



Animal Welfare

INTRODUCTION

Over recent decades, Europe has witnessed a significant evolution in farming and food production from which consumers are increasingly far removed and disconnected. At the same time, consumers are beginning to think more about the products they buy and, more specifically, about how these are produced. Spurred by high profile media stories and health scares and as result of the organic and fair trade movements as well as the focus on sustainable farming and environment, concerns have gathered momentum. In this context, animal welfare has emerged as an important issue on the consumer agenda and animal welfare is increasingly becoming established as a core business issue for retailers, wholesalers, and their suppliers.

The underpinning of animal welfare concerns is the recognition that animals are sentient beings and not merely commodities and that consequently due care should be given to their welfare and their suffering, particularly at the hands of man, should be avoided. These concerns extend to how the animals are bred, reared, kept, treated, transported and slaughtered. How animal welfare is defined and perceived can vary significantly due to different cultures, socio-economic statuses, values and belief systems. For some, animal welfare is defined negatively as the absence of cruelty and suffering while other define it in more positive terms via a list of conditions to be provided for the animal, most notably demonstrated by the 'Five Freedoms', a set of internationally well-known and respected requirements. The Five Freedoms defined in the 1960s by the UK's Animal Welfare Council are:

- Freedom from thirst and hunger – by ready access to fresh water and a diet to maintain full health and vigour
- Freedom from discomfort – by providing an appropriate environment including shelter and a comfortable resting area
- Freedom from pain, injury, and disease – by prevention or rapid diagnosis and treatment
- Freedom to express most normal behavior – by providing sufficient space, proper facilities, and company of the animal's own kind
- Freedom from fear and distress – by ensuring conditions and treatment which avoid mental suffering

According to the World Organisation for Animal Health (OIE), animal welfare is defined as: “how an animal is coping with the conditions in which it lives. An animal is in a good state of welfare if (as indicated by scientific evidence) it is healthy, comfortable, well-nourished, safe, able to express innate behavior, and if it is not suffering from unpleasant states such as pain, fear and distress.”¹

Today, virtually every sector involved in animal husbandry – manufacturers, producers and retailers – have taken action in relation to animal welfare. They have been driven by a number of factors, including improvements to scientific knowledge, customer and client demand, pressure/initiatives

¹ OIE Terrestrial Animal Health Code, Chapter 7.1: http://web.oie.int/eng/normes/mcode/en_chapitre_1.7.1.htm



by animal welfare organisations, brand enhancement, access to new markets, and a strengthening of legislation at both the national and EU level.

Within the retail sector, companies are increasingly recognizing that animal welfare is central to their core business and should therefore be managed proactively. In this vein, retailers have taken a number of steps including defining and implementing animal welfare policies, developing partnerships and learning programmes with animal welfare public institutions, assigning responsibility for animal welfare, adapting sourcing strategies and offering products from credible animal welfare quality farm assurance schemes, providing information to consumers and reporting on performance.

In the food sector, one of the strongest influences on the welfare conditions of farm animals is that of the supermarket retailer thanks, in part, to their purchasing power. Increased public awareness of animal welfare issues has helped increase the focus of supermarkets on the production conditions and welfare of livestock from their suppliers. A growing number of companies have made commitments to adopt policies based upon stricter animal welfare standards than those required under EU and national laws. Examples of good practices exist and show the diversity of initiatives that have been taken². Many retailers are working with suppliers and setting minimum farm animal welfare standards within their contracts as well as conducting regular audits or inspections of suppliers' premises and practices based on these standards. Others have offered incentives (such as higher prices, higher volumes or longer term contracts) to those suppliers that adopt higher welfare standards. Some are also increasing the proportion of higher animal welfare products that they sell and are also taking steps to improve the information on animal products which they provide to their consumers.

In both the food and non-food sectors, the emphasis placed on animal welfare nevertheless varies greatly. Moreover, improving animal welfare standards is not merely a matter for retailers; it also depends on the willingness of producers to provide, and consumers to buy, products that meet higher welfare standards. Thus, there is considerable potential for further improvement, both among retailers and on the part of other stakeholders in the supply chain.

