

Towards an Animal Welfare Friendly Agricultural Policy

Eurogroup for Animals views on the Health Check of the Common Agricultural Policy

September 2007

Introduction

This paper looks at the current status of farm animal welfare as a consequence of EU agricultural policies and shows the place of animal welfare in EU citizens' lives. It further studies the role the EU Common Agricultural Policy can play to improve farm animal welfare both through direct payments to farmers and through national rural development programmes, making concrete recommendations to the European Commission in view of the CAP Health-check that will take place in 2008.

Status of agriculture and livestock farming

The original aim of the Common Agricultural Policy was to ensure food security by boosting production, and this generally led to extreme intensification, with negative consequences for the environment and animal welfare. Livestock farming, in particular the production of pigs and poultry, has been most affected by this intensification, with animals being kept at high densities in barren conditions preventing them from performing their natural behaviour.

The CAP has been reformed a number of times. Under the Agenda 2000 reform, agreed in 1999, it was accepted that more integration of the environment into the CAP was needed. Cuts in price support with compensatory direct payments were agreed and a new rural development regulation was introduced, encouraging farmers to diversify their income sources and enhance the environment. The 2003 CAP reform announced a move from quantity to quality. It introduced several changes aimed at making the farm policy more market oriented and at taking into account society's demands such as environmental protection and animal welfare.

85% of all CAP direct aid in 2005 went to 18.5% of the beneficiaries. Every year the largest part of EU CAP subsidies goes to an increasingly small number of beneficiaries.

However the CAP reforms have not delivered significant changes, as most subsidies are still being given in the form of direct payments to the biggest and most intensive farm businesses (see box¹), with limited attention to their impact on the environment and animal welfare. Only a small part of subsidies has been reserved for rural development and not even all the rural development measures contribute to environmental protection or the improvement of animal welfare.

For some time citizens have been asserting that taxpayer money should be spent to provide services to society. The EU also needs to reform its farm subsidies system so that they become less trade distorting, following pressure from trade partners in the on-going World Trade Organisation negotiations.

¹ Source: European Commission, DG Agriculture and Rural Development, Report for Financial year 2005; in 2004, 85% of the subsidies went to 23.5% of farms

CAP and animal welfare

Under the Protocol on Protection and Welfare of Animals annexed to the EC Treaty, which entered into force in 1999, the Community and the Member States must pay full regard to the welfare of animals in formulating and implementing the Communities' agriculture policy, among others. Animal welfare was indeed recognised as a legitimate concern of the EU in the 2003 CAP reform, together with other concerns such as the environment, food quality and safety, and animal health. This link is highlighted in the renewed EU Sustainable Development Strategy adopted in June 2006 under the public health key objective, of which one operational objective and target is "Continuing to promote high animal health and welfare standards in the EU and internationally".

The EU also adopted in 2006 an Action Plan on the Protection and Welfare of Animals which responds to the principles set out by the Protocol on Protection and Welfare of Animals. One of the Action Plan's primary objective is to "*Continue to promote high animal welfare standards in the EU and at the international level*".

Citizens have expressed their concerns for animal welfare in Eurobarometer surveys in 2005 and 2007, with 77% of respondents saying that more needs to be done to improve animal welfare in their country. A CAP Eurobarometer survey revealed in March 2007 that 84% surveyed people believe it is justified to reduce financial aid from farmers who do not respect minimum animal welfare legal standards.

Eurogroup believes that the CAP must improve farm animal welfare much more drastically than it currently does. It must prevent further industrialisation of livestock production. This can only be achieved through drastic changes to the current CAP leading to the removal of the first pillar, and the creation of a strong rural development policy. In the immediate future, improvements need to be fostered through the first pillar as well as through rural development.

Competitiveness is one of the objectives of the current European Commission and of the CAP in particular. Eurogroup believes that being competitive for a farmer doesn't mean producing more products at a lower cost. Quality and the respect of animal welfare can and must be used as factors to boost the competitiveness of European farmers. To reach this aim, European farmers must receive incentives to convert to systems which better respect the welfare of the animals, the environment, produce better quality, and make them more competitive by responding to citizens' demands.

Eurogroup demands

Eurogroup for Animals calls on the European Commission and the Member States to take into account the following demands when discussing the future of the EU agricultural policy during the health check and further CAP reforms:

Direct aid

- **An assessment mechanism must be put in place to ensure that payments under the first pillar are not detrimental to the welfare of farm animals, but instead contribute to improving it.** This would be in line with the 2003 CAP reform objective to improve animal welfare, with the requirements of the protocol on animal welfare annexed to the Amsterdam Treaty and with the Council Conclusions on the Community Action Plan on the Protection and Welfare of Animals.
- **Subsidies paid to livestock farmers should be linked to the land and conditional on the respect of stocking densities adapted to the carrying capacity of the pasture.** Currently farmers receive subsidies primarily on the basis of historical payments² or in the case of coupled animal premia, on the

² Nine out of 17 EU Member States give subsidies on purely historical basis. In UK Scotland and Wales use a historical basis for payments, and Northern Ireland and England use a hybrid system (flat-rate payment with top-up of historical).

number of cattle. Historically a small number of intensive farms have been receiving the biggest share of EU subsidies. This system of historical payments is perpetuating the inequality between farms as regards the amount of subsidies they receive. Eurogroup also believes that linking the subsidies to the land used on condition it is farmed in a sustainable way will promote well managed extensive livestock farming.

