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and the European Economic and Social Committee on the European Union
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COMMISSION STAFF WORKING PAPER

IMPACT ASSESSMENT

Accompanying the document

**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

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1. POLICY CONTEXT

1.1. Procedural issues and consultation of interested parties¹

Over the past 30 years the European Union has adopted a series of laws on protecting animals (Annex 2B). Most of this legislation concerns food-producing animals (farm animals) and animals used for experimental purposes. Animal welfare is not in itself an objective of the EU Treaties, and the first motive for legislating in this area was to prevent distortion of competition between activities involving animal use².

In 2006, the Commission adopted a Community Action Plan on the Protection and Welfare of Animals 2006-2010 (the "2006 Action Plan")³, setting out strategic guidelines and describing future action⁴. The 2006 Action Plan was the first document to bring together in a single text the various aspects of EU policy on animal welfare. It is the "First Animal welfare Strategy" to which this initiative aims to provide the follow-up for the next five years period.

On 5 May 2010, the European Parliament adopted a resolution⁵ expressing its opinion on the results of the 2006 Action Plan and on the prospects for a new strategy on animal welfare⁶. This impact assessment will consider, in particular, options suggested by the European Parliament.

In December 2009, the Commission asked external experts to evaluate the EU's policy on animal welfare. The detailed terms of reference of this evaluation ("the evaluation") have been published on a website⁷. The evaluation investigates eleven questions (see Annex 2F). One of its objectives was to indicate possible directions for the future of EU animal welfare policy. Much of the material collected during the evaluation has been used for the purposes of this impact assessment.

Concerning the welfare in farmed fish a more specific evaluation is foreseen according to the EU Aquaculture Strategy⁸. Past experience indicated that general welfare provisions which were made for terrestrial animals are inadequate for fish. Moreover, problems and difficulties may be different than those presented in this document as well as the approach to solve them.

Key conclusions of the evaluation are set out in Annex 2G.

¹ All abbreviations are explained in a glossary in Annex 1.

² EU initiatives on animal welfare are detailed in the annex of the Terms of Reference of the evaluation which can be consulted at www.eupaw.eu.

³ COM(2006)13 final.

⁴ See Annex 5 for a description of the areas of action identified in the 2006 Action Plan.

⁵ P7_TA(2010)0130.

⁶ See summary of the European Parliament's resolution in Annex 6.

⁷ www.eupaw.eu.

⁸ See the 2009 Commission Communication " Building a sustainable future for aquaculture- A new impetus for the Strategy for the Sustainable Development of European Aquaculture"

1.2. Consultation of stakeholders

During the evaluation, the experts consulted a wide range of stakeholders, including animal welfare organisations, scientists working on animal welfare, and businesses and industries that use animals (farmers except fish farmers, slaughterhouses, pharmaceutical industries, cosmetic industries, the food processing industry, the feed industry, organisations of pet breeders, pet shops, veterinarians, etc.).

The evaluation also included an eight-weeks-long public web consultation aimed at gathering the views of citizens and organisations that had not been consulted face-to-face or via telephone interviews⁹.

Stakeholders were also consulted on the future of the EU policy at a specific meeting held to discuss the outcomes of the evaluation and the policy options set out below¹⁰. They were also consulted within the framework of regular consultative committees such as the Animal Health Advisory Committee¹¹ and specific agricultural committees. The stakeholders' contributions have been published¹² on the Commission's website.

Member States were consulted during the evaluation, and the evaluator collected a large amount of information in twelve Member States that represent at least 90% of the farmed and experimental animals in the EU. The competent authorities of these Member States were consulted via specific face-to-face interviews and a detailed written questionnaire.

The results of the evaluation and the policy options were presented to the Member States in a specific working group on 17 January 2011. In addition, the Commission presented the options for the strategy to the Council Working Party of Chief Veterinary Officers¹³. The evaluation report was presented to the farm ministers at the Agricultural Council meeting on 17 March 2011.

A report on stakeholders meeting as well as stakeholders and Member States contribution are given in Annex 3.

1.3. Inter-Service steering group on the impact assessment

Commission inter-service steering groups took place as early as December 2008 to prepare the various stages of the evaluation (terms of reference, kick-off meeting, inception report, progress report, final report) and to draw up the strategy¹⁴. The following directorates-general as well as EFSA¹⁵ actively contributed to the steering group: DG AGRI, DG ENV, DG TRADE, DG MARE, DG RTD, SG and LS. DG MARKT and ENTR provided occasional contributions.

⁹ 9086 responses were collected through the web consultation between 3 June and 31 August 2010.

¹⁰ All main stakeholders including fish farmers were invited to a one-day meeting on 31/1/2011.

¹¹ http://ec.europa.eu/food/animal/diseases/strategy/animal_health_advisory_committee_en.htm.

¹² Only contributions from stakeholders who have agreed to have their comments published.

¹³ Held in Brussels on 18/2/2011.

¹⁴ The inter-service steering group was consulted five times, at different stages of the process.

¹⁵ European Food Safety Authority.

1.4. Follow-up to the opinions of Impact Assessment Board

The impact assessment has been amended to reply to the comments of the Impact Assessment Board as follows:

1. Better define the problem and problem drivers and develop a full baseline scenario:

The problem definition section has been fully revised to start from a detailed description of the welfare problems encountered in the EU by species. For each case, there is an identification of the main underlying drivers. In addition the problem definition has been further expanded as to provide more concrete examples of the underlying specific problems encountered and their scale. In particular this part details the problem related to lack of dissemination and coordination of research that justifies Option 3. From those examples, the present document identifies several common drivers. The section also describes the current instruments of the EU policy on animal welfare and the expected results, by species as well as on the common drivers. A baseline scenario has also been further developed as to illustrate through specific examples the success and the limitations of the current policy on animal welfare.

2. Better demonstrate the need for, and EU value added of, a horizontal animal welfare strategy.

The problem definition has also been revised for the part concerning the EU added value (subsidiarity test). It explains why the EU has taken initiatives for protecting animals and why it is important that the EU continue to have a strategy in this field. It also presents the reasons for a horizontal approach compared to a sector-specific approach. This section identifies, when the data is available, the respective role of the Member States and the EU on animal welfare. It in particular shows how the strategy can provide outcomes that Member States are not likely to deliver individually. It also specifies the possible legal base for future initiative.

3. Present a clear intervention logic by better explaining the choice and content of options.

The present version of the impact assessment contains a new list of specific objectives which correspond to the main drivers identified. The number of options have been expanded and redesigned to correspond to the specific objectives. The intervention logic should therefore appear clearer to the reader than the previous version. The definition of the options has also been revised to make it clear what the implications are for the existing range of legislative measures.

In the presentation of the options, explanations have been provided on the reason to exclude a non EU action Option as well as to not consider a sector-based approach (vs. a holistic approach defended here). The scope and the aim of Option 4+ are further explained.

4. Improve the assessment of impacts

The impact analysis has also been redrafted to take into account the previous changes. However, the methodology for assessing the impacts remains similar to the previous version, assessing first the impacts on the objectives and then on possible other impacts. A new section has been added to present the opinion of the stakeholders for each option.

Indicators for Option 4 are proposed in Annex 5A. A summary of table of the costs and benefits of each option has been added. The report also indicates that any subsequent legislative proposals arising from this initiative will be supported by a separate impact assessment.

Furthermore, a glossary has been added in Annex 1.

2. POLICY PRINCIPLES, CONTEXT, AND PROBLEM DEFINITION

2.1. Animal welfare: Definition and guiding principles

The term "animal welfare" is defined by the World Organisation for Animal Health (OIE)¹⁶. The EU played a central part in the work leading to the OIE definition, which has now been recognised by more than 170 countries.

"Animal welfare means 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 behaviour, and if it is not suffering from unpleasant states such as pain, fear and distress."¹⁷

Guiding principles have been developed through the OIE, in which there are references, in particular, to the internationally recognised concepts of the "Five Freedoms" and the "3Rs", and to the overarching principle that animal welfare initiatives shall be based on scientific evidence.

The concept of five freedoms was developed as to define the essential elements of ensuring proper welfare to the animals as follows:

1. Freedom from hunger, thirst and malnutrition,
2. Freedom from fear and distress,
3. Freedom from physical and thermal discomfort,
4. Freedom from pain, injury and disease,
5. Freedom to express normal patterns of behaviour.

¹⁶ See the International Terrestrial Animal Health Code of the World Organisation for Animal Health (OIE), Chapter 7.1.

¹⁷ See Annex 2A for the full text of the definition and references.

The "three Rs" concept has been developed for animals used for experimental purposes aiming at the Replacement of animals with non-animals techniques, Reduction in number of animals used and Refinement of experimental methods..

Notably, the OIE guiding principles recognise that "*the use of animals (...) makes a major contribution to the wellbeing of people*" and that "*the use of animals carries with it an ethical responsibility to ensure the welfare of such animals to the greatest extent practicable*".

2.2. EU policy on animal welfare

The aims, principles and scope of the EU animal welfare policy derive from Article 13 of the Treaty of the Functioning of the European Union (the Treaty) which states that:

"In formulating and implementing the Union's agriculture, fisheries, transport, internal market, research and technological development and space policies, the Union and the Member States shall, since animals are sentient beings, pay full regard to the welfare requirements of animals, while respecting the legislative or administrative provisions and customs of the Member States relating in particular to religious rites, cultural traditions and regional heritage."

Article 13 does not provide a specific legal basis for protecting animals in the EU. However, it recognises animals as sentient beings; hence all animals scientifically known to be able to feel pain are included in the scope of EU animal welfare policy imposing an obligation to ensure that their welfare needs are considered within the framework of EU policies.

Nevertheless, currently, the EU policy on animal welfare is restricted to a few specific EU policies, limiting the scope to animals:

- under direct human control (mainly domestic animals but also wild animals in captivity);
- used in the context of an economic activity having an effect at EU level (like farming, pharmaceuticals, cosmetics, etc.).

Thus, the following animals and activities are not included in the scope of EU animal welfare policy:

- Wild animals in the wild (but not wild animals in zoos)
- Fishing for commercial purposes (capture fisheries)
- Hunting or fishing for recreational purposes (private activity)
- The keeping of animals as private companion (private activity) including stray animals.

2.2.1. EU animal welfare 2006 Action Plan and existing EU legislation

The 2006 Action plan proposed five strategic actions:

- (1) Upgrading existing minimum standards in line with scientific evidence and socio-economic assessments;
- (2) Giving a high priority to promoting policy-orientated future research on animal protection and welfare;
- (3) Introducing standardised animal welfare indicators: to classify the hierarchy of welfare standards applied (from minimum to higher standards) in order to assist the development of improved animal welfare production;
- (4) Ensuring that animal keepers/ handlers as well as the general public are more involved and informed on current standards of animal protection and welfare;
- (5) Continue to support and initiate further international initiatives to raise awareness and create a greater consensus on animal welfare.

The legal framework is based on Directive 98/58/EC¹⁸ which applies to all farmed animals, providing them with protection through general principles¹⁹. In addition there are four specific directives on the keeping of certain species (calves, pigs, laying hens and broilers covering in total 48% of the EU farmed mammals and 80% of the birds).

Furthermore, there is a directive on the protection of animals at the time of killing²⁰, and a regulation on animal transport²¹ in the context of an economic activity.

There is also a directive covering the welfare of animals used for experimental and scientific purposes²², a directive on zoos²³ (the main purpose of the directive is conservation of wild species but contains animal welfare requirements), a regulation on trade in seal products²⁴ and a regulation on the use of leg hold traps²⁵.

¹⁸ Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes.

¹⁹ This directive transposes in EU law the principles of the European Convention for the Protection of Animals kept for Farming purposes (See Annex 2C for the specific recommendations deriving from this Convention).

²⁰ Council Directive 93/119/EC on the protection of animals at the time of slaughter or killing.

²¹ Council Regulation (EC) No 1/2005 on the protection of animals during transport and related operations and amending Directives 64/432/EEC and 93/119/EC and Regulation (EC) No 1255/97.

²² Council Directive 86/609/EEC on the approximation of laws, regulations and administrative provisions of the Member States regarding the protection of animals used for experimental and other scientific purposes. Detailed data is given in the impact assessment relating to this legislation: SEC(2008)2411 and SEC(2008)2410.

²³ Directive 1992/22/EC relating to the keeping of wild animals in zoos.

²⁴ Regulation (EC) No 1007/2009 of the European Parliament and of the Council on trade in seal products.

²⁵ Council Regulation (EEC) No 3254/91 prohibiting the use of leghold traps in the Community and the introduction into the Community of pelts and manufactured goods of certain wild animal species originating in countries which do not meet international humane trapping standards.

As regards pets, there is a regulation banning the trade of cat and dog fur²⁶, but there is no legislation that directly concerns the welfare of living dogs and cats.

2.2.1. *Policy coherency*

The current EU policy on animal welfare links to other EU policies including the following:

Communication activities through events such as conferences, and a dedicated EU website ("Farmland"²⁷) are intended to inform citizens and consumers of animal welfare issues and of the EU's role in improving the welfare of animals.

Training activities are performed within the EU framework of "Better Training for Safer Food"²⁸. They ensure that officials responsible for controls of animal welfare legislation in the Member States and officials from third countries understand and are able to disseminate information about the legislation.

Within the framework of the CAP, the European Agricultural Fund for Rural Development (EAFRD) offers to Member States possibilities to co-finance animal welfare measures within their rural development programmes. According to the evaluation, an average of 50 million euros is distributed through this fund every year to compensate farmers for implementing higher animal welfare standards²⁹. This mechanism constitutes the most important source of financial funding for animal welfare activities in the EU (72% of the overall EU spending on animal welfare).

The CAP funding from the single payment scheme³⁰ depends on the compliance by farmers of certain statutory management requirements including, from 2007, some on animal welfare.

With an average of 15 million euro per year, EU funding for research through FP6 and FP7 is important to develop knowledge as a basis for future policy measures (e.g. alternative testing to reduce the number of animals used in experiments).

2.2.2. *International dimension*

International activities aim at ensuring a level playing field between operators in the EU and in third countries and at contributing to higher animal welfare standards throughout the world (see Annex 2K on the list of international standards and EU bilateral initiatives).

A first approach has been to promote the adoption of internationally recognised animal welfare standards. The EU has been successful in supporting the World

²⁶ Regulation (EC) No 1523/2007 of the European Parliament and the Council banning the placing on the market and the import to, or export from, the Community of cat and dog fur, and products containing such fur.

²⁷ <http://www.farmland-thegame.eu/>

²⁸ http://ec.europa.eu/food/training_strategy/index_en.htm

²⁹ See the evaluation, page 78.

³⁰ See evaluation report page 83 for more details on the benefits of cross-compliance on animal welfare.

Organisation for Animal Health (OIE) with the adoption of a series of guidelines on animal welfare for farmed (transport and killing) and experimental animals³¹.

Another approach has been to work on a bilateral basis with certain third countries through specific trade agreements or cooperation forums. Today there are several ongoing bilateral cooperation activities which contribute to establishing equivalent animal welfare standards in third countries to those in the EU.

2.2.3. *Sector concerned*

Live animals are used for economic purposes by various industries and businesses.

In terms of numbers of animals, the farming sector is the largest user, with at least 2 billion birds (chickens, laying hens, turkeys³², etc.) and 334 million mammals (pigs, sheep, goats, cattle, fur animals³³). The EU produces around 630 000 tonnes of farmed fish every year³⁴. Pets are the second largest category of animals in Europe, with around 120 million dogs and cats and possibly 35 million birds. There is no data on the actual proportion used for economic purposes, but some 10% of the dog population is sold each year³⁵. An estimated 12 million animals per year (mainly rodents) are used for experimentation in the pharmaceutical and chemical industries, and by other public and private research bodies. No data is available regarding zoos, but it is estimated that they house around 800 000 wild animals. No reliable data could be obtained for circuses or other activities such as animals used in sports, shows, etc.

In economic terms³⁶, livestock farming in the EU is worth € 149 billion³⁷ every year. Of this, pigs and poultry (subject to specific EU provisions) represent 38% (i.e. € 57.6 billion). Animal output value represents 41% of the overall agricultural output (€ 363 billion in 2008). Farmed fish in the EU are worth € 2 billion³⁸. There is no EU data on the value of trade in dogs and cats, but data collected in France³⁹ suggests that sales of dogs alone could be worth around € 3 billion⁴⁰.

³¹ See <http://www.oie.int/en/animal-welfare/animal-welfare-key-themes/>

³² See evaluation report for different figures about the number of animals in Annexes A1-7 and A1-8.

³³ There are around 4 million horses but not all are used for economic purposes.

³⁴ Eurostat data on aquaculture production for 2007.

³⁵ A study made in France (Rapport d'information sur la filière canine No 1514 à l'Assemblée Nationale du 12 mars 2009) estimates that 75% of newly-born puppies are sold outside a 'controlled framework'. The report estimates that 850 000 to 900 000 dogs are born every year in France, each with an average commercial value of €950.

³⁶ Details on the economic significance of the the sectors concerned are provided in the evaluation report under section 2.6 as well as evaluation question 6 (external trade).

³⁷ Data 2008 from the evaluation report.

³⁸ Eurostat data on aquaculture production for 2006.

³⁹ 10% of newly-born puppies are sold each year for an average price of €950 euros.

⁴⁰ In France alone the trade is estimated to be worth €400 million for a population of 8 million dogs. An extrapolation to the estimated EU dog population of 60 million would lead us to estimate the value of the dog trade in the EU as at least €3 billion.

In terms of employment, it is estimated that some 4 million people, most of them farmers, handle animals in the course of their business activity⁴¹ while 16.4 million people work regularly on 7.3 million agricultural holdings (9 million Annual Work Units in 2007⁴²). Work related to animals should include around 3.7 million people.

In addition to the farming sector, there are around 200.000 people working with animals in slaughterhouses⁴³. Aquaculture activities provide around 65.000 jobs in coastal and rural areas. The number of persons handling experimental animals or animals in zoos is unknown⁴⁴.

2.3. Problem definition

2.3.1. Underlying problem

Animal welfare is still at risk across EU Member States. The evidence for this persisting underlying problem stems from the findings of the Commission services (Food and Veterinary Office⁴⁵ of the Directorate General for Health and Consumers) as well as scientific opinions of the European Food Safety Authority⁴⁶. The Commission also received data from the Member States⁴⁷ as well as from animal welfare organisations⁴⁸.

Main areas at risk are:

Housing and management of farmed animals

Piglets (young pigs) from one week of age often have their tails cut off (tail docking) without anaesthesia and their teeth clipped. Most EU producers do this as a routine practice. Pigs tend to bite at each other's tails when they are placed within a limited space and if they do not have the possibility to dig in the ground with their snouts (rooting). Tail docking and lack of manipulable materials are widespread in the EU and are both non-compliant with the EU legislation. In addition, 80% of male piglets are in the EU castrated without anaesthesia. Female pigs (sows) used for breeding will often be kept for almost all their life in individual stalls where they do not have the freedom to move. Because of lack of exercise, old breeding sows will have

⁴¹ This represents less than 2% of the EU working population, estimated at around 215 million people (on the basis of EUROSTAT data on population. The overall population is 495 million, of which 67.1% were aged 15 to 64 in 2009, and the average employment rate is 65%).

⁴² Agricultural statistics, main results 2008-2009, EUROSTAT pocketbooks (ISSN 1830-463X).

⁴³ Impact assessment accompanying the proposal for a Council Regulation on the protection of animals at the time of killing SEC(2008)2425.

⁴⁴ Detailed data is given in the impact assessment relating to this legislation: SEC(2008)2411 and SEC(2008)2410.

⁴⁵ http://ec.europa.eu/food/fvo/index_en.cfm

⁴⁶ <http://www.efsa.europa.eu/>, full list of scientific opinions available on animal welfare are laid down in Annex 2J.

⁴⁷ Member States reports on the implementation of Directive 98/58/EC as well as of Regulation (EC) No 1/2005. In addition Member States have provided replies to questionnaires performed on specific animal welfare issues such as the welfare of dogs and cats (performed by the Belgian Presidency) or on the use of the derogation from stunning animals in slaughterhouses (performed by the Commission).

⁴⁸ Several animal welfare organisations have provided evidence of non-compliance in different fields of the EU legislation and notably Animals' Angels on animal transport, Compassion in World Farming on farmed animals or the Born Free Foundation on zoo animals.

difficulties to move in the trucks that transport them to slaughter. They will be sometimes dragged before slaughtered.

During their one year of productive life, laying hens are often kept in cages that are too small to allow them space to behave normally (battery cages). Scientists have found that, as a normal behaviour, hens need a nest for laying eggs, a perch to rest and they also need to scratch the ground. Even though these basic needs can not be fulfilled in small cages, these cages are in widespread⁴⁹ use in the EU. In addition the lack of space and a bare environment often leads hens to peck at each other and possibly cannibalism. For this reason, parts of the beak are routinely removed without anaesthesia (beak trimming). This has been documented to be painful for the hens both during and after the trimming.

Chickens bred for the production of meat (broilers) present lameness because of excessive development of their muscles and lack of space to move at the end of the fattening period. Genetic selection has been developed to increase growth rate (an industrial chicken can be slaughtered at 40 days against 85 days for traditional breeds). They are submitted to constant feed restriction to avoid becoming excessively overweight. Parent flocks (i.e. animals used for genetic selection and multiplication to obtain fattening animals) are constantly restricted in feed to prevent reproductive problems. These animals therefore suffer from constant hunger.

Transport

Most production cycles involve more than one production site. Therefore the majority of animals will be transported at one time or another. While most of this transport takes place within national boundaries, there is also important trade between Member States. These journeys often last for several days. Animals have little space to move. When drivers stop to rest and sleep, animals will often stay in the truck without the ability to rest. Animals that do not know each other are placed together and this can result in conflicts. Access to water is limited, due to lack of space. Feed is rarely provided to animals during transport. Furthermore, the trucks seldom have straw or other bedding to absorb faeces and urine. Transport of animals is taking place on a large scale, sometimes over large distances. Young pigs from the Netherlands and Denmark are routinely traded to Germany and Spain, cattle and calves from Ireland to Spain and Italy, sheep from Spain to Greece and horses from Romania and Poland to Italy. Trade of cattle transported between Member States and with third countries in 2009 has been estimated at 4 million heads. The equivalent number for pigs has been estimated at nearly 28 million heads.

Slaughter and killing

Killing animals is necessary in order to obtain meat. It can be performed in ways that limit suffering of animals, in particular by making them unconscious prior to slaughter. According to EU legislation, animals shall be stunned before they are slaughtered⁵⁰. However, there is a possibility to derogate from this requirement

⁴⁹ According to recent reports from the Member States pursuant to Directive 1999/74 and Commission Decision 2006/778/EC approximately 40% of laying hens population in the EU is kept in battery cages.
⁵⁰ Council Directive 93/119/EC on the protection of animals at the time of slaughter or killing.

where animals are subjected to methods of slaughter required by certain religious rites. The Commission has received evidence that certain slaughterhouse operators excessively use the derogation from stunning to streamline their production process.

Keeping of other animals

Many dairy cows also suffer during their productive lives. Many are kept in areas with cement flooring which may often lead to lameness. Intensification of milk production has led to regular mastitis and metabolic problems for the animals which also involves pain. To avoid competition for feed, cows are commonly dehorned with different techniques, some of which are very painful, in particular as no anaesthesia or analgesics are used.

Scientists have recognised fish as sentient beings. Killing processes for certain species of farmed fish are pointed out to be particularly inhumane. Killing farmed fish by taking them out of the water takes a long time before fish die and it is frightening and painful to the fish. The situation of wild animals kept in captivity varies between Member States, there are many examples where wild animals are kept within very limited space and a bare environment far from their natural conditions. Sanitary conditions are also often questionable (source: NGO reports⁵¹).

The Commission receive evidence of bad treatments where dog breeders use females, producing puppies without proper welfare and hygienic conditions. These puppies are then separated from their mothers at a very early stage (less than two months of age) to attract buyers and exported to be sold via the internet or specific traders. Puppies raised under such conditions often develop serious behavioural and sanitary problems.

2.3.1. Animal welfare evaluation

An evaluation of the EU policy on animal welfare was performed in 2010 involving a wide consultation of stakeholders and Member States. In addition to an online consultation of stakeholders with more than 9000 responses, the evaluator contacted stakeholders and decision makers at EU and national level. Twelve Member States were visited and interviews were carried out with governments and key stakeholders.

Key conclusions of the evaluation are set out in Annex 2G and the following points can be highlighted:

- More enforcement is needed to improve the welfare of animals and reduce distortion of competition in certain areas. There are widespread calls for more consistent enforcement but less appetite for a new wave of standards.
- EU welfare standards have imposed additional costs on the livestock and experimental sectors, estimated at around 2% of the overall value of these sectors. There is no evidence that this has so far threatened their economic sustainability.

⁵¹ <http://www.bornfree.org.uk/>

- The Commission has been working in the long term to establish equivalent market conditions between EU businesses and those from third countries. However there is much yet to be done to raise awareness and create a shared international understanding of animal welfare issues and standards with our trading partners.
- The extent to which EU communication actions have raised stakeholder and public awareness and responsibility towards animal welfare is unclear. To maximise the impact of the limited resources available, a clear communication strategy and stronger monitoring and evaluation are needed.

2.3.2. *Why animal welfare is compromised in the EU*

There are a number of reasons behind the various animal welfare problems in the EU.

Housing and management of farmed animals

Regarding pigs, the EU legislation⁵² bans certain bad practices. There is, e.g., a requirement to provide pigs with access to material that will enable them to root ("manipulable materials", such as straw). Sow stalls will also be banned to all holdings in 2013.

However, in spite of this legislation, animal welfare problems remain widespread. A main reason for this is that Member States often do not take appropriate measures to enforce the legislation. Many Member States also do not provide adequate resources for research, communication and training activities, which would often be necessary to inform farmers on the rules. (Main driver: lack of enforcement)

The design of pig housing systems is also an important problem driver. Most pigs are raised on fully slatted floors that are designed to facilitate the handling of manure and are not easily compatible with straw or other rooting materials. Sow stalls were originally designed to save space and avoid competition between sows. Those housing systems were conceived at a time when animal welfare was not yet an intrinsic part of the considerations related to animal husbandry and animals' needs were largely ignored. Even though consumers later have become interested in animal welfare and scientists now know more about the issue, the market place still does not encourage producers to change their housing systems, as this would imply new investments and sometimes additional production costs. Another reason for this could be that there is little information to consumers on how pigs are treated during production processes. Many farmers also lack information about alternative systems and often do not see any advantage in changing their processes into more animal friendly housing systems. (Main driver: lack of knowledge)

Pig castration is permitted in the EU and widely used by farmers. When male pigs reach a weight above 70-80 kg (the slaughter weight is usually around 100 kg) their meat will start to acquire a distinct odour and taste ("board taint"). Most consumers do not like the board taint. Consequently, producers have interest in maintaining the

⁵² Council Directive 2008/120/EC laying down minimum standards for the protection of pigs.

practice of castration. However, there are alternatives that could reduce the number of animals being castrated (lower slaughter weight, better detection method of the board taint, breeding and feeding techniques). Thus, lack of proper research and dissemination of results of research can largely explain why the practice of male piglet castration is still widespread. (Main driver: Lack of knowledge)

As concerns laying hens, the EU legislation⁵³ banning the use of battery cages will enter into force on 1 January 2012. For this ban lack of enforcement has already become a major issue. An important problem is that, as in the example concerning pigs, the use of modern, more animal welfare friendly systems of production often conflicts with economic pressure on operators to reduce costs. The change from battery cages to other cages involves investment costs that many producers are reluctant to make, even though the EU legislation provided for a transitional period of more than 12 years. (Main driver: Lack of enforcement)

Beak trimming is allowed in the EU if it is performed on chicks younger than 10 days-old. However, beak trimming is as painful for young chicken as for older ones. The entry into force of the ban on battery cages could theoretically make it possible to stop the practice of beak trimming. This is because beak trimming would not be necessary if battery cages are not used (hens that get more space will be less likely to peck at each other). However, since the practice is still permitted, it is unlikely that it will end if there is no programme to inform and educate farmers of alternative practices. (Main driver: Lack of knowledge)

Animal welfare problems related to broilers (chickens for meat) are essentially related to economic pressure in reducing production costs. Genetic selection has been developed as to reach as quickly as possible a slaughter weight and increase the feed conversion ratio. Animals are confined in limited space as to limit costs. The EU legislation will provide certain limits in space allowances. (Main driver: lack of economic incentives).

Transport

There is legislation protecting animals during transport⁵⁴. However, Member States do not take sufficient measures to enforce the EU legislation and there is an economic pressure on operators not to comply with the rules. Requirements on space allowances are not respected in order to increase the number of animals in trucks, so that costs is reduced. Drivers often do not stop for watering, feeding and resting animals in order to save time and money. There are few economic incentives to comply with the Regulation as there are few official controls and a very low likelihood of being fined for infringements. Also, economic losses due to immediate or later mortality after transport are usually not borne by the transporter or are covered by insurances. Further, animals sometimes have limited individual economic value, especially animals at the end of their productive lives. (Main drivers: Lack of enforcement/Lack of economic incentives).

⁵³ Council Directive 1999/74/EC laying down minimum standards for the protection of laying hens.

