b>	<b>\$43,786</b>	<b>\$101,896</b>	

The differences between planned and actual obligations reflect the flexibility of NAIS funding, which, as noted above, remains available until expended. Spending will not occur unless it is justified by both the cooperator and USDA. Unspent funds can be carried over into subsequent fiscal years and used for other purposes as the needs of the program evolve, making this approach efficient for managing allotted funds. Overall, the planned obligation percentages for the four NAIS budget categories correspond closely to the actual obligation percentages, particularly for cooperative agreements (50.5 percent planned through FY 2008 versus 51.2 percent actual through FY 2007). Year-to-year differences were due to the changing needs of the program as all three components advanced. In the early years of the program, actual obligation amounts for cooperative agreements were less than planned obligation amounts; however, in FY 2007 USDA used carryover funds to exceed planned obligation amounts for cooperative agreements, and the Department anticipates doing the same in FY 2008. This flexible approach has allowed USDA to more effectively promote the premises registration and animal identification components of NAIS.

## Utilization of Funds by Budget Category

### Information Technology

USDA has utilized approximately 15 percent of the NAIS funds for the development of high caliber information systems. The program objectives have been implemented to support the three components of NAIS. Listed below each component are the applications developed, maintained, and supported, relative to that phase:

- **Premises identification and registration**
  - Standard Premises Registration System
  - Premises Identification Number Allocator
  - Data Management Center
- **Animal identification**
  - Animal Identification Number Management System
- **Animal tracing**
  - Animal Trace Processing System

Appendix 1 provides an overview of each NAIS system component and its interaction with other systems that support State and Federal animal health programs.

Eighty percent of the IT funds have been used to support premises registration, 14 percent for animal identification, and 6 percent for the tracing component, which includes interacting with the State and private Animal Tracking Databases.

Chart 1 on pages 63-64 reflects the maturity of the information systems. The applications have progressed through the development phase with the premises registration and animal identification systems now in maintenance phase. The animal tracing system will be in the maintenance phase by January 2010.

### Cooperative Agreements

#### Cooperative Agreements with States, Tribes, and Territories

Similar to other APHIS-VS disease programs and activities, NAIS is carried out at the local level with the assistance of States, Tribes, and Territories through cooperative agreements. A significant portion of NAIS funding (51 percent) has been used to administer and deliver the program through these cooperative agreements. These funds provide resources to conduct education and outreach efforts. Funds also have been used to administer premises registration activities and to hire Animal Identification Administrators/Coordinators. Cooperative agreement funds also have supported selected pilot projects to explore innovative methods of premises registration, animal identification, and animal tracing.

The initial projects funded by CCC supported 40 States to initiate outreach and premises registrations. Sixteen agreements utilized approximately \$7 million to support pilot projects. The outcomes of these pilot projects are summarized in Appendix 3, and the report is posted on the NAIS Web site. An additional \$3 million was made available to support field trials and research in late 2005.

In FY 05 through FY 07, an additional \$33 million in appropriations have been obligated to State, Tribe, and Territory cooperative agreements to support the implementation of NAIS. As of the end of FY 07, over 419,722 premises had been registered. The NAIS Web site is updated weekly with premises registration statistics by State.

### Cooperative Agreements with Non-Profit Industry Organizations

In early 2007, USDA entered into several cooperative agreements with non-profit industry organizations that wished to partner with USDA and the States. These cooperative agreements will support the efforts of those organizations to promote NAIS and, specifically, increase participation in premises registration – the foundation of NAIS. Approximately \$9 million has been allocated to support these important collaborative efforts.

### Program Administration

**Program Development, Policy, and Support:** Funds allotted for program development, policy, and support for the NAIS cover activities related to public affairs and executive communications about the program, policy analysis and development, regulatory development, and information technology needed to implement the NAIS. More typical indirect support activities include centralized administrative support functions such as human resources, budget/financial management and planning, purchasing and acquisition, and Freedom of Information Act inquiry management.

**Staff and Travel:** The NAIS staff of five individuals is fully dedicated to NAIS program activities. Their roles and responsibilities include (1) coordination of program implementation, (2) budgets, (3) liaison with industry organization and species working groups, (4) administration of field projects for testing animal identification devices, (5) program liaison with NAIS IT developers, Legislative and Public Affairs, State Veterinarians, and Area Veterinarians in Charge. Additionally, a budget analyst and writer/editor are supported through NAIS funds. Funds are also provided to the VS regions for the AVICs to support NAIS at the local level with federal resources.

### FY 08 Budget Plan

For FY 2008, the NAIS program has approximately \$15 million in carryover funds in addition to the \$9.7 million in appropriated funds. With the combined funds, APHIS hopes to provide approximately \$12.9 million to support FY 2008 NAIS cooperative agreements with the States, Tribes, Territories, and non-profit industry organizations. While this funding amount is approximately 70 percent of previous plans, the awards to each State will be determined based on work plan objectives and projected outcomes and performance measures. The following chart summarizes planned obligations for both appropriated and carryover funds in 2008.

FY 2008 Planned Obligations - Appropriated and Carryover Funds				
	2008 Approp.	Prior Year Carryover	Total	% of Total Budget Plan
IT Development, Maintenance, and Ops	\$1,311	\$2,753	\$4,064	16.5%
Cooperative Agreements	\$4,182	\$8,787	\$12,969	52.5%
Communications and Outreach	\$392	\$825	\$1,217	4.9%
Program Administration	\$3,797	\$2,635	\$6,432	26.1%
<b>Total</b>	<b>\$9,682</b>	<b>\$15,000</b>	<b>\$24,682</b>	

The following explains the planned investments and priorities for FY 2008.

- Information Technology - \$4,064,000

Planned investments in the NAIS information technology by category are listed in the following chart.

FY 2008 Planned NAIS IT Obligations		
	% of Budget	Estimated cost
Software	6%	\$300,000
Hardware	3%	\$110,000
Services	17%	\$672,000
Personnel	24%	\$968,000
Support Services	51%	\$2,017,000
<b>Total</b>		<b>\$4,064,000</b>

Several of the key application enhancements include:

- Animal ID Number Management system- \$91,000- This application will be upgraded to include the concept of a data mart to improve the application performance and reliability.
- Allocator- \$315,000- The allocator application will be enhanced to take advantage of secure web services. In addition, more Web service calls will be added to accommodate the Standard Premises Registration System and the Data Management Center mapping component.
- Data Management Center (DMC)- \$315,000- The DMC will be enhanced with a mapping component and an improved reporting module
- Quality Assurance- Reporting- \$206,000- Implementation of Discoverer will take place to improve NAIS reporting capabilities.
- Quality Assurance - \$100,000- Metrics- We will task a contractor with developing a baseline of NAIS application performance under various levels of data.
- Quality Assurance - Data Quality- \$280,000- We will task a contractor to fix various data issues within NAIS databases as well as document the processes that caused those data inconsistencies.
- Animal Trace Processing System (ATPS)-\$100,000- The business requirements for phase 2 of this project will be gathered and documented.

The production hardware that is used to support NAIS is operated and maintained through a contractual agreement with the National Information Technology Center (NITC). The production system has been maintained at NITC, Kansas City, Missouri, since February 2006. In June 2008, USDA deployed a back-up system at the NITC facility in Beltsville, Maryland. This back-up system acts as both a failover site used during routine maintenance and disaster recovery site for emergencies. A complete set of servers was purchased and placed into operation at the Beltsville location so that in the event of hardware or software failure, NAIS is prepared and capable of switching to the alternate site within one hour.

- Cooperative Agreements \$12,969,000

\$10.9M was obligated for cooperative agreements with States and Tribes for continued outreach and implementation of NAIS. Cooperative agreements with industry non-profit organizations accounted for an additional \$2M in FY 08.

- Communication and Outreach \$1,217,000

FY 08 communications and outreach efforts have emphasized the following:

- Ongoing coordination and harmonization of Federal, State, and industry outreach efforts on premises registration.
- Updating existing premises registration messages and reprinting materials as needed to support State and industry-level outreach.
- Development of coordinated and integrated messaging and materials to promote awareness/use of NAIS-approved AIN devices (commonly referred to as “840” devices) — particularly among cattle producers and large animal accredited veterinarians.
- Educating large animal accredited veterinarians about NAIS and their role in NAIS.

- Program Administration - \$6,432,000

Program Development, Policy, and Support: Funds allotted for program development, policy, and support for NAIS cover activities related to public affairs and executive communications about the program, policy analysis and development, regulatory development, and information technology needed to implement NAIS. More typical indirect support activities include centralized administrative support functions such as human resources, budget/financial management and planning, purchasing and acquisition, and Freedom of Information Act inquiry management.

Headquarters Staff and Travel: The NAIS staff of five individuals is fully dedicated to NAIS program activities. Their roles and responsibilities include (1) coordination of program implementation, (2) budgets, (3) liaison with industry organization and species working groups, (4) administration of field projects for testing animal identification devices, (5) program liaison with NAIS IT developers, Legislative and Public Affairs, State Veterinarians, and Area Veterinarians in Charge. Additionally, a budget analysis and writer/editor are funded through NAIS funds.

\$450,000 is planned to support the integration of NAIS is disease programs. Investment will include the acquisition of hand held computers and RFID readers to advance the use of these technologies in bovine TB testing and to initiate its use for bovine brucellosis vaccination and testing.

## FY 09 Budget Plan

### Budget Plan Fiscal Year 2009

NAIS is well-positioned to make significant growth in key areas of participation in FY 09 through an aggressive plan to advance animal identification. The business plan provides prioritization of species, noting that the cattle industry has the greatest need to advance traceability. While premises registration remains the foundation of NAIS, premises registration can be “folded” into actions to advance animal identification, since premises registration is a prerequisite for producers to obtain 840 devices/tags.

The FY 09 budget plan provides continued financial support for communication and outreach efforts. To support immediate animal identification opportunities, funds will be devoted to an “840 Start Up” campaign to accelerate the level of participation in animal identification. This start-up campaign, in support of the business plan, targets the cattle industry. It is estimated that these efforts could support the additional identification of 8 million head of cattle.

As NAIS progresses, emphasis on “field implementation” activities, in particular, ones targeted towards animal identification, will be established. The budget outline presented below reflects this approach for key investment areas. The following explains the planned investments and priorities of the requested FY09 plan.

- Information Technology - \$3,500,000

The NAIS information system is in maintenance mode for the premises registration system and AIN Management System with some additional development necessary for the Animal Trace Processing System (ATPS). The primary investments are explained in the following paragraphs. A large portion of the budget will be spent to acquire the second and last phase of the NAIS ATPS. This second phase will provide a robust animal health official interface that includes a reporting module and automated tracing capabilities.

The production system and redundant system for disaster recovery to support the NAIS is operated and maintained through a contractual agreement with the National Information Technology Center (NITC) and will amount to \$705,000 (20 percent of the NAIS IT budget).

The NAIS program IT budget will support licenses for the Oracle software infrastructure, Google mapping, Clean Address, ZP4, and TeleAtlas for \$230,000 (7 percent of the NAIS IT budget). Additionally, the NAIS program IT budget will support a portion of the hardware replacement (25 percent annually).

- Field Implementation

Funding implementation activities at the State level will be achieved through cooperative agreements of \$6 million, with States continuing to provide outreach and education to producers in their States and to administer premises registration systems. Additionally, Federal resources will support these activities through the \$2 million administered by the VS Regional Offices and carried out by staff supervised by APHIS VS Area Veterinarians in Charge (AVICs).

