BRIEF POSITION PAPER

TTIP and animal welfare

The EU-US Transatlantic Trade and Investment Partnership (TTIP) talks have changed gear, moving into the final negotiating phase, where "horse-trading" may take place. The emerging deal poses outright threats to mainly farm animals and their welfare across Europe. As negotiators press forward, the organisations involved in the Trade & Animal Welfare Project urge the involved EU decision-makers to take account of the future plight of animal welfare and listen to the voice of millions of Europeans.

The points outlined below stand on two pillars of legitimacy: Firstly, animal welfare must be a fundamental principle of the EU and its negotiators, based on Article 13 of the EU Treaty. Secondly, a recent Eurobarometer 442 on the Attitudes of EU citizens towards Animal Welfare confirmed with crystal clarity that European citizens care for animal welfare standards. For example, a striking majority of 93% require imported products to comply with EU animal welfare standards. At the same time, the impact on animal welfare is potentially significant. In 2015, the two economies traded close to EUR 5 billion worth of animals and animal products, and billions of farm, wild and research animals were used and mistreated.

The agreement's requirement of regulatory consistency is irreconcilable with the different approaches to animal welfare on both sides of the Atlantic. US regulations on farm animal welfare are generally substantially lower than those of the EU. Indeed, the US has no Federal regulations at all in many of the areas in which the EU has adopted detailed regulations. For this reason, the Commission should not give up this competitive regulatory advantage by allowing the import of substandard products (unconditional liberalisation) and its right to regulate in general. Eurogroup for Animals considers the regulatory cooperation pillar the biggest threat to both existing animal welfare standards and future efforts for improving the lives of billions of animals in Europe. Moreover, as TTIP undoubtedly has the potential to set or inspire future global standards, our concern goes beyond the borders of the EU. We call on the Commission to: 1) oppose the application of regulatory consistency to animal welfare standards; 2) avoid a system in which the US has a stronger voice than EU decision-makers and civil society; and 3) consider a light and transparent institutional structure. The right to regulate and democratic / civil-society oversight must be ensured in practice, not only in theory.

There is also a risk that the Commission will come under pressure to dilute its existing acquis relating to animal welfare from EU farmers who may find it difficult to compete with US producers who generally operate under a much weaker, indeed in many areas non-existent, regulatory regime. Moreover, liberalisation will not, in itself, facilitate solutions to overproduction and overconsumption. To the contrary, it encourages it. Therefore, liberalisation of trade in animal products is not desirable, especially if not accompanied by certification, traceability and mandatory labelling schemes to provide consumers wider and better informed choice. The introduction of rules which restrict the freedom for territories to introduce labels informing consumers of ingredients and/or production and process methods are simply unacceptable.



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Conditional liberalisation, i.e. reduction or elimination of tariffs solely for products complying with the importing party's animal welfare standards, is currently being floated in the TTIP discussions. Conditional liberalisation however, prove extremely difficult to implement in practice. Unless it is worded very carefully it may prove to be ineffective in protecting EU animal welfare standards. The wording must make it clear that the EU is entitled to require imports to meet EU welfare standards that apply to process and production methods, i.e. to the way in which animals are treated. Moreover, the wording should not merely require imports to meet standards "equivalent" to those of the EU. This is likely to prove of little value if the EU takes the approach, as it did in the case of organic standards of animal welfare, of recognising much lower US standards as "equivalent" to its own.

European negotiators proposed an article on animal welfare under the SPS chapter of TTIP. While treating animal welfare in fuller terms is a step in a right direction, the proposed text could be detrimental for two main reasons: 1) it is in the SPS chapter and as such is subject to animal and

Species-specific examples:

75% of all EU imports of <u>shell eggs</u> originate in the US. Incentivise US exporters to improve animal welfare of laying hens through conditional liberalisation of most traded shell eggs products.

Fresh or chilled beef is the second largest EU import article in animal products from the US, outstripped only by fish fillets and other fish meats. The misleading attribution of "high quality beef" and related quota allocation should be replaced by conditional liberalisation mechanisms whilst objectively informing consumers. There is no relation between this "high quality beef" and improved welfare of the cattle in the US. Moreover, it squeezes out smaller US farmers who may want to improve the welfare of their cattle and export their products to the EU.

A similar situation exists with regards to the <u>pork and poultry meat sectors</u>. Both sectors are subject to widely different regulation of animal welfare and enforcement thereof in the US and the EU, with poultry being completely exempted from US animal welfare regulation. Unconditional liberalisation without proper mechanisms in place to ensure level-playing field in the area of animal welfare and without adequate mandatory labelling schemes would be detrimental to all — animals, consumers, and producers — who are already facing difficult time.

human health considerations only and does not account for moral concerns and animal welfare in the broad sense. 2) The proposal suggests "alignment" of standards, a concept that is close to that of regulatory consistency which will have a chilling effect on future EU animal welfare standards and could lead to pressure to dilute existing standards. Noting the negotiators' mantra of not lowering standards, this particular legal text does not offer any assurances to that end. Eurogroup for Animals would welcome acknowledgement of the sentience of all animals by both parties. At the same time, we call for strong improvements of the specific language and its better fit into the agreement as a whole.

The EU and the US are two of the three biggest markets for products originating in wildlife and as such need to act both on the supply side and the demand side. Provisions combatting global illegal trade and ensuring the sustainability of legal trade flows are expected. These must be complemented by a strong enforcement mechanism. We call on the negotiators to ensure this by adding the trade and sustainable development chapter into the scope of the TTIP dispute settlement mechanism. In addition, the EU could also embrace US best practices, such as the ban on import of trophies from lions.

The potential of TTIP remains unfulfilled when one considers the welfare of research animals. While alternative methods exist in many cases, numerous testing and research procedures remain heavily reliant on using in total of estimated 35 million animals annually. From the little information and texts that are available, it is clear that this subject is neither addressed in its full potential overall, nor in sector-specific chapters, such as cosmetics, chemicals, or pharmaceuticals. The parties should take up this issue in a proper



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manner to fulfil expectations with regards to, for example, application of 3Rs approach, or mechanisms for incorporation of new methods as they are validated.

In sum, Eurogroup for Animals calls on the EU decision-makers to include effective measures that preserve in practice the ability of the EU to retain its existing animal welfare legislation and to introduce new legislation in this field. If very carefully worded, conditional liberalisation of farm animal products and sustaining legitimate non-tariff measures may contribute to this objective. In addition, strong enforcement and adoption of US best practices on wildlife provisions and more work on research animals is needed to safeguard welfare of these species.

Trade & Animal Welfare Project

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