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Detailed Measures for Improvement of Livestock Disease Control

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Report Highlights:

In early May, Korea's Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF) announced measures to strengthen the country's livestock disease controls, which came under considerable scrutiny during the recent Foot & Mouth Disease (FMD) crisis. The measures include: farm registration, minimum space requirements, increased training, stronger FMD Standard Operating Procedures (SOPs), and cost sharing for vaccination expenses. The announcement also references plans to combine the three quarantine agencies into a single body.

Executive Summary:

On May 6, 2011, MIFAFF announced measures to bolster the nation's livestock disease controls that had been rocked during the recent FMD crisis where millions of livestock were culled to stem the spread of the disease. The measures include: farm registration, minimum space requirements per animal, increased training, stronger FMD Standard Operating Procedures (SOPs), and cost sharing for vaccination expenses. The government will help offset the costs associated with these new changes by drawing on the 1.6 trillion won (\$1.5 billion) set aside as part of the Korea-EU FTA countermeasures.

The most significant change for the local livestock industry will be the farm licensing system, which will be gradually instituted from 2012 through 2015. Registered farms must meet certain location and facility requirements. The larger scale farms will go first followed by the medium sized establishments and so forth. By 2015, the plan is to have 90% of beef cattle licensed, while nearly all the dairy cattle, swine, and broilers will be covered. Nearly 10% of the country's beef cattle will not be licensed because of the large number of small operations (<7 head) raising beef. According the figures cited in the report, roughly 50% of beef cattle farms have less than 7 animals.

The licensing system also includes a minimum space requirement component, which could become a challenge for smaller operations that have limited capacity to expand barn or pasture size.

The exact extent of the impact these measures will have on the local livestock industry will become clearer in the coming months and will be reported on in our upcoming Livestock & Products Annual Report in August.

Below is an unofficial translation of the MIFAFF announcement.

Detailed Measures for Improvement of Livestock Disease Control
And Advanced Livestock Industry

May 6, 2011

Ministry for Food, Agriculture, Forestry & Fisheries

A. INTRODUCTION OF LICENSE SYSTEM FOR LIVESTOCK FARMING

1. The registration requirement for livestock farms will be applied to all livestock farms. The licensing requirement for livestock farming will be required from 2012 for three types of livestock farming, i.e., breeding (639 farms), hatching (234 farms) and semen treatment business (50 swine semen handling farms), regardless of its size.
2. The licensing requirement for livestock feeding farms (similar to the concept of U.S. feedlots) will be gradually introduced, based on the farm size. Farms that are making over 120 million won of farm income (more than double the standard farm income level of 60 million won per year for a full-time livestock farm) will be subject to licensing in 2012. In 2013, farms that are making more than the standard farm income level of 60 million won per year for a full-time livestock farm will be subject to licensing. Farms that have a farm income level of semi-full-time livestock farms (30 million won) will be subject to licensing in 2014 and all livestock farms, regardless of its income level will be required to receive license in 2015.
3. License will be given out based on its location, facility, number of animals being raised and training requirements. The existing farms will be considered as having received licensing and will be subject to inspection in 2012. However, new-entry farms will be subject to licensing without any grace period. The locations for receiving the license will be 20 meter away from the main provincial road, 30 meters away from a river and 500 meters away from slaughter plant, feedlot, breeding farms, etc. The facility requirements will call for barns, manure treatment facilities, place for disposal of dead animals, etc. The pre-allocated budget of 1.6 trillion won (2011~2020) as part of countermeasure for Korea-EU FTA will be used in providing support for improving the livestock farm facilities.
4. The indicative size of the farm for receiving the license is as follows. More detailed plan by age of the animal, etc. is available:

	Beef cattle	Dairy cattle	Swine		Layer	Duck
Square meters per head						
Type	Pasture type	Sawdust floor	Sow	Fattening pig	Floor feeding	Floor feeding
Space/head	7.0	16.5	1.4	0.8	0.11	0.246

5. The draft plan for training calls for 80 hours (10-days) of mandatory training for new-entry farmers, 40 hours (5-days) for farmers with less than 5 years of experience and 24 hours (3-days) for farmers with more than 5 years of experience. Smaller sized farms not subject to licensing must receive 16 hours (2-days) of mandatory training. The penalty for violating the license requirement is up to 3 years of imprisonment or a fine up to 30 million won.

Annual plan for introducing the of livestock licensing system

Year	Species	Farm size	Number of farms (%)		Number of animals (%)
Year		Herd size	households (%)	Total	Heads (%)
2012	Beef cattle	100	4,390 (2.6)	8,618 (4.4)	800,000 (27.4)
	Dairy cattle	100	994 (15.6)		132,000 (30.8)
	Swine	2,000	1,456 (19.8)		6,245,000 (63.2)
	Layer	30,000	596 (38.8)		48,566,000 (78.7)
	Broiler	50,000	601 (34.1)		44,014,000 (56.5)
	Duck	10,000	581 (11.0)		11,150,000 (87.6)
2013	Beef cattle	50	13,165 (7.6)	23,161 (11.9)	1,397,000 (32.3)
	Dairy cattle	50	4,156 (65.5)		356,000 (82.6)
	Swine	1,000	3,248 (44.2)		8,730,000 (88.4)
	Layer	30,000	596 (38.8)		48,566,000 (78.7)
	Broiler	30,000	1,248 (70.8)		68,606,000 (88.1)
	Duck	5,000	748 (14.2)		12,331,000 (96.8)
2014	Beef cattle	30	24,330 (14.1)	37,668 (19.4)	1,816,000 (62.1)
	Dairy cattle	30	5,724 (90.2)		419,000 (97.5)
	Swine	500	4,473 (60.9)		9,633,000 (97.5)
	Layer	20,000	841 (54.8)		54,356,000 (88.1)
	Broiler	20,000	1,521 (86.3)		75,242,000 (96.6)
	Duck	3,000	779 (14.8)		12,448,000 (97.8)
2015	Beef cattle	7	64,950 (51.8)	81,182 (41.8)	2,599,000 (88.9)
	Dairy cattle	7	6,246 (98.4)		433,000 (99.9)
	Swine	60	5,721 (77.9)		9,859,000 (99.8)
	Layer	1,000	1,535 (100)		61,691,000 (100)
	Broiler	1,000	1,763 (100)		77,871,000 (100)
		160	967 (18.3)		12,461,000 (97.9)