⁵⁴ Council Regulation (EC) No 1/2005 on the protection of animals during transport and related operations and amending Directives 64/432/EEC and 93/119/EC and Regulation (EC) No 1255/97.

There are also some gaps in the current EU legislation. For example, there are no rules on space allowance for pigs. Some parts of the EU legislation are not in line with up to date scientific knowledge (in particular on space and travelling times⁵⁵).

Furthermore, fish as vertebrates are under the scope of the Regulation but the provisions of the Regulation have been designed for the transport of terrestrial animals and do not in all cases fit well for the transport of fish. At many occasions the aquaculture sector has complained on the uncertainties encountered in the implementation of the Regulation. It is therefore necessary to address this problem which has already been identified under the Aquaculture Strategy.

Slaughter and killing

The excessive use of the derogation from stunning animals before slaughter⁵⁶ is also mainly driven by economic interests. Even if some EU consumers want meat from animals slaughtered without stunning for legitimate reasons related to the respect of the freedom of religion, some Member States have granted derogation going beyond the scope of the derogation for ritual slaughtering. Hence, some slaughterhouse operators have extended the practice of not stunning animals in order to simplify their production process and to avoid possible shortage of meat from unstunned animals. This means that Member States not taking appropriate measures to enforce the legislation is also an important driver for this problem, even though it is initially created by the economic interests of certain slaughterhouse operators. (Main drivers: Lack of enforcement/Lack of economic incentives).

Keeping of other animals

There is a directive⁵⁷ which applies to all farmed animals, providing them with legal protection through general principles. This directive should address animal welfare problems of dairy cows and farmed fish. However, the evaluation has clearly indicated that these animals are not adequately covered by this legislation. This is partly because the requirements are too general⁵⁸. Another explanation is that, as shown in previous examples, production systems focus on costs reduction and high productivity rather than on animal welfare. The absence of knowledge for farmers on animal welfare issues, lack of research and dissemination of research in certain species (like farmed fish) also contribute to animal welfare problems. (Main drivers: Lack of specific guidance/Lack of economic incentives)

The EU directive⁵⁹ on zoos aims at protecting wild fauna and biodiversity. It contains some animal welfare elements but no detailed requirements. Many Member States seem not to make much effort to provide guidance to operators. In addition, official inspectors often have little experience and training on the specific needs of wild

⁵⁵ The current requirements for space and travelling times are based on a scientific opinion of 1992 despite a Commission proposal made in 2003 based on more recent data. See COM(2003)425 final.

⁵⁶ Council Directive 93/119/EC on the protection of animals at the time of slaughter or killing.

⁵⁷ Council Directive 98/58/EC of 20 July 1998 concerning the protection of animals kept for farming purposes.

⁵⁸ The evaluation found that targeted legislation is more effective than general provisions when it comes to improving animal welfare.

⁵⁹ Directive 1992/22/EC relating to the keeping of wild animals in zoos.

animals in captivity. Usually, zoo personnel do not seem to have a sound knowledge of keeping such animals. The absence of EU research in defining the particular animal welfare needs of wild animals in captivity has also been pointed out as problematic by the evaluation. (Main driver: Lack of specific guidance/Lack of knowledge).

As regards the welfare of dogs and cats, there is no EU legislation. Requirements in the different Member States vary a lot and the level of enforcement is usually limited. Breeders from Member States with little legislation on the welfare of dogs sell puppies at a low price to traders in other Member States with stricter rules. With almost no border controls, those breeders have a market advantage especially as most final buyers of dogs have limited knowledge in dogs. (Main driver: Lack of specific rules/Lack of economic incentives).

Towards common drivers

During the consultation process, there was broad agreement on the problem definition as presented by the Commission⁶⁰. Farmers' organisations insisted on including the costs and the risks of importing animals from outside the EU. Animal welfare organisations stressed the need to widen the scope of EU policy and to give the public and stakeholders more education and information on animal welfare issues. NGOs also highlighted the Common Agriculture Policy (CAP) reform and the need to develop animal welfare in this context. All parties supported the need for better enforcement and further scientific research. In particular, the aquaculture sector stressed the need for more research an investigation in order to clarify each fish species needs based on scientific results.

1. Lack of enforcement

Driver: the EU legislation is not coherently implemented across Member states;

Problem: Member States non-enforcement of EU legislation undermines the effectiveness of EU policy on animal welfare;

Examples: There is evidence (directive on pigs, on animal transport, implementation of the ban on battery cages, directive on zoos) that some Member States do not take sufficient measures to inform stakeholders, train official inspectors, perform checks, and apply sanctions in relation to the EU animal welfare legislation.

For this reason, important parts of EU legislation have not had the intended effects on the welfare of animals⁶¹. Difficulties in compliance is sometimes related to a very prescriptive approach of the EU legislation making requirements difficult to apply in all circumstances even if the welfare of animals is not necessarily compromised.

⁶⁰ The Commission presented the main findings of the evaluation, in which the following problems related to the EU policy on animal welfare were identified: insufficient enforcement, competitiveness of farmers, lack of communication to consumers and stakeholders, need for more research and extending the EU scope for animal welfare policies'

⁶¹ For examples of lack of enforcement, see the evaluation report p. 36 to 40.

Source: Reports from the Food and Veterinary Office (Commission services), the evaluation report.

2. Consumers' lack of appropriate information on animal welfare

Driver: There is no EU wide system for consumers to be properly informed on the relevance of animal welfare attributes of products.

Problem:

EU-wide Eurobarometer survey shows that animal welfare is a worry for 64% of the population. On the other hand, animal-welfare-friendly products usually have a low share of the market⁶². There is a clear gap between consumer views and market shares in this regard⁶³. This gap may be interpreted in different ways that are not necessarily exclusive⁶⁴. Studies show that concern for animal welfare is only one of the factors affecting the consumer's choice of a product. They may rely on authorities or particular brand names, assuming that high animal welfare standards are part of the product's attributes⁶⁵. Low availability of products, higher prices and limited information on specific attributes may also explain the gap⁶⁶.

Except in the case of eggs (obligatory⁶⁷), organic products (voluntary regulation not specifically aimed at animal welfare issues but with animal welfare attributes⁶⁸) and poultry meat (voluntary production method labelling), there are no specific EU rules on how to inform the consumer about animal welfare. Moreover, there are few voluntary certification schemes focusing on animal welfare⁶⁹ ⁷⁰ and their market share is relatively limited in most EU Member States. The Commission adopted a communication on animal welfare labelling in 2009 but debates in the Council did not point out a single direction for future EU policy, most Member States being opposed to establishing a new compulsory labelling system as it exists for eggs (see Annex 2H).

⁶² See the Feasibility study on animal welfare labelling and establishing a Community Reference Centre for Animal Protection and Welfare *Part 1: Animal Welfare Labelling* (available at: http://ec.europa.eu/food/animal/welfare/farm/aw_labelling_report_part1.pdf, page 8).

⁶³ PDO/PGI schemes often emphasise more traditional and less intensive production methods. They focus on non-welfare aspects but have positive side-effects on animal welfare (PDO = Protected Designation of Origin and PGI = Protected Geographical Indication).

⁶⁴ See for example 'Are labels the answer? Barriers to buying higher animal welfare products. A report for Defra' (September 2010).

⁶⁵ M. Miele, 2010, Expert report Task 1.3, European Animal Welfare Platform *Report concerning consumer perceptions and attitudes toward farm animal welfare*.

⁶⁶ On consumers' concerns vs citizens' concerns and free-riding behaviour see also: Societal concerns — Domestic policy choice and international competitiveness — Report 2011/2 — Anna Andersson — Agrifood economics centre (www.agrifood.se).

⁶⁷ Each table egg marketed in the EU to be marked with a code identifying the farming method as defined in the legislation (0 for organic, 1 for barn, 2 for free range and 3 for cage system).

⁶⁸ OJ L189/1 20.7.2007 - Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91

⁶⁹ On those schemes and animal welfare labelling see COM(2009)584final.

⁷⁰ However, some labelling schemes targeting animal welfare are operated in the private sector, particularly in those parts of the EU where this is an important issue for consumers (e.g. Neuland in DE; Freedom Food in UK).

Source: the evaluation report.

3. Low level of knowledge of stakeholders/business operators

Driver: Animal welfare is a relatively recent science and has not been part of the curriculum of many professionals dealing with animals.

Problem: Stakeholders are not aware of animal welfare and its implications.

Example: Low level of knowledge has had an effect on the conception of most modern production methods. Many of them have been designed at a time where animals' needs were ignored. The changes necessary to bring production systems in line with modern science and consumer concern about animal welfare imply investments and increased production costs but also knowledge among today's operators and public officials about alternative practices and better management.

The way animals perceive pain, suffering or comfort can be objectively measured through scientific investigation. But because the subject also encompasses ethical dimensions it is controversial. It is therefore important that measures be based on scientific data. Since its creation, EFSA⁷¹ has played an important role in assessing risks to animal welfare. While EFSA does not in itself carry out scientific research into animal welfare, it has provided important reviews of the current scientific knowledge in this field (Annex 2J).

The evaluation revealed that 80% of EU funding for research on animal welfare⁷² is spent on experimental animals (of which there are 12 million), while only 20% goes to farmed animals including farmed fish and poultry, of which there are several billion. The evaluation also stressed that research funding is also needed for wild animals kept in captivity. At present, hardly any EU funding is used for that purpose and relatively little research is carried out in this field.

In addition, the evaluation has indicated that, beyond additional funding for research on animal welfare at Member States and EU level, there is a need for further coherence and coordination between Member States as well as further dissemination of research results to stakeholders as to transform findings into practical innovations.

Source: the evaluation report, EFSA reports.

4. Inconsistency for different animal species

Driver: Limited scope of EU rules, regulations and guidance, difference between national rules

Problem: Some categories of animals are not subject to adequate welfare conditions.

⁷¹ The European Food Safety Authority: <http://www.efsa.europa.eu/en/panels/ahaw.htm>.

⁷² The total average annual budget for EU research on animal welfare is around €15 million — €135 million from 2000-2008 with €108 million for experimental animals, €24 million for farm animals and €3 million for aquaculture (from the evaluation report, p. 41).

Example: There is no EU legislation on the welfare of dogs and cats. The evaluation has revealed that the general directive on the protection of farm animals and the directive on zoo animals contain provisions that are too general to have a practical effect. They would need to be completed by more specific guidance or rules. Only a few Member States have developed more specific rules on animal welfare for farmed animals (UK, NL, DE and SE).

Source: the evaluation report, EconWelfare project, Member States (for dogs and cats).

2.4. Baseline scenario

The baseline scenario is defined by the continuation of the current policy, mainly in form of the existing legislative framework. This is set out in detail in Annex 4, with a description of all relevant legal acts, their main provisions, and impacts on animal welfare, problem drivers and an assessment of the evolution without any new or additional EU initiatives.

2.4.1. Baseline by specific areas

Housing and management of farmed animals

For pigs, a positive evolution is expected by the implementation of the grouping of sows from 1.1.2013 but difficulties are however likely in certain Member States. The Commission is presently working with the Member States to evaluate the level of readiness of pig producers. A positive evolution is also expected for the phasing out of the castration of piglets through the implementation of a private public partnership initiated in 2011.

However, no positive change are expected for tail docking and tooth clipping as well as the implementation of manipulable materials. Those practices are entrenched among pig farmers and linked to the use of fully slatted floors. Alternatives exist but are often unknown by farmers.

For laying hens, a positive evolution is expected through the implementation of the ban on battery cages that will apply to all holdings from 1.1.2012. This evolution has required and will continue to draw Commission resources since the level of implementation has been unequal between Member States. However, the decreasing of beak trimming seems unlikely without more resources to educate farmers on alternatives.

For broilers, positive evolution is expected since new EU legislation has been adopted in those areas. However, the legislation on broilers will not address all problems, in particular feed restriction (animals are sometimes fed every two days). The new directive will not address the problems related to parent flocks but a report is foreseen in the future.

Transport

The transport of unfit animals is likely to remain a real problem except may be for adult cattle where private initiative has been taken. Lack of space, water and feed and

lack of rest during very long journey may be addressed by further actions on enforcement through navigation systems.

For farmed fish the baseline scenario includes the implementation of the actions included under the Aquaculture Strategy (i.e. address the difficulties related to the implementation of the transport Regulation).

Slaughter and killing

The new regulation on the welfare of animals at the time of killing is likely to address a number of current problems but will not change the situation regarding the use of the derogation from stunning. However, the Commission has engaged a dialogue with the Member States concerned and a positive evolution could be envisaged taking always into consideration the respect of freedom of religion and the need to not stigmatise any religious community.

Keeping of other animals

As regards farm animals without specific provisions (except Directive 98/58), there is no perspective of positive evolution in many cases (see Annex 4A).

For farmed fish, as already mentioned, the Aquaculture Strategy foresees an evaluation of fish welfare issues in aquaculture.

However, there is a possibility for a positive evolution in two cases. The ban of the use of individual cages for ducks in France (a provision that should have been implemented five years earlier) since French authorities have agreed to implement the ban which derives from the provisions of the European convention for the protection of animals kept for farming purposes.

Another positive evolution is foreseen for fur animals, since the European Fur Breeding Association has decided to make animal welfare as one of its priorities in the future. They have in particular decided to invest in research for developing animal welfare indicators.

However, there are still a number of important problems without foreseen positive evolution. Some Member States have adopted specific requirements for dairy cows. Germany has recently adopted standards for the farming of rabbits but the main producing countries (France, Italy and Spain) have no specific animal welfare requirements for rabbits. Farmed fish is not subject to specific animal welfare legislation in most Member States. Same applies for turkeys. The UK and Sweden are two of the Member States having a wide range of specific provisions for farm species according to the Econwelfare project.

No positive evolution is foreseen for the welfare of dogs and cats as there is today no EU framework and the investigation performed by the Belgian Presidency has shown that the level of protection differs widely between Member States.

2.4.2. Baseline deriving from common drivers

1. Addressing the lack of enforcement

Several mechanisms are used to improve enforcement.

Enforcement is primarily under the responsibility of the Member States which have much larger resources than the Commission to ensure compliance of business operators. The Commission' role in improving enforcement is therefore essentially to stimulate and facilitate the work of the national/regional competent authorities and not to check compliance directly.

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As the EU legislation has often implied new investments or practices, transitional periods have been set up when important changes were requested. Directives requesting major changes were accompanied with long transitional periods⁷³ allowing progressive adaptation. If the conversion to the grouping of calves went relatively well, the conversion of systems for laying hens or sows seem to be more problematic. In the laying hen sector, part of the industry seems to have neglected the opportunity of a long period of adjustment in the hope of changes for less stringent measures. Therefore, if long transitional measures seem to be necessary for certain sectors to adapt, it does not seem always sufficient to work in isolation and other measures seem necessary.

State aids have been used in some Member States to encourage farmers in converting their farming system for better compliance to EU rules (in particular for laying hens). As for Rural Development Programmes, the possibility of acceding to those funds depend on each Member State to dedicate financial incentives for better complying with EU rules on animal welfare. Impacts of state aids in addressing competitiveness issue have therefore been globally limited.

As regards the legislation on farmed animals, Member States are regularly monitored by Commission' experts of the Food and Veterinary Office from the Directorate General Health and Consumers (FVO). Inspections are carried out for all specific EU legislation applicable to farm animals and their reports are made public on the internet⁷⁴. There is no such mechanism for the EU legislation on zoo animals. The legislation on experimental animals foresees the possibility should there be due reason for concern.

The FVO work has contributed to a more uniform application of EU rules in the veterinary field including animal welfare. In the average, the FVO performs around 10 visits per year dedicated to the animal welfare legislation. The experience has showed that repeated FVO inspections can address enforcement issues limited to areas of deficiencies involving the competent authorities.

⁷³ Grouping of calves: 8 years, ban of battery cages for laying hens: 13 years, grouping of sows: 10 years, new requirements for slaughterhouses: 10 years

⁷⁴ http://ec.europa.eu/food/fvo/index_en.cfm

The FVO has no mandate to inspect and sanction business operators but only to supervise if competent authorities are doing so. Their ability to contribute to compliance should therefore not be overestimated. FVO missions are indeed less efficient in addressing widespread problems due to operators who, mainly for economic reasons, preferred taking the risk of being checked and possibly sanctioned rather than changing their production processes. The best example of limiting effects of FVO inspections is given on the difficulty in implementing requirements for manipulable materials for pigs.

With or without FVO inspection, in case of failure of Member States to ensure enforcement of EU legislation, the Commission may initiate legal proceedings against the Member State concerned. In practice legal proceedings are a heavy procedure to be carried out taking time and resources. The evaluation report pointed out that a legal proceeding against one Member State has been going on for more than nine years without sanctions imposed against this Member State⁷⁵ despite the fact that the judgment is favourable to the Commission.

In addition to FVO assessment, Member States provide reports on their inspections and the level of compliance on the welfare of farmed animals (See Annex 6 indicating the results for 2008). According to this data, the overall rate of full compliance is relatively low for the three main directives of the welfare of farmed animals (61%). Such monitoring instruments are useful in the perspective of FVO missions. It seems however to be of limited efficiency to improve enforcement if it is not associated with other initiatives to analyse the underlying failures of Member States to reach better levels of compliance. The analysis and the follow-up of Member States data is also resource demanding.

Following the adoption of Regulation (EC) No 882/2004 on official controls, the Commission has developed training activities targeted at officials in charge of checking different aspects of the food chain, including animal welfare. On average 185 officials are trained on animal welfare every year. This initiative called "Better Training for Safer Food" has contributed to raising the level of competence of inspectors as well as raising awareness of the EU legislation for participants from third countries. However, only officials have access to such training and their number is limited. The present capacity of BTSF can not match the overall number of officials in the EU. Secondly it tends to select specific participants due to language consideration. Lectures and interactions between participants are usually in English and it is therefore difficult to reach officials that are strictly monolingual in many Member States. There is an ongoing project to develop e-learning modules for BTSF, including for animal welfare, but the process is not yet implemented and could possibly address those limitations. However, it is not yet certain that e-learning alone will create the necessary interactions and knowledge sharing that a local structure could perform.

The Commission has occasionally organised specific workshops on enforcement issues with stakeholders or/and competent authorities. Working groups of competent authorities have been used in particular in relation to the transport of animals or on

⁷⁵ Case can be consulted in curia.europa.eu (Case C-416/07).

ritual slaughter. Workshops with stakeholders have been organised on the use of manipulable materials for pigs, on pig castration or on the implementation of the laying hens directive. According to the participants, all such initiatives are useful in bringing all partners together but can only be effective if the Commission continues after the event in ensuring a certain follow up in providing guidelines or organising more specific actions. The effectiveness of such instruments is however limited. It requires additional resources to manage the organisation and the follow up of regular meetings. Secondly it can only be effective if it is based on clear legal requirements (like the ban of battery cages or the use of manipulable material for pigs). The effectiveness of such approach for providing "interpretation" of EU rules that may be open to divergent legal readings is more limited.

The current EU policy, through two specific pieces of legislation (directive on broilers and regulation on killing), has started to introduce a more flexible approach, progressively replacing resource-based requirements (like the width of slatted floors, or the number of lux for light in pig farms) to outcome-based indicators (like the mortality in broilers).

Introducing animal-based indicators through individual pieces of legislation is likely to take more time than adopting a horizontal approach.

In conclusion, the current policy with the present level of resources is able to address a number of critical enforcement issues but is limited in scope and is not efficient in addressing problems related to the management of the animals.

The baseline is therefore unlikely to address the lack of enforcement in a number of aspects that are indirectly related to other problem areas (no economic incentives, lack of knowledge).

2. Addressing the consumers' market choice with respect to animal welfare standards

On the producer' side

The EU has tried to address the issue of competitiveness through different instruments. Establishing common standards have contributed to limit differences in production costs between Member States.

The Common Agriculture Policy contains financial measures in the European Agricultural Rural Development Fund (EARDF) to compensate farmers in implementing higher welfare standards ("animal welfare payments" measure 215). According to the evaluation, an average of 50 million euros per year is used for that purpose. Rural development fund works through national or regional programmes that are submitted for Commission approval and requires a certain level of co-financing by the Member States.

Animal welfare payments are not compulsory⁷⁶ and are therefore not widely used by the Member States. Other measures under this fund can be used to improve the

⁷⁶ Under the rural development regulation there is no obligation for the Member States to include measures on animal welfare in their rural development plan like for agri-environmental measures.

welfare of animals ("meeting standards" – measure 131 or "modernisation of farm holdings" – measure 121) but are not specific and no precise figures can be provided on the amount possibly dedicated to animal welfare. In principle these measures should compensate EU farmer for implementing animal welfare legislation and additional cost related to its compliance. However the efficiency of such measures is difficult to monitor in terms of animal welfare. Programmes are submitted to the Commission but without a proper system for evaluating them in terms of animal welfare outputs, there is no evidence that they deliver substantial benefits for the animals. Compared to the list of specific problems identified in Annex 4, there is no evidence that rural development programmes having a welfare component (when they exist) have contributed to substantially reduce their incidence.

.In order to address the competitiveness issue at global level, the EU has engaged a set of international activities to improve the level of awareness of animal welfare in third countries (see Annex 2K).

A first approach has been to promote on a multilateral basis, global international standards through the adoption and the promotion of internationally recognised animal welfare standards. The EU has been successful in supporting the World Organisation for Animal Health (OIE) in adoption a series of guidelines on animal welfare for farmed (transport and killing) and experimental animals. Such EU action has been very positive in establishing a common ground of discussion with third countries on animal welfare and trade. This action however needs to be continued, as a number of important areas (farming of pigs, poultry, etc.) are not yet covered by international guidelines.

Another approach has been to work on a bilateral basis with certain third countries through specific trade agreements or cooperation forums. Today there are several bilateral cooperation activities ongoing which contribute to establish equivalent animal welfare standards in third countries to those in the EU. The evaluation has revealed that both approaches are supported by all stakeholders but need to be extended, especially in the context of further globalisation of agriculture markets.

On the consumer' side

Except in the case of eggs (obligatory⁷⁷), organic products (voluntary EU regulation not specifically aimed at animal welfare issues) and poultry meat (voluntary production method labelling), there are no specific EU rules on how to inform the consumer about animal welfare. Moreover, there are few voluntary certification schemes focusing on animal welfare^{78 79} and their market shares are relatively limited in most EU Member States. The Commission adopted a communication on animal welfare labelling in 2009 but debates in the Council did not point out a single

⁷⁷ Each table egg marketed in the EU hto be marked with a code identifying the farming method as defined in the legislation (0 for organic, 1 for barn, 2 for free range and 3 for cage system).

⁷⁸ On those schemes and animal welfare labelling see COM(2009)584final.

⁷⁹ However, some labelling schemes targeting animal welfare are operated in the private sector, particularly in those parts of the EU where this is an important issue for consumers (e.g. Neuland in DE; Freedom Food in UK).

See also DG Agri inventory (http://ec.europa.eu/agriculture/quality/certification/inventory/global-view-policy-area_en.pdf)

direction, most Member States being opposed to establishing a new compulsory labelling system as it exists for eggs.

The current EU policy provides some instruments to compensate producers from higher production costs. Transitional periods have not been proved to be very successful⁸⁰. There is little evidence that the rural development fund is able to address the main animal welfare problems because the measures on animal welfare are not compulsory and requirements for funding are not very specific (no benchmark).

On the consumer' side, except for eggs, there is no specific EU instrument that could encourage consumers to express a choice in favour of more animal welfare friendly products.

The baseline is therefore not expected to substantially address the consumers' market choice with respect to compliance of animal welfare legislation or to their specific concerns for animal welfare.

3. Addressing the lack of knowledge of business operators

Request for education and competence for animals' handlers have been introduced in some EU legislation (directive on pigs, directive on experimental animals, regulation on animal transport, and the new regulation on the protection animals at the time of killing). The experience drawn from those requirements indicate that their implementation will depend in part on their level of precision and secondly on their level of implication of the sectors concerned.

In the case of pigs, requirements for competence are rather limited and vague (having knowledge of the EU requirements) and do not focus on the underlying scientific rationale for applying the legislation. The effects for changing a number of problematic practices appear very limited.

In other cases, requirements have been more detailed and specific and the approach seems to have provided better results. Following an external study on the impacts of the EU legislation on animal transport, stakeholders agreed that the introduction of a requirement for competence has improved the handling of animals.

However the current requirements have limited effects. Those requirements do not cover the handling of all animals covered by the EU legislation (no requirement for calves, laying hens or other farm animals) and not specific enough for pigs. In addition those requirements are directed to personnel handling animals while a number of painful procedures are related to the design of the production system (animals handlers can not change the space dedicated to animals for example or avoid tail docking if pigs are biting each other due to poor environment).

The EU has funded a number of research projects through the different framework research programmes. The evaluation estimated that the EU spends an average of 15 million euros on research animal welfare projects. However most of them are

⁸⁰ See the ongoing compliance problems with laying hens and the grouping of sows.

dedicated to the finding of alternative methods of testing (80%) while most animals are farmed. The evaluation has also pointed out the difficulty in dissemination and coordination of research findings within the Member States. As regards farm animals, the Welfare Quality Project has been successful in developing a new approach for assessing and measuring animal welfare on farm through outcome based animal welfare indicators.

The current EU policy for addressing the lack of knowledge of business operators is relatively successful for improving the handling of animals. However it is today too limited to address problems related to the design of production systems. The EU policy on research has positively contributed to develop new approach in assessing animal welfare but funding on farm animals remain limited.

The baseline is therefore expected to be positive but limited in scope. A number of training requirements are still in a process of being implemented⁸¹ and would need to be assessed in their effects. The current level of EU funding for research is likely to positively contribute to better knowledge on animal welfare but would have limited impacts if not accompanied by more efforts in dissemination and translation into practical tools.

4. Addressing the lack of specific legislation or guidance on certain animals

Without specific EU legislation, a number of animal issues are left to the initiatives of the Member States. The Commission does not have a comprehensive view of the Member States initiatives in the field of animal welfare where the EU has no recognised competence.

However, on the welfare of dogs and cats, the Belgium Presidency in 2010 conducted a survey with the Member States which indicate that national animal welfare requirements applicable to dogs and cats vary widely between Member States (identification and registration of dogs, trade of dogs on markets, licensing of pet shops, the ban of ear cropping, tail docking, licensing of shelters, etc.). From the Council conclusions (see Annex 2I), it appears useful for the EU to investigate if there are problem areas (trade of dogs in particular) where the EU could provide better results than national measures.

On the welfare of farmed animals not covered by specific EU legislation (as for example adult cattles, sheep, goats, turkeys, rabbits, fur animal or farmed fish) the Commission has fragmented information on the way Member States have adopted specific requirements to reflect the principles laid down in the EU legislation for farmed animals (Directive 98/58).

The EconWelfare research project made a detailed comparison of national farm animal welfare legislation in some Member States (see evaluation report p. 42). Some of them have specific requirements on fur animals (DE, IT, NL and DK) and dairy cows (DE, SE, UK, DK and under discussion NL).

⁸¹ new regulation on killing, new broiler directive, new directive on experimental animals

The current EU policy does not address a number of animal welfare issues since there are no specific EU rules or other EU instruments available. The Commission does not have a comprehensive view on the Member States initiatives in this field but the data collected (on farm animals and dogs and cats) indicate that the range of initiatives taken by the Member States spreads from no action to very detailed rules.

The baseline is therefore expected to have positive effect on the welfare of animals only in the few Member States having an active policy. However national policies may negatively affect the producers of those Member States putting them at competitive disadvantage. The baseline is also expected to have a negative impact on the welfare of animals of many Member States who do not take specific measures on those animals.

2.5. Subsidiarity test

According to the principle of subsidiarity (Article 5.3 TEU), action at EU level should be taken only when the objectives envisaged cannot be achieved sufficiently by Member States alone and can therefore, by reason of the scale or effects of the proposed action, be better achieved by the EU. The objectives of the present strategy meet these conditions.

Firstly, measures adopted by the Member States in the field of animal welfare can have an impact that is felt across national borders. In particular, they can create obstacles to trade between Member States and distort competition. Different rules on animal transport pose a problem where transport is carried out across national borders.

Such obstacles and problems cannot be overcome by the Member States alone. It is therefore justified for the EU to take action by harmonising certain provisions on animal welfare. The EU has indeed progressively adopted several pieces of legislation on animal welfare, in particular regarding farmed animals. To the extent to which such provisions are already in place, the EU is best placed to refine them and to develop them into a coherent system for different species of animals for which rules at the level of the EU are necessary.

Secondly, where harmonised rules are in place, it is in principle the task of the Member States to enforce those rules. However, important differences in the level of enforcement between the Member States do not allow the objective of those rules to be attained. Where such differences are found, it is therefore justified for the EU to take action and to promote a more uniform approach to enforcement.

Thirdly, consumers across the EU are confronted with a great variety of animal welfare attributes. To allow consumers to understand and compare such attributes and to allow producers to make credible claims as regards animal welfare, the visibility and the credibility of animal welfare claims could be improved through a system allowing their EU-wide comparison. The EU is in a better position to draw up such a system than the individual Member States.

Fourthly, harmonisation at EU level of rules on the welfare of animals requires the EU to be in a position to judge on the most appropriate standards for animal welfare.