The “Start-up” AIN 840 tag campaign, supported with \$4 million, will be administered through an AVIC/State Veterinarian partnership and in cooperation with producer/industry organizations within each State. Funds will be allocated to the State based on cattle populations. The local administration of the funds will ensure the guidelines for the distribution and use of the 840 tags is properly adhered to.

In general, State partners play a vital role in NAIS implementation. Not only do State personnel conduct extensive public outreach to keep producers informed about the NAIS and encourage participation, but they also serve as the primary point-of-contact for producers seeking guidance/clarification on NAIS requirements within their States. Producers are generally familiar and comfortable with the State animal health officials and recognize them as a trusted source of information.

As USDA continues integration of NAIS with existing animal disease programs and disease response activities, State personnel will be instrumental in ensuring data integrity and standardization when using NAIS data standards for these activities.

- Program Administration

Program Development, Policy, and Support: Funds for this activity will remain consistent with FY 2008.

Headquarters Staff and Travel: Staffing levels activities will remain as planned for in FY 2008.

Outreach and Communications: USDA's 2009 NAIS Communications Plan focuses on two strategies: (1) coordination/harmonization of Federal/State/Tribe/Industry communications initiatives and (2) design and implementation of the "Step Up to 840" campaign for cattle producers and horse owners.

For the first strategy, USDA will continue to inform intermediaries (State/Tribal NAIS Administrators, Area Veterinarians in Charge (AVICs), Animal Identification Coordinators (AICs), Industry Cooperators, Other USDA Agencies) regarding the status of NAIS implementation and to coordinate external communications efforts among intermediaries to ensure consistent message delivery across all levels. USDA will provide information through a continuation of bi-monthly calls with partners; monthly communications with Regional Directors to ensure AVICs remain engaged and have the information/tools necessary; continued use of the collaboration Web site where partners can share information; continuation of industry cooperators working group with bi-monthly calls and additional outreach; and fostering existing relationships and developing new relationships with other Agency partners.

For the second strategy, USDA will equip partners (State NAIS Administrators, AVICs, AICs, industry cooperators, other USDA Agencies) with "Step Up to 840" messages and materials through the collaboration Web site, and regular conference calls. In addition, USDA will work with industry partners to leverage association resources (trade publications, Web sites, direct mail to members, etc.) to promote/distribute animal ID/840 information as well as purchase advertising space in high-profile cattle and horse industry publications and Web sites to promote the benefit/value of animal ID, specifically the use of 840 devices. USDA will conduct proactive outreach to media outlets; pitch feature article and story ideas; coordinate radio and magazine interviews; conduct media blitzes around key NAIS implementation activities that directly impact the cattle and horse industries and to promote 840 success stories; and attend events to ensure USDA presence at key/high-value cattle and horse industry meetings to promote awareness/use of 840 devices.

## FY 09 NAIS Budget Plan Planned Program Expenditures

<b>Information Technology</b>		
Software	\$150,000	
Hardware	\$80,000	
Services	\$650,000	
Personnel	\$970,000	
Support Services	\$1,650,000	
Subtotal		\$3,500,000
 <b>Field Implementation</b>		
Cooperative Agreement Base to States	\$6,574,700	
Regions/Federal Offices	\$2,617,256	
Animal ID Start Up Program	\$4,000,000	
Integration with Disease Programs	\$276,602	
Subtotal		\$13,468,558
 <b>Program Administration</b>		
Program Develop., Policy, and Support	\$5,374,713	
Headquarter Staff & Travel	\$1,000,729	
Outreach and Communications	\$800,000	
Subtotal		\$7,175,442
<b>Total</b>		<b>\$24,144,000</b>

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The following chart summarizes the planned FY 2008 expenditures in the categories illustrated in previous plans.

FY 2009 Budget Plan		
	2009 Budget Request	% of Total Budget Plan
IT Development, Maintenance, and Ops	\$3,500,000	14.5%
Cooperative Agreements	10,574,700	43.8%
Communications and Outreach	\$800,000	3.3%
Program Administration	\$9,269,300	38.4%
<b>Total</b>	<b>\$24,144,000</b>	

## Budget Plans – Future Years

The budgets for future years will be determined as strategies are implemented and as benchmarks are achieved. The outcomes from the NAIS benefit cost analysis — currently being conducted by Kansas State University in consortium with several other universities — will also be considered prior to the development of future years' budgets. The results of the benefit cost analysis will provide valuable information to USDA that will be used to further determine the needs of the program and to achieve the traceability goals.

## Summary of Accomplishments

### NAIS Activity Summary by Component

Activity	Results/Status (August 10, 2008)
Premises Registration	477,718 registered premises (approx 33.2% of premises) <sup>1</sup>
Animal Identification	8 Approved AIN Device Manufacturers 22 Approved Devices (including PIN slaughter swine premises tags) 9 million tags shipped <ul style="list-style-type: none"> <li>▪ 4.2 million AIN tags</li> <li>▪ 4.8 million scrapie program tags</li> </ul>
Animal Tracing	17 Organizations (including some of the Interim ATDs) participating in Implementation Phase
<sup>1</sup> The National Agriculture Statistics Service (NASS) estimates 1.4 million livestock farms in the United States (premises more than \$1,000 in annual income. Premises with more than one species are counted one time).	

### Summary of NAIS Key Accomplishments

Date	Activity	Comments
<b>Publications of Guidelines and Revisions to the Code of Federal Regulations</b>		
November 2004	Publication of interim rule to establish the Premises Identification Number, Animal Identification Number and Group/Lot Identification Number as official numbering systems.	Final rule published July 2007.
May 2005	Published the NAIS Draft Strategic Plan	Stakeholders provided feedback, including comments on participation requirements.
May 2005	Published the NAIS Draft Program Standards for the administration of all components of the NAIS.	These initial program standards remain the catalyst to achieve a uniform system nationwide and, on occasion, are added to.
August 2005	APHIS announced privatization of the animal tracing component and later held a public meeting to discuss options and ideas for establishing animal tracking systems.	
March 2006	Publication of guidance document for the administration of AIN devices - "Administration of Official Identification Devices with the Animal Identification Number."	The AIN Management System currently stores the distribution records for over 4.2 million AIN tags and 4.8 million scrapie tags.
April 2006	Formulated the structure of State and Private Animal Tracking Databases (ATDs) to maintain animal movement records, and the Animal Trace Processing System (ATPS) to communicate with the ATDs.	The process for establishing compliant ATDs achieved in mid-2007. Several ATDs are now fully operational and integrated with the ATPS.

Date	Activity	Comments
November 22, 2006	Published Draft <i>User Guide</i> .	Guide replaced previous NAIS documents to clarify NAIS as a voluntary program at the Federal level.  Continues to be a guidance document for producers. Version 2.0 was published in December 2007. Additional updates will be published periodically as the program continues to evolve.
February 1, 2007	Posted the NAIS Program Standards and Technical References on the NAIS web site.	Update to the initial standards published May 2005.
February 1, 2007	Published the ATD Technical Specifications.	Resulted from industry cooperation through the Interim Development Phase of the ATDs.
February 2, 2007	Posted the Request for Proposals (RFP) for Cooperative Agreements with industry to support premises registration.	Resulted in 8 cooperative agreements with industry to support premises registration activities.
October 15, 2007	Posted an update to the NAIS Program Standards and Technical Specifications	Includes eartag specifications for sows and boars that resulted through collaboration with the swine industry.
December 17, 2007	Published Draft <i>A Business Plan to Advance Animal Disease Traceability</i>	
February 2008	Posted an additional update to the NAIS Program Standards and Technical Specifications	Printing standards for the U.S. Shield, "Unlawful to Remove," and AIN on eartags were clarified.
<b>Program Development and Implementation</b>		
June 16, 2004	Initial Cooperative Agreements (from CCC funds) awarded to States and Tribes for the implementation of premises registration and various field trial projects.	See Appendix 3 for a summary of outcomes. The full report of the 16 pilot projects is posted on the NAIS Web site.
June 25, 2004	Selected the premises registration system developed by the Wisconsin Livestock Identification Consortium as the application software to make available to States and Tribes, referred to as the Standardized Premises Registration System (SPRS).	SPRS currently used by 40 States, 12 Tribes, and 2 Territories.
July 23, 2004	Deployed the Standardized Premises Registration System and trained the first State (Illinois).	Onsite training provided to an additional 40 States through August 2005.
September 1, 2004	Approved the first Compliant Premises Registration System (CPRS).	10 States use 4 CPRS to register premises.
August 2005	Premises registration systems operational in 50 States.	
October 1, 2005	Deployment of AIN tags for animal disease programs (scrapie, bovine tuberculosis, chronic wasting disease).	

Date	Activity	Comments
July 24, 2006	APHIS authorized first AIN tags from two manufacturers for general use in the NAIS.	As of August 15, 2008 8 AIN device manufacturers provide 22 approved identification devices with the AIN or PIN.
July 27, 2006	USDA entered into first interim cooperative agreements with ATDs that met the minimum technical standards.	Worked through January 2007 with 14 interim ATDs to collaborate on the development of the technical specifications of the ATPS.
October 31, 2006	Launched the NAIS Community Outreach Program for State and industry representatives.	Provided State and industry partners outreach tools to promote premises registration.
December 2006	Implemented Tribal Premises Registration System.	10 Tribes trained and operational on Tribal Premises Registration System.
January 30, 2007	Achieved the benchmark of 25 percent of national total of premises registered.	
March 17, 2007	Deployed the Animal Trace Processing System in a production environment to support the implementation phase of the ATDs.	Achieved the objective of having all components of NAIS operational.
August 14, 2007	Signed a cooperative agreement with Kansas State University to lead a university consortium to conduct a Benefit Cost Analysis on the NAIS.	Project expected to be complete in July/August 2008. Final report expected in October/November 2008.
August 2007	Approved the 8 <sup>th</sup> AIN device for individual animal identification, including an ISO compliant injectable transponders for the identification of horses.	Equine Species Working Group recommended ISO compliant RFID injectable transponders for standardization of ID methods.
October 2, 2007	Signed 6 <sup>th</sup> Cooperative Agreement with industry organizations to work with States to advance premises registration	Established Industry Cooperator Working Group with participating organizations.
December 17, 2007	Nebraska became the 10th state to register at least 50 percent of its total estimated production agriculture premises in NAIS.	
May 12, 2008	Approved first visual Premises Identification Number (PIN) tags for identification of swine entering harvest channels Approved 2 additional AIN RF tags	PIN tag used for the identification of swine in slaughter channels
June 17, 2008	Tested the Mobile Information Management solution for brucellosis testing in Montana.	
June 21, 2008	Upgraded NAIS information technology infrastructure with 64 bit processing servers and Oracle 10G. Established complete back up/disaster recovery system at George Washington Carver Center	
June 30, 2008	Approved first AIN visual only tag and two additional AIN RF tags.	