Duck				
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B. IMPROVEMENT OF SOP AGAINST FOOT AND MOUTH DISEASES

1. The improved manual for dealing with FMD separates the finding of FMD by the type where there have been vaccination against (A, O and Asia1 type) and those types where Korea has not vaccinated against (C, SAT 1, SAT 2 and SAT 3 type).
2. Once a suspected case is detected, preparation for a standstill of all livestock movement will be prepared. If it is a type of FMD where vaccination has been done, then the level of alert will gradually increase from “Concern (Blue: when FMD outbreaks occur in neighboring nations)” ► “Caution (Yellow: When suspected case is detected, or when an infected animal from the FMD type where vaccination has been conducted is confirmed.)” ► “Alert (Orange: When the FMD type where vaccination has been conducted spreads to other areas)” ► “Serious (Red: When there is a concern of a FMD type where vaccination has been conducted from spreading throughout the nation or when a non-vaccinated FMD type is found.)” Only the infected animals will be rendered or incinerated.
3. If a type of FMD where there has not been any vaccination is detected, a 48 hour standstill will be imposed. The level of alert will be immediately upgraded to “serious stage.” Animals within a radius of 500 meters will be culled and this radius will be shortened after vaccination. The emergency vaccination will be conducted within 1 week from the date a decision for vaccination has been made.

C. LAY DOWN THE BASIS FOR SHARING RESPONSIBILITY

1. Part of the expenses for vaccination will be imposed on farms larger than a certain size from 2012. Half of the vaccination expenses will be imposed upon cattle and swine farms that make over 60 million won in farm income per year.
 - a. Number of farms subject to this cost sharing: Hanwoo (7.4% of total Hanwoo farms), Dairy beef steers (13%), Dairy cows (67%) and swine (44%)
 - b. Number of animals being raised on these farms: Hanwoo (47% of total Hanwoo cattle), Dairy beef steers (68%), Dairy cows (83%) and swine (88%)
 - c. The annual cost for vaccination for a swine farm raising 1,000 heads:
 - i. 4.6 million won (2,300 heads X 2,000 won (per shot)

- ii. Fifty percent of the vaccination cost will be equal to 2.3 million won. This is equal to about 1.1% of income and 0.5% of production costs.
2. The provincial governments will be subject to part of the compensation expenses for culled animals.
 - a. The central government will be responsible for 80% of the compensation. The provincial government will be responsible for 10% of the expenses and the county office will pay for the remaining 10%.
 - b. If the total amount of compensation exceeds 1 billion won for the local government, there is a possibility that the central government may provide support.
3. Establishment of objective standard for reducing the compensation depending on whether the farmers followed the FMD control guidelines or not.
 - a. Principle for compensation: 80 % of the market price for farms with infected animals. FMD negative farms will receive 100% of the market price as compensation.
 - b. Standard for reduction of compensation:
 - i. When not following guidelines after traveling overseas or hiring foreign labor: 80% reduction of compensation.
 - ii. When not carrying out the diseases control obligations: Depending on the number of violations, there will be a reduction in compensation between 20-60%. Examples of the violations are; Not providing cooperation during epidemiological investigation, not fumigating people entering the farms, not keeping a record of the people that entered the farms, movement of animals during restricted period, convening gathering of 2 or more people without the permission of the quarantine officer during movement restriction period, etc.
 - iii. Compensation will also be reduced for animals that exceed the standard number of animals allowed to be raised on the farm.

D. Other measures

1. The government will consolidate the 3 inspection agencies into one organization called “Agriculture, Forestry and Fisheries Quarantine and Inspection Headquarter (tentative name).”
2. Local government will be allowed to recruit more quarantine officials.
3. An emergency task force will be established at each local government to be sent out to the outbreak site, composed of military, police, cooperatives and quarantine officials.
4. Registration of vehicles related to the livestock industry. About 300,000 vehicles that enter the livestock farms will be subject to registration in 2012. These vehicles would have to be

equipped with a GPS, sticker proving that it is a registered vehicle, registration in the integrated system for animal diseases control, record keeping of all entries into the farms, etc.

5. All middlemen dealing in livestock would be subject to registration by 2012. There are about 970 middlemen involved in the transaction of the cattle or those that are consigned to sell or move animals from one place to another. There are 90 such middlemen in the swine sector, 270 in the chicken sector and 70 in the duck business. These middlemen will also be subject to 16 hours (2-day) training as well as record keeping, etc.