It thus seems justified for the EU to contribute to the advancement of research in the field of animal welfare, building upon the efforts made by the Member States and complementing the activity carried out by them. At the same time, the EU has a role to play in the dissemination of knowledge of animal welfare issues. This is particularly true due to the fact that Member States have no coordinated approach and most efforts are made in those regions in which operators are already well aware and knowledgeable about animal welfare.

3. OBJECTIVES

3.1. General objectives of the strategy

The proposed new EU strategy on animal welfare would have two general objectives:

- to give animals a level of protection and welfare that reflects European societal concerns;
- to ensure fair competition for the EU animal sector in the context of the internal market.

These general objectives touch upon economic, social, environmental, public health and consumer welfare objectives, also with an international dimension.

3.2. Specific objectives

Based on the analysis of the problem drivers, the specific objectives of the new strategy on animal welfare can be summarised as follows:

- Objective 1: to improve enforcement of the EU legislation in a consistent approach across the Member States;
- Objective 2: to provide for open and fair competition for EU business operators that implement or go beyond EU requirements;
- Objective 3: to improve knowledge and awareness of EU business operators regarding animal welfare;
- Objective 4: to improve the coherence of animal welfare across animal species.

Indicators for each specific objective are laid down in Annex 5A.

4. IDENTIFYING THE OPTIONS

There have been four main options identified, which reflect the problems and its drivers. They are reflecting the full range of EU and Member states level action, including non-legislative and legislative tools.

Two options were not considered in this report:

- (a) The No EU action option has been excluded because the baseline scenario indicated that it has no chance to deliver substantial improvements in a number of major problems identified. Enforcement through the classical approach is limited if not associated with other instruments (knowledge approach, market approach). Lack of economic reward to producers is partially addressed through the CAP but lack of efficiency without a transparent and measurable benchmarking system. Insufficient knowledge is not correctly addressed with the current measures (BTSF, certificate of competences, EU research programmes, EFSA) and need to be expanded as to be closer to stakeholders. Finally, the current baseline is unlikely to address a number of situations potentially or certainly critical on animal welfare taking place at a large scale (dairy cows, turkeys, dogs and cats).
- (b) The sector-based approach option (opposed to the holistic approach taken in this report) has also been excluded. This option could have addressed certain aspects of the problems through the amendments of sector-specific legislation. This could have introduced requirements for competence and the possibility of using animal welfare indicators (see options below). However, such approach would require the change of at least eight specific legislative acts, while the work could be performed with one act, ensuring better consistency. The sector-based approach would also make very difficult to use a market based approach (see later) as well as addressing the insufficient coherence and dissemination of research outcomes.

When discussing future policy options, most stakeholders considered that a policy mix would be necessary. The adoption of a framework law was strongly supported by the European Parliament (Ms Paulsen, MEP). Producers' organisations were mostly in favour of improving enforcement through non-legislative tools while NGOs considered that new laws would be necessary, combined with more non-legislative action. Member States are uniformly supportive of better enforcement. There is also a wide support for the establishment of an European network of reference centre for animal welfare, provided that it is not creating a new structure.

4.1. Option 1: Strengthening Member States' compliance (EU level non-legislative tools)

In this scenario, the current EU legislative setting will remain unchanged. Existing rules may be updated or new rules adopted on an ad hoc basis but it will not be a priority.

Option 1 will include the following initiatives:

- Increase the number of audit missions in the Member States and third countries;
- Strengthen inter-governmental cooperation to promote better enforcement;
- Organise workshops with stakeholders on specific animal welfare issues;
- Develop EU guidelines for species covered by the European Convention for the Protection of Animals kept for farming purposes;

- Increase the participation to the training initiative Better Training for Safer Food.

All these initiatives will primarily aim at ensuring that the Member States put in place and perform the necessary measures to achieve better enforcement of the EU legislation.

Further details on Option 1 are provided in Annex 5B.

4.2. Option 2: Benchmarking voluntary schemes (EU support to sector self-regulation)

In this scenario, a new legislative act will be proposed but the rest of the EU legislative setting will remain unchanged. Existing rules may be updated or new rules adopted on an ad hoc basis but it will not be a priority. This option will also include communication campaigns for informing consumers of EU requirements as well as of the new EU framework for animal welfare claims. In addition this option will prioritize EU actions on animal welfare at international level through multilateral and bilateral negotiations.

Option 2 will include the following initiatives:

- A legal framework for benchmarking certification schemes with animal welfare claims;
- Communication campaigns for informing consumers;
- Prioritizing of EU actions on animal welfare at international level.

The Commission will propose a new specific legislation to provide for open and fair competition for voluntary certification schemes containing animal welfare claims. This legal framework will allow certification schemes to be registered at EU level. The registration will imply the preliminary establishment of an EU benchmark where applicant certification schemes will be positioned (the bottom of the benchmark being the EU legislation and the top the most animal welfare friendly scheme in the EU). The EU benchmark will be established for each type of activities (dairy farming, etc.) where there are applications for registration. The validation of the EU benchmark and the registration process would be performed by the Commission with the opinion of a multi-stakeholders committee (farmers, food processors, retailers, food services, certification scheme owners, scientists and animal welfare organisations).

Further details on Option 2 are provided in Annexes 5C and 5D in particular why we have not considered the extension of a compulsory labelling system for pig or poultry meat as it exists for eggs.

4.3. Option 3: Establishing a European network of reference centres (Specific EU legislation)

In this scenario, the Commission will present a legal proposal to establish a network of reference centres on the basis of a model that exist in the field of animal health

and food safety (network of reference laboratories as laid down in Regulation 882/2004 on feed and food control).

The idea of a network of reference centre has been extensively presented in a specific Commission communication⁸² in 2009, accompanied with an corresponding impact assessment report.

This network will not be a new EU structure but the consolidation, through co-financing, of existing scientific national resources on animal welfare. The role of this network will not duplicate the role of the European Food Safety Authority which gathers research findings and provides the EU institutions with scientific risk assessments on the food chain as well as on animal welfare and the activity of the Joint Research Centre of the EU.

Reference centres could be organised by animal welfare topics in line with the current EU legislation making a need of about nine specific centres⁸³. Each centre will have the following roles:

- Coordinate at EU level and carry out research on EU relevant themes in collaboration when appropriate with existing EU funded research structures like the SCAR (Standing Committee on Agricultural Research) collaborative working group on animal health and welfare research⁸⁴ and the the Animal Health and Welfare ERA-Net (ANIHWA)⁸⁵ ;
- Provide scientific and technical expertise to competent authorities on the EU legislation;
- Disseminate research findings and technical innovations to EU stakeholders;
- Disseminate research findings among the EU and the international scientific community;
- Coordinate at EU level the listing and the evaluation of professional training activities related to animal welfare.

The Commission adopted a specific communication⁸⁶ on the establishment of a European Network of Reference Centres in 2009 based on an external study.

Under Option 3 an increase in the EU funding for research on animal welfare including wild animals in captivity will be examined as a possibility.

Further details on Option 3 are provided in Annex 5E.

⁸² COM(2009) 584 final and background materials (IA report and preliminary study) can be consulted at: http://ec.europa.eu/food/animal/welfare/farm/docs/options_animal_welfare_labelling_report_en.pdf

⁸³ Welfare of calves, pigs, laying hens, broilers, other farmed animals, animal transport, animal slaughter, experimental animals and zoo animals.

⁸⁴ <http://www.scar-cwg-ahw.org/>

⁸⁵ http://www.scar-cwg-ahw.org/?page_id=146

⁸⁶ COM(2009)584final. See also: http://ec.europa.eu/food/animal/welfare/farm/labelling_en.htm

4.4. Option 4: Streamlining requirements for competence and using animal welfare indicators (EU general framework law)

This option will be a legislative proposal for a general EU law on animal welfare to simplify requirements already laid down in certain pieces of EU legislation as follows:

- Requirements for competence will be integrated in a single common text and more precise;
- The possibility of using animal welfare indicators will be introduced as an alternative to compliance with functional requirements of existing legislation.

This will imply replacing Directive 98/58 (umbrella directive for all farmed animals) by the new law.

Option 4 will be limited to the categories of animals presently covered by specific pieces of legislation (calves, pigs, laying hens, broilers, transport and killing of animals, experimental and zoo animals).

Further details on Option 4 and 4+ are provided in Annex 5F.

4.5. Option 4+: Investigating the possibility of extending the scope of Option 4 (EU Framework Law with increased scope)

As set up in the problem definition, there are documented evidence that animal welfare problems exist at various scale in species where the Union has not provided particular rules for their protection. The aim of Option 4+ is therefore to address this issue in order to verify if those animal welfare issues are relevant for the Union.

In addition to Option 4, Option 4+ will investigate on the relevance of extending the scope of Option 4 to other animals where animal welfare problems have been identified (dairy cows, beef cattle, rabbits, turkeys) as well as to dogs and cats. The investigation will consist of launching a series of studies for assessing whether the welfare problems identified by scientists are significant at EU level and whether they affect the functioning of the internal market or other EU objectives.

In Option 4+, the studies will aim at:

- Quantifying the scale of the welfare problems in the EU;
- Establishing the existence or the risk of market distortions or risk related to other EU objectives (public health) due to the absence of EU rules;
- Analysing the impacts of extending the requirements for competence on the economic sustainability of the sector(s) concerned and on the Member States budget.

5. IMPACT ANALYSIS

The present report aims at assessing the impacts of the strategy, keeping in mind that any subsequent legislative proposals arising from this initiative will be supported by separate impact assessment reports.

5.1. Methodology

In the following assessment, the impacts of the proposed options on the specific objectives, and on some other relevant aspects, are considered. The list of impacts considered is discussed in Annex 5G. However the impacts are only mentioned in the main text if they have been considered significant.

The present impacts are always compared to the baseline scenario.

5.2. Impacts of Option 1- Strengthening Member States' compliance

5.2.1. Impacts on objective 1- improve enforcement

Further auditing and advice from Commission services to the national authorities are likely to improve enforcement. Past experience shows the effectiveness of this approach, which is why the Food and Veterinary Office (FVO) of DG SANCO was created and continues working on food and veterinary issues. However, to increase compliance does not necessarily mean increasing the number of audit missions, since the Commission may use other tools to make progress and ensure follow-up. It should be also noted here that the FVO is today only working on farmed animals and there is no legal framework to extend their activities to zoo animals. The legislation on experimental animals foresees the possibility of controlling national inspection systems should there be due reason for concern.

It should be reminded here that enforcement is primarily the role of the Member States' competent authorities which have or should have the necessary resources to ensure that non compliances are identified and possibly corrected. Commission visits to the Member States are efficient in pointing out defects of the inspection services but not at correcting non compliance by operators since the problem is on a very different scale. Measures to be taken by the Member States may take months to have effects (like training officials, prepare instructions, print leaflets for stakeholders, etc.) and increasing the number of visits of Commission' official will not necessarily provide better results.

Strong enforcement policy has been partly successful in the ban of battery cages (at the present time we don't know yet whether all EU producers will comply with the 1.1.2012 deadline). Since the measure is unambiguous and easily verifiable, it is likely to succeed. The implementation of the grouping of sows through similar pressure from the Commission is likely to succeed for similar reasons (clear measure and deadline). However, enforcement policy through inspection and threat of infringement proceedings is less successful for requirements related to the management of the animals (like feeding, watering, handling, light, etc.). Unlike the design of facilities (battery cages, grouping of sows), they are dependent on the way animals are treated on a daily basis. Such issues demand a proper awareness and understanding of animals' by owners and handlers as well as officials and can not be

established overnight. They are also more difficult to verify and often based on sufficient knowledge and experience.

Strengthening intergovernmental cooperation through thematic working groups (of officials) is useful in providing clarification in some aspects of the legal texts and allows exchange of good practices between the different competent authorities. Such exchanges also need to be translated and communicated to stakeholders through specific guidelines to have a broader effect. Such an approach has been punctually used in the past (in particular for the transport of end-carrier animals) and provides positive results.

We could expect even more positive results if certain provisions could be further explained and detailed by the Commission regarding the species covered by the Council of Europe Convention for the protection of animals kept for farming purposes.

However, the Commission's role in providing quasi-legal interpretation has been challenged by some stakeholders since they consider that such interpretation may go beyond what is actually agreed in the legal text. Such EU guidelines are not binding and are unlikely to address issues that are driven by economic interests (head space in transport for example).

Increasing the participation of officials to Better Training for Safer Food initiative is expected to have a positive effect on enforcement. Those training sessions provide useful inputs for inspectors and contribute to establishing a network of officials having similar technical interests. The initiative is not available for the directive on experimental animals or zoo animals.

Workshops with stakeholders have been used in the pig sector to address recurrent problems arising from the routine use of tail docking and the absence of manipulable material. It seems to provide positive results for a similar development has begun on of animal⁸⁷ transport issues and is welcomed by all stakeholders.

Apart from EU legislation, a similar approach⁸⁸ has been developed to end pig castration by 2018 and a declaration to this effect has been endorsed by the main stakeholders at EU level. This project is closely followed by the Commission which would like to provide accompanying measures to finance a number of necessary technical studies. Funding is therefore a contributing factor in facilitating stakeholders to work on changes of current practices.

The overall impact of Option 1 in terms of improving enforcement is expected to be fairly positive (++) but limited in scope (no much on experimental and zoo animals) and in certain problem areas (efficient in problems related to design but less in relation to management).

⁸⁷ The UECBV (livestock traders' association), Eurogroup for Animals and the FVE are working on an EU guidelines for the fitness of animals to be transported. In parallel, in 2010 the Commission organised meetings with the Member States to better enforce the EU legislation on animal transport.

⁸⁸ On the declaration to stop pig castration:
http://ec.europa.eu/food/animal/welfare/farm/initiatives_en.htm.

5.2.2. *Impacts on objective 2- provide for open and fair competition*

This option is expected to have no significant impact to provide for open and fair competition. It will have a positive impact in creating a level playing field between operators, in particular as regards measures related to the housing of animals (battery cages/grouping of sow). However, consumers will not be better informed on the welfare aspects of the products they buy.

International competitiveness will not be significantly affected. Equivalent standards are required for slaughterhouses from third countries exporting to the EU. But there is no legal requirement for equivalency in other part of the EU animal welfare legislation.

The overall impact of Option 1 to provide for open and fair competition for EU producers is expected to be slightly positive (+).

5.2.3. *Impacts on objective 3- improve knowledge*

Option 1 is mainly targeted at influencing competent authorities in performing enforcement so the effects on stakeholders are likely to be limited.

However two aspects of Option 1 may have positive effects on the knowledge of stakeholders.

The organisation of workshops on specific enforcement problems have been positively used in the past in particular for better informing stakeholders on the scientific background of certain EU rules as well as the possible alternative methods available. A number of topics could be addressed by this way to share positive experiences of good animal welfare practices. For example developed to ensure a proper implementation of the regulation on the protection of animals at the time of killing, on animal transport or for the zoo directive.

Industries representatives have usually been very supportive of the organisation of such informative events and it has created in some case, a dynamic for change (in the case of castration of piglets).

However the effects of such workshops should not be overestimated. First due to logistical reasons, the number of workshops and the number of participants that could benefit from those events is rather limited (usually no more than 100 participants per event) compared to the number of European operators concerned. The participation is often limited to few EU lobby representatives. The organisation of such workshops also requires substantial resources in time and money.

The production of guidelines of interpretation could also contribute to improve the level of understanding of animal welfare among stakeholders despite the possible controversy concerning the legal value of such documents. They may be translated in many languages and published on the internet, providing much larger audiences than workshops. But they are not necessarily increasing the level of involvement of operators in daily operators since guidelines are more perceived as a top down approach.

The overall impact of Option 1 to improve the level of knowledge of stakeholders is expected to be slightly positive (+).

5.2.4. *Impacts on objective 4- to improve coherence across animal species*

Option 1 will not have an impact for clarifying the need of further EU initiatives for certain categories of animals not covered by specific EU rules.

The development of EU guidelines for each recommendation of the Council of Europe Convention may partially address some animal welfare problems identified (like dairy cows, beef cattle, farmed fish, etc.). However, the level of acceptance of such guidelines by some Member States or/and stakeholders may be low. The previous debates on the revision/adoption of certain recommendations by the Council of Europe (revision of the cattle recommendation, preparation of the rabbit recommendation, and adoption of the fish specific technical annexes) indicate that there are still a number of very divergent views on how those recommendations could be interpreted. The Commission has little legitimacy in interpreting such recommendations and it remains uncertain if enforcement action in this field could lead to address the identified problems.

Furthermore there are a number of animal welfare problems that are not covered by this convention (welfare of rabbits, dogs and cats).

The overall impact of Option 1 on objective 4 is expected to be neutral (0).

5.2.5. *Other possible impacts*

Option 1 would require additional resources and possibly affect the EU budget. According to the evaluation report, there are today nine full time equivalent of DG SANCO for performing missions within the Member States. There is no staff dedicated to the drafting of implementation guidelines as interpretation is mainly provided through replies to individual requests. Stakeholders' workshops and Member States working groups are organised on an ad hoc basis with an average of ten per year with the present resources.

If guidelines would be developed for each EU specific piece of legislation (at least 8 directives or regulations). As human resources are unlikely to be extended, those costs could be externalised through external consultants (at least for the drafting of guidelines). If the work would be externalise this would require the amount limited to a period of 4 years making a need for an additional annual costs of +300.000 euros (2 guidelines a year with an external costs of 150.000 euros each).

Further training activities of Better Training for Safer Food would also require additional costs. Today's costs of BTSF training is around 2000 euros per participant (travel and accommodation expenses included) with 185 officials per year. These costs will be reduced by the development of e-learning tool but an additional cost of 100.000 euros per year seems realistic to extend the activities to a larger scope of persons.

In the overall, Option 1 could be properly implemented with an additional budget of 400.000 euros.

The impact on the EU budget is therefore expected to be slightly negative (-) or neutral (0) if the necessary resources are reallocated from other activities.

In no case the option will have negative impact on fundamental rights and more specifically on the freedom of religion as it is guaranteed in the relevant legislation on the protection of animals at the time of slaughter or killing.

5.2.6. *Opinions of stakeholders on Option 1*

Option 1 is unanimously supported by all stakeholders (Member States, European Parliament, industries and animal welfare organisations). They all consider better enforcement as a priority.

5.3. **Impacts of Option 2 – Benchmarking voluntary schemes**

5.3.1. *Impacts on objective 1-improve enforcement*

Option 2 is a set of measures which aims at encouraging operators who want to go beyond EU rules and not at forcing non compliant operators to abide with the rules. Therefore, it cannot be expected to have significant effect in improving enforcement in the short term.

However, the increased economic value possibly developed by this approach could move a subsequent part of operators from a basic level of compliance to a higher level of animal welfare standards. This evolution from basic requirements to higher standards has been well described by the research project Econwelfare. The project has analysed 8 different Member States with different level of animal welfare concern (from low Spain/Poland to very high Sweden/UK) and approaches (from regulatory in Sweden, market in the UK/NL or mixed in Germany). It appears that when the level of concern increases, the market is more likely to improve animal welfare standards. The regulatory approach is essential to ban the most unacceptable practices but not necessarily the best tool to attract producers towards better standards.

Experience in the "Red Tractor" certification scheme in the UK⁸⁹ indicates that compliance is improved through private schemes and can lead the authorities to decrease their official checks for members of such schemes.

Another example is the promotion of the 'Good egg award'⁹⁰ presented by an animal welfare organisation to major companies which have anticipated the ban on battery cages. It shows that a initiative that aims at publicising pro-active policy on animal welfare also contribute to enforcement.

Communication campaigns toward consumers part of Option 2 are also likely to decrease the interest of non compliant behaviour among business operators.

⁸⁹ <http://www.myredtractor.co.uk/splash/>

⁹⁰ See: http://www.ciwf.org.uk/good_egg_awards/english/about_us/default.aspx.

Therefore, the overall impact of Option 2 to improve enforcement is therefore expected to be slightly positive (+).

5.3.1. *Impacts on objective 2- provide for open and fair competition*

Option 2 will create further market opportunities for EU business operators by improving the visibility of certification schemes containing animal welfare claims. Because of its voluntary nature, Option 2 will not negatively affect the margin of EU business operators. On the opposite the establishment of an EU wide benchmarking system for EU registered schemes will increase the opportunity for EU producers to obtain better prices for improved efforts on animal welfare. At the same time, EU retailers or food processors looking for suppliers with specific animal welfare standards will be more efficient in using the EU benchmark.

Option 2 will not jeopardize existing schemes but provide them with better visibility and increase the transparency on the nature and the level of the different claims. The framework provided by Option 2 could be used by quality schemes which focus on several dimensions of a product and not exclusively on animal welfare.

Option 2 will allow the existence of different level of positioning on animal welfare from very high to basic standards, making it possible for producers to make progressive improvements depending on the business opportunities.

Option 2 is mainly designed as a business to business instrument but could be also used by certification schemes owners to directly communicate to consumers. There is no unanimous agreement on how consumers should be better informed about animal welfare, but Option 2 will offer producers a tool they can use to develop their own schemes. It is therefore likely that this would give consumers better information on animal welfare, whatever the means of communication chosen by the different business operators⁹¹.

Option 2 also includes communication campaigns towards consumers on the EU benchmark system to allow them to easily check if their favourite brands or schemes are fitting with their expectations on animal welfare.

The EU benchmarking system could be further associated with possible public advantages if they demonstrate certain quality in improving compliance (decreasing the number of official checks) or their validity in going beyond certain standards (rural development animal welfare measure for example).

The framework created by Option 2 could also be later used in a context of further EU initiatives on Corporate Social Responsibility⁹² or Public procurement initiatives⁹³.

⁹¹ See Feasibility study on animal welfare labelling and establishing a Community Reference Centre for Animal Protection and Welfare. 26.012009 by FCEC.
http://ec.europa.eu/food/animal/welfare/farm/labelling_en.htm.

⁹² See Annex 6B on examples of CSR and animal welfare.

Option 2 also includes a priority on international activities on animal welfare. The development of bilateral and multilateral cooperation on animal welfare will also contribute to facilitate negotiations on the establishment of equivalent standards for products imported from third countries. Already several international guidelines on animal welfare have been adopted by the World Organisation for Animal Health and the Commission is actively working in ensuring a proper understanding and implementation of such guidelines through bilateral trade agreements, cooperation forums or cooperation with FAO on capacity building.

Improved animal welfare standards do not seem to constitute a disadvantage for EU producers exporting to third countries. New Zealand and Australia, countries which both apply similar animal welfare standards to the EU, are very competitive exporters of live animals, milk and meat. This seems to indicate that high welfare standards are compatible with high competitiveness on the world market. In addition, the promotion of EU standards internationally has raised awareness and will continue to do so among international stakeholders. This awareness has been demonstrated in non-EU countries by their adoption of further national⁹⁴ standards. Such awareness-raising seems relatively easy to achieve, since most of the meat imported into the EU today comes from just a few countries. Brazil and Thailand provide 90% of the poultry meat imports, Brazil and Argentina 60% of the beef and New Zealand 85% of the sheep meat⁹⁵).

Further international activities would also help improve the welfare of animals in non-EU countries. Although this is difficult to monitor, it is clear that non-EU countries' participation in training activities and in scientific cooperation with the EU both indirectly increase the welfare of animals. The Conference on Global Trade and Farm Animal Welfare in 2009⁹⁶ attracted participants and speakers from all over the world (Thailand, Brazil, USA, New Zealand, and South Africa) and from different backgrounds (not only NGOs but also businesses like Mc Donald's, the Thai Broiler Processing Exporters Association and international organisations such as the OIE, FAO and World Bank). The organisation of such events helps raise awareness of animal welfare.

Therefore, the overall impact of Option 2 is therefore expected to be very positive to provide for open and fair competition for EU business operators (+++).

5.3.2. *Impacts on objective 3- improve knowledge*

Option 2 is likely to improve the sense of responsibility of business operators towards animal welfare. By creating a tool for promoting certification schemes with animal welfare claims, more business operators are likely to integrate this dimension

⁹³ In the environmental area the European Commission has co-funded a research project to scientifically assess the potential environmental benefits of green public procurement. The results of this study are uplifting, see: http://ec.europa.eu/environment/gpp/pdf/buying_green_handbook_en.pdf.

⁹⁴ The State of California banned battery cages and sow stalls in 2008.

⁹⁵ Figures have been calculated on the basis of 2008 data set out in Table 3.5 of the evaluation report (in tonnes).

⁹⁶ <http://www.animalwelfareandtrade.com/programme.php>.

as part of their business objectives and consequently develop internal procedures for monitoring and improving animal welfare in their process of production.

However Option 2 in itself is unlikely to create more knowledge among the business operators. The publication of EU registered schemes and of a precise benchmark will stimulate competition and possibly contribute to knowledge sharing among operators but will not necessarily provide the technical tools needed for such development. As EU registration is likely to provide some competitive advantages, certification schemes owners are unlikely to provide many details to facilitate development for other business operators.

Therefore the overall impact of Option 2 to improve knowledge is expected to be slightly positive (+).

5.3.3. *Impacts on objective 4- to improve coherence across animal species*

As option 2 is open to any certification scheme containing animal welfare claims, we could reasonably predict that it could be used by sectors presently not covered by specific EU rules like cattle farmers, fish farmers, etc.

The fur farming industry is presently working on developing a system for assessing the welfare of fur animals⁹⁷ that could lead to EU registered scheme.

Option 2 therefore possesses the potential for addressing certain animal welfare problems not covered by the EU legislation through private initiatives. However, as for the impacts for improving enforcement, Option 2 is unlikely to address the worst practices. The Econwelfare project indeed confirms that the regulatory approach remains the best instrument to address the most unacceptable practices.

Therefore, the overall impact of Option 2 on addressing the welfare problems for categories of animals not covered by EU rules is expected to be slightly positive (+).

5.3.4. *Other possible impacts*

In terms of EU budget, Option 2 has three components with different costs implications:

- Enacting legislation on voluntary benchmarking has no costs implication for the EU budget as such, except if it is envisaged to co-finance directly or indirectly the establishment of a benchmark. Funds granted to a network of reference centres could include such obligation (see Option 3);
- Promoting an EU benchmark to consumers would have more significant costs implication. Based on communication budget used for consumers in the agriculture sector (see Annex 4B for references on promotion budget), it would be appropriate to dedicate an average of 450.000 per year⁹⁸ (possibly in the

⁹⁷ <http://www.efba.eu/welfur/>

⁹⁸ EU contributed to 249 million euros for 183 promotion programmes (but total costs of the programmes are 505 million euros, also co-financed by Member States and sectors concerned) in the period 2006-

framework of Regulation 3/2008 on information provisions and promotion measures for agricultural products);

- Increasing international activities would cost an additional 100.000 euros (doubling the present budget)

Therefore the impact of Option 2 on the EU budget is expected to be slightly negative (-) with an overall cost which could vary from 100.000 to 550.000 euros.

Option 2 is also likely to have a positive impact on good governance since it will allow all stakeholders to take part in the decision of assessing and approving EU benchmarking system and the EU registration of certification schemes containing animal welfare claims. The expected impact of Option 2 on good governance is expected to be slightly positive (+).

Option 2 should not serve as an instrument aimed at better enforcing existing EU legislation. This would risk misleading consumers while the enforcement of legislation remains a task for administrations. Even if there was a clear distinction between official standards and private schemes which aim to ensure certain product qualities, official measures should not directly or indirectly take a role in ranking or regulating criteria related to private schemes, and their relevance in relation of animal welfare development objectives. This would only risk limiting the dynamic element of private initiative in this field and could stand in the way of further developments. This would also seem the most efficient way for allowing private initiative to identify those elements or qualities to which consumers best respond. At the same time, it is recognized that consumers and producers need to have access to reliable information. The EU best practice guidelines for voluntary certification schemes for agricultural products and foodstuffs⁹⁹ offer a valuable tool for this purpose. In addition, transparency about what different schemes is important to allow well-informed consumer decisions. Existing initiatives to generate information about available schemes should be used before adding new tools which in themselves risk reducing transparency.

In no case the option will have negative impact on fundamental rights and more specifically on the freedom of religion as it is guaranteed in the relevant legislation on the protection of animals at the time of slaughter or killing.

5.3.5. *Opinion of stakeholders on Option 2*

Among some organisations of animal welfare there is a conviction that it is necessary to extend the model of compulsory animal welfare labelling existing for eggs to other farming sectors, with reference to production methods. However this compulsory approach is not supported by most Member States and organisations of farmers, food processors and food retailers. Existing animal welfare schemes are also opposed to

2010 or an average of 1.36 million per programme. The programme lasts in the average 3 years making an annual average of 450.000 euros.

⁹⁹ Commission Communication — EU best practice guidelines for voluntary certification schemes for agricultural products and foodstuffs (2010/C 341/04)

the establishment of an EU logo on animal welfare as it may jeopardize their efforts in developing their own logo or trade marks.

As Option 2 is voluntary, it has been positively received by most stakeholders including some animal welfare organisations.

5.4. Impacts of Option 3: Establishing of a European network of reference centres

5.4.1. Impacts on objective 1-improve enforcement

Option 3 will not have direct effect to improve enforcement. However, the establishment of a network of reference centre on animal welfare is likely to provide positive indirect effects on enforcement. As we have seen in the problem definition, part of enforcement problems are related to the lack of knowledge of business operators on the welfare requirements of animals and on the possible alternative solutions. Better understanding of the scientific underlying principles of the EU legislation is essential to make rules implemented.