Date	Activity	Comments
<b>Communications/Outreach Accomplishments</b>		
October 31- November 1, 2006	Community Outreach Event	State NAIS Administrators and Federal AICs participated in national meeting to discuss NAIS communications and outreach, share best practices, learn communications skills. Radio tour involving attendees reached a potential audience of 34 million listeners.
November 2006	NAIS "Take The First Step" print materials	Producer-oriented brochures/ factsheets provided to States for use in local outreach. To date, 143,000 hard copies and 100 CDs distributed, and 17,000 documents downloaded from Web site.
November 8, 2006	NAIS Web site re-launch	Enhanced Web site with improved navigation and new content launched for public use.
December 2006 - present	Community Outreach Monthly Conference Calls (ongoing)	Monthly informational calls open to State and Federal NAIS stakeholders initiated for purposes of communicating policy updates, sharing best practices.
December 2006- March 2007	NAIS Advertising Campaign	Print advertising appeared in national trade publications, reaching a total audience of 600,000 with NAIS information.
March 2007	Extension Educators Toolkit	Partnership with Cooperative State Research, Education and Extension Service (CSREES) established to provide Extension educators with NAIS program and educational tools.
August 2007	Industry Cooperators Working Group	Established a forum for sharing information with industry cooperative agreement recipients. Regular meetings and reporting are used to communicate developments and ensure accountability.
February 2008	Animal Identification Coordinators (AICs) Conference	State NAIS Administrators and Federal AICs participated in national meeting to discuss NAIS communications and outreach, share best practices, learn communications skills, and receive program updates.

## Timelines and Outcomes

As noted in this report, advancing traceability is achieved through the implementation of several key strategies and numerous actions. These actions will be implemented in accordance with defined target dates to reflect the prioritization given to each species and with a primary objective of strengthening existing programs. This approach effectively uses existing infrastructure and provides more cost-effective solutions. The strategies are defined in the following chart, along with timelines for many of the established actions.

### Summary of Strategies and Actions

Timelines and Species Most Affected		Beef	Dairy	Horses <sup>2</sup>	Poultry	Sheep	Goats	Swine
		High Priority	Medium Priority	Low Priority				
Action	Target Date	Species Most Affected By Action						
<b>1. Prioritize NAIS Implementation by Species/Sectors<sup>5</sup></b>								
Establish Tier 1 and Tier 2 Species	Dec. 2007	•	•	•	•	•	•	•
Prioritize sectors within each species	Dec. 2007	•	•	•	•	•	•	•
Finalize species/sector traceability short-term objectives and strategies	Dec. 2007	•	•	•	•	•	•	•
<b>2. Harmonize Animal Identification Programs</b>								
Domestic Programs: Standardize ID requirements across Federal, State, and Industry Programs and Initiatives								
▪ Breed Registries and Performance Recording Programs								
o Breed Registries - Initiate use of AIN in breed registry programs	March 2008	•	•	•		•	•	
o Dairy Industry - Initiate the utilization of the PIN in DHIA's administration of the National Uniform Eartagging Numbering system	March 2009	•	•	•		•	•	
▪ AMS - Define and utilize NAIS standards applicable to QSA programs and COOL		•	•					
International								
▪ Unify import/export animal identification standards and criteria	Ongoing	•	•	•				
<b>3. Standardize Data Elements of Disease Programs To Ensure Compatibility</b>								
Establish Uniform Data Elements								

<sup>5</sup> The prioritization of species and sectors was achieved in the December 2007 Draft Business Plan to Advance Animal Disease Traceability.

Timelines and Species Most Affected		Beef	Dairy	Horses <sup>2</sup>	Poultry	Sheep	Goats	Swine
		High Priority	Medium Priority	Low Priority				
Action Target Date		Species Most Affected By Action						
<ul style="list-style-type: none"> <li>Publish a proposed rule to consider establishing the 7-character premises identification number (PIN) as the national location identifier standard <sup>6</sup></li> </ul>	Fall 2008	•	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Publish a proposed rule to consider establishing the “840” AIN as the single version for the Animal Identification Numbering system</li> </ul>	Fall 2008	•	•	•				
<ul style="list-style-type: none"> <li>Publish an interim rule to limit use of “840” to U.S.-born animals only</li> </ul>	Fall 2008	•	•					
<b>Utilization of Standards with Disease Programs</b>								
<ul style="list-style-type: none"> <li>Publish proposed rule to consider using the PIN for all import/export facilities and the first destination of imported livestock, the ship from premises of livestock being exported, and adding the requirement for ISO-compliant RFID devices for imported and exported livestock where individual ID is applicable.</li> </ul>	Spring 2009	•	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Establish procedure and initiate implementation for using PIN for all Federal animal health programs and foreign animal disease outbreaks</li> </ul>	Fall 2008	•	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Establish procedures to facilitate the use of the PIN for origin and destination premises on the ICVI</li> </ul>	Jan. 2009	•	•	•	•	•	•	•
<b>4. Integrate Automated Data Capture Technologies with Disease Programs</b>								
<b>Develop and implement electronic data collections systems for disease programs</b>								
<ul style="list-style-type: none"> <li>Develop and implement Electronic Bangs Vaccination and Testing Systems</li> </ul>	July 2008	•	•					
<ul style="list-style-type: none"> <li>Develop and implement expanded use of the use of the electronic TB Testing System</li> </ul>	Jan. 2008 Ongoing	•	•					
<ul style="list-style-type: none"> <li>Develop and implement the eICVI nationwide</li> </ul>	July 2009	•	•	•				
<b>5. Partner with States, Tribes, and Territories</b>								
<b>Utilize the Traceability Business Plan to guide local level priorities in cooperative agreements</b>								
<ul style="list-style-type: none"> <li>Continue to provide performance-based cooperative agreements with States and adjust the FY 08 criteria to allow flexibility in advancing traceability priorities at the State/regional level.</li> </ul>	Jan. 2008 Ongoing	•	•	•	•	•	•	•
<b>6. Collaborate with Industry</b>								
<b>NAIS Subcommittee and Species Working Groups</b>								
<ul style="list-style-type: none"> <li>Receive updated reports from species working groups</li> </ul>	March 2009	•	•	•	•	•	•	•

<sup>6</sup> All proposed rules being considered or currently under development are subject to change. Interested stakeholders will have the opportunity to comment on these rules before they are finalized and implemented.

Timelines and Species Most Affected		Beef	Dairy	Horses <sup>2</sup>	Poultry	Sheep	Goats	Swine
		Species Most Affected By Action						
■ High Priority ■ Medium Priority ■ Low Priority								
Action Target Date								
<ul style="list-style-type: none"> <li>Consolidate report from NAIS Subcommittee</li> </ul>		July 2009	•	•	•	•	•	•
<b>Support Industry Leadership Efforts</b>								
<ul style="list-style-type: none"> <li>Establish premises registration cooperative agreements with non-profit industry organizations</li> </ul>		July 07 - Dec. 08	•	•	•	•	•	•
<b>Accredited Veterinarians</b>								
<ul style="list-style-type: none"> <li>Develop and implement communication program</li> </ul>		Oct. 2007	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Publish NAIS Veterinarian Toolkit</li> </ul>		Oct. 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Provide large-animal veterinary accreditation training module</li> </ul>		March 2009	•	•	•	•	•	•
<b>Markets/Auction Barns</b>								
<ul style="list-style-type: none"> <li>Evaluate and define opportunities to register market locations</li> </ul>		Ongoing	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Work with market/auction barn managers to address concerns associated with the collection of animal identification at markets</li> </ul>		Ongoing	•	•	•	•	•	•
<b>Harvest Facilities</b>								
<ul style="list-style-type: none"> <li>Receive preliminary report and recommendations from Packer/Renderer WG</li> </ul>		Nov. 2007	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Receive final report of the Packer/Renderer WG</li> </ul>		Sept. 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Define strategies for collecting animal termination records</li> </ul>		Oct. 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Deploy Web-service communication bridges with packers to receive termination records</li> </ul>		July 2009	•	•	•	•	•	•
<b>Brand Inspection States</b>								
<ul style="list-style-type: none"> <li>Support Brand State WG efforts to define options for establishing interoperability between brand systems and animal disease programs</li> </ul>		March 2007 – July 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Receive preliminary recommendations from Brand State WG</li> </ul>		March 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Receive final report from the Brand WG</li> </ul>		Sept. 2008	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Define and prioritize actions for working with Brand States resulting from the collaborative efforts of the WG</li> </ul>		Nov. 2008	•	•	•	•	•	•
<b>7. Advancement of Identification Technologies</b>								
<b>Performance Standards</b>								
<ul style="list-style-type: none"> <li>Participate in ISO and ICAR activities relative to the establishment of performance standards for ID devices</li> </ul>		Ongoing	•	•	•	•	•	•
<ul style="list-style-type: none"> <li>Initiate the establish performance standards for RFID animal identification devices through a stakeholder effort facilitated by ASTM (Draft)</li> </ul>		Dec. 2008	•	•	•	•	•	•

Timelines and Species Most Affected		Beef	Dairy	Horses <sup>2</sup>	Poultry	Sheep	Goats	Swine
		High Priority	Medium Priority	Low Priority				
Action Target Date		Species Most Affected By Action						
<b>Emerging technologies</b>								
<ul style="list-style-type: none"> <li>Establish processes to evaluate new and/or advancing technologies, including the recognition of defined technical standards</li> </ul>	Dec. 2008	•	•	•		•	•	•
<ul style="list-style-type: none"> <li>Establish protocols to authorize the use of 840 AINs in new and/or advanced, market-ready technologies</li> </ul>	Jan. 2009	•	•	•		•	•	•

## Key Outcomes

The resulting outcomes will provide increased tracing capability. Examples from the “case studies” and ongoing desk top exercises will be used to monitor progress being made towards the following desired outcomes. The table below identifies traceability objectives, key benchmarks, and target dates for meeting those objectives by species/sector.

SPECIES	Objective	Bench- marks <sup>7</sup>	Date
Poultry	Traceability achieved in the commercial poultry industry through the identification of commercial production units in the required radius within 48 hours of a disease event (in cooperation with the National Poultry Improvement Plan)	90%	July 2008
		98%	July 2009
Swine	Traceability achieved in the commercial swine industries through the identification of commercial production units in the required radius within 48 hours of a disease event (in cooperation with the National Pork Board)	70%	April 2008
		80%	Oct 2008
		98%	Oct 2009
Sheep	Through continued integration of the National Scrapie Eradication Program with NAIS, the sheep breeding flock will be identified to their birth premises within 48 hours of a disease event	75%	April 2008
		90%	Oct 2009
Goats	Through continued integration of the National Scrapie Eradication Program with NAIS the goat breeding herds will be identified to their birth premises within 48 hours of a disease event	75%	April 2008
		90%	Oct 2009
Horses*	Competition horses will be identified with NAIS-compliant identification methods through the integration of equine infectious anemia (EIA) testing requirements and interstate certificates of veterinary inspection. Adjacent percentages reflect the level of 48-hour traceability to the locations of horses specifically linked to an EIA test.	70%	Oct 2009
		90%	Oct 2010
Cattle	Identification of cattle population identified to premises of origin within 48 hours.	30%	March 2009
		45%	March 2010
	Identification of the commercial cattle population born after January 2008 with NAIS-compliant identification methods prior to the animals leaving their premises of origin. Adjacent percentages reflect the level of 48-hour traceability of 2008 calf crop to birth premises.	35%	March 2009
		50%	Oct 2009
		60%	Oct 2010
* While not a specific sector, horses that require an EIA test and/or health papers are the focus of the traceability plan. As referenced in the NAIS <i>User Guide</i> , horses that travel greater distances to participate in events and that commingle with other horses are a higher priority.			

