SUMMARY Over the past decade, animal welfare has become a matter of growing public concern. As purchasing choices are instrumental to the economic viability of the agro- and food-sectors, the industry has been trying to find ways to rebuild and maintain consumer trust. Experts claim that changes in consumer awareness of welfare standards have even induced changes in supply-chain policies. Food chains and quality retailers, including McDonald's Europe and Marks & Spencer have brought about considerable improvements in animal welfare, through using their substantial purchasing power to enforce standards.

It is generally established that animal welfare policies increase production costs. However, practitioners argue that improved animal welfare outweighs higher expenses through positive benefits, such as lower mortality and occurrence of certain diseases, and a higher proportion of quality animals selling at a better price.

Animal welfare has been a long-standing concern of the EU. A considerable number of directives and regulations have been implemented on specific aspects, such as transport, slaughter and keep. However, some gaps still remain. To address those, the Commission is planning to strengthen compliance with existing rules, focus on indicators related to the animals themselves rather than their environment, and improve training for professionals and consumer information.

The EU is also actively promoting animal welfare through increased international cooperation with the Council of Europe and the World Organisation for Animal Health.

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Background

Experts argue that the generalisation of intensive animal farming has caused misery among animals "on an unprecedented scale". It has also pushed up grain prices and gas emissions, and poses a serious threat to human health due to the rise of various zoonotic diseases (infections transmitted from animals to humans) and pollution of land, air and water.

The European Union (EU) has some of the world's highest standards of animal welfare. To a great extent, this effort has been driven by public attitudes. In 2007, a Eurobarometer survey revealed that 34% of those polled considered animal welfare to be of primary importance and 77% wanted further improvements. Most importantly, the poll highlighted that these views were not related to social factors or political opinions.

Specific EU legislation seeks to improve the way in which 2 billion chickens, hens and turkeys, and 300 million cows, pigs, goats and sheep are housed, fed, transported and slaughtered. The EU also protects animals used for experimentation (about 12 million) and those living in zoos\(^1\). In the period 2000-2008, the EU dedicated on average around €70 million per year to support animal welfare, of which 71% was granted to farmers as animal-welfare payments from the European Agriculture Fund for Rural Development.
In 2006, the European Commission grouped for the first time the relevant aspects of EU policy in a Community Action Plan on the Protection and Welfare of Animals 2006-2010. Experts evaluating EU policy on animal welfare claimed that the EU has succeeded in striking a balance between the needs and expectations of citizens, industry and other groups on an issue for which ambitions differ across Europe. According to them, more consistent enforcement rather than a new wave of standards is needed, suggesting "an agenda defined by evolution rather than revolution" for the next few years.

Animal welfare: definition and assessment

What is animal welfare?
Even though animal welfare can be defined in a number of different ways, there is growing consensus that the definition needs to include three elements: the emotional state of the animal, its biological functioning and its ability to show normal patterns of behaviour.

The concept of 'Five Freedoms' (freedom from hunger and thirst; discomfort; pain, injury or disease; fear and distress, and to express normal behaviour) appeared in the United Kingdom (UK) in 1965 and was later refined by the UK Farm Animal Welfare Council. The Five Freedoms represent the ideal states for animal welfare. In 2008, the World Organisation for Animal Health provided the following definition: "An animal is in a good state of welfare, if it is healthy, comfortable, well-nourished, safe, able to express innate [natural] behaviour, and if it is not suffering from unpleasant states such as pain, fear and distress."

How to measure welfare?
Animal welfare is usually assumed indirectly from external parameters, such as cage size. Current research offers the possibility of measuring it more directly through animal-based indicators (condition, health, performance).

The European Food Safety Authority’s (EFSA) Panel on Animal Health and Welfare (AHAW) is cooperating with scientific institutes in the Member States mandated to support EFSA (see box) in the development of animal-based welfare indicators, notably through the WelfareQuality® project. According to the WelfareQuality experts, to be widely accepted, a balanced welfare-assessment system needs to satisfy public, industrial, political and scientific concerns. As a first effort to develop standardised assessment protocols, the WelfareQuality® project defined four principles - good housing, good feeding, good health and appropriate behaviour - and 12 criteria.