Option 3 will provide the necessary network to properly assess and list the educational resources available on particular animal welfare issues. By this way, Option 3 will facilitate the access of education to officials and business operators.

Option 3 will also contribute to better enforcement in providing technical assistance to competent authorities and business operators. Practical methods of inspection could be developed by reference centres as well as providing operators with concrete solution to comply with some legal requirements.

This is the approach taken by the World Organisation for Animal Health, which has set up three collaborative centres for animal welfare world wide¹⁰⁰ to promote the implementation of their international guidelines by their members.

In the fields of food safety and animal health, the EU co-finances reference centres for harmonising laboratory testing methods, and they also play an important role in providing advice and information at national level. In this way they contribute indirectly to a better enforcement of EU rules.

However as Option 3 does not create any obligation for operators, it is unlikely to reach all producers and in particular the ones that might need the most assistance. In addition assistance and training do not address problems related to economic interests (like overcrowding).

Therefore, the impact of Option 3 on improved enforcement is expected to be slightly positive (+).

100 On OIE collaborative centres general mandate see <http://www.oie.int/en/our-scientific-expertise/collaborating-centres/mandate-and-internal-rules/>.

5.4.1. *Impacts on objective 2- provide for open and fair competition*

As Option 3 will establish stable resources for research and innovation on animal welfare, it is also likely to provide positive input to the competitiveness of EU producers.

Option 3 will also provide technical assistance for business operators to possibly develop certification schemes, hence increasing their competitiveness.

However Option 3 will not raise awareness among consumers nor improve their knowledge in more animal welfare friendly practices.

The Welfare Quality project¹⁰¹ has helped develop outcome-based welfare indicators that open the way for a wider and more flexible method of assessing the welfare of animals on farms. Research can provide innovative ways of improving the welfare of animals while providing economic benefits. For example, a new electrical stunning method developed for poultry¹⁰² also appears to be very efficient and reliable for stunning other animals, and it produces fewer meat defects than the current method. Furthermore, the method is cost-efficient, both in terms of investment and operating costs.

More EU research would put the EU in a better position to defend its standards in the international arena. The EU ban on battery cages, supported by the EU research project LAYWEL¹⁰³, probably contributed to the debate in California, where a similar ban was adopted in 2008. EFSA opinions have also been used regularly for international standards purposes and have helped bring about changes in non-EU countries. The OIE adopted an entire article on CGUs (container gas units) in its terrestrial animal health code¹⁰⁴ based on UK research.

EU research projects focusing on animal welfare have also included academics from non-EU countries, building common understanding and methodology on animal welfare world wide. For example the Welfare Quality project included academics from Mexico, Uruguay, Chile and Brazil.

Therefore the impact of Option 3 for provide for open and fair competition is expected to be slightly to fairly positive (+ to ++) depending on the level of funding available for supporting research in this area.

5.4.2. *Impacts on objective 3- improve knowledge*

The main components of Option 3 aim at sharing knowledge on animal welfare. The experience existing in other fields like food safety indicates that the appointment of reference centres improve the visibility of scientists and help operators to find the proper information that they need for improving their practices.

¹⁰¹ www.welfarequality.net.

¹⁰² Funded by the Dutch authorities. No published document.

¹⁰³ <http://www.laywel.eu/>.

¹⁰⁴ See http://www.oie.int/eng/normes/mcode/en_titre_1.7.htm.

The positive impacts of Option 3 will be reinforced by the fact that one of the explicit mandate of reference centres will be to evaluate and register educational resources at EU level.

The specific study carried out the development of European Network of Reference Centres in 2009 shows that there are already a number of national bodies dealing with animal welfare.

However these bodies do not have an EU coordinating role or a mandate to provide information, advice or education to stakeholders. They usually advise only on national policy and their advice is for officials rather than stakeholders. Option 3 would make it possible to set up such a network and to provide practical tools to help stakeholders implement legislation and develop efficient ways of improving animal welfare.

Option 3 also foresees increasing efforts for funding research on animal welfare. EU research projects contribute to raising awareness among stakeholders on animal welfare. They create a debate on the issues to be addressed and the possible ways to tackle them. For example, the PIGCAS project¹⁰⁵, associated with Q-Porkchains¹⁰⁶, and the pilot project ALCASDE¹⁰⁷ have helped establish a voluntary EU-wide partnership to stop the castration of piglets without anaesthesia by 2018.

The Welfare Quality Project (FP6) has created interest among many stakeholders and has opened the way for new initiatives (e.g. WELFUR¹⁰⁸ for fur animals) to extend or continue the work even without EU funding (see EAWP¹⁰⁹).

Therefore, the overall impact of Option 3 on the knowledge of business operators is expected to be fairly positive (++).

5.4.3. *Impacts on objective 4- to improve coherence across animal species*

If Option 3 is strictly limited to the scope of the current specific EU requirements, Option will have no impact in addressing the welfare problems of animals not covered by EU rules.

If Option 3 is extended to the scope of the Council of Europe convention on the protection of animals kept for farming purposes (see Annex 2C), it could have a positive impact in addressing certain problems. However this impact is expected to be limited for two reasons:

- There are species with no specific recommendations (rabbits, dogs and cats);
- Reference centres will only work as available resources for interested operators, leaving the worst situations unchanged.

¹⁰⁵ See: <http://w3.rennes.inra.fr/pigcas/>.

¹⁰⁶ <http://www.q-porkchains.org/>.

¹⁰⁷ See: http://ec.europa.eu/food/animal/welfare/farm/alcasde_study_04122009_en.pdf.

¹⁰⁸ See: <http://www.efba.eu/welfur/>.

¹⁰⁹ See: <http://www.animalwelfareplatform.eu/about.asp>.

Therefore, the impact of Option 3 to address the welfare problems of certain categories of animals is expected to be neutral (0) to slightly positive (+)

5.4.4. *Other possible impacts*

Option 3 would have an effect on the EU budget since it would require a certain level of co-financing for setting up the network of reference centres.

A previous impact assessment¹¹⁰ provides different cost estimates ranging from € 600 000 to € 6 million per year (depending on the different functions considered). By way of comparison, the existing network of reference laboratories for animal health¹¹¹ costs the EU around € 4 million per year (16 laboratories co-financed at an average of € 250 000 per laboratory and per year). On the basis of 9 reference centres on animal welfare, Option 3 will cost $9 \times 250.000 \text{ €} = \underline{2.250.000 \text{ €}}$.

Therefore the impact of Option 3 on the EU budget is expected to be slightly negative (-).

In no case the option will have negative impact on fundamental rights and more specifically on the freedom of religion as it is guaranteed in the relevant legislation on the protection of animals at the time of slaughter or killing.

5.4.5. *Opinion of stakeholders*

There is a general support of Option 3 from all stakeholders. The European Parliament in its resolution explicitly refer to the establishment of a European Network of reference centres for animal welfare and the Member States were globally supportive when the Commission communication on the issue was presented in 2009. Additional funding for research is also supported.

However stakeholders and the Member States were against the creation of a new EU specific body as they consider that it would be more cost efficient to networking the current research resources than establishing a new central body.

Stakeholders were concerned by the risk of duplication with the role of the European Food Safety Authority which provides risk assessment on animal welfare.

Some stakeholders and Member States also insisted on the need for such a network to be limited to advisory and supportive roles and not invested with an administrative power.

This is why Option 3 has been designed to address those concerns.

¹¹⁰ p. 61 of the IA report SEC (2009) 1432.

¹¹¹ Commission Decision 2010/735/EU on financial aid from the Union for the year 2011 for certain European Union reference laboratories in the field of animal health and live animals (OJ L 316, 2.12.2010, p. 17).

5.5. Impacts of Option 4: Streamlining requirements for competence and using animal welfare indicators

5.5.1. Impacts on objective 1-improve enforcement

One of the reasons for poor enforcement is often due to the limited understanding by some operators of the welfare needs of the animals. Creating the obligation for a certain level of competence on animals for animal handlers is therefore expected to contribute to better enforcement in the field where today there are no requirements (farming of calves and poultry).

Such measures however take time to be implemented because they entail developing/reinforcing a complex network of training courses. In the long run, because the measure will be compulsory, it will reach a wide range of operators and will have positive effects in changing attitude towards animals. Compared to Option 3 (which will improve the knowledge structure by establishing a permanent scientific network on animal welfare), Option 4 has the advantage of covering the whole population concerned while Option 3 is unlikely to change the attitude and knowledge of the persons who do not actively look for improvement.

In addition the introduction of the use of animal welfare indicators for reaching compliance will allow certain flexibility in the implementation of certain provisions and hence facilitate enforcement. The extent to which animal welfare indicators could be used in this context can not be detailed here as the system developed by the Welfare Quality research project still needs to be adapted in a commercial context.

Due to the large scope of the measure, the impact of Option 4 for improving enforcement is expected to be fairly positive (++).

5.5.2. Impacts on objective 2- provide for open and fair competition

The provisions of Option 4 on market opportunities have two possible effects.

On one hand, requirements for competence will imply additional training costs. Those additional costs will only concern farmers of laying hens and calves since the EU legislation on other activities already provides for compulsory training on animal welfare¹¹².

Based on existing EU data, the average costs for training could be between €200 and €300 per person¹¹³. Taking into account the number of production sites for laying hens and calves (around 1.4 million), the overall costs for training would be 1.4 million x €250 = €350 million. In the past, the impact of competence requirements has been mitigated by progressive implementation¹¹⁴. If Option 4 included a

¹¹² Directive on pig, directive on broilers, regulation on transport, new regulation on killing and directive on experimental animals.

¹¹³ A study has recently found that the average cost for training personnel transporting animals was around €480 per person. In a previous impact assessment (SEC(2008)2424) the average cost for training personnel in slaughterhouses was estimated at €200 per person.

¹¹⁴ A three-years transitional period was used for Regulation (EC) No 1/2005 on animal transport and for Regulation (EC) No 1099/2009 on the protection of animals at the time of killing.

transitional period of three years, this would imply an annual cost of €117 million for the first three years. These estimates need to be put into the perspective of what the evaluation report said on compliance costs. The evaluation estimated compliance costs for the farming sector at €2.8 billion, or 1.9% of the value of EU livestock output. If training requirements under Option 4 cost around €117 million a year, this would increase production costs by less than 2%¹¹⁵ over the first three years. Moreover, this estimated cost increase must be set against the long-term benefits.

It is expected that requirements for staff competence and monitoring procedures will also have positive long-term effects on competitiveness. Highly competitive sectors usually benefit from additional competence. They are able to improve their quality management and other aspects of their work¹¹⁶. The impacts of competence and monitoring requirements on animal welfare have been assessed in a study on slaughterhouses¹¹⁷. In slaughterhouses, staff training can benefit businesses by reducing injuries and stress, and this in turn may improve the quality of the firm's products (meat and leather). It confirms that training and monitoring generate costs but also can bring benefits due to the improved overall quality of the work performed.

In addition, Option 4 will introduce the possibility of using animal welfare indicators for compliance and provide a more flexible legal framework which may decrease other compliance costs. Option 4 suggests shifting from a prescriptive approach to a more flexible system of legislation, focusing on the outcomes for the animals. Animal keepers could thus focus on the most efficient welfare-friendly measures while optimising their operational costs.

However some stakeholders are sceptical on the possible benefits of introducing animal welfare based indicators. They fear that it may increase the administrative burden on businesses. A comparative approach could be considered here with the introduction of the requirement for using the HACCP¹¹⁸ method for food businesses in the EU legislation on food safety. The 2009 evaluation of the hygiene package¹¹⁹ showed that small businesses, and in particular farmers, need simplified procedures possibly designed via codes of good practice. Such an approach has been fairly successfully used for food safety and should be kept in mind as a possible way forward in the field of animal welfare.

¹¹⁵ The evaluation calculated that the production costs for calves in 2008 were around €2.4 billion and for laying hens around €4.5 billion. (The increase in costs would be €117 divided by 6900 million).

¹¹⁶ For example, a study indicates that changes in stockpersons' behavior that reduce cows' fear of humans can offer the industry opportunities to improve the productivity of cows: 'The effects of cognitive behavioral intervention on the attitude and behavior of stockpersons and the behavior and productivity of commercial dairy cows', P. H. Hemsworth et. al.

¹¹⁷ Study on the stunning/killing practices in slaughterhouses and their economic, social and environmental consequences (see: http://ec.europa.eu/food/animal/welfare/slaughter/report_parti_en.pdf).

¹¹⁸ HACCP stands for Hazard Analysis Critical Control Point. It is a method for systematically analyse the risk for food safety in a particular production process and to identify the steps of production to be monitor to ensure a consistent and reliable quality.

¹¹⁹ Report on the experience gained from the application of the hygiene Regulations (EC) No 852/2004, (EC) No 853/2004 and (EC) No 854/2004 of the European Parliament and of the Council of 29 April 2004 COM(2009)403 final.

Therefore the impact of Option 4 to provide for open and fair competition is expected to be slightly negative (-) to neutral (0) depending on the potential benefits brought by additional training and the introduction of animal based indicators in compensating training costs.

5.5.3. *Impacts on objective 3- improve knowledge*

Creating requirements for competence will probably increase knowledge of operators as this is the main objective of Option 4. As the measure is compulsory it will have a much more powerful effect than Option 3 (which will only reach persons who want to be trained).

In addition, experience shows that personnel who have been properly trained in understanding animals act more responsibly towards them. Better knowledge brings a sense of autonomy and responsibility that prescriptive measures do not succeed to establish.

Furthermore, Option 4 will introduce the possibility of using animal welfare based indicators to reach compliance. This is likely to increase the sense of responsibility of operators as they will be in a position to find the proper balance in the context of their operations. The concept of introducing monitoring procedure has been introduced in two recent pieces of EU legislation (Directive 2007/43 on broilers and Regulation 1099/2009 on killing) but it is too early to know to what extent this approach will be able to offset market pressure for low standards. Experience of a similar approach in the food safety area (by the introduction of the obligation to apply HACCP rather than specific requirements) by the Food Law and subsequent legislation (so-called "hygiene package" adopted in 2004) has been considered to be globally positive by all stakeholders. Rather than focusing on particular details, this approach focuses on requiring business operators to establish a clear system for managing food safety in their establishment.

The overall impact of Option 4 is therefore expected to be very positive (++++) at improving the knowledge of business operators on animal welfare.

5.5.4. *Impacts on objective 4- to improve coherence across animal species*

Since Option 4 will be limited to the current scope of specific EU legislation, its impact on addressing welfare problems of animals not covered by EU legislation is expected to be neutral (0).

5.5.5. *Other possible impacts*

In relation to employment, the extension of educational requirements to other farmers is expected to have positive impacts on improving qualification and job satisfaction.

Although there are no specific studies performed on this aspect, business operators who have implemented educational measures for animal welfare declared that they have observed positive results for their employees. Workers have a better sense of purpose and satisfaction if they can respect animals and know them better.

Significantly, on 17 March 2011 the Council underlined in the CAP ‘the importance of rural infrastructure and knowledge transfer through *inter alia* vocational training and advisory services’¹²⁰.

5.5.6. *Opinion of stakeholders*

Stakeholders (both industries and NGOs) unanimously consider that educating workers has very positive and long-lasting effects on the welfare of animals¹²¹. This is why some stakeholders have been actively involved in training activities¹²².

Despite additional costs, the industry is very supportive of training requirements for different reasons. First, training costs are usually lower than costs related to housing requirements and easier to introduce progressively. Minimum spending on training employees is in any case compulsory in many Member States due to social legislation and sometimes subject to grants or tax reductions. Secondly, training is a measure that does not affect the design of the production process.

The opinion of stakeholders on the use of animal welfare indicators is more open to debate than training requirements.

Animal welfare organisations feel that animal welfare indicators can not be a substitute for bad production designs (like battery cages, individual stalls for sows, full slatted floor for many species, etc.). Improving the management of a process in using animal welfare indicators is considered to be useful only if it provides better results than the current system. Some organisations are also worried about the risk of less legal security due to the vagueness of the requirements (see below opinion of the Member States).

Farmers and other industry representatives are usually supportive of the introduction of outcome-based animal welfare indicators in the legislation. This is likely to provide them with flexibility in pursuit of compliance. However, farmers are worried by the risk of higher administrative burden relating to the need to keep records on procedures and monitoring activities. Farmers also consider that the protocols developed on an experimental basis by the Welfare Quality Project are too time consuming and should be simplified.

Member States usually support the use of outcome-based animal welfare indicators. However, some of them like some NGOs, fear that the use of indicators is much open to divergent interpretation and will make the work of inspectors more difficult. They

¹²⁰ 16348/10 — COM(2010) 672 final.

¹²¹ For example, SCAN AB, the biggest meat processing company in Sweden, has introduced training on animal welfare issues for employees involved in activities related to slaughter. According to unpublished internal data, this training led to a 5% increase in pig welfare from 2000 to 2001.

¹²² E.g. World Society for the Protection of Animals, cf. www.wspa.org.uk/wspaswork/education/Default.aspx, Compassion in World Farming, cf. <http://www.ciwf.org.uk/resources/education/default.aspx>, Protection mondiale des animaux de ferme, cf. <http://www.animaux-de-ferme.com/>, extensive education programmes in England and Wales, cf. <http://www.rspca.org.uk/education>, and the Swedish University of Agricultural Sciences’ ‘Ethology and Animal Welfare Programme’, cf. <http://www.slu.se/en/faculties/vh/departments/department-of-animal-environment-and-health/education/the-ethology-and-animal-welfare-programme/>.

consider that non-compliance will be more difficult to demonstrate than a prescriptive approach.

In no case the option will have negative impact on fundamental rights and more specifically on the freedom of religion as it is guaranteed in the relevant legislation on the protection of animals at the time of slaughter or killing.

5.6. Option 4+: Investigating the possibility of extending of the scope of Option 4

As Option 4+ is limited to the performance of particular studies, it is not expected to have a direct impact on the objectives to be pursued except Objective 4 to address the welfare problems encountered by some particular group of animals.

Impacts on Objectives 1, 2 and 3 are therefore not considered here while the impact of Objective 4 is expected to be slightly to fairly positive (+/++) depending on the possible follow-up actions that the studies will recommend.

In no case the option will have negative impact on fundamental rights and more specifically on the freedom of religion as it is guaranteed in the relevant legislation on the protection of animals at the time of slaughter or killing.

6. COMPARING THE OPTIONS

Tables below are compared with the impacts of the baseline scenario.

Table 1 — Summary of the expected impacts of the options compared to the baseline

Options Impacts	1: EU non legislative actions Strengthening Member States' compliance	2: Sector self-regulation Benchmarking voluntary schemes	3: Specific EU legislation Establishing a European network of reference centres	4: Framework Law Streamlining requirements for competence and using animal welfare indicators
Impacts on specific objectives				
Objective 1: Improve enforcement	++	+	+	++
Objective 2: Provide for open and fair competition	+	+++	+ / +++	- / 0 compliance costs +117 million euros over the first three years
Objective 3: Improve knowledge	+	+	++	+++
Objective 4: to improve coherence across animal species	0 / +	+	0 / +	0 ++ if Option 4+
Other impacts				
EU budget	- / 0 +400.000 euros	- +100 to 550.000 euros	- +2.250.000 euros or more	0
Good governance	0	+	0	0
Employment	0	0	0	+ (Job quality)
Stakeholders opinions				
Industries concerned	In favour	In favour	In favour	Reservation on animal welfare indicators
Animal welfare organisations	In favour	In favour	In favour	Reservation on animal welfare indicators

Table 2 – Main benefits and costs of each option

	1: EU non legislative actions Strengthening Member States' compliance	2: Sector self-regulation Benchmarking voluntary schemes	3: Specific EU legislation Establishing a European network of reference centres	4: Framework Law Streamlining requirements for competence and using animal welfare indicators
Benefits	<ul style="list-style-type: none"> • No need for legal acts • Improve coordination and cooperation between Member States 	<ul style="list-style-type: none"> • Create market opportunities for compliant operators • Applicable to a wide scope of species • Better involvement of stakeholders 	<ul style="list-style-type: none"> • Provide practical tools for compliance and improve accessibility of knowledge (locally based) • Improve coordination of research and education between Member States • Improve visibility of science based solutions • Possibly applicable to a wide range of species 	<ul style="list-style-type: none"> • Reach all operators (compulsory) • Provide flexibility for compliance and open to innovation
Costs	<ul style="list-style-type: none"> • Limited in its scope and power • Additional resources needed to be effective • Not very efficient in addressing management related problems • No market incentives 	<ul style="list-style-type: none"> • Do not reach non compliant operators (voluntary) • Costs to promote the system • Need a legal act (no quick effect) 	<ul style="list-style-type: none"> • Costs for co-funding centres. • Need a legal act (no quick effect) 	<ul style="list-style-type: none"> • Costs for operators in training Potentially administratively burdensome Need a legal act (no quick effect)

Comparing the options in terms of effectiveness

Effectiveness is the extent to which the options achieve the objectives.

In comparing the options, all achieve positive but complementary results as they have each been designed to address a specific objective.

Table 2: Comparison of Options

Objectives	Option 1	Option 2	Option 3	Option 4
Effectiveness	0	+	+	+
Efficiency	+/-	+/-	++	+
Coherence with EU objectives	+	+	+	+

Considering Objective 1 (improve enforcement), all options have a positive impacts but the most successful are Options 1 and 4. Option 4 is more likely to have a better enforcement effect because it directly affects business operators. It will certainly take much longer to have an effect but the impacts will be much deeper and long lasting. Option 1 will be addressed mainly to the competent authorities and will be more dependant on the willingness/ and the resources of the Member States to translate enforcement into practice.

On Objective 1, Options 2 and 3 will be less effective as they do not create any obligation. However, Option 3 is expected to work better on enforcement as it will provide practical assistance to the competent authorities and stakeholders.

The overall ranking for Objective 1 is expected to be Option 4, Option 1, Option 3 and Option 2.

Considering Objective 2 (provide for open and fair competition), Only Options 2 and 3 are expected to have a positive effect. Option 1 is neutral and Option 4 is likely to have increased compliance costs, hence negative effects on competitiveness. Option 4 may have also positive effects on competitiveness through more qualified staff and reduce some negative costs but we assume that costs will remain significant. If Option 2 appears to be the most effective tools to provide for open and fair competition, Option 3 can work in a complementary way as a European network of reference centres could be an appropriate technical instrument for preparing EU benchmarks. This network, if combined with increased funding for research, could stimulate innovation and therefore also boost the competitiveness of EU producers in this field.

The overall ranking for Objective 2 is expected to be Option 2, Option 3, Option 1 and Option 4.

Considering Objective 3 (improve knowledge), all options have a positive effect in improving knowledge. Option 4, by introducing compulsory requirement on competence and introducing the possibility of using animal welfare indicators for compliance, is the most efficient to reach this objective. It addresses knowledge but

also increases the sense of responsibility of operators. It covers all operators concerned (it is compulsory). Option 3 contributes to better direct knowledge as it includes research and dissemination of research to stakeholders. Option 1, provides knowledge to a certain extent (mainly to the competent authorities but possibly to operators through guidelines) but no greater sense of responsibility. Option 2 creates a higher sense of responsibility due to the voluntary nature of the measure but not much knowledge to operators who would need the most.

The overall ranking for Objective 3 is expected to be Option 4 – 3 - 1 and 2.

Considering Objective 4 (to improve coherence across animal species), none of the options is expected to address the issue significantly. Only Option 4+ (consider extending the scope of Option 4) could contribute to achieve Objective 4 directly. However other options could have positive effects in addressing welfare problems of certain species. Option 2 will allow business operators to develop market opportunities for species not covered by EU rules. Option 1 will provide EU guidelines for the implementation of the recommendations of the Council of Europe. Option 3 will provide technical assistance and training on other species.

A clear ranking is difficult to establish here. Option 4+ is expected to be first, followed by Option 2, Option 1 and Option 3. Option 4 alone is expected to have no effect in addressing Objective 4.

Overall, the options complement each other. Option 4 is powerful in addressing important objectives because it creates obligations for all operators concerned. However it brings compliance costs that may affect competitiveness. It does not address one of the main drivers, which is the market failure to reward operators who comply or apply stricter welfare standards. A combination of Option 2 and 3 would much better address this aspect and are mutually supportive.

6.1. Comparing the options in terms of efficiency

Efficiency is the extent to which objectives can be achieved at the lowest cost.

Option 2 is expected to be the most affordable option as the cost is mainly due to the communication activities to consumers and international activities attached to this option. The limitation is that this option alone mainly addresses only one of the drivers of the problems identified.

Option 1 is also relatively limited in its impact on the EU budget but may be more difficult to implement if it requires additional human resources. Option 1 is also relatively limited in its global impact as it is mainly directed to the Member States' competent authorities. It will not reach operators in the same way as Option 4 or 3.

Option 3 is more costly but has a broad range of positive effects. It positively affects all the different problems identified and could represent the most efficient option.

Option 4 has no implication on the EU budget but is expected to have significant costs for business operators. These costs are probably overestimated since our calculation does not take into account the possible economic benefits deriving from better competence on animal welfare. In addition it does not consider the cost

reduction due to possible subsidies. The costs could also be mitigated with a longer transition period (e.g. six years instead of three). However, even taking those factors into account, Option 4 has much higher costs than any of the other options. Those costs could be cancelled if the requirement for competence was not extended to the laying hens and calves sector.

In the overall Option 3 appears to be the most cost efficient option as it contains a good compromise between relatively moderate costs and a broad range of effects on the main drivers identified.

6.2. Comparing the options in terms of coherence

Coherence is the extent to which options are coherent with the overarching objectives of EU policies and the extent to which they are likely to limit trade-off across the economic, social and environmental domain.

None of the options considered seems to be in conflict with general EU objectives. The evaluation (see evaluation Question 9) concluded that the various components of the EU animal welfare policy are broadly complementary, mutually supportive and consistent, avoiding major conflicts with other EU policies such as competitiveness, trade and the environment.

This impact assessment finds no evidence that the options under consideration would be radically different in this regard.

6.3. Preferred option

A comparison of the options indicates that there is no single option that is able to address all problems effectively and efficiently.

Options 2 and 3 are mutually complementary with reasonable costs. They do not address Objective 4 (to improve coherence across animal species) in a significant manner and they are weak on Objective 1 (improving enforcement). However, Option 2 would risk blurring the line between official requirements and private schemes, and it would equally risk limiting the dynamic element of such private initiative. Existing tools should be used for enhancing the reliability and transparency of information available to consumers.

The preferred option will therefore be a policy mix, including some of the components of several options.

Such a policy mix will consist of the following specific measures:

1. To explore the possibility of a simplified EU legislative framework that will include:
 - a framework to improve transparency and adequacy of information to consumers on animal welfare,
 - the establishment of a network of reference centres,

- the integration of requirement for competence in a single text (with a transitional period to decrease compliance costs),
 - the possibility to use outcome based animal welfare indicators.
2. Develop tools for strengthening Member States' compliance with EU rules;
 3. Support international cooperation;
 4. Provide consumers and the public with appropriate information;
 5. Investigate on the welfare of animals not covered by specific EU rules.

A consolidate estimate of the additional annual costs of the preferred option for the EU budget could be as follows:

1. Costs for strengthening Member States' compliance: +400.000 euros
2. Costs for international cooperation: +100.000 euros
3. Costs for communication to consumers: +450.000 euros
4. Costs of specific studies: within the existing budget allocated.

Total additional annual costs: +950.000 euros.

7. MONITORING AND EVALUATION

The evaluation has shown that there is no single system for regularly monitoring progress on achieving the general objective of the animal welfare strategy. However, a number of elements are already in place that could provide useful monitoring tools for the future.

EU Member States are legally obliged to send the Commission annual data on the number of inspections carried out and the number of infringements detected. This is the case for all farmed animals¹²³. Member States are not required to report on their inspections of animals at the time of killing or of animals in zoos. The revised Directive on the protection of experimental animals introduced a general requirement to report on its implementation, and this specifically requires Member States to report on their national inspections.

DG SANCO is currently working with EUROSTAT to refine the data and indicators for official checks on farm animals. Some data already exists and has been identified.

¹²³ For farmed animals: Commission Decision 2006/778/EC concerning minimum requirements for the collection of information during the inspections of production sites on which certain animals are kept for farming purposes and Article 27(2) of Council Regulation (EC) No 1/2005 for the protection of animals during transport and related operations.

The level of enforcement in the Member States is also assessed through regular visits by Food and Veterinary Office (FVO)¹²⁴ experts. These FVO inspections essentially assess how effectively the animal welfare legislation applicable to farm animals in the EU is being enforced. There is at present no comparable monitoring system for the EU legislation on zoo animals.

The number of ongoing complaints¹²⁵ addressed to the Commission and the number of infringement proceedings initiated by the Commission are also possible indicators of the situation.

Indicators such as those identified in Annex 5A could also be monitored.

This impact assessment was preceded by an evaluation of the EU's animal welfare policy over a period that included the previous Community Action Plan for the Protection and Welfare of animals (2006-2011). The present impact assessment aims to establish an EU strategy for animal welfare for the period 2011-2015. It therefore seems appropriate to plan another evaluation at the end of the strategy period (2016).

¹²⁴ The Food and Veterinary Office (FVO) is a directorate of DG SANCO responsible for checking on compliance with the requirements of EU legislation on food safety and quality, animal health and welfare and plant health. See more at http://ec.europa.eu/food/fvo/index_en.cfm.