<sup>7</sup> All percentages listed as key benchmarks are provided as an estimate to help gauge forward progress toward improved traceability. These levels are not intended to serve as scientifically validated values that represent exact levels of identification needed to achieve optimum traceability.

Achieving optimal traceability will be most challenging for the cattle industry. The outcomes noted above for the cattle industry represent a huge incremental step in advancing traceability for this large and very diverse industry. The infrastructure resulting from these strategies will enable the cattle industry to make continued progress towards the ultimate 48-hour traceability goal.

## Critical Location Points

Critical location points are those premises that present a high biosecurity risk of disease transfer and dissemination via commingling or exposure at a common premises. This risk can be because either the location is a short-term, frequent commingling environment (e.g., daily or weekly livestock markets or dealers, processing facilities, etc.) or is associated with throughput volume, (e.g., longer-term environments such as county and State fairs and livestock exhibitions where disease amplification among susceptible animals and species can occur). Critical location points are generally premises that accept animals from multi-source locations and premises and often do so in a continuous flow manner. The following table lists several of the critical location points that are a priority for premises registration. As noted, a high level of premises registration is targeted for these locations.

<b>CRITICAL LOCATION POINTS</b>	<b>Total</b>	<b>Goal</b>	<b>Date</b>
<b>Exhibitions and Sporting Events</b>			
County and State Fairs, Racetracks	2750	50% 70%	March 2009 Oct 2009
<b>Import/Export Facilities</b>			
Import Quarantine Stations	3	100%	Oct 2008
Export Inspection Facilities	30	100%	Oct 2008
Ports of Entry	65	100%	Oct 2008
<b>Markets and Dealers</b>			
Public Auctions (Federal Licensed)	1400	35% 70%	Oct 2008 Oct 2009
Dealers with Facilities	1988	35% 70%	Oct 2008 Oct 2009
<b>Harvest Facilities</b>			
Renderers (3D/4D Plants)	155	70% 100%	March 2009 Oct 2009
Slaughter Plants - Federal Inspected	826	70% 100%	March 2009 Oct 2009
Slaughter Plants - Non-Federal Inspected	2116	50% >90%	March 2009 Oct 2009
<b>Semen Collection and Embryo Transfer Facilities</b>			
Commercial Units	22	70% 100%	March 2009 Oct 2009
Custom Collection	12	50% 100%	March 2009 Oct 2009
<b>Veterinary Clinics (Large animal practices that receive livestock)</b>	8000	70% >90%	March 2009 Oct 2009
<b>Licensed Food Waste Swine Feeding Operations</b>	880	70% 100%	March 2009 Oct 2009

## NAIS Implementation Charts

The following charts list key activity timelines that have been achieved and plot growth projections for various species for future years.

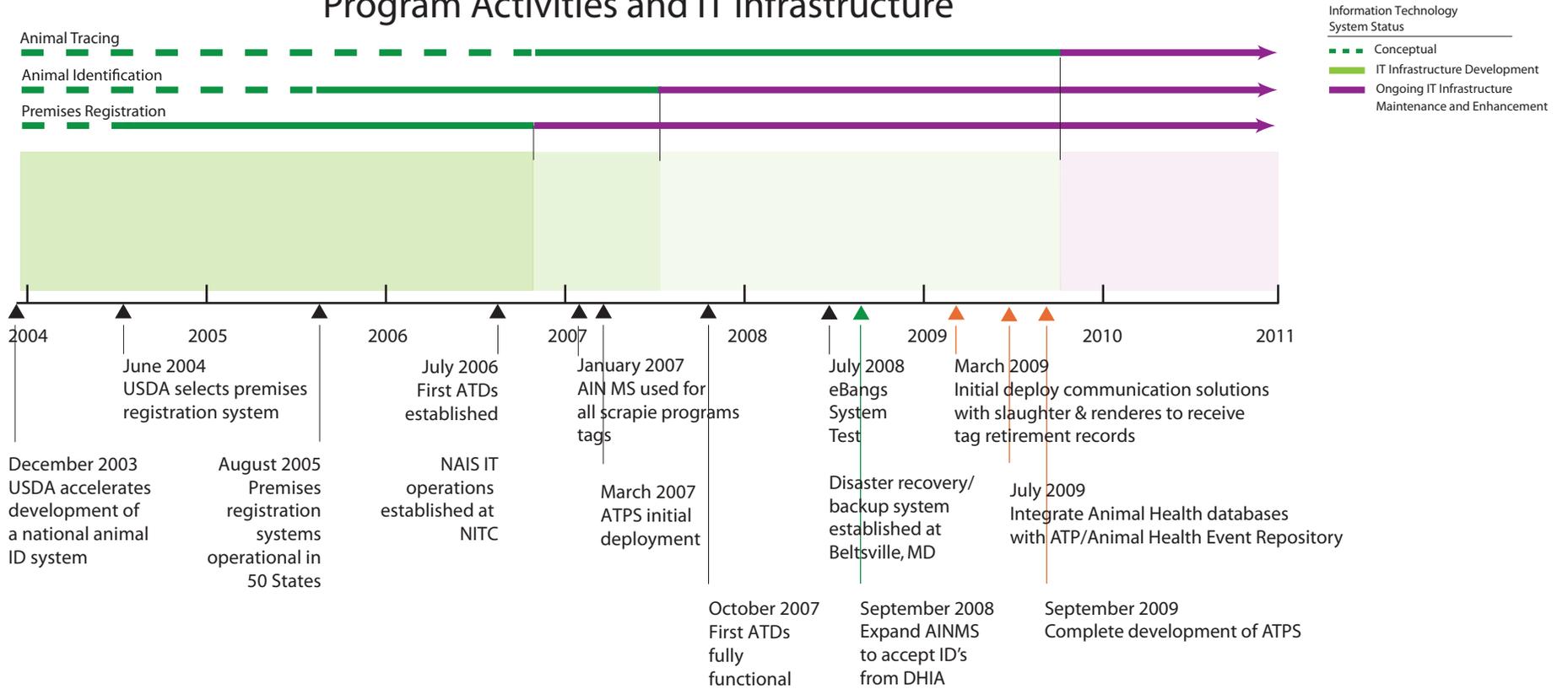
▪ **Chart #1 - Program Activities and Information Technology (IT) Infrastructure**

Chart 1 illustrates the timelines in which each NAIS component (premises registration, animal identification, and animal tracing) was initially developed and deployed. The IT development cycle for the premises and animal identification components are complete, and the Animal Trace Processing System (ATPS) that supports the animal tracing component will be completed in FY 2009. Once each development phase is complete, the systems are maintained for continued operation and are modified through necessary and strategically scheduled enhancements.

The lines for each component reflect the timelines from initial design through deployment and maintenance. For example, the premises registration system's initial development began in 2005, the animal identification number (AIN) Management System in early 2006, and the ATPS to support the Animal Tracking Databases in 2007. The entire NAIS IT infrastructure will be in the maintenance phase in FY 2010 and beyond. At that time, the investment in the NAIS IT infrastructure will be reduced to approximately \$2 million per year.

Chart 1

## Program Activities and IT Infrastructure



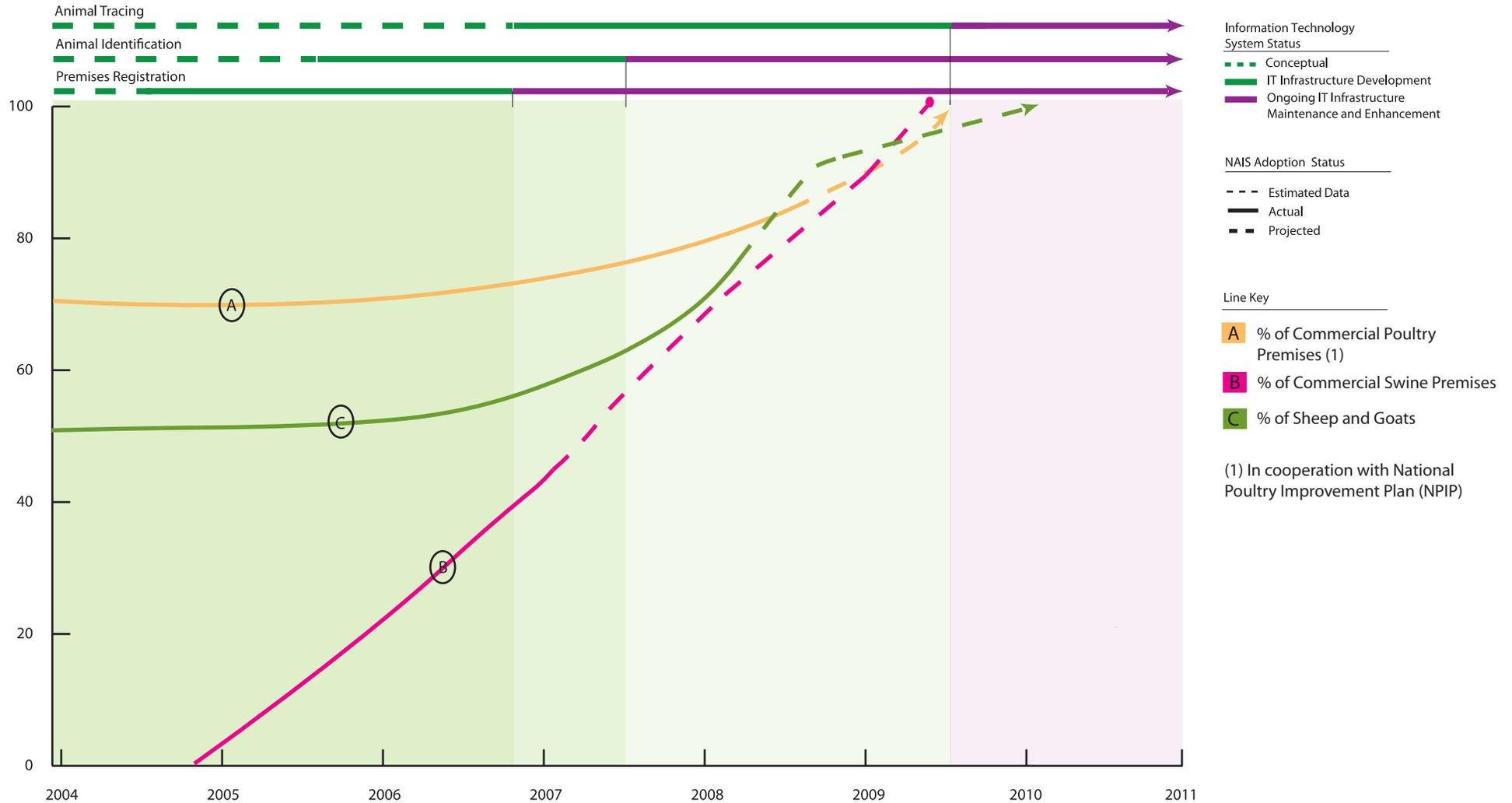
Note: Participation activity increases beyond 2010 will be illustrated in future NAIS Implementation Reports

▪ **Chart #2 - Premises Registration – Poultry, Swine, Sheep, and Goats**

- Line A Through the National Poultry Improvement Plan, traceability in the commercial poultry industry has been at a relatively high level for several years. Through increased industry cooperation, more timely access to the data has been achieved to successfully respond to poultry disease issues. The plan is to achieve 90% traceability of commercial production units by July 2008 and 98% by July 2009.
- Line B Through the cooperation of the National Pork Board, traceability in the commercial swine industries reached 70% in April 2008. The plan is to achieve 80% by Oct 2008; and 98% by Oct 2009.
- Line C Through continued integration of the National Scrapie Eradication Program with the NAIS, the sheep breeding flock and the goat breeding flock were both at 75% traceability (identified to their birth premises) in April 2008. The plan is to achieve 90% traceability by Oct 2009 for both sheep and goats.

