

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 8/6/2014

GAIN Report Number: GM14021

Germany

Post: Berlin

Broad Initiative to Increase Animal Welfare

Report Categories:

Livestock and Products

Approved By:

Kelly Stange

Prepared By:

Leif Erik Rehder/Laura Dybowski

Report Highlights:

The German food industry has formed an alliance to respond to the ongoing criticism on animal husbandry. Farmers, the meat industry and retailers want to set higher animal welfare standards across a broader front. The implementation of national standards prior to the EU-wide standards could hurt the competitiveness of German farmers.

General Information:

The German food industry has formed an alliance to respond to the ongoing criticism on animal husbandry. Farmers, the meat industry and retailers want to set higher animal welfare standards across a broader front with a new animal welfare initiative. There are already some animal welfare labels for meat products in the German supermarkets. However, none of them gained a significant market share. The basic idea of the new “Initiative Tierwohl” (Initiative Animal Welfare) is that the food industry sets up a fund and farmers get additional payments for higher animal welfare standards.

The project includes improvements that go beyond legal requirements. Farmers can join voluntarily and will then be monitored. The project will start beginning of 2015, first in pork production but chicken is likely to be included. For participating farms certain basic requirements are mandatory. These farms get a bonus of €500. Farmers can also choose to meet extra criteria to receive additional payments.

All major retailers participate with a market share of over 90%. The retailers pay four cents per kilogram of sold meat or sausage into the fund. This refers to their entire sales amount - regardless of the proportion of deliveries from participating farms with higher animal standards and regardless of the current market price for meat. Considering the sales quote in previous years, this may add up to an investment of up to 65 Mio Euros which can be invested in more animal friendly production each year.

Potential Impact on Trade

There are two trade-related aspects arising from the German animal welfare movement. First, within the EU, implementation of national standards prior to the EU puts German farmers at a cost disadvantage. Germany’s pork and poultry industry has expanded dramatically in the past decade, fueled by exports. The industry’s ability to mitigate costs while still meeting new standards poses a challenge.

Second, longer-term, there is the real possibility that today’s animal rights standards will become tomorrow’s impediments to trade. Clearly, animal welfare has become an important political topic in Germany and, in the run up to elections last fall 2013, the Green Party has made it a campaign issue. The Green Party’s main initiative is restricting large scale animal operations, which are portrayed as having more animal welfare problems than smaller farms.