¹²⁵ In 2009 the Commission received 9 complaints about the welfare of farmed animals. In 2010 it received 13 such complaints.

Annex 1- Glossary of technical terms and abbreviations

AAALAC	Association for Assessment and Accreditation of Laboratory Animal Care
ASOPROVAC/ ANCOPORC	Spanish Beef and pig farmers organisation
AMMPA	Alliance of Marine Mammals Parks and Aquariums
AVEC	Association of Poultry Processors and Poultry Trade in the EU countries
BTSF	Better Training for Safer Food A European Commission training initiative covering food and feed law, animal health and welfare and plant health rules. It trains Member State and candidate country national authority staff involved in official controls in these areas, cf. http://ec.europa.eu/food/training_strategy/index_en.htm
BIPA	Baltic Petfood Industry Association
CA	Competent Authority
CAP	Common Agricultural Policy
CIWF	Compassion In World Farming. Farm animal welfare charity.
CLITRAVI	Liaison Centre for the Meat Processing Industry in the European Union
COPA- COGECA	European farmer and agri-cooperatives organisation
C-PAW	EC Policy on Animal Welfare. Replaced by EUPAW (see below) after the entry into force of the TFEU (see below), which replaced the European Community by the European Union.
CSR	Corporate Social Responsibility: "A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis", cf. http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.htm
CVO	Chief Veterinary Officers
DEFRA	Department for Environment, Food and Rural Affairs, United Kingdom
Duty of care	Requirement that makes owners and keepers responsible for ensuring that the welfare needs of their animals are met
EAAM	European Association for Aquatic Mammals
EAWP	European Animal Welfare Platform

EAZA	European Association of Zoos and Aquaria
ECA	European Circus Association
EFBA	European Fur Breeders' Association
EFFAB	European Forum of Farm Animal Breeders
EFN	European Farmers' Network
EFPIA	European Federation of Pharmaceutical Industries and Associations
EFSA	European Food Safety Authority
ENRC	European Network of Reference Centres for Animal Welfare. One of the possible measures envisaged by the Commission within the framework of a new animal welfare law
EPAA	European Partnership for Alternative Approaches to Animal Testing
ERA-Net	European Commission's Coordination of Research Activities scheme
EUPAW	EU Policy on Animal Welfare
Eurobarometer	Public opinion analysis service of the European Commission
EUROSTAT	The statistical office of the European Union
The evaluation	Evaluation of the EU Policy on Animal Welfare and Possible Policy Options for the Future, submitted by GHK Consulting on 22 December 2010, mandated by the European Commission, see http://eupaw.eu/
FAO	Food and Agriculture Organisation
FEAP	Federation of European Aquaculture Producers
FEDIAF	European Pet Food Industry Federation
FESASS	European Federation for Animal Health and Sanitary Security
Five Freedoms	Freedom from Hunger and Thirst, Freedom from Discomfort, Freedom from Pain, Injury or Disease, Freedom to Express Normal Behaviour, Freedom from Fear and Distress
FTE	Full time equivalent
FVE	Federation of Veterinarians of Europe

FP6	Sixth Framework Programme for Research and Technological Development. The EU's main instrument for funding research in Europe for the period 2002-2006. Includes, i.a., the Welfare Quality Project (see below).
FP7	Seventh Framework Programme for Research and Technological Development. The EU's main instrument for funding research in Europe for the period 2007-2013, cf. http://ec.europa.eu/research/fp7/index_en.cfm?pg=understanding
FVO	Food and Veterinary Office
HSI	Humane Society International
IFAW	International Fund for Animal Welfare
IVH	Industrieverband Heimtierbedarf
JRC	The European Commission's Joint Research Centre
LRF	Federation of Swedish Farmers
LS	The European Commission's Legal Service
MERCOSUR	Southern American Common Market
MEP	Member of the European Parliament
NGO	Non-Governmental Organisation
OIE	World Organisation for Animal Health
Public Procurement	The process whereby public authorities - including all levels of government and public agencies - buy goods and services or commission work, cf. http://ec.europa.eu/youreurope/business/profitting-from-eu-market/benefiting-from-public-contracts/index_en.htm
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SG	<u>European Commission</u> Secretariat-General
TFEU	Treaty of the Functioning of the European Union (the Treaty)
UECBV	The European Livestock And Meat Trading Union
UK NFU	National Farmers Union, UK
Welfare Quality Project	Welfare Quality®: Science and society improving animal welfare in the food quality chain. EU funded project FOOD-CT-2004-506508, included in FP6 (see above), cf.:

	http://www.welfarequality.net/everyone/26536/5/0/22
RSPCA	Royal Society for the Prevention of Cruelty to Animals. UK animal welfare charity.
WHW	World Horse Welfare
WSPA	World Society for the Protection of Animals
WTO	World Trade Organisation
3Rs	Reduction, Refinement and Replacement. An ethical framework for conducting scientific experiments using animals humanely
2006 Action Plan	Community Action Plan on the Protection and Welfare of Animals 2006-2010 (COM(2006)13 final)

Annex 2- EU key policy principles

2A - Definition of animal welfare and guiding principles

Animal welfare is defined in the international terrestrial animal health code of the World Organisation for Animal Health (OIE) see:

http://www.oie.int/index.php?id=169&L=0&htmfile=chapitre_1.7.1.htm

Chapter 7.1.

Introduction to the recommendations for animal welfare

Article 7.1.1.

Animal welfare means 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 behaviour, and if it is not suffering from unpleasant states such as pain, fear, and distress. Good animal welfare requires disease prevention and veterinary treatment, appropriate shelter, management, nutrition, humane handling and humane slaughter/killing. Animal welfare refers to the state of the animal; the treatment that an animal receives is covered by other terms such as animal care, animal husbandry, and humane treatment.

Article 7.1.2.

Guiding principles for animal welfare

1. That there is a critical relationship between animal health and animal welfare.
2. That the internationally recognized ‘five freedoms’ (freedom from hunger, thirst and malnutrition; freedom from fear and distress; freedom from physical and thermal discomfort; freedom from pain, injury and disease; and freedom to express normal patterns of behaviour) provide valuable guidance in animal welfare.
3. That the internationally recognized ‘three Rs’ (replacement of animals with non-animal techniques, reduction in numbers of animals and refinement of experimental methods) provide valuable guidance for the use of animals in science.
4. That the scientific assessment of animal welfare involves diverse elements which need to be considered together, and that selecting and weighing these elements often involves value-based assumptions which should be made as explicit as possible.
5. That the use of animals in agriculture and science, and for companionship, recreation and entertainment, makes a major contribution to the wellbeing of people.
6. That the use of animals carries with it an ethical responsibility to ensure the welfare of such animals to the greatest extent practicable.
7. That improvements in farm animal welfare can often improve productivity and food safety, and hence lead to economic benefits.

8. That equivalent outcomes based on performance criteria, rather than identical systems based on design criteria, be the basis for comparison of animal welfare standards and recommendations.

Article 7.1.3.

Scientific basis for recommendations

1. Welfare is a broad term which includes the many elements that contribute to an animal's quality of life, including those referred to in the 'five freedoms' listed above.
2. The scientific assessment of animal welfare has progressed rapidly in recent years and forms the basis of these recommendations.
3. Some measures of animal welfare involve assessing the degree of impaired functioning associated with injury, disease, and malnutrition. Other measures provide information on animals' needs and affective states such as hunger, pain and fear, often by measuring the strength of animals' preferences, motivations and aversions. Others assess the physiological, behavioural and immunological changes or effects that animals show in response to various challenges.
4. Such measures can lead to criteria and indicators that help to evaluate how different methods of managing animals influence their welfare.

2B - Current EU legislation on animal welfare

1.1 Legislation on the welfare of farmed animals (7 directives or regulations)

Legislation on the protection of farm animals covers all the different steps of production from farming itself, to transport and killing.

Farming activities are subject to EU legislation through a general umbrella directive (Directive 98/58/EC) providing general principles applicable to all species and referring to the European Convention on the protection of animals kept for farming purposes.

Farming activities are also subject to specific directives respectively on the protection of calves (Directive 91/629/EEC recasted 2008/119), pigs (Directive 91/630/EEC recasted 2008/120), laying hens (Directive 1999/74/EC) and chickens for meat production (Directive 2007/43/EC). In all cases each directive has progressively phased out the most inhumane methods of production (individual pens for calves, individual stalls for breeding sows and bare cages for laying hens). They also emphasise specific provisions in relation to space allowances as well as more aspects on the management of the animals.

Legislation on the protection of animals during transport has been subject to a recent revision (Regulation (EC) No 1/2005) which contains detailed provisions for the main farm species on travelling times, space allowances, fitness for transport, vehicles standards and drivers' competence. The regulation also includes a number of administrative procedures for allowing proper checks by the competent authorities.

Legislation on the protection of animals at the time of slaughter or killing (Directive 93/119/EC) contains standards for slaughterhouses as well as provisions in case of killing outside slaughterhouses (disease control, fur animals, etc.). This text will be replaced in 2013 by the application of Council Regulation (EC) No 1099/2009.

It should also be mentioned that there are several EU acts of the Common Agricultural Policy that refer to welfare standards of farm animals. Two of these acts referred to the compliance for minimum standards laid down in the legislation (cross-compliance and export refunds regulations) while two others provide incentive for farmers in applying stricter standards (rural development and organic farming regulations).

1.2 Legislation on the welfare of experimental animals (1 directive)

Directive 86/609/EEC aims at harmonising national provisions covering the welfare of animals used for experimental and scientific purposes. This Directive went through a comprehensive revision and the new Directive (2010/63/EU) entered into force on 10 November 2010. It requires that projects using animals are subject to authorisation and a systematic, compulsory project (ethical) evaluation. The scope of the directive is enlarged covering new groups/life forms/uses of animals and now also includes specific invertebrate species (cephalopods), mammalian foetuses from the last trimester of their development, as well as animals used for the purposes of basic research, education and training. It also sets housing and care standards, risk management based inspections, tighter rules for the use and care of non-human primates and introduces a ban on the use of great apes in scientific procedures. The Directive also requires the further development, validation of alternative approaches and the creation of Union Reference Laboratory (JRC ECVAM). Finally, the

concept of the 'Three Rs' (Replacement, Reduction and Refinement of animal use) is firmly entrenched in the new Directive. The Directive will take full effect on 1.1.2013.

1.3 Legislation on the welfare of pet animals (1 regulation)

The welfare of pet animals is not subject to Community legislation as such.

However, Regulation (EC) No 1523/2007 aims at to ban the import, export and sale of cat and dog fur in the EU. The proposal was drawn up in response to strong demands from EU citizens, as well as politicians, who asked for measures to be taken to prevent cat and dog fur being sold in the EU.

1.4 Legislation on the welfare of wild animals (3 directives or regulations)

Directive 1999/22/EC relating to the keeping of wild animals in zoos was adopted with the objective to promote wild animal species protection and conservation by strengthening the role of zoos in the conservation of biodiversity. The directive contains requirements for adequate accommodation facilities, species specific enrichments aiming to satisfy biological and behavioural needs, a high standard of animal husbandry, the training of staff, contributions to research or conservation activities and the education of the visiting public.

Council Regulation (EEC) No 3254/91 of 4 November 1991¹²⁶ which prohibits both the use of leg-hold traps in the Community and the introduction into the Community of pelts and manufactured goods of certain wild animal species originating in countries which catch them by means of leg-hold traps or trapping methods which do not meet international humane trapping standards. Council Decision 98/142/EC of 26 January 1998 concerns the conclusion of an Agreement on international humane trapping standards between the European Community, Canada and the Russian Federation and of an Agreed Minute between Canada and the European Community concerning the signing of said Agreement¹²⁷.

On 16 September 2009, the European Parliament and the Council adopted Regulation (EC) No 1007/2009 banning the introduction on the EU market of seal products that do not originate from Inuit or Indigenous hunts, subject to minor exceptions. Further detailed rules are specified in the implementing Regulation (EU) No 737/2010 that the Commission adopted on 10 August 2010. In addition, the Commission adopted on 29 December 2010 a technical guidance note setting out an indicative list of the codes of the combined nomenclature that may cover prohibited seal products. This list is intended to facilitate the enforcement of the trade ban.

It is to be noted that there is already legislation in place since 1983 prohibiting the import of seal pup products from certain seal species (harp and hooded seals) into the EU. This Directive 83/129/EEC has been put in place in response to widespread concerns about the population status of these species in the beginning of the 1980's.

¹²⁶ OJ L 308, 9.11.91, p.1

¹²⁷ OJ L 42, 14.2.98.

2C - List of the recommendations of the European convention on the protection of animals kept for farming purposes

Directive 98/58/EC has been adopted to reflect the European convention on the protection of animals kept for farming purposes. The EU has concluded this convention through Council Decision of 19 June 1978 concerning the conclusion of the European Convention for the protection of animals kept for farming purposes (OJ L 323, 17.11.1978 p. 12). The recommendations contain some binding provisions ("shall") or recommended practices ("should").

- Recommendation concerning farmed fish (adopted by the T-AP on 5 December 2005, entry into force on 5 June 2006)
- Recommendation concerning Pigs (adopted by the T-AP on 2 December 2004, entry into force on 2 June 2005) (Replacing the previous Recommendation adopted on 21 November 1986)
- Recommendation concerning Turkeys (adopted by the T-AP on 21 June 2001)
- Recommendation concerning Fur Animals (adopted by the T-AP on 22 June 1999) (Replacing the previous Recommendation adopted on 19 October 1990)
- Recommendation concerning Muscovy Ducks and hybrids of Muscovy and domestic Ducks (adopted by the T-AP on 22 June 1999)
- Recommendation concerning domestic Geese (adopted by the T-AP on 22 June 1999)
- Recommendation concerning domestic Ducks (adopted by the T-AP on 22 June 1999)
- Recommendation concerning Ratites (adopted by the T-AP on 22 April 1997)
- Recommendation concerning Domestic Fowl (*gallus gallus*) (adopted by the T-AP on 28 November 1995) (Replacing Recommendation of 1986 concerning the poultry of the species *Gallus gallus* kept to produce eggs)
- Appendix C to Recommendation concerning Cattle: special provisions for Calves (adopted by the T-AP on 8 June 1993)
- Recommendation concerning Goats (adopted by the T-AP on 6 November 1992)
- Recommendation concerning Sheep (adopted by the T-AP on 6 November 1992)
- Recommendation concerning Cattle (adopted by the T-AP on 21 October 1988)

2 D - Five areas of actions of the Community Action Plan on the Protection and Welfare of Animals 2006-2010 (COM(2006)13final)

- 1. **Upgrading existing minimum standards for animal protection and welfare** in line with new scientific evidence and socio-economic assessments as well as possibly elaborating specific minimum standards for species or issues that are not currently addressed in EU legislation. A particular priority will be designing EU rules in order to secure efficient enforcement and to take account of rules governing international trade.*
- 2. **Giving a high priority to promoting policy-orientated future research on animal protection and welfare and application of the 3Rs principle:** in order to respect the obligations under the EC Treaty Protocol to pay full regard to the welfare of animals in formulating and implementing these policies in parallel with enhancing the development, validation, implementation and monitoring of alternative approaches to animal testing.*
- 3. **Introducing standardised animal welfare indicators:** to classify the hierarchy of welfare standards applied (from minimum to higher standards) in order to assist the development of improved animal welfare production and **Upgrading existing minimum standards for animal protection and welfare** in line with new scientific evidence and socio-economic assessments as well as possibly elaborating specific minimum standards for species or issues that are not currently addressed in EU legislation. A particular priority will be designing EU rules in order to secure efficient enforcement and to take account of rules governing international trade.*
- 4. **Ensuring that animal keepers/ handlers as well as the general public are more involved and informed on current standards of animal protection and welfare and fully appreciate their role in promoting animal protection and welfare.** In respect of farm animals for example this could include working with retailers and producers to facilitate improved consumer trust and awareness of current farming practices and thus more informed purchasing decisions, as well as developing common initiatives in the field of animal welfare to facilitate the exchange of information and the application of best practices.*
- 5. **Continue to support and initiate further international initiatives to raise awareness and create a greater consensus on animal welfare,** including engaging with Developing Countries to explore trade opportunities based on welfare friendly production systems. The Community should also actively identify trans-boundary problems in the area of animal welfare, relating to companion or farm animals, wildlife etc., and develop a mechanism to tackle them in a more timely, efficient and consistent manner.*

2E – The European Parliament resolution on evaluation and assessment of the Animal Welfare Action Plan 2006-2010

The resolution considers that the "*the vast majority of the measures contained in the current action plan have been implemented satisfactorily*". However the resolution points out that EU farmers have overall not benefited from their efforts and stresses that non-trade concerns such as animal welfare should be better promoted at WTO level, while at the same time acknowledging that the EU should proceed with special care in order to avoid the criticism of hidden trade protectionism, given the sensitivity of the issue particularly among developing countries.

It also regrets the lack of a clear communication strategy on the value of products complying with EU animal welfare standards.

The resolution also recognises the **need for better enforcement of existing EU rules** in particular regarding zoo animals, animal transport, pig directive, and the future ban on cages for laying hens. It stresses the need for focusing on enforcement rather than drafting new legislation. Such enforcement should rely on effective penalties for non-compliance in all Member States.

The resolution calls for a **new action plan for 2011-2015** with an appropriate budget applicable to all animals. This future action plan should ensure sustainability for EU producers as well as consistency with other major EU policies and in particular those for the internal market, environment, food safety and animal health.

The resolution also calls on the Commission to submit not later than 2014 a **general animal welfare law**. This law would include the general principles applicable to all animal owners. However Member States would keep the possibility to allow producers to apply voluntary systems with higher welfare standards. The resolution also calls for **compensation for EU farmers** in applying higher animal welfare standards as part of the new common agriculture support scheme from 2013 onwards.

The resolution in addition calls for the establishment of a **European Network of Reference Centres (ENRC)** set up under the existing European or Member State institutions so to assist the different partners on training, best practices, information to consumers, assessing legislative proposals and testing techniques. The network should designate one institution acting as "central coordination institute" to avoid duplication with existing structures.

The resolution also asks the EU to assess the costs for EU producers of the current rules and to propose in 2012 measures to tackle their loss of competitiveness.

The resolution underlines that efforts should be made to promote animal welfare through education and that the EU budget should include sufficient appropriations to enable the Commission to perform its monitoring tasks and support EU producers affected. The resolution also calls for further development and financial investment for research, new technologies and techniques in the field of animal welfare.

2F – Scope and questions of the evaluation

The objectives of the evaluation was first, to analyse the results of the previous EU policy on animal welfare (from 2000) and, second, to establish if changes would be needed, indicating possible improvements to its scope, structure and working practices.

Scope and evaluation issues

The evaluation was defined on a grid made of two dimensions. One concerning the type of animals (farm animals, experimental animals, pet animals and wild animals) and secondly the type of EU actions envisaged (legislation, research, communication and international initiatives).

The evaluation questions

- Q1: To what extent has Community animal welfare legislation achieved its main objective i.e. to improve the welfare conditions of animals within the EU?
- Q2: To what extent has Community legislation on the protection of animals ensured proper functioning of the single market for the activities concerned?
- Q3: To what extent has Community funding for research and scientific advice on animal welfare contributed to science based Community initiatives in the field of legislation, communication and for international initiatives?
- Q4: To what extent have Community actions of communication to stakeholders and the public contributed to raise their awareness and responsibility towards animal welfare?
- Q5: To what extent have Community international initiatives on animal welfare contributed to raising awareness and creating a shared understanding on animal welfare issues and standards at world level?
- Q6: To what extent have Community international initiatives on animal welfare contributed to establishing equivalent market conditions between EU businesses and businesses from third countries exporting to the EU?
- Q7: To what extent are the present financial instruments and the financial resources at EU level adapted to the needs of the C-PAW? Would it be necessary to establish specific financial instruments and/or dedicated resources to Community initiatives related to animal welfare?
- Q8: To what extent does the C-PAW address the needs of stakeholders and the EU citizens?
- Which areas need changes concerning objectives, scope, management systems or processes? What kind of changes?
- Q9: To what extent does the intervention logic, objectives and activities linked to the C-PAW support or possibly conflict with those of other EU policies

To what extent are the elements of C-PAW intervention logic internally complementary, mutually supportive and consistent?

How successful has C-PAW been in promoting the necessary coherence and complementarity between the different EU policies in collaboration with the Commission and Member States?

Q10: To what extent do animal welfare policies contribute to the economic sustainability of the sectors concerned (farming animals and experimental animals) ?

Q11: What costs are involved in the management of the C-PAW for the Member States' public administrations?

2G – Key messages of the evaluation

Evaluation of the EU Policy on Animal Welfare (EUPAW) and Possible Options for the Future

The evaluation was commissioned by the Directorate General for Health and Consumers (DG SANCO) of the European Commission and aimed to provide an independent evaluation of the EUPAW and an assessment of the possible options for the future. The key messages from the evaluation are as follows:

1. Targeted EU animal welfare legislation has improved the welfare of many of Europe's farm and experimental animals, but more could be achieved with stronger and more consistent enforcement of existing rules. By extending the scope of EU welfare legislation, other groups of animals could benefit from higher welfare standards.
2. EU legislation to protect animals has, in general, helped to reduce competitive distortions in the internal market caused by differences in national standards, but in certain areas further action on enforcement and harmonisation is required.
3. EU funding for research and scientific advice on animal welfare, totalling about €15 million annually, has made a positive contribution to policy. Most funding has been for farm animals and the development of techniques to facilitate the replacement of in vivo animal testing.
4. The extent to which EU communication actions have raised stakeholder and public awareness and responsibility towards animal welfare is unclear. To maximise the impact of the limited resources available, a clear communications strategy and stronger monitoring and evaluation are needed.
5. The EU's international initiatives have helped to raise awareness and create a shared international understanding of animal welfare issues and standards, particularly with trading partners in markets for food products, but there is much more to do.
6. The establishment of equivalent market conditions between EU businesses and those from third countries exporting to the EU is a long term project on which the Commission has been working via bilateral and multilateral channels. Foundations are being laid but there is more to do.
7. The financial resources and instruments at EU level have grown to meet the increasing resource needs of the EUPAW, though there is a need for further growth in funding as the policy continues to develop in the years ahead.
8. EU animal welfare policy appears to have succeeded in striking a balance between the varied needs and expectations of citizens, industry and other groups on an issue for which ambitions differ across Europe. There are widespread calls for more consistent enforcement but less appetite for a new wave of standards, suggesting an agenda defined by evolution rather than revolution for the next few years.

9. The various components of EU animal welfare policy are broadly complementary, mutually support and consistent, and have (thus far) avoided major conflict with other EU policies, such as on competitiveness, trade and the environment.
10. EU welfare standards have imposed additional costs on the livestock and experimental sectors, estimated at around 2% of the overall value of livestock output and a similar proportion of the annual costs of experiments using animals. There is no evidence that this has so far threatened the economic sustainability of these sectors.
11. Management of the EUPAW costs the Member States' public administrations an estimated total of around €105 million a year, with about €53 million on farm inspections, about €0.5 million for regulating welfare of experimental animals and about €13 million for administrative costs.

The report makes specific recommendations regarding priorities for future EU action, under each of the 11 main evaluation themes listed above.

2 H – Summary of the discussion of the Commission report on Animal welfare labelling at the European Parliament, the Council and other EU institutions

The Commission adopted in October 2009 a Report in which it outlines a series of options for animal welfare labelling: http://ec.europa.eu/food/animal/welfare/farm/labelling_en.htm

The **EU Agriculture and Fisheries Council** held an exchange of views on the Commission Report on 22 February 2010. Ministers in general agreed that information about animal welfare in livestock production could enable consumers to make informed purchasing decisions and help EU farmers to obtain the desired recompense for their efforts.

Press Release of the meeting:

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/agricult/113353.pdf

The **European Parliament** discussed animal welfare labelling in relation to its Report on evaluation and assessment of the Animal Welfare Action Plan 2006-2010 (<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+REPORT+A7-2010-0053+0+DOC+XML+V0//EN&language=EN>) (rapporteur Marit Paulsen). The conclusions regarding labelling in the Paulsen Report are that the European Parliament:

31. Welcomes the debate concerning various possible animal welfare labelling schemes in the aforementioned Commission communication of 28 October 2009; recalls, however, the need to consider them in a wider context, taking account, in particular, of the various existing environmental, nutritional and climate labelling schemes; stresses that information on the subject for European consumers absolutely must have a sound and consensual scientific basis and be clear to consumers;

32. Recommends that the information given on the label should be precise and direct and should make reference to compliance with the high animal welfare standards demanded by the EU; maintains that it should be the task of the Commission to provide citizens with the necessary information on the European animal welfare system, so to ensure that they receive objective information.

The **Section for Agriculture, Rural Development and the Environment of the European Economic and Social Committee (EESC)** set up a working group to discuss the Commission Report, and adopted an opinion in May:

http://eescopinions.eesc.europa.eu/EESCopinionDocument.aspx?identifier=ces\nat\nat458\ces765-2010_ac.doc&language=EN.

In its opinion, the Committee concludes that a labelling scheme is needed that gives consumers objective information to enable them to choose animal products that exceed EU minimum animal welfare requirements. The labelling should provide an identifiable guarantee based on reliable information that consumers can readily understand. Furthermore, the EESC backs the establishment of a European network to continue the work of the Welfare Quality project.

2I – Council conclusions on the welfare of dogs and cats

Considering that:

- Article 13 of the Treaty on the Functioning of the European Union, having general application, states that - since animals are sentient beings - the EU should pay full regard to the welfare requirements of animals in formulating and implementing its relevant policies, while respecting the legislative or administrative provisions and customs of the Member States relating in particular to religious rites, cultural traditions and regional heritage;
- to respond to citizens' concerns it is necessary to plan appropriate actions at Member State and European level and ensure suitable welfare conditions for dogs and cats;
- this topic is also addressed in other international fora such as the OIE, the Council of Europe or in the framework of the discussions on the Universal Declaration on Animal Welfare (UDAW);
- the breeding of and EU trade in dogs and cats represent an economic activity within the European Union where business operators need to work within a level playing field;

Taking into account that:

- large differences seem to exist between the different national or regional rules on the welfare of dogs and cats within the European Union;
- those differences may lead to unequal breeding and marketing costs which could create animal welfare problems, zoonotic risks and deception of the citizen due to the purchase of animals carrying possible hidden diseases, including genetic defects and/or with irreversible behavioural problems;
- those problems may have a negative impact on primary objectives of the European Union such as the functioning of the internal market, public health and consumer protection;

Bearing in mind:

- the need for the European Union and the Member States to limit the administrative burden;
- the relevant international obligations, in particular concerning the trade in dogs and cats;
- the principles of subsidiarity and proportionality;

The Council of the European Union calls upon the Commission, in the framework of the second EU strategy for the protection and welfare of animals:

- to study the differences between the measures taken by the Member States regarding the breeding of and EU trade in dogs and cats and, if appropriate, to prepare policy options for the harmonisation of the internal market;
- to study and propose, if justified, options for facilitating compatible systems of identification and registration of dogs and cats in order to ensure better guarantees to the citizen through more efficient traceability of those animals. The options may take into account the need for fast and precise investigation, particularly in the case of illegal trade and zoonosis;
- to study and present, if justified, a specific proposal to restrict, in the European Union, the exhibition at public events of dogs and cats having undergone a non-curative surgical intervention (not aimed at preventing reproduction) and the trade in these animals;
- to develop, if necessary and in coordination with the Member States, appropriate actions to promote and support education concerning responsible dog and cat ownership, as well to support national information campaigns on the negative impact of non-curative surgical interventions on the welfare of dogs and cats.