**Chart 2**

## Premises Registration - Poultry, Swine, Sheep, Goats



Note: Participation activity increases beyond 2010 will be illustrated in future NAIS Implementation Reports

▪ **Chart #3 - Premises Registration, Critical Mass and % Identified - Cattle**

Line A For the past several years, approximately 25 – 30% of the cattle population has been officially identified. The majority of the official identification has been attributed to animals being part of official disease programs (e.g., brucellosis, bovine tuberculosis). The projected trend line reflects a slight decrease in the number of animals officially identified through participation in specific disease programs (down to approximately 20% by 2010), due in part to the successful eradication or control of these diseases.

Line B The growth in the number of premises registration with cattle is anticipated to grow steadily through 2010.

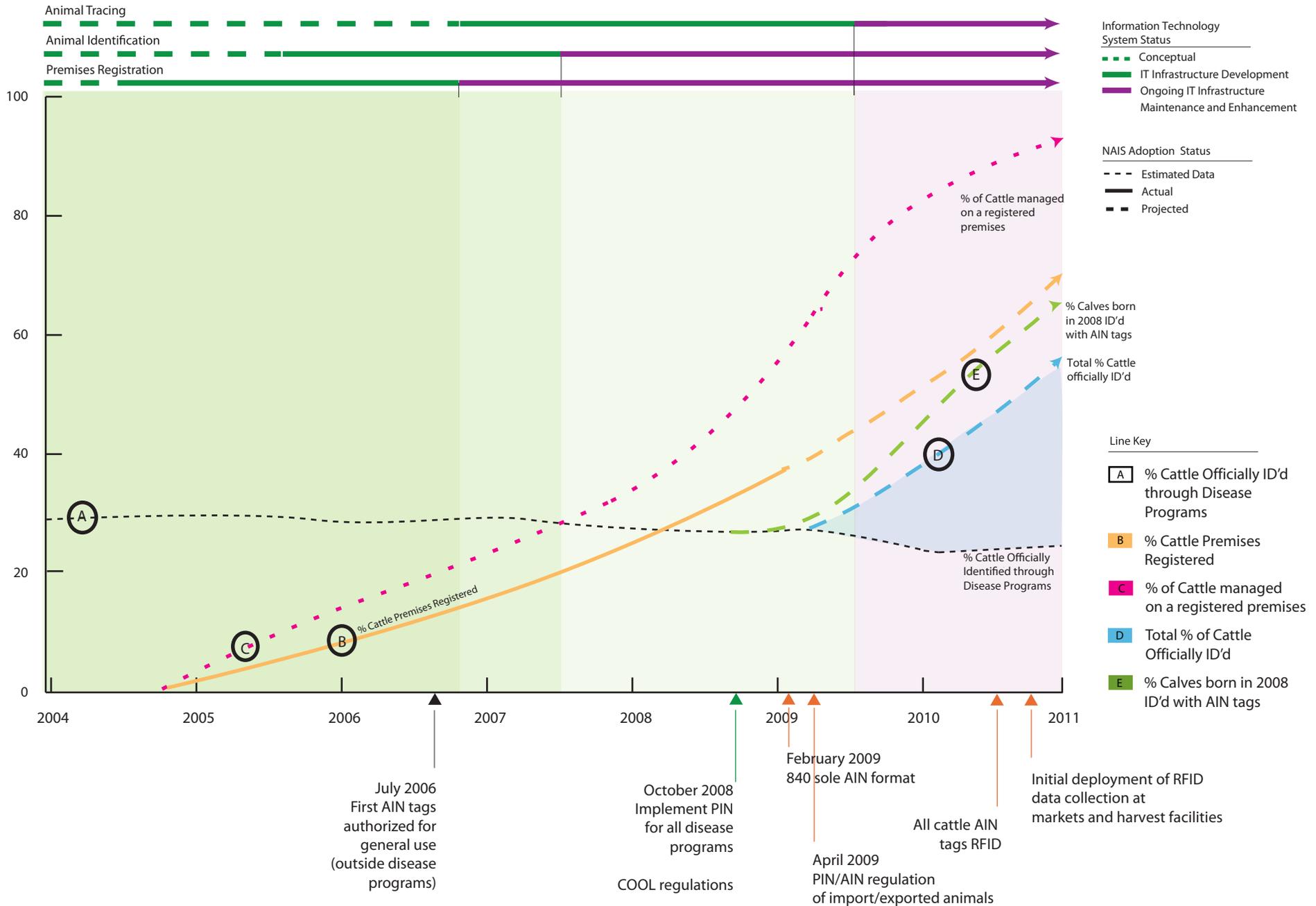
Line C The percent of the cattle population managed on a registered premises will grow and accelerate in late 2009 as emphasis is placed on achieving the “critical mass” as explained in the Traceability Business Plan.

Line D The overall percent of the cattle population officially identified will grow rapidly starting in late 2009 reaching approximately 45 % in 2010. This is a significant growth in animals being identified through the NAIS (outside of a specific disease program).

Line E The percent of the 2008 calf crop identified with AIN (840) tags will be significant in future years as COOL and other market forces warrant the official identification of livestock. It is estimated that 35% and 60% of the 2008 calf crop will be identified with 840 tags by Oct 2009 and Oct 2010, respectively.

# Premises Registration, Critical Mass and % Identified - Cattle

**Chart 3**



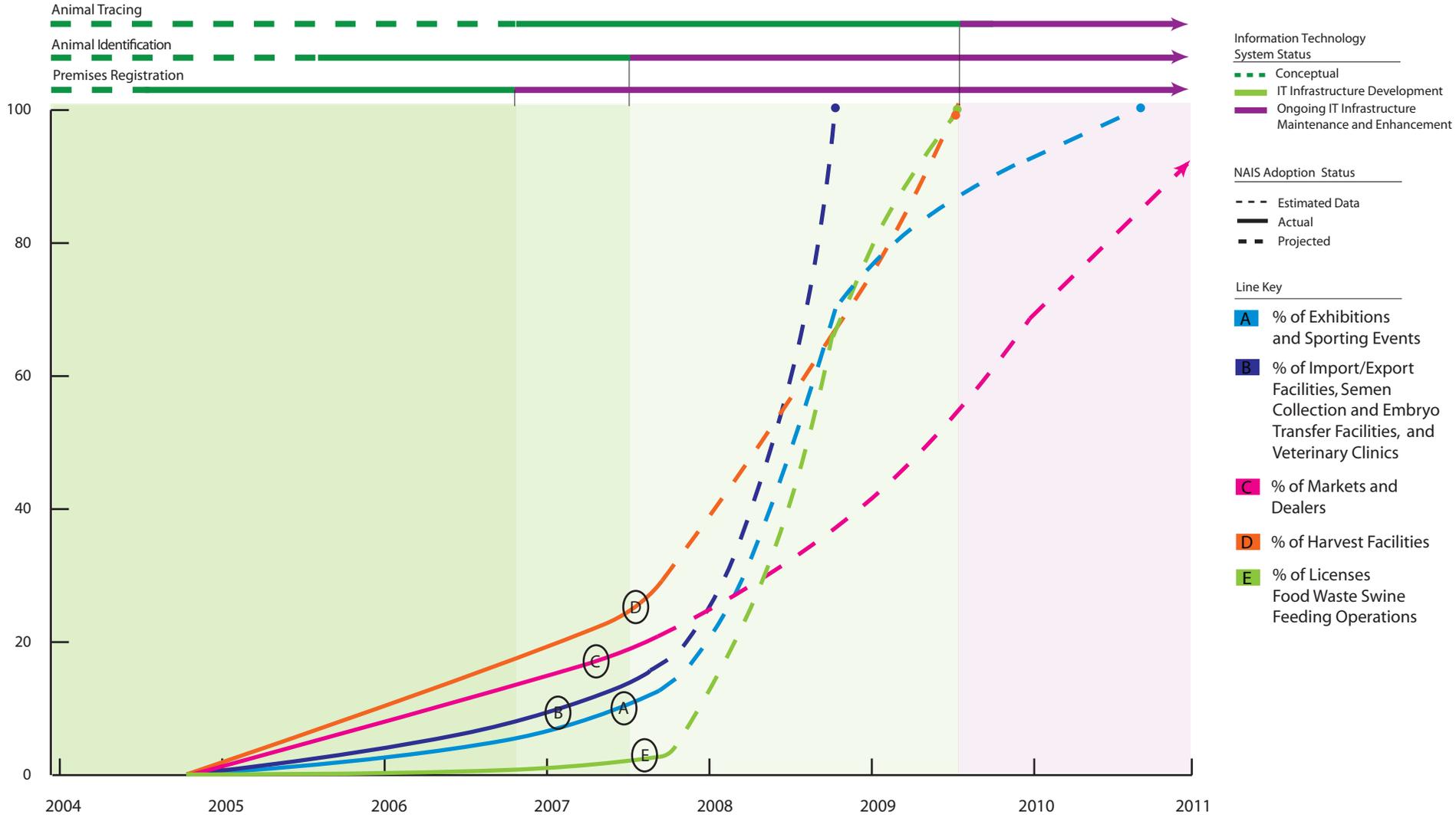
Note: Participation activity increases beyond 2010 will be illustrated in future NAIS Implementation Reports

▪ **Chart #4 - NAIS Implementation – Critical Location Points**

- Line A      Fairs grounds, locations that host exhibitions and animal sporting events (races) will be registered in the NAIS to ensure all such locations are physically identified. The plan is to achieve 50% by March 2009 and 70% by Oct 2009.
- Line B      Import/export facilities will be registered to achieve 70% by Oct 2008 and 100% by Oct 2009.
- Line C      Various locations (commercial semen and embryo collection facilities and veterinarian clinics) will be registered to achieve 70% by March 2009 and 100% by Oct 2009.
- Line D      Markets (auction barns) and livestock dealer facilities will be registered in the NAIS to achieve 35% in Oct 2008 and 70% in Oct 2009.
- Line E      Slaughter plants (federally inspected) and rendering facilities will be registered in NAIS to achieve 70% on March 2009 and near 100% by Oct 2009.
- Line F      Licensed food waste swine feeding operations will be registered in the NAIS to achieve 70% by March 2009 and 100% by Oct 2009.

Chart 4

### NAIS Implementation - Critical Location Points



Note: Participation activity increases beyond 2010 will be illustrated in future NAIS Implementation Reports

## Conclusion

The vision and long-term goal for NAIS is 48-hour animal disease traceability. The ability of each industry segment to achieve this goal is dependent upon its complexity and specific factors—for example, the size, diversity, disease status, and management systems involved. The allocation of resources as outlined in this business plan provides direction and focus as to where the greatest value for the advancement of traceability will result.

Industries will face new animal health demands as the animal agriculture industry changes and as new disease concerns arise. Technology advancements also will impact how livestock are managed, providing improved means of administering animal disease programs. Therefore, strategies to advance traceability will continue to be evaluated and adjusted to ensure that continued progress is made toward achieving the optimum goal of 48-hour traceback—in a timely, cost-effective, and efficient manner.

