

BRIEFING

June 2005

WTO and Animal Welfare

Background

The WTO rules are making it difficult for the EU to maintain its standards of animal welfare and introduce improvements. In its Comprehensive Negotiating Proposal to the WTO, the EU stated that its objective is to ensure that trade liberalisation does not undermine EU efforts to improve the welfare of animals.

Way Ahead

To achieve this objective, we believe that it is essential that the Commission seeks to make progress in the following areas in the DDA (Doha Development Agenda) negotiations:

Green Box: In its Comprehensive Negotiating Proposal the EU proposed that payments made by the EU (or any other WTO member) to assist farmers with the additional costs incurred in meeting high animal welfare standards should be included in the 'Green Box' of the WTO Agreement on Agriculture's (AoA). Green Box items are not subject to the usual AoA rules requiring subsidies to be reduced. The Commission has, however, failed to raise this point in the DDA negotiations for some considerable time. The Commission will need to show much greater determination if it is to succeed on this issue.

Labelling: Mandatory labelling enables consumers to make informed choices as well as facilitating a market-led approach to EU concerns. The Commission should seek recognition that mandatory labelling as to farming method is consistent with the WTO rules. We recognise that the EU's WTO partners have been reluctant to discuss this issue. Nonetheless the Commission should try to re-open talks as labelling is one of the ways forward advocated by the EU in its Comprehensive Negotiating Proposal.

Developing countries: The EU will not be able to change developing countries' perception that its position on animal welfare is protectionist unless it can convince them that there are indeed real trade opportunities in EU markets for welfare-friendly products from developing countries. The EU must be willing to make access to its markets for humane products a reality by offering developing countries:

Trade-related assistance and capacity building to help them develop sustainable farming systems with good animal welfare standards on-farm,

during transport and at slaughter, and preferential market access, for example through lower or zero tariffs, for welfare-friendly products. At a recent meeting, when answering a question about certain developing countries, the EU Trade Commissioner was very positive about the possibility of providing preferential access for such products.

Sensitive products: The DDA agreement on market access will result in an agreement to reduce tariffs. However, it must include flexibility for 'sensitive' products, i.e. products that are especially vulnerable to being undermined by low welfare imports. Where sensitive domestic products are produced to stricter animal welfare rules than in third countries, WTO members should be able to ensure fair competition between domestic and imported products by applying smaller tariff reductions to imports that are produced to lower welfare standards than those that apply to domestic farmers.

For example, when the ban on conventional battery cages comes into force in 2012, there is a real danger that EU egg producers – faced with both higher production costs and (following the conclusion of the DDA round) reduced tariffs on imports – will be undermined by the import of egg products coming from hens reared in conventional cages. The EU should commit itself to including egg product lines in its list of sensitive products.

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