2J – List of scientific opinions on the welfare of animals

All farmed animals

Cattle for beef production

The welfare of cattle kept for beef production - Report of the SCAHAW (2001)¹²⁸

Dairy cows

Report on Animal Welfare Aspects of the Use of Bovine Somatotrophin - Report of the SCAHAW (1999)¹²⁹

Scientific opinion on welfare of dairy cows in relation to metabolic and reproductive problems based on a risk assessment with special reference to the impact of housing, feeding, management and genetic selection (EFSA, 2009)¹³⁰

Scientific opinion on welfare of dairy cows in relation to leg and locomotion problems based on a risk assessment with special reference to the impact of housing, feeding, management and genetic selection (EFSA, 2009)¹³¹

Scientific opinion on welfare of dairy cows in relation to behaviour, fear and pain based on a risk assessment with special reference to the impact of housing, feeding, management and genetic selection (EFSA, 2009)¹³²

Scientific opinion on welfare of dairy cows in relation to udder problems based on a risk assessment with special reference to the impact of housing, feeding, management and genetic selection (EFSA, 2009)¹³³

Scientific Opinion on the overall effects of farming systems on dairy cow welfare and disease (EFSA, 2009)¹³⁴

Scientific report on the effects of farming systems on dairy cow welfare and disease (EFSA, 2009)¹³⁵

Rabbits

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to "The Impact of the current housing and husbandry systems on the health and welfare of farmed domestic rabbits." (EFSA, 2005)¹³⁶

Farmed fish

Animal welfare aspects of husbandry systems for farmed Atlantic salmon - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2008)¹³⁷

Animal welfare aspects of husbandry systems for farmed trout - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2008)¹³⁸

¹²⁸ http://ec.europa.eu/food/fs/sc/scah/out54_en.pdf

¹²⁹ http://ec.europa.eu/food/fs/sc/scah/out21_en.pdf

¹³⁰ <http://www.efsa.europa.eu/en/efsajournal/pub/1140.htm>

¹³¹ <http://www.efsa.europa.eu/en/efsajournal/pub/1142.htm>

¹³² <http://www.efsa.europa.eu/en/efsajournal/pub/1139.htm>

¹³³ <http://www.efsa.europa.eu/en/efsajournal/pub/1141.htm>

¹³⁴ <http://www.efsa.europa.eu/en/efsajournal/pub/1143.htm>

¹³⁵ <http://www.efsa.europa.eu/en/efsajournal/pub/1143r.htm>

¹³⁶ <http://www.efsa.europa.eu/en/efsajournal/pub/267.htm>

¹³⁷ <http://www.efsa.europa.eu/en/efsajournal/pub/736.htm>

¹³⁸ <http://www.efsa.europa.eu/en/efsajournal/pub/796.htm>

Animal welfare aspects of husbandry systems for farmed fish - European eel - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2008)¹³⁹

Animal welfare aspects of husbandry systems for farmed European seabass and gilthead seabream - Scientific Opinion of the Panel (EFSA, 2008)¹⁴⁰

Animal welfare aspects of husbandry systems for farmed common carp (EFSA, 2008)¹⁴¹

General approach to fish welfare and to the concept of sentience in fish (EFSA, 2009)¹⁴²

Species-specific welfare aspects of the main systems of stunning and killing of farmed fish: Rainbow Trout (EFSA, 2009)¹⁴³

Species-specific welfare aspects of the main systems of stunning and killing of farmed Eels (*Anguilla Anguilla*) (EFSA, 2009)¹⁴⁴

Species-specific welfare aspects of the main systems of stunning and killing of farmed Seabass and Seabream (EFSA, 2009)¹⁴⁵

Species-specific welfare aspects of the main systems of stunning and killing of farmed Atlantic Salmon (EFSA, 2009)¹⁴⁶

Species-specific welfare aspects of the main systems of stunning and killing of farmed Carp (EFSA, 2009)¹⁴⁷

Species-specific welfare aspects of the main systems of stunning and killing of farmed tuna (EFSA, 2009)¹⁴⁸

Species-specific welfare aspects of the main systems of stunning and killing of farmed turbot (EFSA, 2009)¹⁴⁹

Knowledge gaps and research needs for the welfare of farmed fish (EFSA, 2009)¹⁵⁰

Geese

Report of the Scientific Committee on Animal Health and Animal Welfare on Welfare Aspects of the Production of Foie Gras in Ducks and Geese - Report of the SCAHAW (1998)¹⁵¹

Scientific Opinion on the practice of harvesting (collecting) feathers from live geese for down production (EFSA, 2010)¹⁵²

¹³⁹ <http://www.efsa.europa.eu/en/efsajournal/pub/809.htm>

¹⁴⁰ <http://www.efsa.europa.eu/en/efsajournal/pub/844.htm>

¹⁴¹ <http://www.efsa.europa.eu/en/efsajournal/pub/843.htm>

¹⁴² <http://www.efsa.europa.eu/en/efsajournal/pub/954.htm>

¹⁴³ <http://www.efsa.europa.eu/en/efsajournal/pub/1012.htm>

¹⁴⁴ <http://www.efsa.europa.eu/en/efsajournal/pub/1014.htm>

¹⁴⁵ <http://www.efsa.europa.eu/en/efsajournal/pub/1010.htm>

¹⁴⁶ <http://www.efsa.europa.eu/en/efsajournal/pub/1011.htm>

¹⁴⁷ <http://www.efsa.europa.eu/en/efsajournal/pub/1013.htm>

¹⁴⁸ <http://www.efsa.europa.eu/en/efsajournal/pub/1072.htm>

¹⁴⁹ <http://www.efsa.europa.eu/en/efsajournal/pub/1073.htm>

¹⁵⁰ <http://www.efsa.europa.eu/en/efsajournal/pub/1145.htm>

¹⁵¹ http://ec.europa.eu/food/fs/sc/scah/out17_en.html

¹⁵² <http://www.efsa.europa.eu/en/efsajournal/pub/1886.htm>

¹⁵³ http://ec.europa.eu/food/fs/sc/scah/out67_en.pdf

Fur animals

The Welfare of Animals kept for Fur Production - Report of the SCAHAW (2001)¹⁵³

Pigs

The Welfare of Intensively Kept Pigs - Report of the Scientific Veterinary Committee (1997)¹⁵⁴

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to welfare aspects of the castration of piglets (EFSA, 2004)¹⁵⁵

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to welfare of weaners and rearing pigs: effects of different space allowances and floor (EFSA, 2005)¹⁵⁶

Opinion of the Scientific Panel on Animal Health and Welfare on a request from the Commission related to animal health and welfare in fattening pigs in relation to housing and husbandry (EFSA, 2007)¹⁵⁷

Animal health and welfare aspects of different housing and husbandry systems for adult breeding boars, pregnant, farrowing sows and unweaned piglets - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2007)¹⁵⁸

The risks associated with tail biting in pigs and possible means to reduce the need for tail docking considering the different housing and husbandry systems - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2007)¹⁵⁹

Laying hens

Report from the Scientific Veterinary Committee, Animal Welfare Section on the Welfare of laying Hens (1996)¹⁶⁰

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to the welfare aspects of various systems of keeping laying hens (EFSA, 2005)¹⁶¹

Calves

Report on the Welfare of Calves - Report from the Scientific Veterinary Committee Animal Welfare Section (1995)¹⁶²

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related with the risks of poor welfare in intensive calf farming systems (EFSA, 2006)¹⁶³

Broilers

The Welfare of Chickens Kept for Meat Production (Broilers) - Report of the SCAHAW (2000)¹⁶⁴

¹⁵⁴ http://ec.europa.eu/food/fs/sc/oldcomm4/out17_en.pdf

¹⁵⁵ <http://www.efsa.europa.eu/en/efsajournal/pub/91.htm>

¹⁵⁶ <http://www.efsa.europa.eu/en/efsajournal/pub/268.htm>

¹⁵⁷ <http://www.efsa.europa.eu/en/efsajournal/pub/564.htm>

¹⁵⁸ <http://www.efsa.europa.eu/en/efsajournal/pub/572.htm>

¹⁵⁹ <http://www.efsa.europa.eu/en/efsajournal/pub/611.htm>

¹⁶⁰ http://ec.europa.eu/food/fs/sc/oldcomm4/out33_en.pdf

¹⁶¹ <http://www.efsa.europa.eu/en/efsajournal/pub/197.htm>

¹⁶² http://ec.europa.eu/food/fs/sc/oldcomm4/out35_en.pdf

¹⁶³ <http://www.efsa.europa.eu/en/efsajournal/pub/366.htm>

Scientific Opinion on welfare aspects of the management and housing of the grand-parent and parent stocks raised and kept for breeding purposes (EFSA, 2010)¹⁶⁵

Scientific Opinion on the influence of genetic parameters on the welfare and the resistance to stress of commercial broilers (EFSA, 2010)¹⁶⁶

Killing of animals

Slaughter and killing of animals - Report from the Scientific Veterinary Committee Animal Welfare Section (1996)¹⁶⁷

The use of Mixtures of the Gases CO₂, O₂, and N₂ for Stunning or Killing Poultry - Report of the SCAHAW (1998)¹⁶⁸

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to welfare aspects of the main systems of stunning and killing the main commercial species of animals (EFSA, 2004)¹⁶⁹

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related with the welfare aspects of the main systems of stunning and killing applied to commercially farmed deer, goats, rabbits, ostriches, ducks, geese (EFSA, 2006)¹⁷⁰

Transport of animals

Standards for the Microclimate inside Animal Transport Road Vehicles - Report of the SCAHAW (1999)¹⁷¹

The welfare of animals during transport (details for horses, pigs, sheep and cattle) - Report of the SCAHAW (2002)¹⁷²

Opinion of the Scientific Panel on Animal Health and Welfare on a request from the Commission related to the welfare of animals during transport (EFSA, 2004)¹⁷³

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to standards for the microclimate inside animal road transport vehicles (EFSA, 2004)¹⁷⁴

Scientific Opinion Concerning the Welfare of Animals during Transport (EFSA, 2011)¹⁷⁵

Experimental animals

The welfare of non-human primates used in research - Report of the SCAHAW (2002)¹⁷⁶

¹⁶⁴ http://ec.europa.eu/food/fs/sc/scah/out39_en.pdf

¹⁶⁵ <http://www.efsa.europa.eu/en/efsajournal/pub/1667.htm>

¹⁶⁶ <http://www.efsa.europa.eu/en/efsajournal/pub/1666.htm>

¹⁶⁷ http://ec.europa.eu/food/fs/sc/oldcomm4/out30_en.pdf

¹⁶⁸ http://ec.europa.eu/food/fs/sc/scah/out08_en.html

¹⁶⁹ <http://www.efsa.europa.eu/en/efsajournal/pub/45.htm>

¹⁷⁰ <http://www.efsa.europa.eu/en/efsajournal/pub/326.htm>

¹⁷¹ http://ec.europa.eu/food/fs/sc/scah/out35_en.html

¹⁷² http://ec.europa.eu/food/fs/sc/scah/out71_en.pdf

¹⁷³ <http://www.efsa.europa.eu/en/efsajournal/doc/44.pdf>

¹⁷⁴ <http://www.efsa.europa.eu/en/efsajournal/pub/122.htm>

¹⁷⁵ <http://www.efsa.europa.eu/en/efsajournal/pub/1966.htm>

Opinion of the Scientific Panel on Animal Health and Welfare (AHAW) on a request from the Commission related to the aspects of the biology and welfare of animals used for experimental and other scientific purposes (EFSA, 2005)¹⁷⁷

Seals

Animal Welfare aspects of the killing and skinning of seals - Scientific Opinion of the Panel on Animal Health and Welfare (EFSA, 2007)¹⁷⁸

¹⁷⁶ http://ec.europa.eu/food/fs/sc/scah/out83_en.pdf

¹⁷⁷ <http://www.efsa.europa.eu/en/efsajournal/pub/292.htm>

¹⁷⁸ <http://www.efsa.europa.eu/en/efsajournal/pub/610.htm>

2K – List of international standards and of EU international bilateral initiatives where animal welfare is included

List of international standards of the World Organisation for Animal Health (OIE)

The World Assembly of OIE Delegates has adopted seven animal welfare standards in the *Terrestrial Code* and two animal welfare standards in the *OIE Aquatic Animal Health Standards Code (Aquatic Code)* as follows:

- The transport of animals by land
- The transport of animals by sea
- The transport of animals by air
- The slaughter of animals for human consumption
- The killing of animals for disease control purposes
- The control of stray dog populations
- The use of animals in research and education
- The welfare of farmed fish during transport
- The welfare aspects of stunning and killing of farmed fish for human consumption.

Under the 5th Strategic Plan (2011-2015) the OIE continues its work on priority topics endorsed by Members. In particular, work is ongoing on the development of animal welfare standards on:

- Broiler Chicken Production Systems,
- beef production systems
- killing of farmed fish for disease control purposes.

List of EU-bilateral initiatives where animal welfare is included

Trade agreements with third countries in Europe:

- European Economic Area (Iceland, Norway)
- Andorra
- Switzerland

Trade agreements outside Europe:

- Chile (2002)
- Canada (2004)

- Korea (2010)
- Central America (Costa Rica, El Salvador, Guatemala, Honduras, Panama and Nicaragua) (2010)
- Colombia and Peru (2010)

Ongoing negotiations with India, MERCOSUR (Brazil, Uruguay, Paraguay, Argentina, Venezuela), Singapore, Malaysia and Ukraine

Partnership and Cooperation Agreements (including animal welfare):

- Thailand
- Vietnam

Ongoing negotiation with the Philippines, Malaysia, China, Vietnam, Brunei and Singapore.

Cooperation Forums on Animal Welfare:

- New Zealand (2007)
- Australia (2008)

Other type of agreement (ongoing): Russia

Annex 3 – Consultation of stakeholders and Member States

3A – Stakeholders contributions

1. Stakeholders' meeting - Brussels, 31 January 2011

Summary:

The meeting was well attended by stakeholders from all sides. The European Parliament was represented by Ms Paulsen who was present the whole meeting and intervened during the debate (MEP who was the rapporteur on an EP resolution on the 2006 Action Plan). Representatives from third countries (New Zealand, Canada, Australia.) that have developed cooperation with the Commission attended the meeting.

There was a wide consensus on the problem definition as presented by the Commission (1. Insufficient enforcement, 2. competitiveness of farmers, 3. lack of communication to consumers and stakeholders, 4. need for more research and extending the EU scope for animal welfare policies).

Farmers' organisations insisted on the economic costs and the risk of importations from third countries. Animal welfare organisations stressed the need for a wider scope, more education and communication to the public and stakeholders. The CAP reform and the need to develop animal welfare in this context was also highlighted by NGOs. All parties supported the need for better enforcement and further scientific research.

As regards the policy options, most stakeholders considered that a policy mix would be necessary. However depending on the problem to be addressed, different solutions would be needed. Ms Paulsen strongly supported the option of a framework law. Producers organisations were mostly in favour of improving enforcement through non legislative tools while NGOs considered that new laws would be necessary combined with more actions in non legislative tools.

Detailed positions:

The external contractor presented the results of the evaluation of the EU policy on animal welfare and the corresponding recommendations. Then the Commission presented the options foreseen for the impact assessment of the future strategy.

All parties agreed that several aspects related to animal welfare were essential:

1. To ensure proper enforcement of the existing legislation;
2. To ensure the competitiveness of EU farmers especially in regard to imports from third countries;
3. To better coordinate the initiatives with Member States, by proper definition and strategy setting by the Commission;
4. To improve communication to consumers and stakeholders;
5. To carry out more research on animal welfare.

Industry view:

COPA-COGECA called for more flexibility in EU competition law as incentive for farmers to take up more animal welfare within the co-regulation scenario.

UECBV considered that we should focus on enforcement rather than reflecting in developing new rules.

AVEC also insisted on the need for a more uniform application of EU rules and equivalency regarding third country imports.

EFPIA was in favour of Option 3 (non-legislative option) and emphasized the need to comply first with the newly adopted directive on experimental animals, regarding the 3 R's in particular.

CLITRAVI was in favour of Option 1 (the baseline scenario) or a policy mix if additional costs for producers would be covered.

ASOPROVAC-ANCOPORC was worried by the competitiveness of pig and beef industry and third country imports.

EFFAB considered that the Corporate Social Responsibility and the promotion of good practices to be good options (non legislative option). They expressed the need for a step-by-step strategy and a clear definition of objectives. They did not support the idea of a specific institute for animal welfare.

FESASS called for more explanation of animal welfare to consumers.

The Swedish Farmers' Association and the UK NFU called for better enforcement, harmonisation of the internal market while keeping high animal welfare standards. NFU did not favour new legislation.

EFN was of the opinion that the tools existed but only needed to be used and explained.

EAZA considered that the zoo directive should be better implemented and they favoured initiatives that could promote their guidelines.

Breiz Europe supported the idea of a strategy to address international issues.

In short, the need for harmonisation was called for by the industry mainly, along with the need to get equivalent standards for third country imports. Non-legislative measures were preferred.

NGOs' and scientists' views

HIS, Eurogroup for Animals, IFAW, Born Free called for extension of EU scope/new legislation (fish, dairy cows, wildlife, pets), Eurogroup also supported the establishment of a Reference Centre.

FVE, CIWF, Vier Pfoeten, IFAW, Animals' Angels, WSPA favoured a policy mix (option D), and were worried about enforcement. They would support a framework law but expressed concerns on the risks of having too general and vague provisions. They did not wish to see

existing legislation disappear. They also wanted animal welfare issues to be better integrated in the context of the revision of CAP. They also supported the concerns over the risks of importations from third countries having lower standards.

WSPA called for more education.

University representatives, FVE, Born Free and NGOs called for proper objective setting and definitions in the area of animal welfare with an in-field study on the level of actual animal welfare standards in the EU.

Animal welfare NGOs stressed the need for a wider scope, more detailed laws on dairy cows especially, better definition and strategy setting, a proper animal welfare analysis and improved consumer information.

Other institutions' views:

MEP Marit Paulsen called for a general framework law to fight unfair competition on the EU market and get international equivalence for third country imports. Ms Paulsen declared that she proposed a framework law for animal welfare in its report (adopted in May 2010) as it has been working well in the area of food safety and producers should be better involved.

FAO declared that they will send written comments.

List of organisation attending the meeting:

ADT (German breeders association)

Animals' Angels (animal welfare organisation)

ASOPROVAC/ANCOPORC (Spanish Beef and pig farmers organisation)

Australian EU delegation

AVEC (European poultry industry)

Born Free (animal welfare organisation – wild animals)

Breiz Europe (French Farmers organisation)

BUAV (animal welfare organisation – experimental animals)

Canadian EU delegation

CIWF (animal welfare organisation – farm animals)

CLITRAVI (European food processing industry)

COLIPA (European cosmetic industry)

COPA-COGECA (European farmers organisation)

EAZA (European zoo and aquaria association)

EFBA (European fur breeders association)
EFFAB (European breeders association)
EFPIA (European pharmaceutical industry)
EFSA (European Food Safety Authority)
EPO (European Pet Organisation)
EPPA (consultancy firm)
Eurogroup for Animals (Animal welfare organisation)
European Circus Association
European Parliament
FACE (European hunting association)
FAI (consultancy firm)
FAO (Food and Agriculture Organization)
Fédération Nationale Porcine (French Pig farmers organisation)
FEDIAF (European pet food industry)
FESASS (European organisation for animal health)
FVE (Federation of Veterinarians of Europe)
HIS (animal welfare organisation)
Hungarian Permanent Representation (EU Presidency)
IFAW (animal welfare organisation – wild animals)
IFOAM (organic farmers' organisation)
Institut de l'Elevage (French research institute)
LRF (Swedish farmers' organisation)
New Zealand EU delegation
NFU (UK farmers' organisation)
SLU (Swedish research institute)
UECBV (European organisation of livestock traders and slaughterhouses)
Vier Pforten (animal welfare organisation)

WSPA (animal welfare organisation)

WUR (Dutch research institute)

2. Stakeholders' contributions on the policy options

The Commission received written contributions from the following 20 stakeholders:

Alliance of Marine Mammals Parks and Aquariums (AMMPA)

Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC)

Association of Poultry Processors and Poultry Trade in the EU countries (AVEC)

Baltic Petfood Industry Association (BIPA)

Compassion in World Farming (CIWF)

Copa-Cogeca

Eurogroup for Animals (Eurogroup)

European Association for Aquatic Mammals (EAAM)

European Association of Zoos and Aquaria (EAZA)

European Circus Association (ECA)

European Forum of Farm Animal Breeders (EFFAB)

European Fur Breeders' Association (EFBA)

European Pet Food Industry Federation (FEDIAF)

Federation of European Aquaculture Producers (FEAP)

Federation of Swedish Farmers (LRF)

Humane Society International/Europe (HSI)

Industrieverband Heintierbedarf (IVH)

International Fund for Animal Welfare (IFAW)

Vier Pfoten - Stiftung für Tierschutz (Vier Pfoten)

World Horse Welfare (WHW)

The stakeholders' position papers have been published on the Commission's website at http://ec.europa.eu/food/animal/welfare/actionplan/position_paper_2011_2015_en.htm.

General comments

The clearest messages from the stakeholders' submissions are that 14 out of 20 respondents believe that the new strategy should be based on a mix of policy initiatives from Options A and B, and that 12 out of 20 highlight the need to develop a communication and education strategy.

Specific comments

Industry

With the purpose of composing an easily accessible overview, the Commission has divided the stakeholders' position papers into two groups: Industry and NGOs. In this overview, the following 13 stakeholders are considered industry representatives: AMMPA, AVEC, BIPA, Copa-Cogeca, EAAM, EAZA, ECA, EFBA, EFFAB, FEDIAF, FEAP, IVH and LRF.

8 out of these 13 held the opinion that the new strategy should be based on a mix of policy initiatives from Options A and B. Just over half of the industry representatives highlighted the need to develop a communication and education strategy. 6 of the respondents supported the concept of a new framework law, whereas 3 were negative to developing such a legal concept. A little less than half of the respondents expressed support for developing indicators for monitoring procedures.

NGOs

For the purpose of this overview; the following 7 stakeholders are considered NGOs: AAALAC, CIWF, Eurogroup, HSI, IFAW, Vier Pfoten and WHW.

6 out of these 7 held the opinion that the new strategy should be based on a mix of policy initiatives from Options A and B. Just as many NGOs were supportive of actions to strengthen research on animal welfare and of international initiatives. A clear majority also highlighted the need to develop a communication and education strategy. Just over half of the respondents were in favour of extending the scope of EU legislation on animal welfare, of establishing a network of Reference Centres and of strengthening the enforcement of animal welfare legislation. Some NGOs pointed out that it is important that animal welfare is incorporated into other EU policy areas and that it also should be incorporated into Corporate Social Responsibility schemes.

Submissions from third countries

The Commission received a submission from Canada.

3B. Member States' contributions on the policy options

The Commission received submissions from 11 Member States. These were Bulgaria, the Czech Republic, Finland, Hungary, Germany, Ireland, the Netherlands, Poland, Spain, Sweden and the United Kingdom.

In general, the Member States expressed support for the upcoming EU animal welfare strategy and the Commission's work in preparing it.

The base line option (status quo) was not supported by any Member State, except if it meant that the resources employed are used to ensure that the current legislation is more properly enforced. This concern was echoed by several Member States.

There was broad support for policy Option 2. Nearly all Member States supported communication and education efforts in relation to animal welfare. Also, third country equivalent standards for animal welfare were considered essential.

There was also much support for improved coordination between Member States and the EU institutions, animal welfare research promotion, the Welfare Quality project and the development of indicators, an animal welfare reference laboratory network, co-regulation and international activities.

Some Member States mentioned a need to develop and disseminate best practice guidelines.

A general framework law was supported, but a need for further clarification of this legal concept was also highlighted. Some Member States supported extensions of the scope of EU legislation on animal welfare, while others were negative to imposing new regulatory burdens by additional legislation. It was also mentioned that there is a need to strengthen links between the CAP reform and animal welfare.

Very few Member States asked for updates of current EU animal welfare legislation if research in relevant areas is developed. A revision of Council Regulation (EC) No 1/2005 on the protection of animals during transport was requested by one Member State. There was also pointed to a need to evaluate both the EU's first action plan for animal welfare and the Better Training for Safer Food programme. Mandatory animal welfare labelling was perceived rather negatively. Also, according to Member States, farmers need to be compensated for complying with European animal welfare legislation. Moreover, animal welfare policies need to be increasingly mainstreamed with other EU policies.

Annex 4 – Baseline

4A - Legal provisions, animal welfare impacts, problem drivers and no change scenario

Problems related to specific pieces of EU legislation

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
Keeping of all farmed animals	Directive 98/58 of 20 July 1998 concerning the protection of animals kept for farming purposes OJ L 221, 08.08.1998 p. 23.	Contains general principles applicable to all species and referring to the European Convention on the protection of animals kept for farming purposes	Dairy cows – lameness and mastitis, metabolic problems, short production life, transport at the end of their production life (EFSA ¹⁷⁹ ***)	Directive vague without EU guidance (no specific provisions) Market failure (reducing production costs) No information to consumers	Dairy cows: No positive change. Animal welfare likely to continue to be compromised except in Member States adopting national legislative provisions or guidelines (Germany, Sweden, UK)
			Beef cattle (SCAHAW ¹⁸⁰) – limited freedom of movement for fattening animals	Initial production design ignoring animals needs (lack of knowledge)	Beef cattle: no positive change.
			Ducks in individual cages no ability to move their wings (SCAHAW)	Lack of research for certain species No animal welfare monitoring system	Ducks: Positive evolution foreseen: France agreed to phase out individual cages for ducks.
			Farmed fish – inhumane killing, overcrowding (EFSA) ***		Farmed fish: Positive change foreseen in the framework of the actions taken following the Aquaculture Strategy. No

¹⁷⁹

¹⁸⁰

EFSA = there is scientific opinions available from the European Food Safety Authority pointing out welfare problems

SCAHAW = Scientific Committee for Animal Health and Animal Welfare which was providing EU scientific risk assessment before the EFSA was established.

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
			<p>Farming rabbits - High mortality, no enough space, injuries due to mesh wire floors (EFSA)***</p> <p>Fur animals – (SCAHAW) no enough space to express normal behaviour, no access to water for minks</p>		<p>information on national initiatives for improving the welfare of farmed fish (except in Norway)</p> <p>Rabbits: No positive change foreseen in the main producing countries (France, Italy and Spain) but national provisions in Germany to be adopted.</p> <p><u>Fur animals:</u> Positive evolution foreseen due to private initiative on animal welfare indicators. The fur industry has focused its strategy on sustainable development including animal welfare as a key objective.</p> <p>However the industry complained about market distortions due to differences in legal provisions in each Member State.</p>
			<p>Turkeys – lameness, foot dermatitis, no space to move (similar to broilers)</p> <p>Horses – Neglect (no feed or water) when retired from</p>		<p>Turkeys: No positive change foreseen.</p> <p>Horses: No positive change foreseen.</p>

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
Keeping of pigs	Directive 2008/120 of 18 December 2008 laying down minimum standards for the protection of pigs OJ L 47, 18.02.2009 p. 5 (codified version)	Contains requirements on space allowances and floor types. Bans the permanent use of individual stalls for sows. Require the provision of manipulable materials like straw.	sportive carrier Lack of manipulable materials Routine tail dockings/tooth clipping Use of individual sow stalls (lack of freedom of movement) Castration of male piglets without anaesthesia Transport of unproductive sows to slaughterhouses leading to suffering	Lack of enforcement Market failure (reducing production costs) Initial production design ignoring animals needs Ignorance of farmers of alternative management (sow stalls, tail docking) Lack of research for alternatives in castration No animal welfare monitoring system	Grouping of sows to be implemented from 1.1.2013 but no positive change foreseen for tail docking and tooth clipping Private public partnership to phase out the castration of pigs is foreseen. (see under transport)
Keeping of laying hens D. 1999/74	Directive 1999/74 of 19 July 1999 laying down minimum standards for the protection of laying hens OJ L 203 , 03.08.1999 p. 53.	Bans the use of battery cages from 1.1. 2012 and contains provisions for the different type of housing (enriched cages, alternative systems).	Use of battery cages (bare environment, no perches, no nests and very limited space) Beak trimming [Transport of unproductive laying hens to slaughterhouses]	Lack of enforcement Market failure (reducing production costs) Initial production design ignoring animals needs No animal welfare monitoring system	Ban of battery cages expected to be implemented in 2012. No positive change foreseen for beak trimming.

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
Keeping of calves D. 2008/119	Directive 2008/119 of 18 December 2008, OJ L 010 , 15.01.2009 P. 7 laying down minimum standards for the protection of calves (codified version)	Bans the permanent use of individual stall for calves. Contains requirements for balanced feed.	To be re-evaluated by the EFSA but insufficient fibre and iron feeding to keep meat white [Transport of unweaned calves with no possibility to be fed]	Market demand in white meat No animal welfare monitoring system	No positive change foreseen (but EFSA needs to confirm the nature and extend of problems soon). (see under transport)
Keeping of broilers D. 2007/43	Directive 2007/43 of 28 June 2007 laying down minimum rules for the protection of chickens kept for meat production (OJ L 182, 12.7.2007 p. 19)	Provides maximum densities for broilers with the possibility of extension under specific conditions of monitoring.	Fast growing animals with lameness and metabolic problems, feed restriction . Limited space at the end of the production. However recent provision (started in 2010 to be applied) Welfare of parent flocks critical (EFSA) Feed restriction and lameness.	Market failure (reducing production costs) Initial production design ignoring animals needs (genetic selection) Report foreseen for parent flocks in 2012	Main problems of broilers expected to be addressed with the new directive but feed restriction is likely to remain . Welfare of parent flocks is expected to remain a problem .
Killing of animals D. 93/119	Directive 93/119 of 22 December 1993 on the protection of animals at the time of slaughter or killing OJ L 340 , 31/12/1993 p. 21 This text will be replaced in 2013 by the application of Council Regulation (EC) No	Contains standards for slaughterhouses as well as provisions in case of killing outside slaughterhouses (disease control, fur animals, etc.).	Abuse of derogation from stunning (ritual slaughter) Other problems to be addressed by new R. 1099/2009 to apply from 1.1.2013 except farmed fish, waterbath stunning, rotating box (reports foreseen)	Market failure (simplification of the production line)	Abuse of derogation from stunning may be addressed in France (possible initiative foreseen but not confirmed) but not in other Member States . Other problems expected to be addressed with the new regulation.