## Appendix 1

### APHIS-VS Animal Health Information Systems

#### Animal Health and Surveillance Management (AHSM)

##### Description and Use

The AHSM is the data management system for the following APHIS-VS disease surveillance, eradication, and control programs: brucellosis, tuberculosis, pseudorabies, Johne's, classical swine fever, avian influenza, chronic wasting disease, bovine spongiform encephalopathy, and scrapie. The AHSM is made available for States to utilize, and all States are using the AHSM for at least one program.

All program-required testing, inspection and certification data can be stored in the AHSM. Investigation data of infected animals and herds/flocks, related to the specified programs, also are managed in the AHSM. The AHSM has three modules (program and surveillance management, subject management, and investigation/case management) and several tools or integrated processes (mobile computing applications, mapping, laboratory sample submission, and national reporting).

The AHSM is the fourth generation information system developed for the information management of these programs; APHIS-VS is currently transitioning from the third generation information system ("Generic Data Base" or GDB) to AHSM. Brucellosis, tuberculosis, pseudorabies, and Johne's have not yet been redeveloped in the AHSM. The first-generation system was deployed in the late 1970s.

The AHSM can be used for summary data management and reporting or full detail data and program management. The system users are primarily APHIS-VS and State cooperators. The system is used at the local level for operational program management and reporting, at the regional level for regional program management, and at the national level for program evaluation and analysis.

##### Size

The GDB has multiple State data schemas (configurations), each storing data for up to 10 programs; program data as far back as 1977 reside in this system. There are millions of records stored in this system.

#### Emergency Management Response System (EMRS)

##### Description and Use

The EMRS is used for recording all foreign animal disease investigations and incident management. The EMRS also is used in disease outbreak situations, such as the exotic Newcastle disease (END) outbreak in 2003-2004. The EMRS will be the data management system if highly pathogenic avian influenza (HPAI H5N1) enters the United States. The EMRS has three modules (administration, investigation, tasking). The administration module includes deployment, check-in, check-out, and equipment tracking functions. The investigation module manages all aspects of an outbreak, including premises assessment and status, depopulation, cleaning and disinfection, appraisal, and indemnity. Several tools and processes, such as mapping and laboratory submission also are included in the EMRS.

System users are primarily APHIS-VS and State animal health officials; other users include other agency staffs assigned to an incident. The system provides full incident management functionality and is used for reporting to international animal health organizations.

The EMRS is a first-generation information system, initially deployed in 2002. An integration of EMRS and USDA's Resource Ordering and Status System is in the analysis phase. Additional integration/data sharing with other Federal emergency response systems is being explored.

### **Size**

The EMRS stores all data related to foreign animal disease investigations; there are several hundred investigations per year. The database created during the END outbreak in 2003-2004 contains about 90,000 premises records and 225,000 investigation records.

## **Veterinary Services Process Streamlining (VSPS)**

### **Description and Use**

The VSPS is the data management system for APHIS-VS' import, export, and interstate movement certificates, and veterinary accreditation programs. All program-required movement certificate and permitting data can be stored in the VSPS. The VSPS has five modules (Import Tracking, Export Health Certification, e-Interstate, e-Veterinary Accreditation, Humane Transport), and an e-movement submodule for the export of poultry and hatching eggs. The VSPS integrates with the User Fee System for billing services.

The VSPS is a second-generation information system developed to manage federally regulated animal and animal product movement. APHIS-VS currently is transitioning from the first-generation system to VSPS. Import Tracking and Export Health Certification has not yet been redeveloped in the VSPS information system. The first-generation system was deployed in the early 1990s. The integration of VSPS and the International Trade Data System is in the analysis phase.

The VSPS is used for all international movement certificates and accredited veterinarian programs and can be used for interstate movement certificates as well. All federally regulated international animal and animal product movements are stored in the VSPS. The system users are primarily APHIS-VS (all modules), accredited veterinarians (e-Veterinary Accreditation and e-Interstate modules), State animal health officials (e-Interstate) and import/export brokers (Import Tracking and Export Health Certification). The data stored in the VSPS are used for program management, infected animal investigations, risk analysis, and various reports to other Federal agencies and industry groups.

### **Size**

The VSPS stores all import and export data of APHIS-VS-regulated species and commodities since 1996, which accounts for hundreds of thousands of movement records that represent millions of animal movements. The e-Veterinary Accreditation module manages records for approximately 60,000 private veterinarians who have been accredited for Federal work.

## **National Animal Identification System (NAIS)**

USDA has developed premises registration systems, including the Standardized Premises Registration System (SPRS), the National Premises Information Repository (NPIR), and the Premises Number Allocator. In addition, APHIS has evaluated Compliant Premises Registration Systems using standardized interfaces that are maintained and operated entirely at the discretion of the State using such systems. To support the animal identification component, USDA has developed the Animal Identification Number Management System (AINMS) to record the allocation of AINs to a premises.

Animal movement records will be maintained in private and State Animal Tracking Databases (ATD). USDA-APHIS developed the Animal Trace Processing System (ATPS) that animal health officials will use when initiating a response to an animal health event.

The AHSM, EMRS, and VSPS are currently integrated with the NAIS, or are in the process of being integrated.

## **National Premises Information Repository (NPIR)**

### **Description and Use**

USDA-APHIS maintains the NPIR, which became operational in mid-2004. The NPIR centralizes the data elements received from the States' premises registration systems. This enables all APHIS-VS systems to efficiently and effectively integrate with one "master" data set when animal health officials need to use premises information. Each day, information from each State premises registration system is updated to the NPIR.

A real-time subset of all Premises Registration Systems is necessary to support other systems in the NAIS as well as APHIS-VS' other animal health systems. For example, when a premises identification number (PIN) is received from an Animal Tracking Database as a result of a disease investigation query, the contact information and other pertinent premises information is instantly available from NPIR. The NPIR also supports the allocation of animal identification numbers (AIN) to a premises by providing AIN tag managers and resellers the ability to verify that a producer has a valid PIN before distributing AINs to that producer (a valid PIN is a prerequisite of using AIN tags).

Statistics (total premises registered, premises registration by State, etc.) on premises registration also are being generated from the NPIR.

### **Size**

States have registered approximately 477,000 premises of the estimated 1.4 million national premises. For each record (premises registered), 12 data elements are stored on the NPIR.

## **Standardized Premises Registration System (SPRS)**

### **Description and Use**

The SPRS is a Web-based application that allows States and Tribes to register a location and assign it a nationally unique identification number or Premises Identification Number (PIN). The SPRS interfaces with the National Premises Information Repository (NPIR) through the Premises Number Allocator (Allocator) using Application Program Interface calls. Premises data in the SPRS is accessible only to the State or Tribe that registers that location. A subset of that data is stored in the NPIR to ensure that each location registered is assigned a unique identification number.

The SPRS is the most mature NAIS application. As it continues to be enhanced, an increasing amount of pressure is applied to the system. For example, the user base for this component of the NAIS continues to grow. Almost daily, more and more users are employing the system, which requires an increase in the hours supported and the number of integrated locations. The original SPRS was adapted from an existing custom software package designed and developed for use in a single State through a federally funded cooperative agreement with the Wisconsin Livestock Identification Consortium. Modifications to the database were necessary to accommodate the use of the software in over 40 States plus multiple Territories and Tribal Nations. The modifications have not been made in a consolidated fashion. In 2008, the back end data structure and service layer will be rewritten to bring it into the same Java 2 Enterprise Edition architecture as the other Java applications owned and operated by APHIS-VS. This will improve performance, reliability, and data structures for the SPRS.

The SPRS is provided at no direct cost to each State and Tribe wishing to use it. States can utilize this application to support varying requirements to support premises registration in their respective States while meeting the standards established for national compatibility.

### **Size**

USDA-APHIS provides the SPRS to approximately 40 States, numerous Tribes, and 2 Territories. Assuming 80 percent of the records from the NPIR will be on the SPRS when full participation is achieved, the projected total of records is expected to be approximately 1 million records.

## **Compliant Premises Registration System (CPRS)**

### **Description and Use**

The CPRSs are premises registration systems that are maintained entirely by the State, including development and operational cost. The established data standards are used for premises registration, thus the systems are compatible with the national standards. Additionally, the CPRSs are interfaced with the Premises Number Allocator and submit data to the NPIR.

## **Animal Identification Number Management System (AINMS)**

### **Description and Use**

AINMS is a Web-based application used to record the allocation of Animal Identification Numbers (AINs) to approved AIN device manufacturers.

AIN device manufacturers, managers, and resellers must access AINMS through USDA's eAuthentication system. The eAuthentication is an identity verification system used to grant access to multiple USDA online applications.

The AINMS was developed to record the distribution information from manufacturers, managers, and resellers (1) when an AIN was allocated to a manufacturer, (2) when an AIN was imprinted on a device/tag, (3) when the AIN device/tag was shipped to a reseller or manager, and (4) when and where the AIN device/tag was shipped to a producer.

### **Size**

The number of AINs allocated as of August 1, 2008, was approximately 4 million. In the future, if all new animals were to be individually identified and tagged, approximately 35 million AINs would be allocated per year.

## **Animal Trace Processing System (ATPS)**

### **Description and Use**

USDA-APHIS, through an interim/development phase, developed the ATPS that animal health officials will use when initiating a response to an animal health event. The system puts in place the communication and messaging process between the private and State ATDs and the ATPS to ensure the animal movement information is provided to the animal health official in a timely manner. However, State and Federal animal health officials will not have direct access to the systems, thus maintaining a clear disconnect to government access to the data.

The ATPS provides the information technology platform for security, electronic data transfer, and auditing processes. Additionally, the ATPS integrates other relevant data from the animal health databases managed by APHIS-VS.

The ATPS uses a service-oriented architecture using Web services to provide the communication methods with the private and State databases. A monitoring and auditing application will look at daily communications to determine, for example, if a system or systems are not responding. The monitoring and auditing application will then notify

support personnel. The application also will monitor to ensure that only authorized users are accessing the system.

The ATPS will enable Federal and State animal health officials to submit requests for information to the ATDs when investigating an animal disease event in the following situations:

- An indication (suspect, presumptive positive, etc.) or confirmed positive test of a foreign animal disease;
- An animal disease emergency as determined by the Secretary of Agriculture and/or State Departments of Agriculture; or
- A need to conduct a traceback/traceforward to determine the origin of infection for a program disease (brucellosis, tuberculosis, etc.).

USDA deployed the ATPS in March 2007 and is working with private and State ATDs in the implementation phase.

## **Animal Tracking Databases (ATDS)**

### **Description and Use**

ATDs are external to USDA's information system architecture since animal movement records are maintained in private and State ATDs, allowing animal movement records to be stored in systems outside the Federal government. The organization may use systems that maintain animal movement for purposes other than supporting NAIS. In such cases, users of those systems may vary. Specific to the animal movement data for NAIS, the ATPS communicates with the ATDs through a messaging architecture. Thus, there are no direct State or Federal users on those systems. Rather, the animal health officials have access to the ATPS, and the ATDs provide the information to that system.

Producers who utilize ATDs have the option of preventing certain information about their animals, including animal movement information, from being provided to USDA. In essence, these producers could impose confidentiality restrictions on their information contained in private ATDs.