- **A ceiling must be introduced on the amount of direct payments a farm can receive.** This would release funds to help smaller farms make animal welfare investments and become more competitive in the EU market.
- **Cross-compliance must be applied for all existing animal welfare standards and any new standards to be adopted in future must be automatically included in the list of statutory management requirements.** Eurogroup believes that making cross-compliance compulsory was a positive step taken by the Commission, but the animal welfare legal standards currently included in cross-compliance now need to be extended to all existing animal welfare legislation, such as the laying hens and meat chickens Directives. There must also be a procedure in place so that, as soon as new standards are adopted, they are automatically included under cross-compliance. In addition, for animal species for which there are no EU legal standards yet³, the standards included in the recommendations adopted by the standing committee of the European Convention for the protection of animals kept for farming purposes should be added to this list.
- **Farmers must be compensated for investments to meet stricter legal animal welfare standards.** EU citizens believe farm animal welfare must be further improved. It is justified in this case that the cost of adapting to new animal welfare standards is covered by taxpayer money. This aid would allow farmers to make structural investments, improving their competitiveness.
- **All export refunds for the trade in live animals to third countries must be abolished.** Although for slaughter animals they stopped in December 2005, export refunds are still paid for pure-bred breeding heifers or young cows exported to third countries, with often negative consequences on their welfare due to long distance transport⁴. The EU has agreed to stop granting export subsidies by 2013. Eurogroup believes that for live animals all remaining export subsidies must be abolished immediately.

Rural Development

Eurogroup believes that rural development subsidies should be primarily used to promote environmental protection and improvement of animal welfare. This would simply be consistent with the objective of the renewed Sustainable Development Strategy “*to improve management and avoid overexploitation of natural resources*”⁵. The rules to apply for funding should be simplified, with less measures and simpler procedures. The budget should be clearly divided into specific lines for different sets of measures corresponding to different objectives.

- **More CAP funds must be allocated to rural development in general and to animal welfare measures in particular.** Eurogroup believes higher obligatory modulation rates must be adopted to increase the rural development budget. The current 5% must be progressively increased to 20%.

In addition, the Commission should put in place a mechanism guaranteeing that funds coming from the application of cross-compliance with animal welfare legal standards are allocated to animal welfare

⁶ MS also use a hybrid system. Only the 2 new member states which have chosen to implement the full CAP reform use a flat-rate payment

³ Farmed fish, cattle, ducks and geese, goats and sheep, turkeys

⁴ A total of 94 248 heifers were exported to non-EU countries in 2006

⁵ One action under this SDS objective reads: “In the field of agriculture and fisheries Member States and the Commission will make further efforts through the new programmes for rural development, the reformed Common Fisheries Policy, the new legislative frameworks for organic farming and animal welfare as well as the biomass action plan.”

measures under rural development, in the country of origin. Currently the major part (75%) of the subsidies which are retained from farmers who do not respect statutory management requirements go back to the EU. We believe these funds should stay in the Member State to which they are allocated. Furthermore, the subsidies confiscated for non-application of animal welfare provisions should be re-allocated to animal welfare measures in rural development.

The share of funding coming from the EU budget should also be increased, giving the option to the Member States to use a higher rate of co-funding than the 50 or 55% currently allowed.

- **It must become compulsory for Member States to include animal welfare measures in their rural development programmes.** Farmers must have the possibility in all EU Member States to apply for funding to improve animal welfare. Member States must propose a menu of measures which aim at improving animal welfare and promote them to farmers. This menu should include at least the possibility for farmers to be compensated for applying significantly higher animal welfare standards (measure 215 in rural development plans for 2007-2013).
- **Rural development measures aimed at improving animal welfare should be better promoted to farmers.** Currently, rural development programmes include a wide range of measures and it is not necessarily clear which measure supports improvement of animal welfare. In addition a single measure can have various objectives. Eurogroup believes the Member States should provide farmers with clear information on which measures contribute to improved animal welfare.
- **A significant part of the rural development budget must be reserved to fund animal welfare measures.** At least 10% (currently this means €1 billion/year) of the rural development budget must be allocated to animal welfare measures. To effectively improve animal welfare, rural development programmes must have a specific budget line reserved for it. A considerable proportion of the modulated funds must go towards improving animal welfare.
- **Animal welfare friendly products should be promoted on the market.** Although citizens are saying they want more animal welfare, they have difficulty to find such products when shopping. Either these products are not available in supermarkets, or they are not easy to identify. They must be better promoted as produced under animal welfare standards going significantly beyond minimum legal ones. Promotion should also provide for raising awareness among consumers who do not know about animal welfare, by revealing the existence of such high welfare products. In addition Eurogroup believes that promoting high animal welfare products would contribute to the renewed SDS objective of promoting sustainable consumption and production patterns.
- **High animal welfare standards must be defined as a reference point for the evaluation of Member States assurance schemes included in rural development programmes.** We believe that the European Commission must urgently define good livestock standards similar to those Eurogroup has proposed⁶. We are concerned that rural development programmes presented by Member States include support for participation to assurance schemes which only guarantee the respect of minimum legal animal welfare standards. This is not acceptable as all farmers have the obligation to respect legal standards. Assurance schemes which claim to improve animal welfare should be assessed against a set of high animal welfare standards as a reference point.
- **Member States Rural Development Programmes must be thoroughly screened to make sure they contribute to the animal welfare objectives of the CAP.** When animal welfare is stated as an objective of measures, a specific animal welfare evaluation should be included in the screening the programme. This would guarantee that the money effectively goes to farmers who contribute to improved animal welfare.

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⁶ <http://www.eurogroupforanimals.org/consumers/pdf/eurogroupwelfarestandards.pdf>