SCOPE

Animal welfare is a broad subject with differing definitions and assessment criteria. The notion of animal welfare is often contrasted with those of animal rights and animal liberation, which hold that animals should not be used by humans, and should not be regarded as their property. While not categorically opposed to the use of animals, animal welfare refers to the desire to prevent unnecessary animal suffering and ensure a good quality of life and humane slaughter (i.e. with minimum pain and suffering). Similarly, animal welfare differs from animal conservation in that the latter primarily focuses on protecting species from extinction whereas animal welfare addresses the quality of life and prevention of suffering of individual animals.

Moreover, the concept of animal welfare deals with a broad range of issues that often need to be addressed in a species-specific manner. A number of food products are derived directly from animals or animal by-products. Animals are also used for scientific purposes, mainly in the fields of basic and

² http://eurogroupforanimals.org/files/publications/downloads/Eurogroup_for_Animals_-_Retail_leaflet.pdf



applied biomedical research and for regulatory testing. The leisure and entertainment industries also use animals to derive pleasure while the fashion, design and decorating industries source materials derived from animal products. Animals are also used for human companionship and to provide labour.

For the sake of this paper, and in accordance with the nature and membership of the Retail Forum for sustainability, animal welfare shall be considered in relation to animal products, bi-products³ and derived products⁴ that are sold through retail companies, both food and non-food⁵.

THE LEGAL FRAMEWORK

European legislation

The first piece of animal welfare legislation relating to farm animals was adopted by the European Community in 1974 and concerned the use of stunning prior to slaughter. Since then, animal welfare has been incorporated in all major treaties affecting the functioning of the EU: the 1992 Maastricht Treaty, the 1997 Amsterdam Treaty and, more recently, the Lisbon Treaty which enshrined animal welfare as a core European value via Article 13. In its legislative texts, the EU recognises that animals are sentient beings and requires full regard to be paid to their welfare when EU policies relating to agriculture, transport, research and the internal market are formulated or implemented.

Today, EU minimum welfare standards are in place for farm animals, and specific legislation applies to laying hens, broiler chickens, calves and pigs. These Directives enforce minimum standards for the on-farm lives of animals.

- All farm animals – *Council Directive 98/58/EC concerning the protection of animals kept for farming purposes.*
- Laying hens - *Council Directive 1999/74/EC laying down minimum standards for the protection of laying hens.*
- Broiler chickens - *Council Directive 2007/43 laying down minimum rules for the production of chickens kept for meat production.*

³ i.e. *entire bodies or parts of animals, products of animal origin or other products obtained from animals which are not intended for human consumption*
http://europa.eu/legislation_summaries/food_safety/animal_nutrition/sa0025_en.htm

⁴ i.e. *products obtained from one or more treatments, transformations or steps of processing of animal products*
http://europa.eu/legislation_summaries/food_safety/animal_nutrition/sa0025_en.htm

⁵ As sustainable seafood has already been dealt with in a separate issue paper (see link below), this shall largely be excluded from this paper
<http://ec.europa.eu/environment/industry/retail/pdf/fish%20issue%20paper.pdf>



- Calves – Council Directive 2008/119/EC laying down minimum standards for the protection of calves.
- Pigs - Council Directive 2008/120/EC laying down minimum standards for the protection of pigs.

EU farm animal welfare legislation also exists with regard to live animal transport and slaughter.

- *Council Regulation (EC) No. 1/2005 on the protection of animals during transport.*

This regulation applies to the transport of all live vertebrate animals for the purposes of economic activity including, livestock and equine hauliers, farmers and commercial pet breeders as well as people working in markets and slaughterhouses.

In 2009, a regulation was adopted aiming to minimise the pain and suffering of farm animals through the use of properly approved stunning methods, based on scientific knowledge and practical experience.

- *Council Regulation (EC) No. 1099/2009 on the protection of animals at the time of killing.*

Additional EU legislation can also have a direct impact on animal welfare and animal welfare standards including those regulating the conditions for organic livestock farming (*The Commission Regulation on organic production (EC) No. 889/2008 of 5 September 2008 and Council Regulation (EC) No 834/2007 on organic production and labelling of organic products*) and the marketing of eggs and chicken meat⁶.