## Appendix 2

### Case Studies – Recent Animal Disease Investigations

#### Cattle

<b>Bovine Spongiform Encephalopathy (BSE)</b>	
<b>2003</b>	
Incident:	The first diagnosis of BSE, a foreign animal disease, in the United States occurred on December 23, 2003.
Investigative Summary:	The case originated from a cow from Canada that was imported into the United States as part of a shipment of 81 cows. Of the 81 animals imported, only 29 could be definitively identified and located using producer and available animal movement records, leaving 52 animals unaccountable. 255 animals from 10 different herds were destroyed as a result of the traceback investigation. The duration of the investigation was 46 days.
Impact:	Foreign beef trade was halted immediately. Projected losses to the beef industry range from \$2 billion to \$4 billion. Beef trade volume in 2007 still has not been restored to pre-BSE levels.
<b>2005</b>	
Incident:	Confirmed positive of a previously inconclusive BSE sample from a 12-year-old cow in Texas was made on June 24, 2005.
Investigative Summary:	Of the 200 cows associated with the index herd, 56 of those animals were untraceable. The total investigation involved 1,919 animals from 8 different herds. The duration of the investigation was 61 days.
Impact:	Continued drain on beef export potential.
<b>2006</b>	
Incident:	Confirmed positive of a previously inconclusive BSE sample from a 10-year-old cow in Alabama was made on March 15, 2006.
Investigative Summary:	The positive cow had no tattoo, no eartag, and no brand. Thirty-seven farms were investigated (involving the use of DNA), to potentially identify a herd of origin. The investigation took 48 days to complete. A source herd was never identified due to the lack of individual identification and associated records of animal movement.
Impact:	Inability to demonstrate to global trading partners our capability of providing traceback information.

<b>Bovine Tuberculosis</b>	
<b>2004</b>	
Incident:	Tuberculosis outbreak in California dairies from May 2002 through June 2004.
Investigative Summary:	The original herd involved 3,500 milking cows, of which 38 head were culture-positive. The animals originated from five additional States beyond California. The animals were depopulated in November 2002. A second herd involved 1,989 dairy cows diagnosed with tuberculosis on October 16, 2002; depopulated in March 2003. The animals were sourced from 33 States beyond California. The third herd involved 408 animals with a diagnosis of 17 positives in December 2002 that were depopulated in April 2003. Source animals came from 22 States beyond California. A fourth tuberculosis investigation in 2004 involved a dairy backgrounding facility that extended to additional facilities in Arizona, Iowa, Kansas, New Mexico, and Wisconsin.
Impact:	In total, 875,616 dairy animals from 687 herds—including all dairies in Tulare, Kings, and Fresno counties—had to be tested for tuberculosis. Approximately 13,000 animals were sacrificed to contain the disease. Quarantine of the second dairy herd cost the individual owner \$70,000 per month alone in lost income. It is well documented that tuberculosis is a disease of national scope. Movements across State lines should require additional testing requirements along with official individual identification.
<b>2005-Present</b>	
Incident:	Using slaughter surveillance from adult cow processing in Wisconsin, the index herd diagnosed with bovine tuberculosis was identified in February 2005. Traceback to Minnesota was confirmed using animal identification combined with DNA analysis taken from a backtag sample. Since then, seven herds have been identified as infected with tuberculosis, and additional testing and monitoring continue in the eradication effort.
Investigative Summary:	The index herd was established in 1972, representing 33 years of effort. In total, 585 head of commercial and registered cattle were depopulated, finding up to 25 suspect and positive animals. Four fence-line herds existed, and traces went to seven additional States. A second, 100-year-old neighboring family farm was depopulated of 352 cattle, finding lesioned 12- to 14-year-old cows along with a 5-year-old purchased bull with lesions. The purchased bull had previously crossed the fence to access heifers of the index herd. Herd 3 was a family farm of 307 beef cattle. Herd 4 was depopulated of 200 cows exposed from commingling. Herd 5 possessed an infected 10 year-old cow along with visible lesions in 2 10-month-old bull calves and involved a commingled herd of 600 head owned by 3 different owners from Minnesota and South Dakota. Herd 6 was a small family farm of 36 head of commingled cattle. Herd 7 represented both dairy and beef cattle using purchased bulls. Five lesioned deer were detected, all within 5 miles of the index herd.

Impact:	Chronic diseases of concern such as tuberculosis can be difficult to investigate and eradicate without maintaining long-standing records of animal movement activity. Accurate information regarding animal movement activity is key to determining the spread of disease. Without it, investigations can be prolonged, resulting in additional potential exposures and costs. In this Minnesota situation alone, \$3.9 million has been paid in indemnity and USDA has incurred costs exceeding \$5 million for investigation and heightened surveillance. Costs to producers for testing that is not yet complete is currently close to \$1 million and over 3,500 animals have been depopulated. This Minnesota occurrence also clearly demonstrates that small family farms are potentially as susceptible to disease outbreaks as are larger farms.
<b>2007</b>	
Incident:	Tuberculosis was diagnosed in a large dairy herd of approximately 11,000 head housed on 2 locations in New Mexico.
Investigative Summary:	In an ongoing investigation of just over 10 weeks in duration, epidemiologists have determined that 453 traces were necessary to trace the disease. As of October 17, 2007, 96 traces remain to be completed. In total, 20,150 animals have been tested for the disease in 16 New Mexico herds. NAIS-approved RFID eartags are being used for unique individual identification of all animals in each of the 16 herds being evaluated. Additionally, mobile information management (MIM) devices are being used to record and capture identification information electronically.
Impact:	\$35 million of Federal funding was allocated for indemnification to eradicate this outbreak of bovine tuberculosis. Sheer size of the infected herd and potentially exposed herds has required teams of 14 State and Federal personnel rotating every 3 weeks to investigate the disease. Use of RFID and mobile information management systems technologies in this effort has increased the accuracy of recording test information as electronic capture of identification information can be easily reconciled and transferred to official test forms. Animals can be electronically identified when loaded to accurately populate restricted movement permits and indemnity forms. More animals can be tested and accurately recorded expediting the investigation effort. Additionally, animal safety and human safety in managing the animals are enhanced with electronic identification.

Bovine Brucellosis	
2007	
Incident:	On May 9, 2007, the APHIS-VS National Veterinary Services Laboratories confirmed a positive finding for bovine brucellosis associated with a beef cow from Montana. The positive animal was from a herd of 200 head that was assembled in November, 2005 from a source herd in Wyoming.
Investigative Summary:	The index cow was associated in the movement of animals from the source herd. The cow aborted in December 2005 and again late in 2006. The positive sample was not taken to diagnose the abortion, but was part of a routine disease testing requirement for a potential out-of-state buyer, even though the State of Montana was a brucellosis-free State. In total, 396 head from the index herd were depopulated. Tracebacks as well as traceforwards involved approximately 900 animals. Sixteen States were involved in this investigation.
Impact:	Montana relies primarily on brand laws to trace cattle. The lack of unique individual animal identification complicated the investigation. In one situation, two heifers, identified only by brand, could have moved to six different locations. The lack of unique individual identification meant that six locations had to be involved in testing rather than one or two. Another situation involved moving two animals that were purchased and mixed with 60 head. The additional 60 head had to be traced rather than just the two in question due to the lack of unique individual animal identification. As many as six different brands were identified on a single cow. In reviewing the records, none of the brands are were connected with points in time. As of October 17, 2007, 157 days had elapsed in this continuing investigation. There are 15 animal movement events that are still outstanding and may never be definitively traced due to a lack of unique individual animal identification. This investigation clearly indicates the significant number of animals that can move in, move out, and be commingled from one herd in less than 2 years' time. The lack of animal movement information has prolonged the time and cost of the disease investigation.

## Swine

Porcine Pseudorabies	
2007	
Incident:	Outbreak in Wisconsin in April 2007
Investigative Summary:	The outbreak involved high biosecurity risk swine facilities. The owner did not have written records, relying only on memory as to distribution of potentially infected animals. At least 20 other owners received animals from the index herd; several did not possess a premises identification number in a State with mandatory premises registration. Index herd owner had loaned a boar to a facility that additionally houses “Eurasian” or wild boar animals. When returned, the animal was positive for pseudorabies. The original animals were obtained 6-10 years ago.
Impact:	Wisconsin is a significant pork-producing State, and its status regarding pseudorabies eradication was jeopardized. Loss of status would require additional testing requirements in addition to lost marketing opportunities. Transitional swine facilities, those that maintain domestic swine with direct or indirect exposure to free-roaming swine populations, increase the risk of disease transmission as well as status of State disease programs, affecting all commercial swine facilities.

## Poultry

Exotic Newcastle Disease (END)	
2002-2003	
Incident:	Outbreak of exotic Newcastle disease, a foreign animal disease of poultry, in California from September 2002 until September 2003.
Investigative Summary:	A small animal veterinarian in Los Angeles county submitted a sample from dead birds in a flock of backyard game fowl. END was confirmed on October 1, 2002. Disease spread occurred in exhibition and cockfighting flocks; eventually, positive cases also occurred in commercial facilities. Nineteen counties were quarantined in California, Nevada, Arizona, New Mexico, and Texas. Nearly 4.5 million birds from over 2,700 infected premises were sacrificed to contain the disease; a second strain of the disease also was diagnosed in western Texas. More than 85,000 premises maintaining susceptible bird populations were identified during this investigation. Up to 1,600 personnel were deployed for 350 days to respond to the outbreak. Because a majority of at-risk birds were raised in cluttered and dense environments, the detection, depopulation, cleaning, and disinfection efforts were extremely resource intensive. Ninety-six percent of all operations investigated were backyard premises.
Impact:	Fifty-seven countries and Guam imposed some form of trade restriction against poultry exports from the United States, with an estimated \$395 million loss in direct and indirect trade. Federal dollars allocated to the eradication effort were estimated at \$138.9 million.

Low Pathogenic Avian Influenza (LPAI)	
2007	
Incident:	On July 7, 2007, APHIS-VS National Veterinary Services Laboratories confirmed low pathogenic avian influenza in a commercial turkey farm. The sample was taken as part of an active pre-harvest serology surveillance component of the National Poultry Improvement Plan's (NPIP) U.S. Avian Influenza Clean Program. The turkeys did not demonstrate any clinical signs of sickness or disease.
Investigative Summary:	The total number of turkeys on the farm was 54,000. All of the birds were depopulated and composted on the farm. Enhanced surveillance was implemented in a 17-county Shenandoah Valley poultry producing region. There were 5 commercial flocks within 2 miles of the index flock; 42 commercial flocks within 6.2 miles; 32 high-risk contacts identified; and 34 backyard flocks within 6 miles. From July 7, 2007, through August 19, 2007, 16,793 samples were subsequently tested and determined to be negative.
Impact:	On July 7, 2007, all public sales, shows, and exhibitions of live poultry throughout the State of Virginia were cancelled. Land application of poultry litter, manure, or bedding in the 17 affected counties was prohibited. Both bans were in effect through July 30, 2007. Poultry imports from Virginia were immediately banned in China, Cuba, Japan, the Philippines, Russia, Taiwan, and Hong Kong. Poultry imports from the entire United States were banned immediately by India and Indonesia. Some product shipped after June 20, 2007, was destroyed and some countries did not restore trade until October 12, 2007. The proximity of several susceptible flocks, both commercial and backyard, to the index flock in this case exhibits the importance of premises identification for contacting premises owners and implementing effective and efficient disease-control procedures for maintaining markets and minimizing disease impacts.