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
<p>Transport of animals</p>	<p>1099/2009 of 24 September 2009 on the protection of animals at the time of killing</p> <p>Regulation 1/2005 of 22 December 2004, on the protection of animals during transport and related operations and amending Directives 64/432/EEC and 93/119/EC and Regulation (EC) No 1255/97</p>	<p>Contains detailed provisions for the main farm species on travelling times, space allowances, fitness for transport, vehicles standards and drivers' competence. The regulation also includes a number of administrative procedures for allowing proper checks by the competent authorities.</p>	<p>Unfit animals being transported (transport of unweaned calves, transport of end-carrier animals: horses, dairy cows, laying hens, sows)</p> <p>Lack of space, lack of water and feed on long journeys, heat stress due to insufficient space and ventilation</p> <p>Lack of rest in control posts, excessive long journeys.</p>	<p>Lack of enforcement</p> <p>Market failure (reducing production costs)</p> <p>EU standards not in line with scientific findings (space allowances, travel times)</p>	<p>Fitness to transport cattle addressed by a private initiative but nothing on other critical species (calves, dairy cows, sows, horses, laying hens)</p> <p>Other issues possibly addressed by a specific Commission proposal (but not yet decided).</p>
<p>The use of animals for experimental purposes</p>	<p>Directive 86/609 of 24 November 1986 on the approximation of laws, regulations and administrative provisions of the Member States regarding the protection of animals used for experimental and other scientific purposes</p> <p>OJ L 358, 18.12.1986, p. 1.</p>	<p>The new Directive requires that projects using animals are subject to authorisation and a systematic, ethical evaluation. The scope of the directive is enlarged covering new groups/life forms/uses of animals and now also includes specific invertebrate species (cephalopods), mammalian foetuses from the last trimester of their development, as well as animals used for the purposes of basic research, education and training. It also sets</p>	<p>Addressed by new D.2010/63</p>	<p>Not relevant</p>	<p>Problems expected to be addressed by the new directive.</p>

Type of animals and activity	Legal act	Main provisions	Impacts on animal welfare	Problem drivers	No change scenario
	Replaced by Directive 2010/63 of 22 September 2010 on the protection of animals used for scientific purposes OJ L 276, 20.10.2010 p. 33 which will have full effect by 1.1.2013	housing and care standards, tighter rules for the use and care of non-human primates and introduces a ban on the use of great apes in scientific procedures. Finally, the concept of the 'Three Rs' (Replacement, Reduction and Refinement of animal use) is entrenched in the new Directive.			
The keeping of animals in zoos	Directive 1999/22 of 29 March 1999 relating to the keeping of wild animals in zoos, OJ L 094 , 09/04/1999 P. 24	Contains general requirements for adequate accommodation facilities, species specific enrichments aiming to satisfy biological and behavioural needs,	Animals kept in bare conditions and without proper care corresponding to their need (NGO sources)	Lack of enforcement Lack of knowledge of stakeholders and officials Lack of research No monitoring system	No positive change foreseen.

Problems outside the current scope of the EU legislation

Type of animals and activity	Impacts on animal welfare	Problem drivers	No change scenario
Trade of dogs and cats	Early weaning, behavioural and health problems	Market failure (reducing production costs) Large difference in standards and enforcement between Member States	No positive change foreseen.

*** Large welfare problems identified

"Market failure" in the context of the table means that the market fails to reward business operators who apply processes of production which better consider the welfare needs of animals. In absence of information to consumers, most business operators tend to reduce production costs favouring systems of production that could be very detrimental for the welfare of animals. This explains why some animal welfare problems are widespread.

4B – Level of EU resources dedicated to animal welfare at EU level (baseline)

Figures have been mainly taken from the evaluation and further details can be found in the evaluation report¹⁸¹.

Communication and education

In relation to communication and education, the current annual EU resource is around **600.000 euros** and one full time equivalent (FTE) in DG SANCO for farm animals. There is no specific resource on communication and education for wild and experimental animals (DG ENV). In addition the initiative "Better Training for Safer Food" dedicates around **400.000 euros** per year for the training of 185 veterinary officials per year¹⁸² on animal welfare issues related to farm animals. No EU action is performed for the training on animal welfare on experimental or wild animals.

Under the EU agriculture budget there is the possibility for co-financing the promotion and information activities for agricultural products and their production methods¹⁸³. Over the period 2006-2010 the EU contributed for 249 million euros for a total cost 505 million euros¹⁸⁴ of 183 promotion programme. The average promotion cost per programme is therefore of 2.76 million euros most of them lasting 3 years. However the implementing regulation¹⁸⁵ on promotion measures does not today foresees messages on animal welfare.

Corporate Social Responsibility and procurement policy

As regard Corporate Social Responsibility (CSR) or procurement policy, there is presently no EU initiative to introduce animal welfare among the item that would be part of CSR or procurement policy.

Research

The EU budget for research on animal welfare amounts for an annual average of 15 million euros¹⁸⁶, 80% being dedicated to experimental animals. Farm animals (including fish) receiving the remaining. The evaluation has clearly indicated the need to increase research on the welfare of wild animals when they are subject to EU legislation.

Voluntary platforms on animal welfare

Concerning the development of public/private initiatives, there is currently only one platform committed to reduce the use of animals and to reduce animal suffering in the context of regulatory testing, and thus promoting animal welfare. As an indication, the European

¹⁸¹ See in particular Question 3 on the EU research funding and Question 7 on financial resources.

¹⁸² The programme is actually organised over a two-years period.

¹⁸³ For more information on promotion campaigns financed by the EU see Report on the application of Council Regulation (EC) No 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries COM(2010) 692 final

¹⁸⁴ The rest is co-financed by the sectors or/and national authorities.

¹⁸⁵ Commission Regulation (EC) No 501/2008 of 5 June 2008 laying down detailed rules for the application of Council Regulation (EC) No 3/2008 on information provision and promotion measures for agricultural products on the internal market and in third countries.

¹⁸⁶ Research funding is in fact provided for longer periods (framework programmes).

Platform for Alternative Approaches to Animal Testing (EPAA) costs annually to the EU around 50.000 euros through the meeting budget, including EPAA/ECVAM (European Centre for the Validation of Alternative Methods)¹⁸⁷ joint workshops and other joint activities. However, a great deal of the EPAA activities (consultants, scientific writers, workshops, awards), decided by Commission and industry participants, is financed by the industry concerned. Developing such platform for farm animals would probably need a similar way of financing for each sector concerned, where initiatives to be developed will in part depend on the actual amounts being made available by the sectors.

Auditing and improved coordination

As regards further auditing and advising the Member States, the present resources for farmed animals is mainly represented by the work performed by the Food and the Veterinary Office (FVO) of DG SANCO with 9 full time equivalents (FTE). If auditing is performed regularly, the present staff number would not suffice for increasing further advice and coordination meetings. Drafting implementation guidelines would also require additional staff or financial resources. There are presently at least 8 specific EU pieces of legislation that could be subject to reinforced coordination and guidelines (6 for DG SANCO and 2 for DG ENV).

International activities

As concerned international initiatives, the evaluation has estimated the current specific budget to **100.000 euros**. One FTE is presently dedicated to international animal welfare coordination within DG SANCO.

¹⁸⁷ <http://ecvam.jrc.it/>

Annex 5 – Impact assessment

5A - Indicators for the specific objectives¹⁸⁸

Indicators for specific objective 1: to improve enforcement of the EU legislation

- Rate of infringements, rate of inspection; number of complaints addressed to the Commission on animal welfare; number of ongoing EU infringement proceedings. Annex 6A contains tables summarising data submitted by the Member States for 2008 on the numbers of production sites subject to inspection, inspected production sites, inspected production sites without non compliance and detected non compliance that required immediate action for administrative or criminal penalties¹⁸⁹.
- Number of official national or regional guidelines on animal welfare aiming at enforcing EU legislation (this would need a specific collection work). For example, in the UK a number of local authorities have an animal welfare charter.
- Number of farms adhering to a specific animal welfare certification scheme or having an animal welfare component in their scheme.

Indicators for specific objective 2: to provide for open and fair competition for EU business operators that implement or go beyond EU requirements

- Market share of EU producers having stricter animal welfare national rules and analysis of their investment and operating costs.
- Level of importation of products from third countries having lower legal standards than the EU.
- Number of animals covered by equivalent legal provisions in third countries.
- Eurobarometer surveys on the level of awareness of EU citizens and evolution over time.

Indicators for specific objective 3: to improve knowledge and awareness of EU business operators regarding animal welfare

- Number of education bodies providing animal welfare curriculum for specific professions related to animals.
- Number of professional schools having specific animal welfare programmes in their curriculum.
- Number of companies having animal welfare as part of their corporate social responsibility.
- Research funding (see current level of resources in the baseline).

¹⁸⁸ RSPCA has designed a number of animal welfare indicators for the UK, cf. "The welfare state: five years measuring animal welfare in the UK 2005-2009": <http://www.rspca.org.uk/in-action/whatwedo/animalwelfareindicators>

¹⁸⁹ Data submitted by Member States to the Commission pursuant to Commission Decision 2006/778/EC.

- Number of publications on animal welfare; Number of brevets registered related to animals welfare.
- Number of animals exempted from experiments due to the validation of alternative methods.
- Number of non-human primates used in scientific procedures in the EU.

Indicators for specific objective 4: to improve coherence of animal welfare across animal species

- Level of discrepancies between national animal welfare standards on dogs and cats based on the most critical animal welfare problems identified by the Council.
- Level of discrepancies between national animal welfare standards on dairy cows and beef cattle based on the indicators of the welfare quality project.
- Level of discrepancies between national animal welfare standards on farmed fish based on the most critical welfare problems identified by the EFSA.
- Level of discrepancies between national animal welfare standards on rabbits based on the the most critical welfare problems identified by the EFSA.

5B – Option 1: Strengthening Member States' compliance

Option 1 will include the following initiatives:

Increased the number of audit missions of the Commission' services in the Member States and third countries;

The Food and Veterinary Office from the Directorate General Health and Consumers of the Commission (FVO) will perform more missions on animal welfare. Under the current EU policy on animal welfare, the work of the FVO corresponds to 9 full time equivalents (FTE). In the average they perform eleven inspections dedicated to animal welfare legislation per year.

The work of the FVO has contributed to a more uniform application of EU rules in the veterinary field including animal welfare. Experience has showed that repeated FVO inspections can address enforcement issues, keeping in mind that the FVO has no mandate to inspect and sanction business operators but only to supervise the inspection work of competent authorities in the Member States. The FVO carries out inspections for all specific EU legislation applicable to farm animals and their reports are made public on the internet.¹⁹⁰

Strengthen inter-governmental cooperation to promote better enforcement;

Strengthening intergovernmental cooperation through thematic working groups (for government officials) is useful in providing clarification of disputed aspects of the legal texts and allows exchange of good practices between the different competent authorities. More EU resources could be allocated for such activities, which would include advising Member States' competent authorities and encouraging cooperation, exchange of best practices and agreement of common targets and guidelines through thematic working groups and events.

Organise workshops with stakeholders on specific animal welfare issues;

The organisation of workshops for stakeholders on specific enforcement problems have been successful in the past, in particular for better informing stakeholders on the scientific background of certain EU rules and possible alternative methods available. According to participants, such initiatives are useful in bringing all partners together but can often only be effective if the Commission continues the work after the event by ensuring a certain follow up in providing guidelines or organising more specific actions.

A number of topics could be addressed by means of workshops in order to share positive experiences of good animal welfare practices. This could for example be developed for ensuring a proper implementation of the future regulation on the protection of animals at the time of killing, on animal transport or for the zoo directive.

Develop EU guidelines for species covered by the European Convention for the Protection of Animals kept for farming purposes;

Council of Europe recommendations (of the European Convention for the protection of animals kept for farming purposes) are part of EU law but their implementation has been left

¹⁹⁰ http://ec.europa.eu/food/fvo/index_en.cfm

to the Member States through national measures. Directive 98/58/EC provides the legislative base for adopting more specific legal text on the basis of the Convention but has not been used. An alternative way would be to develop specific, non-legally binding guidelines to further explain how the recommendations should be implemented¹⁹¹.

Increase the participation to the training initiative Better Training for Safer Food.

The Better Training for Safer Food programme (BTSF)¹⁹² has contributed to raise the level of competence of inspectors as well as raise awareness of the EU legislation for participants from third countries.

Option 1 would envisage the further development of BTSF initiatives to extend the scope of participants through e-learning modules on all the set of EU legislation on animal welfare and make them accessible in all EU languages and to a wider public.

Deliverables of Option 1

1. Increased number of audit missions in the Member States and third countries on animal welfare;
2. Increased number of working groups with the Member States on better enforcement and interpretation on problem areas of the EU legislation;
3. Increased number of workshops with stakeholders in order to facilitate the understanding of the legislation and the possible alternatives to bad animal welfare practices
4. Publication of guidelines of interpretation for each specific pieces of EU legislation on animal welfare (transport of animals, killing of animals, keeping of calves, keeping of pigs, keeping of laying hens, keeping of broilers, experimental animals, zoo animals).
5. Publication of guidelines on the recommendations of the European Convention for the protection of animals kept for farming purposes.

¹⁹¹ Development of guidelines could be envisaged for species that are covered by the general animal welfare directive (98/58/EC) but not subject to specific provisions.

¹⁹² http://ec.europa.eu/food/training_strategy/index_en.htm

5C - Option 2: Benchmarking voluntary schemes

Option 2 will include the following initiatives:

A legal framework for benchmarking certification schemes with animal welfare claims

There are many certification schemes of agricultural products¹⁹³, with different claims, some of them focusing on animal welfare but other having animal welfare components.

Option 2 will consist in establishing a system to benchmark, register and publish certification schemes with animal welfare claims.

The system will be voluntary. Certification schemes applying for being EU registered will be published and will benefit from EU communication instruments (see next point). Other certification will not be evaluated but will be allowed to continue their activities.

Certification schemes that will apply for EU registration will be evaluated on the basis on an EU benchmark corresponding to their scope of activity. For example if the applicant is a certification scheme applicable to dairy farms, the scheme will be evaluated on the basis of the overall private and public standards available in the EU for dairy farms, from the more stringent to the lowest requiring standards.

For the establishment of the EU benchmark on a particular activity, preliminary work will have to be performed by an independent body working for the EU. This work will consist in collecting in the EU all the existing certification schemes, national and EU legislation applicable to the activity concerned and then establish a scale (a benchmark) ranging the different standards identified in the EU (for example a scale from 0 to 100, 0 representing the lowest EU standard and 100 the highest).

Then the evaluation of the applicant scheme will be performed to assess where the applicant scheme is located on the scale. When the score will be established, the content of the scheme and its final score on the EU benchmark will be published by the Commission services. The legislation will define the necessary procedures for establishing the benchmarking system as well as for registering and publishing EU registered certification schemes.

EU registered schemes could be used in the context of business to business (as for example farmers to retailers) but also in the context of animal welfare claims directly communicated to consumers (specific animal welfare logos or general brands who want to put forward animal welfare claims). It could also be used in the context of corporate social responsibility (see Annex 6B).

EU registered schemes will benefit from an EU wide publicity due to their registration.

¹⁹³ DG AGRI has already listed more than 400 certification schemes on agricultural products but there is presently no system for consumers in order to help them to know what is the actual rating of each scheme regarding the animal welfare aspects (when applicable). See: http://ec.europa.eu/agriculture/quality/certification/index_en.htm

The legislation will contain provisions to allow EU registered schemes to have decreased official controls if they provide sufficient guarantees that their schemes is beyond EU standards and present a higher level of compliance with the legislation.

The legislation could also establish links between the EU benchmark and the provisions of current animal welfare payments provided in the context of the Rural Development Fund to ensure that there is a transparent system to evaluate the level of improvement on animal welfare.

The EU benchmark could also be used as a reference in the context of public procurement.

The proposed system is inspired by the model developed by the Global Food Safety Initiative (<http://www.mygfsi.com/>).

Communication campaigns for informing consumers

Option 2 will also be associated with a wide communication and education strategy on EU requirements as well as the EU benchmarking system.

Such communication campaigns will be mainly addressed to consumers but also to stakeholders to promote the use of the benchmarking system and make it more attractive for producers.

More efforts could also be provided on animal welfare education tools like "Farmland".¹⁹⁴

Prioritizing of EU actions on animal welfare at international level

Further international initiatives could be developed through multilateral and bilateral cooperation with third countries, in synergy with a world wide communication strategy to explain EU intentions and standards as well as developing a basis for equivalency with EU standards. Here, the EU could widen its focus on countries situated at close geographical proximity, such as the countries covered by the European Neighbourhood Policy (ENP).

Deliverables of Option 2

- A Commission proposal for a regulation establishing an EU system to benchmark, register and publish certification schemes with animal welfare claims;
- 6. A series of communication campaigns directed to the public, consumers and stakeholders to publicise the new benchmarking system as well as the EU legislation on animal welfare;
- 7. Increased international activities through bilateral and multilateral cooperation on animal welfare (increased number of international events, increased number of international standards adopted).

¹⁹⁴ Farmland is a website aimed at raising awareness on animal welfare for children. See: <http://www.farmland-thegame.eu/>

5D - Option 2: Why not an EU compulsory system for animal welfare labelling?

There is today a compulsory labelling system throughout the EU on table eggs¹⁹⁵. The system consists of marking each table egg¹⁹⁶ according to a specific production method (0 for organic, 1 for free range, 2 for barn and 3 for cages).

Some stakeholders¹⁹⁷ advocate for extending this mandatory system of labelling on animal welfare to other animal products like pig or poultry meat. The issue and other options have been discussed at the Council during the Commission proposal on animal welfare labelling (see Annex 2H).

There are several reasons why establishing a mandatory system of labelling for animal welfare has not been considered in the context of this impact assessment:

Consumers studies¹⁹⁸ indicate that most consumers are unlikely to change their buying behaviour with an additional EU logo/label on animal welfare despite that it remains an important concern for them. It seems that, for animal welfare, most consumers tend to trust either the brand, an existing logo (like organic food) or the authorities.

8. Production methods alone do not necessarily provide better welfare conditions to the animals, hence labelling on production methods may lead to ignore important aspects of their welfare related to the management of the animals rather than the design of the production method.
9. There is today no comparable system of classification of production system laid down in the EU legislation for pigs or poultry. Establishing a mandatory system for labelling pig meat or poultry meat would require amending several pieces of the EU legislation to establish categories of production methods.
10. Establishing a mandatory labelling system with new categorisation of production methods is likely to bear additional costs for producers, food processors and food retailers alike.
11. A new mandatory labelling system was opposed by many stakeholders, in particular the ones who have developed their own animal welfare standards (like organic farming) and invested in promoting their logos or brand names. They fear that an EU wide labelling system will affect their market.
12. During the Council debate on animal welfare labelling (see Annex 2H), there was no large support from the Member States for such option.

¹⁹⁵ Commission Directive 2002/4/EC on the registration of establishments keeping laying hens, covered by Council Directive 1999/74/EC.

¹⁹⁶ it does not apply to processed eggs or to eggs for further processing

¹⁹⁷ Labelling food from farm animals, method of production labels for the European Union from the Farm Animal Welfare Forum (CIWF, FAI, RSCPCA, The Cooperative Food, Soil Association, University of Bristol and WSPA).

¹⁹⁸ See for example 'Are labels the answer? Barriers to buying higher animal welfare products. A report for Defra' (September 2010)

5E - Option 3: Establishing a European network of reference centres

This proposal includes the following initiatives:

Setting up a network of reference centres for animal welfare

This idea has already been developed by the Commission in a previous communication¹⁹⁹ and supported by the European Parliament. The concept already exists in Article 32 of Regulation (EC) No 882/2004²⁰⁰ referring to "*Community reference laboratories*" and could possibly be extended to animal welfare.

The concept of EU reference laboratories is to appoint and co-finance national reference laboratories for coordinating official testing methods for the EU. Each reference laboratory has a particular topic of activity (like for example the UK Institute for Animal Health is at the same time national reference laboratory and the EU reference laboratory for the foot-and-mouth disease).

Each EU reference centre, in a particular animal welfare topic, will have to:

- Coordinate at EU level on EU relevant themes in collaboration when appropriate with existing EU funded research structures like the SCAR (Standing Committee on Agricultural Research) collaborative working group on animal health and welfare research²⁰¹ and the the Animal Health and Welfare ERA-Net (ANIHWA)²⁰²;
- Provide scientific and technical expertise to competent authorities on the EU legislation;
- Disseminate research findings and technical innovations to EU stakeholders;
- Disseminate research findings among the EU and the international scientific community;
- Coordinate at EU level the listing and the evaluation of professional training activities related to animal welfare.

The structure of the network will be made of existing national scientific resources. The network will not duplicate the role of the EFSA in risk assessment, and the activity of the Joint Research Centre of the EU and existing structure coordinating EU policies. The estimated annual costs for the establishment of the network are presented at the end of this section. The research which will be carried out will not overlap with the EU funded research.

Deliverables of Option 3

¹⁹⁹ COM(2009)584final see:

http://ec.europa.eu/food/animal/welfare/farm/docs/options_animal_welfare_labelling_report_en.pdf

²⁰⁰ Regulation (EC) No 882/2004 of the European Parliament and of the Council of 29 April 2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules (*OJ L 165, 30.4.2004, p. 1*).

²⁰¹ <http://www.scar-cwg-ahw.org/>

²⁰² http://www.scar-cwg-ahw.org/?page_id=146

A Commission proposal for a regulation establishing a European network of reference centres;

Estimated annual staff costs of a possible ENRC

	Minimum scope		Medium scope		Maximum scope	
	Staff	Total	Staff	Total	Staff	Total
	Costs per unit (in €)	(in €)	Costs per unit (in €)	(in €)	Costs per unit (in €)	(in €)
Director	1	146,681	1	146,681	1	146,681
Assistant	0.5	31,585	1	31,585	2	31,585
Total staff number	5	15,792	11	31,585	23	63,170
Grant total staff costs		510,874		1,074,154.66		2,166,735

Total estimated annual operating costs of a possible ENRC

Task	Minimum scope			Medium scope			Maximum scope		
	Units	Costs per unit (in €)	Total (in €)	Units	Costs per unit (in €)	Total (in €)	Units	Costs per unit (in €)	Total (in €)
Costs of core activities									
Sum of staff costs			510,875			1,074,155			2,166,735
Overheads (and other office running costs)	5	10,000	50,000	11	10,000	110,000	23	10,000	230,000
Meetings and travel (missions for staff, per diems)	1	75,000	75,000	1	150,000	150,000	1	200,000	200,000
<i>Total core activities</i>			635,875			1,334,155			2,596,735
Costs of network functions									
Subcontracting of socio-economic studies and impact assessments	1	500,000	500,000	1	400,000	400,000	1	200,000	200,000
Subcontracting of Community relevant research on animal welfare and protection practices and/or other network functions	1	500,000	500,000	1	1,200,000	1,200,000	1	1,800,000	1,800,000
Subcontracting of education/ training, information and dissemination activities (including website)	1	100,000	100,000	1	500,000	500,000	1	900,000	900,000
Workshops with external experts (2 days)	10	18,016	180,160	15	18,016	270,240	20	18,016	360,320
<i>Total network functions</i>			1,280,160			2,370,240			3,260,320
Total costs			1,916,035			3,704,395			5,857,055

5F - Option 4: Streamlining requirements for competence and using animal welfare indicators

Streamlining requirements for competence

There is today requirements for competence in some specific EU legislation (pigs, broilers, transport, killing, experimental animals). Option 4 will consolidate those requirements in a single text and extend the requirements on competence to laying hens and calves farmers.

Current legislation	Requirement for competence?	What Option 4 will change?
All farmed animals (Directive 98/58)	Yes, but vague (paragraph 1 in Annex).	Repeal the directive and replace with a new general law
Keeping of pigs (Directive 2008/120)	Yes, but limited in knowing the legislation (Article 5a).	To be integrated into a requirement for competence under a general law
Keeping of laying hens (Directive 1999/74)	None.	Create a new requirement for competence under a general law
Keeping of calves (Directive 2008/119)	None.	Create a new requirement for competence under a general law
Keeping of broilers (Directive 2007/43)	Yes and specific (Annex IV).	Merge into a requirement for competence under a general law
Killing of animals (Directive 93/119)	Replaced by specific requirements under new Regulation 1099/2009	Merge into a requirement for competence under a general law
Transport of animals (Regulation 1/2005)	Yes and specific (Article 6 (4)).	Merge into a requirement for competence under a general law

The requirement for the competence of staff would be specific enough to include in particular the following objectives in the context of the interaction and the species concerned:

- Understand the ethical principles concerning the human-animal relationship,
- Show general knowledge and understanding of animal behaviour,
- Identify and understand the signs of pain, suffering and distress including fear of animals,
- Show practical abilities in the foreseen interaction while preventing or limiting animals' pain, suffering and distress,
- Show knowledge of the legal obligations related to the protection and welfare of animals,
- Prove the acquired and maintained competence through an independent and objective examination.

Using animal welfare indicators

The general umbrella directive for farmed animals will be replaced by a general law introducing similar previous principles but with the additional possibility for operators to comply through the use of validated animal-based animal welfare indicators.

This system has been introduced in two recent pieces of EU animal welfare legislation (Directive 2007/43 on broilers and Regulation 1099/2009 on killing).

The integration of animal welfare indicators could open the way for a more flexible system of standard in particular as regards requirements related to the management of the animals in farms.

For example, today the EU legislation defines the maximum width of openings for concrete slatted floors for pigs as well as the minimum slat. The purpose of this requirement is to avoid animals to be trapped into the slat and suffer from injuries. The general law could introduce the possibility of compliance through the regular monitoring of scientifically validated animal based requirements (like the number of foot lesions).

The methodology will be based on the twelve criteria developed by the Welfare Quality project²⁰³ associated with a system of risk assessment as for the food safety area (see the Food law²⁰⁴). The ongoing EFSA Scientific Opinions on the development of welfare indicators and the Final Report of the DG RTD Project on welfare indicators will also be taken into account.

Criteria that underpin the Welfare Quality® assessment systems

1. Animals should not suffer from prolonged hunger, i.e. they should have a sufficient and appropriate diet.
2. Animals should not suffer from prolonged thirst, i.e. they should have a sufficient and accessible water supply.
3. Animals should have comfort around resting.
4. Animals should have thermal comfort, i.e. they should neither be too hot nor too cold.
5. Animals should have enough space to be able to move around freely.
6. Animals should be free of physical injuries.
7. Animals should be free of disease, i.e. farmers should maintain high standards of hygiene and care.
8. Animals should not suffer pain induced by inappropriate management, handling, slaughter, or surgical procedures (e.g. castration, dehorning).
9. Animals should be able to express normal, non-harmful, social behaviours, e.g. grooming.
10. Animals should be able to express other normal behaviours, i.e. it should be possible to express species-specific natural behaviours such as foraging.
11. Animals should be handled well in all situations, i.e. handlers should promote good human-animal relationships.
12. Negative emotions such as fear, distress, frustration or apathy should be avoided whereas positive emotions such as security or contentment should be promoted.

²⁰³ <http://www.welfarequality.net/everyone/26536/5/0/22>

²⁰⁴ Regulation (EC) No 178/2002 laying down the general principles and requirements of food law, establishing the European Food Safety Authority and laying down procedures in matters of food safety.

Deliverables of Option 4 and 4+

13. A Commission proposal for a general animal welfare law streamlining requirements for competence and introducing the possibility to use animal welfare indicators;
14. (Option 4+) Studies on the relevance of extending the scope of certain requirements of the general animal welfare law to other species (like dairy cows, rabbits, turkeys, dogs and cats).

5G – List of impacts considered

Economic impacts

Internal market and competition

There is very little limitation in the movement of live animals due to animal welfare national rules and intra-EU trade is highly harmonised mainly due to animal health concerns.

The effects on the level playing field of operators are more critical since discrepancies in standards are common as regards animal welfare, and this could apply in different areas of activities. They introduce differences in production and marketing costs, which might create competitive disadvantages certain operators.

Competitiveness, trade and international relations

Competitiveness of EU producers in a global context is an important issue when we refer to animal welfare. Some of our trade partners apply comparable standards including for farm animals but it cannot be assumed that this is always the case. Animal welfare is a concern which has not been raised as a trade concern at WTO level yet, thus making EU rules a possible competitive burden for EU producers, especially if it relates to commodity products.

On the other hand, the competitiveness of EU producers should not be limited to production costs. Animal welfare is an attribute that could be part of competitive advantage if properly marketed. Focusing the production to high margin products and development of know-how on animal welfare could contribute to safeguard productions in regions where competition on price is in any case not sustainable.

Indeed the evaluation indicates that the product were there is the highest level of importation in percentage of EU production (imported sheep meat accounts for nearly 26% of the EU production) mainly comes from a third country (New Zealand²⁰⁵) having comparable animal welfare standards²⁰⁶ beyond the areas required by the EU for equivalency²⁰⁷. This means that despite risk of unfair competition, high welfare standards are compatible with high competitiveness on the world market.

Impacts on trade are also critical for animal welfare, given that any measure taken should be compatible with our international commitments (WTO). Up to now very few animal welfare rules have been applicable to third countries exporting to the EU and the principle of equivalency has prevailed when it was the case.

Third countries may interpret animal welfare requirements for equivalency as barriers to trade. The actual effects on our trading partners have to be evaluated with respect to our commitments at WTO, in particular with regards to the risk of creating technical barriers to trade. But these effects could also be positive if the EU is working in building mutual

²⁰⁵ See the evaluation report in 2008 New Zealand constituted 85% of sheep and goat meat importations with 226.000 tonnes (out of 265.000 tonnes).