A study commissioned by the European Parliament and published in 2009 provided further analysis of the potential to introduce a European system of on-farm assessment of animal welfare using animal-based indicators.

Risk-assessment
In 2012, the AHAW published methodological Guidance to assess the risks related to animal welfare. It focused on the factors affecting welfare (i.e. housing characteristics, transport conditions, stunning and killing conditions) for all animal categories. Prior to this, there were no specific international guidelines on risk assessment for animal welfare, i.e. different approaches were followed by scientific experts across the world.
**EU legal framework**

The wellbeing of animals is a longstanding concern of the EU, being included in the Treaty of Rome. Article 30 of the Treaty establishing the European Community enables animal health grounds for justifying restrictions on the free movement of goods. However, experts argue that Article 30 was used to undermine higher national welfare standards rather than to improve common EU welfare rules.

In 1997, a Protocol on protection and welfare of animals was annexed to the Treaty of Amsterdam. Experts view this provision as a development of the Declaration on the protection of animals appended to the Maastricht Treaty in 1992. For the first time, the Protocol referred to animals as "sentient beings".

Most recently, a new Article (13) has been inserted in the Treaty on the Functioning of the EU, incorporating the Protocol's provisions into the Treaty. Article 13 relates to policies that affect animals both directly (e.g. a directive on pig animal welfare) and indirectly (e.g. a new policy on the safety of products which could lead to animal testing). Practitioners argue that this would push the Commission to carry out 'animal welfare impact assessment' and may be seen as an attempt at bringing animal welfare into sectoral EU policies.

In terms of legislation, a horizontal directive governs the different issues surrounding the welfare of farm animals. Specific aspects are covered by EU regulations on transport and slaughter. EU requirements apply to the keeping of calves, pigs, laying hens and chickens.

The directive on laying hens banned the use of conventional cages from 1 January 2012. The directive on pigs put an end to use of gestation stalls for sows as from 1 January 2013. As to the directive on chickens, it improved some aspects of the production of chickens for meat and made them mandatory from 30 June 2010.

**Animals used for experimentation** are also subject to specific rules on animal welfare, and the EU has a Centre for the Validation of Alternative Methods (to animal testing). The EU legislation on zoos focuses on species conservation, with particular emphasis on animal welfare. No EU legislation exists on the welfare of pets. There is however a regulation on cat and dog fur.

**EU rules on organic farming** include high animal-welfare standards for cattle, pig and poultry production.

In sectoral EU policies, progress is also sought through upgrading standards and securing efficient enforcement. For example, this is the case with the introduction of the cross-compliance principle within the Common Agricultural Policy (CAP). This principle makes direct payments to farmers conditional upon compliance with a series of requirements including animal welfare. The Eurogroup for Animals argues, however, that the majority of CAP subsidies benefit large-scale industrial agro-business and very little financial support is provided for animal welfare.

**The economics of animal welfare**

**Market-driven animal welfare**

Experts stress that the changes in consumer awareness for welfare standards induce changes in supply-chain policies. In the UK, four of the top seven retailers have changed their store policies, to only purchase and sell eggs produced from higher welfare systems. Experts also point out that as retailers change their purchasing and selling policies, the consumer is faced with a choice in-store that only includes products from higher welfare standards, thus encouraging producers to change over to the higher welfare systems. In Belgium, the Netherlands and Austria, all major supermarkets provide only higher welfare products in the shell egg sector.

Practitioners claim that corporate responsibility policies in some multinational fast-food restaurants have responded to the change in consumer demand or due to a desire to position the company as ethically sound. McDonalds
Europe set up an assurance programme - MAAP - in 2001 to try to influence and upgrade existing farm standards in its supply chain in terms of animal welfare. Over 500 000 EU farms provide McDonalds with the raw materials it needs for its 7 000 restaurants. McDonald's Europe has committed to using only free-range eggs (from hens not confined to cages) since 2010. Burger King, the world's second largest hamburger chain, announced that they would start shifting to free-range eggs and cage-free pork to reach 100% in 2017.