In 2012, the European Commission issued its strategy for the welfare and protection of animals 2012 – 2015.

- *Communication from the Commission To The European Parliament, the Council and the European Economic and Social Committee on The European Union Strategy For The Protection And Welfare Of Animals 2012-2015*

Regarding animal health and official controls on food and feed, with a view to streamlining the complicated patchwork of rules currently in place, the European Commission adopted, on 6 May 2013, a proposal for a single, comprehensive animal health law, as well as a proposal to revise the legislation on official controls. Both proposals have implications for animal welfare:

- *Proposal for a Regulation 2013/0136 (COD) of the European Parliament and of the Council on animal health*
- *Proposal for Regulation 2013/0140 (COD) of the European Parliament and of the Council on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health, plant reproductive material and plant protection products*

⁶ According to Eurogroup for Animals - <http://eurogroupforanimals.org/>



European conventions on animal welfare

In addition to legislation adopted by the European Union, the Council of Europe (CoE) has 5 conventions covering animal welfare including one on the protection of animals kept for farming purposes.

- *European Convention for the Protection of Animals Kept for Farming Purposes*

This convention has been adopted by the European Union (via Council Directive 98/58/EC) and is therefore applicable to all Member States. It includes recommendations on the welfare of individual species of livestock, outlines the conditions necessary to avoid any unnecessary suffering or injury and to take account of physiological and behavioural needs⁷.

Initiatives at the European level

To help European consumers choose products that meet higher animal welfare standards, the European Commission adopted a report on animal welfare labelling in 2009.

- *Options for animal welfare labelling and the establishment of a European Network of Reference Centres for the protection and welfare of animals*⁸

In 2010, invited by the Commission and the Belgian Presidency of the Council, representatives of European farmers, meat industry, retailers, scientists, veterinarians and animal welfare NGOs committed to a plan to voluntarily end surgical castration of pigs in Europe by 1 January 2018. As a first step, from 1 January 2012, surgical castration of pigs will be performed with prolonged analgesia and/or anaesthesia, if carried out. A European partnership will be established to develop the tools to reach the goals and ensure that costs are fairly shared.

- *European Declaration on alternatives to surgical castration of pigs*⁹

International Animal Welfare Standards

The World Animal Health Organisation (OIE) is the intergovernmental organisation responsible for improving animal health worldwide. Since May 2005, the World Assembly of OIE delegates (representing 180 member countries) has adopted nine animal welfare standards in the Terrestrial Code¹⁰ and three welfare standards in the OIE Aquatic Animal Health Standards Code¹¹.

⁷ Current Council of Europe recommendations relate to the following: cattle, poultry, fish, fur animals, goats, pigs, ratites, sheep

⁸ ec.europa.eu/food/animal/welfare/farm/labelling_en.htm

⁹ http://ec.europa.eu/food/animal/welfare/farm/initiatives_en.htm

¹⁰ <http://www.oie.int/international-standard-setting/terrestrial-code/access-online/>

¹¹ <http://www.oie.int/international-standard-setting/aquatic-code/access-online/>



OPPORTUNITIES AND BARRIERS

There are many opportunities to be reaped from adopting higher welfare standards for animals, not least the reputational benefits for the company in question. This can nevertheless come at a price not only in terms of the costs associated with implementing higher welfare systems, but also as a result of lack of competitiveness with comparable products, be they from third party companies, imports from abroad, or those of competitors. The EU has in place animal welfare-based trade restrictions such as a marketing ban for cosmetics tested on animals, the ban on cat and dog fur, and Council Regulation (EC) No 1099/2009 on the protection of animals at the time of killing which requires third countries to have equivalent measures in place when exporting meat into the EU in order to achieve the same welfare objectives. However, in some cases, animal welfare laws in the EU require standards to be met by EU products but due to international trade laws are unable to require that third country imports meet the the same level of welfare standards .

Moreover, despite the high importance accorded to animal welfare by consumers when questioned on this and their apparent willingness to pay more for products that meet higher animal welfare standards, this isn't always translated in their actual purchasing patterns¹². Key barriers include a lack of availability, a lack of knowledge, lack of available information and financial barriers which can over-rule good intentions but also undermine the desire of companies to invest in higher welfare systems.