²⁰⁶ For more on New Zealand animal welfare standards: <http://www.biosecurity.govt.nz/animal-welfare/>

²⁰⁷ Today equivalent requirements are only needed for importing to the EU in relation to the protection of animals at the time of slaughter.

understanding of our standards through bilateral or multilateral programmes of cooperation on animal welfare.

Compliance costs

Introducing animal welfare requirements create compliance costs. This has been demonstrated in the past for several initiatives that have been important steps for improving the welfare of animals. Prescriptive measures undoubtedly tend to raise costs for businesses. Transition periods have been established in the most important cases so that negative effects on costs are mitigated by long periods of adaptation. But the relevant question is also how animal welfare measures could be more economically sustainable in the long term, with regards to the benefits perceived by operators. Obligations more focused on overall results for animals may be an alternative for more business-oriented solutions.

Animal-friendly production systems will also have to adapt to the changing climate (i.e. more heating due to colder winters, more cooling due to warmer summers), consequently investments in new infrastructure will have to be made. If support for such investments is going to happen, it will be necessary to ensure that the support is coupled to specific environmental end EU- wide objectives. Linking them to climate related objectives such as adaptation and mitigation would significantly enhance their overall justification.

Administrative burden on businesses

Information obligation exists in the farming sector mainly as a result of food safety and animal health concerns. Animal welfare legislation provides additional documentation requirements in particular as a result of the rules related to animal transport. Extending the scope of animal welfare requirements to other areas like for pet animals or farmed fish could also create new administrative burden for businesses that have to be carefully considered. Options will also have to be considered in their potential in administrative burden reduction in order to find equivalent standards with less administrative constraints.

Public authorities

Animal welfare legislation is already part of the duties of public authorities. Member States are primarily responsible for the day to day implementation of EU legislation on animal welfare. Extending the scope of animal welfare requirements to other areas like pet animals could expand the tasks of the competent authorities if there is no national legislation in place. Public authorities may also be affected if new obligations are created to co-finance certain initiatives (like applied research).

Innovation and research

The future strategy will support the development of innovation and research through different options. Effects of such a policy may improve production methods in particular for the farming or the pharmaceutical industry. On the opposite, the restriction of certain practices on animal welfare grounds (like animal testing, cloning) may limit the development of research.

Consumers prices, consumer information

Animal welfare standards may affect production costs but have usually very limited effect on the final price to the consumer. Production costs represent a limited part of the final price. A

recent Commission communication on better functioning of the food supply chain²⁰⁸ indicates that raw agricultural products represent a declining share of consumer price of food products. How the situation will evolve in future is not predictable. It is more than likely that farm input prices will fluctuate more and thereby influence production costs.

There is little evidence that previous policies on animal welfare have had an effect on consumer prices. Based on specific cases, major animal welfare measures taken by the EU have had limited impacts on the production costs, since they mainly affect housing costs which represent around 5 to 10% of the production costs²⁰⁹ (for example, purchase and food for chicken constitute nearly 80% of the total costs in the broiler and egg industry, similar figures apply to pig meat production costs²¹⁰). In addition, increases in production costs are not necessarily integrally transmitted to consumers, as producers or distributors may choose to reduce their margins instead of increasing final prices. In any case, overall production costs contribute to a limited part of retail prices²¹¹. Food retail price variations seem to be mainly influenced by the evolution of commodity prices and the level of food processing.

Therefore we would assume here that consumer prices are in fact not relevant for the purpose of this impact assessment.

Animal welfare

Effects on animal welfare are of course essential for this impact assessment. The effects can be assessed in relation to the number of animals concerned and the severity of the suffering involved.

Environmental impacts

Environmental consequences for businesses and consumers

High animal welfare standards tend to promote less intensive systems of production. Animal-friendly systems of production do not concentrate a number of environmental disadvantages related to highly industrialised systems. However after examination this impact has not been considered as significant since the consumption of animal products is a limited part of the overall consumption.

Biodiversity and fauna

The proper keeping of wild animals in captivity contributes to support knowledge and awareness on biodiversity. In addition, promoting less intensive systems of production could also contribute to the conservation of breeds that are more robust but less productive.

Social impacts

Employment and job quality

²⁰⁸ COM(2009)591.

²⁰⁹ For production costs in eggs and broilers see the 2010 study "The poultry and egg sectors: evaluation of the current market situation and future prospects" published by the European Parliament.

²¹⁰ SANCO/02,

²¹¹ See "Food prices in Europe" COM(2008) 821 final.

The economic activities directly or indirectly related to animals represent various sectors. Farming and the related food industry (meat, dairy products, eggs, fur, animal feed, and veterinary medicines) is probably the major one in terms of employees. But the pharmaceutical and the cosmetic industry and public research industry using animals represent another part that needs to be considered. Finally, other activities involve animals on a regular basis (zoos, aquaria, circuses, dog breeders, pet shops, etc.) and their activities are also a source of employment. Due to constant increase in productivity the farming sector has progressively lost jobs.

The evaluation report has indicated that the EU policy on animal welfare have not substantially affected the economic sustainability of the sectors concerned. However there is no specific data on employment as such.

Governance, participation, good administration

The Lisbon Treaty has developed a new governance approach where the civil society is more involved in the process of setting common rules. This is particularly relevant for animal welfare where civil society has constantly and increasingly expressed its interest in the field.

Annex 6 – Evidence

**6A -Data submitted by Member States on inspection activities in 2008 pursuant to
Commission Decision 2006/778/EC**

Table 1: Laying hens, calves and pigs together (2008)

Member States	1 Production subject to inspection	2 Production sites inspected	3 Production sites without non compliance	21 non compliance C	Rate of inspection	Rate of full compliance	Rate of non compliance C
AT	99.618	4.063	3.727	62	4,08%	91,73%	1,53%
BE	7.908	867	649	33	10,96%	74,86%	3,81%
BG	7.467	2.196	622	41	29,41%	28,32%	1,87%
CY	493	413	262	0	83,77%	63,44%	0,00%
CZ	15.732	3.720	192	31	23,65%	5,16%	0,83%
DE	285.284	16.965	14.310	306	5,95%	84,35%	1,80%
DK	34.177	1.164	787	81	3,41%	67,61%	6,96%
EE	444	173	136	1	38,96%	78,61%	0,58%
EL	1.958	313	178	39	15,99%	56,87%	12,46%
ES	265.444	4.078	2.886	131	1,54%	70,77%	3,21%
FI	19.598	552	399	0	2,82%	72,28%	0,00%
FR	241.288	1.639	918	115	0,68%	56,01%	7,02%
HU	39.528	4.842	3.540	76	12,25%	73,11%	1,57%
IE	23.431	922	766	24	3,93%	83,08%	2,60%
IT	85.820	10.235	1.068	53	11,93%	10,43%	0,52%
LT	2.479	4.791	4.015	39	193,26%	83,80%	0,81%
LU	2.006	107	87	2	5,33%	81,31%	1,87%
LV	52.090	4.331	3.655	27	8,31%	84,39%	0,62%
MT	NA	NA	NA	0	#DIV/0!	#DIV/0!	#DIV/0!
NL	12.291	2.604	2.222	0	21,19%	85,33%	0,00%
PL	925.685	32.116	25.328	394	3,47%	78,86%	1,23%
PT	963	132	37	0	13,71%	28,03%	0,00%
RO	583	553	128	19	94,85%	23,15%	3,44%
SE	0	897	0	0	#DIV/0!	0,00%	0,00%
SI	64.185	459	281	22	0,72%	61,22%	4,79%
SK	4.442	678	459	6	15,26%	67,70%	0,88%
UK	43.982	1.917	1.587	535	4,36%	82,79%	27,91%
EU	2.236.896	100.727	68.239	2.037	24,39%	61,28%	3,32%

Table 2: Laying hens 2008

Member States	1 Production subject to inspection	2 Production sites inspected	3 Production sites without non compliance	21 non compliance C	Rate of inspection	Rate of full compliance	Rate of non compliance C
AT	28.540	1.145	1.076	NA	4,01%	93,97%	#VALUE!
BE	349	198	143	3	56,73%	72,22%	1,52%
BG	127	136	59	34	107,09%	43,38%	25,00%
CY	35	34	NA	NA	97,14%	#VALUE!	#VALUE!
CZ	126	147	3	0	116,67%	2,04%	0,00%
DE	42.490	2.968	2.446	7	6,99%	82,41%	0,24%
DK	311	101	66	16	32,48%	65,35%	15,84%
EE	18	11	9	NA	61,11%	81,82%	#VALUE!
EL	125	90	37	39	72,00%	41,11%	43,33%
ES	1.391	219	99	26	15,74%	45,21%	11,87%
FI	567	60	54	0	10,58%	90,00%	0,00%
FR	2.227	223	116	21	10,01%	52,02%	9,42%
HU	559	522	342	31	93,38%	65,52%	5,94%
IE	228	56	34	2	24,56%	60,71%	3,57%
IT	1.626	843	207	9	51,85%	24,56%	1,07%
LT	25	25	10	8	100,00%	40,00%	32,00%
LU	8	8	NA	NA	100,00%	#VALUE!	#VALUE!
LV	25	22	16	6	88,00%	72,73%	27,27%
MT	NA	NA	NA	NA	#VALUE!	#VALUE!	#VALUE!
NL	1.198	463	398	NA	38,65%	85,96%	#VALUE!
PL	10.129	1.199	685	159	11,84%	57,13%	13,26%
PT	98	29	14	NA	29,59%	48,28%	#VALUE!
RO	131	159	30	2	121,37%	18,87%	1,26%
SE	NA	NA	NA	NA	#VALUE!	#VALUE!	#VALUE!
SI	143	68	58	1	47,55%	85,29%	1,47%
SK	55	54	42	0	98,18%	77,78%	0,00%
UK	5.103	341	283	58	6,68%	82,99%	17,01%
EU	95.634	9.121	6.227	422	56,09%	60,41%	11,06%

Table 3: Calves 2008

Member States	1 Production subject to inspection	2 Production sites inspected	3 Production sites without non compliance	21 non compliance C	Rate of inspection	Rate of full compliance	Rate of non compliance C
AT	36.783	1.594	1.461	27	4,33%	91,66%	1,69%
BE	317	70	67	0	22,08%	95,71%	0,00%
BG	1.481	417	191	7	28,16%	45,80%	1,68%
CY	342	263	185	NA	76,90%	70,34%	#VALUE!
CZ	11.573	2.314	64	14	19,99%	2,77%	0,61%
DE	131.273	7.793	6.897	142	5,94%	88,50%	1,82%
DK	22.424	679	496	28	3,03%	73,05%	4,12%
EE	330	107	79	1	32,42%	73,83%	0,93%
EL	176	55	14	NA	31,25%	25,45%	#VALUE!
ES	103.379	1.307	1.043	23	1,26%	79,80%	1,76%
FI	16.656	387	258	0	2,32%	66,67%	0,00%
FR	214.769	831	534	16	0,39%	64,26%	1,93%
HU	7.509	1.963	1.513	4	26,14%	77,08%	0,20%
IE	21.162	585	510	0	2,76%	87,18%	0,00%
IT	50.697	5.942	318	10	11,72%	5,35%	0,17%
LT	1.150	2.824	2.542	19	245,57%	90,01%	0,67%
LU	1.620	81	71	2	5,00%	87,65%	2,47%
LV	48.986	3.421	2.848	14	6,98%	83,25%	0,41%
MT	NA	NA	NA	NA	#VALUE!	#VALUE!	#VALUE!
NL	2.844	973	907	NA	34,21%	93,22%	#VALUE!
PL	539.542	20.286	16.239	117	3,76%	80,05%	0,58%
PT	NA	59	42	NA	#VALUE!	71,19%	#VALUE!
RO	171	123	29	4	71,93%	23,58%	3,25%
SE	NA	708	NA	NA	#VALUE!	#VALUE!	#VALUE!
SI	38.762	247	146	1	0,64%	59,11%	0,40%
SK	2.108	302	227	4	14,33%	75,17%	1,32%
UK	1.777	1.043	889	267	58,69%	85,23%	25,60%
EU	1.255.831	54.374	37.570	700	30%	67,84%	2,36%

Table 4: Pigs 2008

Member States	1 Production subject to inspection	2 Production sites inspected	3 Production sites without non compliance	21 non compliance C	Rate of inspection	Rate of full compliance	Rate of non compliance C
AT	34.295	1.324	1.190	35	3,86%	89,88%	2,64%
BE	7.242	599	439	30	8,27%	73,29%	5,01%
BG	5.859	1.643	372	0	28,04%	22,64%	0,00%
CY	116	116	77	NA	100,00%	66,38%	#VALUE!
CZ	4.033	1.259	125	17	31,22%	9,93%	1,35%
DE	111.521	6.204	4.967	157	5,56%	80,06%	2,53%
DK	11.442	384	225	37	3,36%	58,59%	9,64%
EE	96	55	48	NA	57,29%	87,27%	#VALUE!
EL	1.657	168	127	NA	10,14%	75,60%	#VALUE!
ES	160.674	2.552	1.744	82	1,59%	68,34%	3,21%
FI	2.375	105	87	0	4,42%	82,86%	0,00%
FR	24.292	585	268	78	2,41%	45,81%	13,33%
HU	31.460	2.357	1.685	41	7,49%	71,49%	1,74%
IE	2.041	281	222	22	13,77%	79,00%	7,83%
IT	33.497	3.450	543	34	10,30%	15,74%	0,99%
LT	1.304	1.942	1.463	12	148,93%	75,33%	0,62%
LU	378	18	16	NA	4,76%	88,89%	#VALUE!
LV	3.079	888	791	7	28,84%	89,08%	0,79%
MT	NA	NA	NA	NA	#VALUE!	#VALUE!	#VALUE!
NL	8.249	1.168	917	NA	14,16%	78,51%	#VALUE!
PL	376.014	10.631	8.404	118	2,83%	79,05%	1,11%
PT	963	132	37	NA	13,71%	28,03%	#VALUE!
RO	281	271	69	13	96,44%	25,46%	4,80%
SE	NA	189	NA	NA	#VALUE!	#VALUE!	#VALUE!
SI	25.280	144	77	20	0,57%	53,47%	13,89%
SK	2.279	322	190	2	14,13%	59,01%	0,62%
UK	37.102	533	415	210	1,44%	77,86%	39,40%
EU	885.529	37.320	24.498	915	25%	63,26%	5,76%

6B – Examples of Corporate Social Responsibility including animal welfare

Overall summary: some important national players of the food chain at different steps (mainly food retailers and food services) have included animal welfare in their CSR. The phenomenon is particularly noticeable in the UK but not exclusively. Important other players of the food chain do not mention animal welfare in the CSR and the number of examples quoted below is not comprehensive but should not be interpreted as representing the majority of the food sold in the EU.

1. Retailers

TESCO

Market share (2010)²¹²: 30.7 %

Operating profit (2010)²¹³: 3.5 billion £

Number of employees (worldwide)²¹⁴: 472.000

Number of stores (worldwide)²¹⁵: 4811

Corporate Philosophy²¹⁶: Slogan "Every little helps" (environment, communities, responsible selling, healthy choices)

Scope of the animal welfare measures: horizontal

Particular actions regarding animal welfare:

Food Animal Initiative:²¹⁷ Development of food production systems aimed at delivering better animal welfare, improved farmland environments and higher quality food while securing a certain margin for farmers

Codes of Practice²¹⁸ for all primary agricultural products sold under the Tesco brand. Codes of Practice used as means to meet customers' concerns about ethical treatment of animals. Tesco carries out audits, both announced and unannounced, on its suppliers to ensure compliance of standards. Tesco also employs external audit company.

Summary of the most important actions: Actions related to supporting ethical treatment of animals in food supply chain and codes of practice related to breeding, transporting and killing of animals used for Tesco brand.

COOP ITALIA

²¹² <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/8187435/Tesco-increases-market-share.html#>

²¹³ <http://ar2010.tescopl.com/~media/Files/T/Tesco-Annual-Report-2009/Attachments/pdf/tesco-annualreport.pdf>

²¹⁴ Ibid.

²¹⁵ Ibid.

²¹⁶ <http://cr2010.tescopl.com/>

²¹⁷ http://www.tescofarming.com/farm_animal_initiative.asp

²¹⁸ <http://www.tescofarming.com/standards.asp>

Market share (Italy, 2007)²¹⁹: nearly 15 %

Operating profit/revenue (2009)²²⁰: 12.8 billion

Number of members (2009)²²¹: over 7 million

Number of stores (2009)²²²: 119 consumer co-operatives, 1446 stores

Corporate Philosophy: Slogan "Coop sei tu"

Scope of the animal welfare measures: by species (laying hens)

Particular actions regarding animal welfare:

In 2008 Coop Italy started its formal request to all suppliers to start adapting to new requirements regarding the ban of eggs originating from laying hens held in battery cages.²²³

Coop Quality department's controls all along the food chain

Initiative to be extended to own brand processed foods which contain egg as an ingredient

Summary of the most important actions: ban of eggs from hens in battery cages since 2008

THE COOPERATIVE GROUP UK

Market share (2010)²²⁴: 8 %

Operating profit (2009)²²⁵: 307 million £

Number of employees/members (2009): over 1.2 million members²²⁶, over 120.000 employees²²⁷

Number of stores (2010)²²⁸: over 3000 stores

Corporate Philosophy: to contribute to a better society: to be economically successful, to serve customers, to be an ethical leader and an exemplary leader

Scope of the animal welfare measures: horizontal and by species

Particular actions regarding animal welfare:

Eggs:

²¹⁹

<http://www.bordbia.ie/eventsnews/ConferencePresentations/FoodDrinksIndustryDayCountryOverviews/Italy%20Market%20Overview.pdf>

²²⁰ <http://www.e-coop.it/CoopRepository/COOP/CoopItalia/file/fil00000084084.pdf>

²²¹ Ibid.

²²² Ibid.

²²³ <http://www.e-coop.it/portalWeb/stat/docPortaleCanali/doc00000086356/true/true/coop-e-le-uova.dhtml>

²²⁴ <http://www.co-operative.coop/corporate/aboutus/ourhistory/2001present/>

²²⁵ <http://www.co-operative.coop/Corporate/PDFs/Interim-Report-2010.pdf>

²²⁶ <http://www.co-operative.coop/Corporate/PDFs/Interim-Report-2009.pdf>

²²⁷ <http://www.co-operative.coop/corporate/aboutus/ourhistory/2001present/>

²²⁸ <http://www.co-operative.coop/corporate/aboutus/ourhistory/2001present/>

1995: first retailer to label battery eggs as 'intensively produced'

2006: ban selling of shell eggs from caged hens under the Co-operative brand

2008: all eggs sold are free range

2010: only free range eggs as an ingredient of own brand products

General:

Offers the largest range of RSPCA Freedom Food-labelled products in the UK, assure basic animal welfare through farm assurance standards, first retailer to adopt the RSPCA Freedom Food scheme

Chicken:

Fresh chicken is produced to their higher-welfare Elmwood standards (naturally ventilated and sunlit barns and given 30% more space than standard chickens, grow slower through the use of a naturally balanced, high cereal vegetarian diet etc.)²²⁹

Household product standards: collaboration with BUAV on the development of the Humane Household Products Standard ensuring that household products have not been tested on animals²³⁰

Summary of the most important actions: cage-free eggs, labelling, broiler minimum welfare standards, testing

SAINSBURY'S

Market share (2010)²³¹: 16.6 %

Operating profit (2010)²³²: 671 million £

Number of employees (2009)²³³: 148.500

Number of stores (2010)²³⁴: 890

Corporate Philosophy: Best food for health, sourcing with integrity, respect for the environment, making a positive difference in the community and improving workplace

Scope of the animal welfare measures: by species

Particular actions regarding animal welfare: Eggs:

²²⁹ <http://www.co-operative.coop/corporate/ethicsinaction/animal-welfare/>

²³⁰ <http://www.co-operative.coop/corporate/ethicsinaction/animal-welfare/cruelty-free/>

²³¹ <http://www.dailymail.co.uk/news/article-1346802/Tesco-blames-bad-weather-sales-Sainsburys-reports-best-Christmas.html>

²³² <http://www.j-sainsbury.co.uk/ar10/businessreview/financialreview3.shtml>

²³³ http://www.j-sainsbury.com/ar09/downloads/pdf/sainsbury_ar2009_notes_to_the_financial_statements.pdf

²³⁴ <http://www.j-sainsbury.co.uk/index.asp?pageid=189>

In 2009 they became the first major retailer to stop selling eggs from caged hens, they are committed to using only cage free eggs as an ingredient by the end of 2011, offer high welfare Woodland eggs and chickens²³⁵

Summary of the most important actions: cage eggs ban

REWE Group (DE and Eastern Europe)

Market share: 2nd biggest food retailer in Germany, market shares depend on product area

Annual revenues (general): 51 billion

Number of employees (2009, DE)²³⁶: over 325.000

Number of stores (2010)²³⁷: 11000

Corporate Philosophy: slogan "together for a better life", act responsibly while being economically profitable and innovative

Scope of the animal welfare measures: horizontal

Particular actions regarding animal welfare:

Creation of animal welfare product range called "Rewe Bio" that require humane animal welfare standards²³⁸

Summary of the most important actions: actions related to a small selection of products visibly labelled as organic and pro animal welfare

2. Food services/caterers

MCDONALD'S

Market share (2007)²³⁹: 19 % (biggest share worldwide in fast food industry)

Annual revenues (worldwide, 2009)²⁴⁰: 22.7 billion \$ mostly generated in Europe

Number of employees (worldwide)²⁴¹: 1.7 million

Number of restaurants (worldwide)²⁴²: over 31.000 restaurants

Corporate Philosophy²⁴³: customer relations, commitment to employees, ethical business, community building, business profit and continuous improvement

²³⁵ <http://www.j-sainsbury.co.uk/cr/index.asp?pageid=46>

²³⁶ <http://www.rewe-group.com/unternehmen/zahlen-fakten/>

²³⁷ <http://www.rewe-group.com/unternehmen/ueberuns/>

²³⁸ <http://www.rewe.de/index.php?id=1608>

²³⁹ [http://www.wikininvest.com/stock/Wendy's_International_\(WEN\)](http://www.wikininvest.com/stock/Wendy's_International_(WEN))

²⁴⁰ [http://www.wikininvest.com/stock/McDonald%27s_\(MCD\)#_note-16](http://www.wikininvest.com/stock/McDonald%27s_(MCD)#_note-16)

²⁴¹ http://www.aboutmcdonalds.com/mcd/our_company.html

²⁴² [http://www.wikininvest.com/stock/McDonald%27s_\(MCD\)#_note-16](http://www.wikininvest.com/stock/McDonald%27s_(MCD)#_note-16)

²⁴³ <http://www.mcdonalds.ca/en/aboutus/values.aspx>

Scope of the animal welfare measures: horizontal programs, by species

Particular actions regarding animal welfare:

Agricultural Assistance Programme (Europe): The program is a framework of standards promoting food safety, quality and sustainable agricultural production methods.

Food Animal Initiative (Europe)

McDonald's "Flagship Farms" is a 3-year project in conjunction with the Food Animal Initiative (FAI) in Europe that seeks to increase the company's commitment and investment in sustainable agricultural practices. These 'Flagship Farms' are used as case studies by the supply chain to demonstrate practices which are scientifically underpinned and backed by credible third-party stakeholders.

Good practice examples for animal welfare within "Flagship Farms" initiative: Animal Welfare in dairy farming (NL)²⁴⁴, Waste management, animal welfare and species conservation in beef farming (IE)²⁴⁵

Founding partner of the Food Animal Initiative²⁴⁶ at Oxford University, a project combining the evidence-based science with practical applications in order to encourage sustainable commercial farming systems, and a particular focus on animal welfare.

Founding member of the European Animal Welfare Platform, which is funded under the European Union's Seventh Framework Programme for Research.

Animal Welfare Guiding Principles²⁴⁷: McDonald's audits all abattoirs to guarantee compliance with their principles

Summary of the most important actions:

Several initiatives on the European market show the company's commitment to improving ethical treatment on farms supplying ingredients for McDonald's products. The "Flagship Farms" provide best case examples, the FAI combines science with business and the guiding principles along audits in abattoirs ensure higher animal welfare standards

BURGER KING

Market share (2007)²⁴⁸: 2 %

Annual revenues (2009)²⁴⁹: 2.5 billion \$

Number of employees (worldwide, 2010)²⁵⁰: over 38.000

Number of restaurants (worldwide, 2008)²⁵¹: over 11.000 worldwide

²⁴⁴ <http://www.flagshipfarms.eu/animalwelfare.php>

²⁴⁵ <http://www.flagshipfarms.eu/case2.php>

²⁴⁶ http://www.aboutmcdonalds.com/mcd/csr/report/sustainable_supply_chain/our_approach/mcdonald_s_europe_maap_flagship_farms.html

²⁴⁷ http://www.aboutmcdonalds.com/etc/medialib/csr/docs.Par.85655.File.dat/McD_AnimalWelfareGuidingPrinciples.pdf

²⁴⁸ [http://www.wikininvest.com/stock/Wendy's_International_\(WEN\)](http://www.wikininvest.com/stock/Wendy's_International_(WEN))

²⁴⁹ http://www.wikininvest.com/wiki/Burger_King

²⁵⁰ <http://services.corporate-ir.net/SEC.Enhanced/SecCapsule.aspx?c=87140&fid=7105569>

²⁵¹ Ibid.

Corporate Philosophy: commitment to food, people, environment, corporate governance, "Have it your way" slogan

Scope of the animal welfare measures: general

Particular actions regarding animal welfare: Actions related to products, animal welfare is part of the company's general CSR priorities²⁵²

Summary of the most important actions: new products introduced in product range

3. Multinational corporations/global players

UNILEVER

Market share: depends on product segment (savoury, dressings, spreads/ ice cream and beverages/ personal care/ home care), global market leader in food categories²⁵³, number two in laundry and daily hair care products²⁵⁴

Operating income (2009)²⁵⁵: 5020 million

Number of employees (2009)²⁵⁶: 163.000

Number of brands (2011)²⁵⁷: over 400

Corporate Philosophy: new ways of business while reducing environmental impact

Scope of the animal welfare measures: horizontal

Particular actions regarding animal welfare:

Animal welfare has been one of Unilever's sustainable agriculture indicators since 2005, several collaborations with brands to use only cage free eggs, have decided to focus on cage-free eggs and dairy supply chain within their current sustainable sourcing programme.

Summary of the most important actions: limited actions related to eggs and specific and few brands

IKEA

Market share (2010)²⁵⁸: depending on the commodity in question, market share is between 5 and 10 %, IKEA is the world's largest furniture retailer

Net income (2010)²⁵⁹: 2.7 billion \$

Number of employees (2010, worldwide)²⁶⁰: 127.000

²⁵² http://www.bk.com/cms/en/us/cms_out/digital_assets/files/pages/BK_CR_Report_Environment.pdf

²⁵³ http://www.unilever.com/aboutus/introductiontounilever/unileverataglance/?WT.LHNAV=Unilever_facts

²⁵⁴ http://www.unilever.com/images/ir_Unilever_factsheet_2010_tcm13-70889.pdf

²⁵⁵ http://www.unilever.com/images/ir_7_Financial_statements_AR09_tcm13-208078.pdf

²⁵⁶ http://www.unilever.com/aboutus/?WT.GNAV=About_us

²⁵⁷ <http://www.unilever.com/aboutus/introductiontounilever/>

²⁵⁸ <http://www.swedishwire.com/business/6208-ikea-ranked-28th-most-valuable-brand>

²⁵⁹ http://www.ikea.com/ms/en_US/pdf/yearly_summary/Welcome_inside_2010_update.pdf

Number of stores (2010, worldwide)²⁶¹: 313

Corporate Philosophy: innovative and cost-effective products for low prices while taking responsibility for the people and the environment

Scope of the animal welfare measures: horizontal

Particular actions regarding animal welfare:

IKEA and NGO CIWF work together on improving farm animal welfare standards in IKEA's food business²⁶²

Summary of the most important actions: general provisions for farm animal welfare

4. Food producers

DANONE

Market share (2010, worldwide)²⁶³: 27 % (number 1 in fresh dairy products)

Operating profit (2009, worldwide)²⁶⁴: over 2000 million

Number of employees (2009, worldwide)²⁶⁵: over 80000

Number of stores: not applicable

Corporate Philosophy: openness, enthusiasm, humanism, proximity

Scope of the animal welfare measures: horizontal

Particular actions regarding animal welfare: The Danone sub-brands "Les 2 Vaches/Stonyfield" (the organic branch of Danone) use only organic milk from cows raised with high animal welfare standards (France only)²⁶⁶

Summary of the most important actions: limited actions for small niche sub-brand regarding organic dairy milk

²⁶⁰ Ibid.

²⁶¹ http://www.ikea.com/ms/sv_SE/about_ikea/facts_and_figures/ikea_group_stores/index.html

²⁶² http://www.ikea.com/ms/en_GB/about_ikea/our_responsibility/partnerships/other_stakeholders.html

²⁶³ <http://www.danone.com/en/brands/business/fresh-dairy-products.html>

²⁶⁴ <http://finance.danone.com/phoenix.zhtml?c=95168&p=irol-keyfigures>

²⁶⁵ <http://finance.danone.com/phoenix.zhtml?c=95168&p=irol-keyfigures>

²⁶⁶ <http://www.danoneetvous.com/Nos-engagements/Nos-eleveurs-et-Vous/On-s-engage/Notre-demarche/Developpement-environnemental>