Experts argue that these reactions are examples of the market responding to the aspirations of 'citizens', which are usually higher than those of 'consumers' (whose decisions are driven mainly by price).

A study published in 2011 in the United States confirmed this conclusion. The authors found that 62% of those interviewed expressed support for mandatory animal-welfare labelling, but 44% of them reversed their support when the price increased. They also found those that expressed support were willing to pay about 20% more.

In several countries, farm assurance schemes or private standards schemes guarantee the fulfilment of animal-welfare requirements to the consumer. Some go little further than EU legislation, while others have much more extensive requirements for animal welfare than EU provisions (e.g. Freedom Food in the UK (see box), Neuland in Germany, Label Rouge in France, or Beter Leven in the Netherlands). Most of these self-regulation schemes are independently inspected and certified. Such schemes may be either organic or non-organic. EconWelfare, an EU-funded project provides further insight into selected animal-welfare initiatives from EU countries. Retailer initiatives focusing particularly on animal-welfare standards are rare and concentrated mainly in the UK. Experts assert that a dominant strategy, especially for quality retailers, is to include such standards in their branding strategy, to improve legitimacy and reputation. British retailer Marks & Spencer has adopted the Five Freedoms as part of its business principles. The company aims to ensure that animal welfare is protected wherever animals are used in their products. Waitrose, another UK retailer shares the same values.

In light of this, professionals claim that the assurance programmes implemented by food chains and retailers have brought about considerable welfare improvements, through using their substantial purchasing power to enforce standards.

Practitioners acknowledge that even though consumers are not always conscious of making an ethical buying decision, such changes can speed up evolution in production methods and practices among producers.

Freedom Food
In the UK, the Royal Society for the Prevention of Cruelty to Animals (RSPCA) set up the Freedom Food scheme in 1994. The Freedom Food label guarantees that detailed welfare standards set by the RSCA and based on the 'Five Freedoms' are being applied. These standards incorporate EU and UK legislation and in many cases exceed the minimum legal standards.

Since its launch, Freedom Food has expanded its membership to 3 382 members, involving 8 080 production units. The scheme enjoyed very high market penetration in 2009: 56% for salmon, 23% for pigs (20% of UK production) and 9% for chicken following a 125% increase in 2008.

Source: Freedom Food website and Impact Report 2011

The cost of animal welfare
It is generally established that specific animal-welfare policies increase production costs. However, experts claim that improved animal welfare outweighs higher prices through a series of positive benefits. As shown in Figure 1, feed costs for higher
Figure 1 - A comparison of cost, mortality and production between a higher welfare scheme (Freedom Food) and baseline standards (Assured Chicken Produce).

<table>
<thead>
<tr>
<th>Parameters</th>
<th>Freedom Food</th>
<th>Assured Chicken Produce</th>
<th>Comparison</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of birds</td>
<td>25 000</td>
<td>25 000</td>
<td>same</td>
</tr>
<tr>
<td>Shed size (m²)</td>
<td>1 666.7</td>
<td>1 315.8</td>
<td>+350.9</td>
</tr>
<tr>
<td>Stocking density (kg/m²)</td>
<td>30</td>
<td>38</td>
<td>-8</td>
</tr>
<tr>
<td>Age at slaughter (days)</td>
<td>50</td>
<td>39</td>
<td>+11</td>
</tr>
<tr>
<td>Birds with hockburn</td>
<td>875</td>
<td>4 750</td>
<td>-3 875</td>
</tr>
<tr>
<td>Mortality/rejected</td>
<td>855</td>
<td>1 765</td>
<td>-910</td>
</tr>
<tr>
<td>Remaining birds</td>
<td>24 145</td>
<td>23 235</td>
<td>+910</td>
</tr>
<tr>
<td>Grade A birds</td>
<td>20 137 (83.4%)</td>
<td>15 382 (66.2%)</td>
<td>+4 755 (17.2%)</td>
</tr>
</tbody>
</table>

Source: RSPCA, Everyone's a winner, 2006

welfare schemes are greater, compared to a system producing at baseline standards, as chickens grow more slowly and are kept on the farm for longer. However, mortality rates and the occurrence of certain diseases, such as hockburn (skin lesions caused by contact with litter) are lower and the proportion of higher quality birds which sell at a better price is greater. The authors of the research have further calculated that according to the data presented in Figure 1, the potential loss for a farmer using baseline standards compared to animal welfare standards, would be £4 817 (£€6 011).