Opportunities

Consumer-focused opportunities

- Animal welfare represents a “quality barometer” for food products, in particular in the field of environmental impact, health benefits and level of nutrition
- According to Eurobarometer opinion polls¹³, EU citizens consider animal welfare of high importance and rank it on average as 8 of 10 in this regard. Consumers, when asked, also say they are prepared to make additional effort to purchase products that meet higher animal welfare standards whether it be by going to a different store, changing retailer, or paying a premium for these items¹⁴ (though they may not always act accordingly when it comes to making purchasing decisions¹⁵ resulting in a value-action gap)

¹² Consumer Attitudes to Animal Welfare (2007), Freedom Food monitored by the RSPCA - <http://www.rspca.org.uk/servlet/Satellite?blobcol=urlblob&blobheader=application%2Fpdf&blobkey=id&blobtable=RSPCABlob&blobwhere=1172248207766&ssbinary=true&Content-Type=application/pdf>

¹³ http://ec.europa.eu/public_opinion/archives/ebs/ebs_270_en.pdf

¹⁴ http://ec.europa.eu/public_opinion/archives/ebs/ebs_270_en.pdf

¹⁵ http://ec.europa.eu/food/animal/welfare/euro_barometer25_en.pdf



Animal welfare, health and productivity-focused opportunities

- Animals whose welfare is maintained are less prone to contracting infectious diseases as a result of the weakened immune system and the stress placed on them by transportation. Animal welfare practices, if implemented well, also contribute to a reduction in the recourse to antibiotics and thus help fight against antibiotic resistance further up the food chain
- According to the World Organisation for Animal Health (OIE), improvements in farm animal welfare can often improve productivity and food safety, and hence lead to economic benefits¹⁶. Higher welfare products also often command higher premiums which could help offset the production cost and can create efficiency benefits in terms of higher quality products
- By improving the health of animals, investing in animal welfare could contribute to restoring consumer trust following a number of recent animal health scares
- Ensuring animal welfare can enable producers to tell a compelling marketing story related to the provenance and local production of products (for example, free range). Furthermore adopting higher farm animal welfare standards enables businesses to differentiate themselves from their competitors, which is likely to be a core driver of business value over the next decade
- Developing partnerships between farmers/producers and retailers would help contain eventual additional costs and would be beneficial for the traceability and safety of the chain
- By encouraging stakeholders to work together to ensure standards are met, promoting animal welfare can provide opportunities for collaboration between retailers, policy makers and civil society

Barriers

- The absence of verification, audit mechanisms and in some cases private welfare codes for certain species or products make it impossible to check if welfare is upheld. Moreover, many of these products (e.g. pearls, silk, etc.) are bought through traders and auctions making it difficult to check the origin and thus the welfare standards
- Costs associated with higher animal welfare, and communicating this to consumers, which may be difficult to absorb, notably for SMEs
- Communication of animal welfare-level standards and provenance via the food label is complex, and consumers may be deterred from buying higher animal welfare products due

¹⁶ OIE Terrestrial Animal Health Code (2013), Chapter 7.1, Art. 7.1.2 Guiding Principles for animal welfare - <http://www.oie.int/international-standard-setting/terrestrial-code/access-online/>



to a lack of information¹⁷ and the confusing plethora of labels¹⁸. Further investigation is required in order to identify the optimal way to inform consumers

- Consumers often over claim their propensity to purchase products with higher standards of animal welfare¹⁹ leading to a value-action gap. Cost-conscious consumers may also be unable or unwilling to pay the higher premium or may choose to ignore information to avoid the realities of production²⁰
- Consumers' interest in animal welfare varies within the EU, depending on the influence of local animal welfare NGOs and the cultural and social context²¹
- Producers also have to be willing to adopt the higher standards particularly if this entails significant investment on their part and/or higher overheads

CONCLUSIONS

There are arguably win-win possibilities for pursuing ambitious animal welfare policies. However, in order to overcome some of the potential barriers, it will be important for suppliers and retailers to work together to make sure products meet consumers' expectations and that the agreed standards are respected so as not to lose consumer confidence. High tier products need to be clearly differentiated in order to justify the price premium. Consumer demand will continue to be a key driver in raising animal welfare standards. To ensure that this demand is converted into purchases, awareness of animal welfare needs to be created at national and European level and then reinforced at the point of sale so that consumers do not revert to lower animal welfare products. Ensuring the competitiveness of EU products against third country imports should help in this regard thereby contributing to driving growth in the higher welfare segment.