## Equine

Equine Viral Arteritis (EVA)	
2006	
Incident:	Outbreak of EVA on New Mexico equine breeding facility in June 2006.
Investigative Summary:	With up to 50 percent of early term abortions in broodmares, the index farm in New Mexico initially evaluated 26 blood samples for the presence of the virus; 24 were positive. Additionally, breeding stallions were positive for the virus. Within a short time, all 200 plus broodmares and all 4 stallions were positive for viral antibodies. Due to the interstate movement of resident animals, return movement of broodmares brought to the facility for breeding, and the transport of fresh and frozen semen, 18 additional States were involved in the disease investigation. Sixty-nine direct exposures were identified, with 69.5 percent associated with mares inseminated with shipped semen and 29 percent

	associated with mares and foals that had visited the index premises during the timeframe in question. In one destination State alone, over 591 horses from 21 different premises were quarantined.
Impact:	Multiple owners from several States were severely restricted in their ability to manage their equine operations. More importantly, the rapid spread of the virus to many States substantially increased the risk of the disease status nationally in an extremely short period of time. The use of assisted reproductive technologies, and the associated transport of semen and embryos, also was demonstrated in this case to increase the risk of animal disease transmission.

## Appendix 3

### NAIS Pilot Projects and Field Trials

Sixteen pilot projects were supported by Federal Commodity Credit Corporation (CCC) funds from the initial National Animal Identification System (NAIS) implementation effort in fiscal year (FY) 2004. Collectively, the 16 initial projects represented the first stage of the NAIS pilot project program. This program supports the States and Tribes, who play a lead role in the administration of NAIS and in carrying out field trials and research projects that resolve questions and concerns about NAIS processes, technologies, and costs. Approximately \$6.6 million was spent to carry out these projects, representing slightly more than 50 percent of funds made available for NAIS through the CCC in FY 2004. This figure accounts for less than 6 percent of the total NAIS funding (\$118 million) USDA has received for NAIS to date.

The results of these projects have significant merit with regard to NAIS implementation. Most importantly, the projects showed that animal identification and tracing can be implemented successfully in a production environment. The projects gave stakeholders “hands-on” experience using identification technologies and, as a result, delivered practical solutions for routine use. In fact, many of the projects tested the technology in real-world scenarios, integrating animal identification and movement reporting into everyday commerce. These efforts have provided critical information and, in some cases, documented data about the day-to-day use of animal identification and tracing technology.

For example, the project results demonstrate successful advancements in automated data capture, which is essential for animal identification and tracing to function effectively in commercial production environments. Demonstrations conducted early on in the projects produced only 50-60 percent read rates (percent of animals whose identification code was recorded) when using low-frequency RFID. Project coordinators identified a variety of issues that affect the effectiveness of tags and scanners (data capture) in real-world scenarios. These include the read range of the scanner, the readability of tags, the location where the scanning takes place, and any interference from existing structures and other factors. After studying these issues and identifying practical solutions, many of the final project summaries now report read rates of 90-99 percent. This drastic improvement was a direct result of the continued evaluation, as well as trial and error, that occurred throughout the pilot projects. The initial pilot projects produced a number of valuable lessons learned and other key findings. An overview of these results is provided below.

Key lessons learned are provided in the following section. The full report is posted on the NAIS Web site.

#### Lessons Learned

- *The retention rate of RFID button-button tags is significantly higher than anticipated.* In the Southwest pilot project, a producer with 6,000 tagged animals reported a retention rate of nearly 100 percent, compared with a 96-98 percent rate for visual tags. Other participating producers found similarly high retention rates with properly-placed RFID tags.
- *The use of RFID at the auction market can reduce the need to restrain animals when recording their individual ID numbers.* The Minnesota project concluded that RFID technology in this environment can actually improve animal and human safety.

- *Using the group/lot method of animal identification can significantly reduce a major barrier for producers to participate in NAIS.* In the Northwest region, groups of animals are often moved and managed together in situations where uniquely identifying them is virtually impossible without causing a serious and often detrimental change in the way business is conducted. The Northwest pilot project found that group/lot animal identification mirrors the natural flow of commerce in this region. The project concluded that group/lot identification is an important option for western cattle operations, but also acknowledged that individual identification is necessary if animals are commingled with cattle from other premises.
- *RFID technology is not a “plug-and-play” application and must be customized to individual locations—the needs of which vary tremendously.* In the Texas pilot project, the sites chosen for testing were often ill-suited for immediate installation of equipment and required a time-intensive process of site surveys and collaboration with facility owners to prevent any interference with the natural flow of commerce. Several facilities in the Southwest pilot project also required modifications (i.e., retrofitting existing facilities) to resolve interference problems with the panel readers. Overall, the majority of projects reported that the RFID/reader technology required careful setup, calibration, modification, and use.
- *Proper tag application and placement has a direct and significant impact on the retention and readability of the tags.* The Kentucky pilot project shows that RFID eartag application and placement alone can account for as much as 40 percent of the variation in read rates and retention.
- *In certain environments, the automated recording of animals’ identification as they are loaded onto and off-loaded from trucks is critical for successful animal tracing.* While RFID technology is promising to achieve this goal, the Kansas pilot project found that improvements and advancements in the technology are still needed to make the “on-board” RFID systems more rugged. The project found that the available hardware/software needs to be refined to require less human intervention. In addition, it is important for service providers to be fully integrated (share information across systems), to ensure that checks and balances can be programmed as needed in the transportation environment.
- *Animal identification number (AIN) radio frequency (RF) eartags used for NAIS also can support value-added opportunities.* Florida’s pilot project demonstrated the market-driven benefits of electronic animal identification and tracing. In one segment of the project, 6,500 individually identified cattle qualified as source-verified beef and yielded monetary premiums (totaling \$56,000) during an industry-sponsored heifer sale. In another segment of the project, the Seminole Tribe also realized market-driven benefits when calves with electronic identification garnered premium amounts in a video auction sale.
- *Information collection for NAIS can be achieved effectively through programs in which producers are already engaged for management and/or marketing.* For example, the Pennsylvania project built upon the existing infrastructure of the national Dairy Herd Improvement (DHI) program. The DHI system proved to be an effective partner in collecting data for NAIS data collection, and did so in a producer-friendly manner by using systems already in place and utilized by many producers. The Northwest pilot project also found that producers are most eager to participate in animal identification and tracing when existing systems are utilized for data collection.

- *Producers' access to technology—or lack thereof—is a key factor impacting participation in animal identification and tracing systems.* The Southeastern Network pilot project found that only approximately 15 percent of producers involved in the project had internet access and used e-mail. The Northwest pilot project also found that many producers do not have convenient access to technology, or were not comfortable using the technology. Results from both projects highlight the need for non-electronic data collection methods requiring minimal action on the part of producers.
- *Buy-in for animal identification and tracing must extend beyond producers to include others involved in the production chain.* In several projects, data collection was hindered because individuals in key industry segments (i.e., auction markets, slaughter facilities, and commercial transporters) lacked understanding of the technology and basic procedures involved with animal identification and tracing systems. During the Minnesota pilot project, the participating slaughter facility did not report equipment failures to State officials or manufacturers because the problems did not interfere with the facility's own operations. Such results demonstrate that outreach, education, and market incentives will be especially important within these groups to achieve the animal tracing goals of NAIS.
- *The cost-effectiveness of LF-RFID must be evaluated according to species.* The Montana pilot project found that individually identifying all animals in a sheep production system would be too expensive unless it created value-added benefits. A subsequent project is being conducted now to evaluate the potential use of group/lot ID systems within sheep marketing channels.
- *Participants at all levels of production need to be well-informed about basic procedural matters related to animal identification.* The North Dakota CalfAID project found that facility owners were often unaware of the purpose of the project's RFID tags. As a result of the common practice at feedlots and other such facilities to remove all eartags from animals upon arrival, the potential outcomes of the project were lost. It will be especially important to educate the entire industry about animal identification practices to prevent the removal of official identification devices.
- *Workable options are available for producers who want to identify their animals electronically without the added expense of reader equipment.* Producers in the Northwest pilot project found value in using "matched set pairs" of eartags. A group/lot visual tag was used for day-to-day management purposes and then matched with an individual RFID tag number—without the use of an RFID reader or software—when the animal moved off the premises. The project also determined that this method can work well with other related management and marketing programs, such as process-, age-, and source-verification.
- *The level of training received by equipment operators directly impacts data collection and, ultimately, the system's success.* In the Oklahoma project, employees at most locations were either unprepared or unwilling to properly operate computer equipment, resulting in poor data capture rates. However, the South Dakota project reported that equipment performance improved with operator training and experience. In fact, all facilities in this project experienced improved read rates as employees became more familiar with the equipment.
- *The use of electronic identification allows for more accurate and efficient recordkeeping.* During the Southwest pilot project, many producers who were exposed to RFID technology for the first time reported a significant reduction in data entry errors. It also was reported that the use of the technology enhanced business practices and, as a result, reduced labor costs.

- *Calves can be tagged successfully with RFID devices at a very young age.* In the Tri-National project (Arizona), dairy calves from 3 to 5 days old were tagged upon arrival at a participating calf ranch and then shipped to a feedlot at 6 to 8 weeks of age. The project reported acceptable tag retention rates.
- *Effective, producer-focused outreach and education is critical to the success of an animal identification system.* The Texas pilot project reported that the biggest challenge in implementing animal identification was not the technology itself, but rather the attitudes among livestock owners towards the technology. State and industry outreach efforts were able to address many common misconceptions about the capabilities of RFID technology and to foster participation in the project. Explaining the need for and value of animal identification, with a specific focus on how identification devices can add value to livestock, was particularly effective in garnering producer support.

## Appendix 4

### Acronyms

AHO – Animal Health Official  
AHSM – Animal Health and Surveillance Management  
AINMS – Animal Identification Number Management System  
AIN – Animal Identification Number  
AMS – Agricultural Marketing Service  
APHIS – Animal and Plant Health Inspection Service  
ASTM – American Society for Testing and Materials  
ATD – Animal Tracking Database  
ATPS – Animal Trace Processing System  
CA – Cooperative Agreement  
CCC – Commodity Credit Corporation  
CFR – Code of Federal Regulations  
CPRS – Compliant Premises Registration System  
CSREES – Cooperative State Research, Education, and Extension Service  
CWD – Chronic Wasting Disease  
DHIA – Dairy Herd Improvement Association  
eCVI – Electronic Certificates of Veterinary Inspection  
EIA – Equine Infectious Anemia  
EMRS – Emergency Management Response System  
FFA – National FFA Organization  
FY – Fiscal Year  
GIN – Group/Lot Identification Number  
HQ – Headquarters  
ICVI – Interstate Certificates of Veterinary Inspection  
ISO – International Organization for Standardization  
IT – Information Technology  
NAHMS – National Animal Health Monitoring and Surveillance  
NAIS – National Animal Identification System  
NASS – National Agricultural Statistics Service  
NPIP – National Poultry Improvement Plan  
NPIR – National Premises Information Repository  
NSEP – National Scrapie Eradication Program  
NVSL – National Veterinary Services Laboratories  
OIE – World Organization for Animal Health  
PIN – Premises Identification Number  
QSA – Quality System Assessment  
RFID – Radio Frequency Identification  
SPRS – Standardized Premises Registration System  
TB - Tuberculosis  
USDA – United States Department of Agriculture  
VS – Veterinary Services  
VSPS – Veterinary Services Process Streamlining  
WG – Working Group

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