An evaluation carried out in 2010 for the European Commission concluded that welfare standards have imposed additional costs estimated at around 2% of the overall value of the farm-animal sector, but there was no evidence that this had undermined its economic viability. However, according to the same document, there is a risk that higher egg production costs in the EU from 2012 (because of the new EU requirements) weaken the competitive position of the industry compared to third-country producers.

New EU strategy on animal welfare

Although animal-welfare protection has been improved through specific pieces of legislation, some gaps still remain. For example, the directive on the protection of farm animals or the directive on zoo animals contain provisions that are too general to have practical effects. No specific EU legislation covers other species of farm animals, such as dairy cattle, rabbits, geese and ducks.

The Commission addresses these gaps in its 2012 Strategy for the protection and welfare of animals. Specifically, the Commission is considering improving the level of training for people who take care of animals, and introducing animal welfare inspections focusing on the animals themselves rather than their environment. Furthermore, to speed up some ongoing efforts, the Commission is working to strengthen EU countries' compliance with the existing rules and examining how to improve the treatment of farmed fish. The strategy does not plan to introduce compulsory animal-welfare labelling. Instead, the Commission is considering the development of an instrument to better inform consumers on animal-welfare-friendly products that could be used by both producers and retailers. Finally, the Commission intends to present a simplified EU legislative framework for animal welfare in 2014.

In its resolution on the Strategy, the European Parliament regretted that the link between animals' wellbeing and public health was not reflected, criticised the lack of a proper budget for the actions listed and urged the Commission to include animal welfare standards when negotiating international trade agreements.
Stakeholders (Eurogroup for Animals, Federation of Veterinarians of Europe, Derecho Animal and Vier Pfoten) reacting to the strategy highlighted its lack of ambition.

Through the Agreement on the Application of Sanitary and Phytosanitary Measures, the World Trade Organisation aims to ensure that SPS measures do not unjustifiably discriminate among WTO members.

In 2002, the European Commission adopted a communication comparing animal welfare standards on farm animals in the EU with those in third-country trading partners and analysing ways to avoid potential competitive disadvantages. The Commission stressed that the measures in place in the EU could not be readily compared with the standards in third countries. However, available evidence pointed to the fact that competitive distortions arising from disparities in animal-welfare measures were most likely to occur in the more intensive forms of agricultural production, notably in the pig and poultry sectors.

Experts claim that animal welfare has become a global concern in the past two decades due to the growing trade in animal products, which in turn increased awareness on welfare issues amongst the public.

The main international organisations involved in the development of animal welfare policies are: the Council of Europe (CoE), the World Organisation for Animal Health, also known as Office International des Épizooties (OIE), the Organisation for Economic Cooperation and Development (OECD), and the World Trade Organisation (WTO).

The Council of Europe has a long tradition in animal welfare. Starting in 1968, it has drafted many conventions and recommendations on the issue. Most of these have been incorporated into EU legislation, and are regularly updated to accommodate new scientific knowledge.


In 2006, a joint declaration was signed by the EU, the CoE and the OIE. The three organisations committed to greater cooperation on all aspects of animal welfare.

The Organisation for Economic Cooperation and Development is involved in particular in welfare protection of animals used for experimentation via the agreement on Mutual Acceptance of Data to reduce duplicative testing.

Further reading

European Animal Welfare Platform: an EU-funded project (2008-2011) which identified and prioritised key welfare issues in several animal groups.

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Endnotes

1 All data in this section are from EU Animal Welfare Strategy 2012-2015, published by the European Commission’s Health and Consumer Protection DG.