Key challenges

- Reinforcing consumers' animal welfare education and awareness by providing them with complete and adequate information to ensure their willingness to buy (and pay a premium for) higher animal welfare products is put into practice

¹⁷ http://ec.europa.eu/food/animal/welfare/farm/aw_labelling_report_part1.pdf

¹⁸ http://ec.europa.eu/public_opinion/archives/ebs/ebs_270_en.pdf

¹⁹ Consumer Attitudes to Animal Welfare (2007), Freedom Food monitored by the RSPCA - <http://www.rspca.org.uk/servlet/Satellite?blobcol=urloblob&blobheader=application%2Fpdf&blobkey=id&blobtable=RSPCABlob&blobwhere=1172248207766&ssbinary=true&Content-Type=application/pdf>

²⁰ Consumer Attitudes to Animal Welfare (2007), Freedom Food monitored by the RSPCA - <http://www.rspca.org.uk/servlet/Satellite?blobcol=urloblob&blobheader=application%2Fpdf&blobkey=id&blobtable=RSPCABlob&blobwhere=1172248207766&ssbinary=true&Content-Type=application/pdf>

²¹ http://ec.europa.eu/public_opinion/archives/ebs/ebs_270_en.pdf



- Maintaining competitiveness of EU products and ensuring that improved welfare standards in the Union do not result in increases in lower cost imports from nations with lower animal welfare standards
- Allowing companies the flexibility to continue to differentiate themselves on subjects relating to animal welfare while at the same time ensuring EU legal standards are maintained across the sector
- Ensuring consumers have access to a wide variety of products that meet higher animal welfare standards across the EU; depending on the country and the type of products, this may be difficult

What can retailers do?

Farm Animals

- Adopt a farm animal welfare management system²² which could include, inter alia, some of the following:
 - An overarching farm animal welfare policy that includes a clear statement of the reasons why farm animal welfare is important to the business, a commitment to compliance with relevant legislation and to other relevant standards, a commitment to continuous farm animal welfare performance improvement, clear accountabilities for the implementation of the policy, and a commitment to public reporting on performance
 - Formal policies on key farm animal welfare-related concerns such as close confinement, long-distance transport and routine mutilations
 - Clearly defined responsibilities – at the senior management (oversight) level and at the operational level – for the implementation of the company’s farm animal welfare policy or policies
 - Objectives and targets for farm animal welfare performance
 - Reporting on farm animal welfare processes and performance and providing information to consumers

All Animals

- Adopt an overarching animal welfare policy and integrate animal welfare in corporate social responsibility (CSR) policies

²² As promoted in a practical roadmap for action under the 2013 Business Benchmark on Farm Animal Welfare, supported by World Animal Protection (formerly World Society for the Protection of Animals) and Compassion in World Farming, which serves as a framework tool to help investors, companies, NGOs and other stakeholders understand farm animal welfare issues and the relative performance of food companies in this area: <http://www.bbfaw.com/>



