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European Union

Livestock and Products

EU report on animal welfare

2002

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Report Highlights:

After a four-year delay, the European Commission released a report on the international impacts of animal welfare standards in EU legislation.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2], E2

Summary: On November 19, 2002, the European Commission released a report on "Animal Welfare Legislation on Farmed Animals in Third Countries and the Implications for the EU". The report compares animal welfare standards in the European Union with standards in third country trading partners and analyzes ways to avoid potential competitive disadvantages in trade as a result of disparities in standards.

Legitimacy for animal welfare standards are found to link directly with animal health, and consequently food safety and quality. The report claims that, even though animal welfare cannot be scientifically measured, it is becoming a universally accepted standard. Differences in standards, however, create competitive distortions and could undermine future developments in animal welfare.

The EU wants to be recognized for its efforts in the area of animal welfare, however realizes the extra costs that producers incur by meeting these standards. Implementation of the EU animal welfare standards could result in the EU subsidizing the producers. However, the Commission feels that distortion concerns can be addressed through other channels.

The report was mandated by Directive 98/58 on farm animal protection and takes the form of a Communication from the Commission to the Council and the European Parliament. Although the results of the study are largely inconclusive, the study is partially based on the results of a survey sent to the 106 countries exporting live animals and animal products to the EU. A reply was received from 73 of those countries but only 30 responses contained information directly relevant to the survey. Relevant criteria are: the existence of an animal welfare act in the third country legislation, and whether legislation or codes of conduct cover animals on farms, transport of animals, and slaughter of animals. The U.S. situation was assessed to comply with all criteria envisaged, along with most Eastern European accession countries, and Switzerland, New Zealand, and Norway.

Methods of addressing trade distortion

The Commission considers that distortion concerns can be addressed through a combination of the following channels:

- through the normal market mechanisms as consumers and retailers attach an ever increasing premium to higher standards and this behavioral pattern works its way through the price chain.
- in the context of dialogue at the international level as the EU engages its trade partners on how to afford greater recognition to animal welfare. (The report mentions the enlargement mechanism including Central and Eastern European Countries, the Council of Europe, OIE and its new ad hoc working group of animal welfare experts, WTO where the Commission feels a shift in attitudes towards animal welfare from negative to neutral).
- through promotion of animal welfare standards in bilateral trade arrangements. (The recently signed veterinary agreement with Chile contains provisions in relation to animal welfare standards. The Commission also intends to incorporate animal welfare standards in the bilateral veterinary agreements already in place).
- through improvement of labeling regimes, whether voluntary or mandatory, to respond to consumer demands for higher standards. (The only EU compulsory labeling scheme according to method of production was applicable as of January 1, 2002 on eggs. The report states that in spite of the possibility of conflict with external trading partners, the European Union should seek

to develop a comprehensive policy on mandatory labeling and to secure international recognition of its legitimacy. Mutual recognition of voluntary labeling schemes through the equivalency procedure is also considered desirable).

-strengthening the position of animal welfare in EU agricultural policy as part of the Mid Term Review focusing on quality rather than quantity, through direct payment or investment aids.

Animal welfare compensation would have to be included in the Green box, as an internal support scheme geared to societal goals. This trend is likely to accelerate, especially in the light of the Protocol to the Treaty of Amsterdam which raised the ambitions of all EU institutions to do more to raise welfare standards. The Commission will have a closer look to the economic consequences of animal welfare standards before opening the debate on a revision of the laying hen Directive, foreseen for 2007.

The full report is available at: http://europa.eu.int/comm/food/fs/aw/index_en.html.

For more information please visit our website at <http://www.useu.be/agri/usda.html>.

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