- Conduct an audit of existing policies and activities with an impact on animal welfare and production methods of suppliers to identify weak spots and problem areas to be dealt with as a priority. Verify the implementation of animal welfare standards on a regular basis and put in place policies regarding action to be taken if the standards are not met. Conduct periodic reviews to see what policies work best and to ensure that the latest developments, techniques and scientific evidence is taken into account
- Develop internal policies for animal products including for extra-EU imports. Insist that high standards of animal welfare, based on good science, are met and maintained at all stages of the animal's life – on the farm, during transportation and at the place of slaughter. In the food sector, where possible, extend the same standards used for primary products (i.e. meat, eggs and dairy) to ingredients used in own brand products
- Provide leadership by introducing voluntary schemes specifying standards that meet or exceed the minimum requirements laid down by legislation or relating to species which currently are not covered by legal rules either at the national or EU level
- Use independent and balanced advice from stakeholders, where appropriate, to scrutinize policies and specifications to ensure standards are high, current, and that these are met and maintained as part of long term strategy for continual improvement
- Include the animal welfare policy in internal and external communications, e.g. website, staff training. Report regularly on action taken in relation to animal welfare in sustainability and CSR reports
- Work together with suppliers to improve standards in animal welfare and tackle problems and issues that may arise in collaboration. Provide support to producers / suppliers, in the form of technical or financial assistance (e.g. offering longer-term contracts), to reduce the risks associated with moving towards higher welfare practices
- Work towards the farm-to-retail traceability of meat and eggs
- Ensure compliance with EU legislation (i.e. *Regulation (EC) No. 1/2005*) regarding maximum journey times, stocking densities, resting periods, etc. Reduce or prevent the unnecessary transport of live animals
- Provide clear, honest and effective consumer information at the point of sale such as method of production labelling (e.g. used for egg labelling) and on credible private animal-welfare label schemes to allow informed purchasing decisions
- Increase the visibility of products that meet higher animal welfare standards (e.g. in stores, by using specific shelves, on-farm pictures and farmer testimonies). Do not mislead the consumer through any written or visual means on or off the packaging which may inadvertently give the perception that products are derived from higher animal welfare production standards than is the case
- Increase offer of animal products produced under higher animal welfare standards. Where possible, prohibit specific production systems, procedures and confinement systems which have been scientifically proven to compromise animal welfare



- Increase selection of slower-growing strains of animal meat and phase-out the use of breeding procedures which cause suffering and specific breeds of animal which due to their genetics inherently cause welfare issues

What can producers do?

- Respect the '5 Freedoms' by providing animals with adequate food and water, space, natural lighting and comfortable housing and laying areas. Use, where possible, free range systems with appropriate shelter (provided that this is not detrimental to bio-security)
- Reduce or phase out practices which cause pain to animals. Where such procedures are absolutely necessary or in the interest of the animal, they should be carried out in such a way as to minimize pain and distress, by experts and, if possible, under anaesthesia and with analgesia
- Ensure all livestock is maintained in good health and veterinary medicine is used appropriately and for therapeutic purposes only. In particular, antibiotics should be used responsibly and not in a routine prophylactic manner
- Promote, based on science and cost analysis, welfare research and practices that exceed the minimum requirements laid out in legislation and conventions
- Ensure that the journey and resting times laid down in EU legislation (*Regulation (EC) No. 1/2005*) or internal policies and voluntary codes which go beyond this are properly enforced and that hauliers are appropriately trained according to the needs of the animals being transported
- Wherever possible and practical, use high end slaughterhouses designed to minimise the animals' stress during the whole process

What can policy makers do?

- Develop and implement science-based animal welfare policy, indicators, and surveillance and enforcement tools. Any animal welfare legislation must be realistic and workable and facilitate a balance between costs and benefits
- Consider animal welfare when drafting and negotiating product specific regulation (when the direct impact on animal welfare may not be obvious) and ensure consistency of standards, definitions and terminology in all EU legislative texts
- Strive to raise animal welfare standards, based on scientific evidence, at the OIE level to create a level playing field between EU producers and imports from third countries. Encourage the OIE to continue to develop and democratically adopt new international standards and implement its capacity building activities on animal welfare



- Negotiate the inclusion of specific animal welfare standards in EU free trade agreements (e.g. EU-Chili FTA) and negotiate bilateral administrative agreements with exporting countries that safeguard animal welfare requirements (e.g. 2013 EU-Brazil Memorandum of Understanding on Animal Welfare)
- Disseminate good practices on animal welfare, both within the EU and with third countries, including on the provision of information to consumers, and support these practices (e.g. by providing incentives for adopting them)
- Ensure sufficient flexibility for private schemes
- Support the establishment of a European network of reference centres
- Make improved animal welfare more affordable through various policy options, including state aids, and other EU policies such as rural development and support research on animal welfare
- Set an example by including specific requests in public procurement contracts to ensure food suppliers only source higher animal welfare products