

The background of the page is a solid red color. Overlaid on this background are two large, stylized silhouettes in a slightly darker shade of red. On the left, there is a silhouette of a horse's head and neck, facing right. On the right, there is a silhouette of a monkey standing on all fours, facing left. The silhouettes are simple and lack internal detail.

Animal Welfare in the implementation of the EU-Ukraine DCFTA

May 2021

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Introduction

In June 2014, the EU and Ukraine signed a **deep and comprehensive free trade agreement (DCFTA)**, as part of a wider association agreement. The provisional application of the DCFTA started almost two years later, in January 2016, considerably liberalising trade flows between both countries. Since then, EU imports of Ukrainian animal products have surged and no concrete progress has been achieved for animals. On 11 February

2021, the EU and Ukraine announced that, as allowed under the DCFTA after five years of implementation, they will start consultations on the further review of market access provisions¹.

Considering the economic interests of Ukraine, the country is very likely to call for more preferential access for its animal products. Such access should not be increased **until Ukraine keeps its part of the bargain and starts implementing EU-equivalent animal welfare standards.**

On 18 February 2021, after more than 5 years of DCFTA implementation, Ukraine finally adopted a ministerial order to approximate the EU *acquis* on animal welfare, as required by the DCFTA². Yet, the Ukrainian legislation displays clear weaknesses, the main one being that it only imposes new rules as of 2026.



¹<https://www.consilium.europa.eu/en/press/press-releases/2021/02/11/joint-press-statement-following-the-7th-association-council-meeting-between-the-eu-and-ukraine/>

²<https://www.me.gov.ua/Documents/Detail?lang=uk%2DUA&id=14d9d69e%2D8293%2D4b86%2D851d%2D3ad0f456f310&title=ProktNakazuMinisterstvaRozvitkuEkonomiki%2DTorgivliTaSilskogoGospodarstvaUkrainiproZatverdzhenniaVimogDoBlagopoluchchiaSilskogogospodarskikhTvarinPidChasYikhUtrimannia>

The COVID-19 crisis has painfully put the spotlight on the detrimental impact of economic and trade policies that prioritise profits above all³. At this moment, EU trade policy is blind to the production model it fosters and to the nature of the economic sectors it stimulates. Trade agreements, by contributing to such an unconditional trade liberalisation, play a role in this and the EU-Ukraine DCFTA has, over these past five years, fuelled unsustainable



trade, and therefore extremely unsustainable production. Granting even more market access to Ukrainian animal products before animal welfare is improved on the ground would thus be incompatible with the objectives set by the EU in the Green Deal and in its Trade Policy Review. In addition to being detrimental to the welfare of millions of animals, it would also further undermine the level playing field, as EU producers already have to respect higher standards – and, it is hoped, even further improved in the near future. Such a decision would also be detrimental to EU consumers, who could be exposed to an increasing amount of lower animal welfare chicken meat, eggs or dairy products, while more than 90% of them are calling for such imported products to respect rules equivalent to those applied in the EU⁴.

This briefing presents the evolution of the trade in animal products between both partners since the entry into force of the DCFTA, as well as the state of play in terms of animal welfare in Ukraine.

It then explains why the EU should immediately address the impact the DCFTA has had on animal welfare, thus making the case for the EU to reject any additional market access for Ukrainian animal products until Ukraine implements EU-equivalent animal welfare standards.

³ IPBES - <https://ipbes.net/covid19stimulus> - "As with the climate and biodiversity crises, recent pandemics are a direct consequence of human activity – particularly our global financial and economic systems, based on a limited paradigm that prizes economic growth at any cost."

⁴ <https://www.eurogroupforanimals.org/news/animal-welfare-top-mind-eurobarometer-2016>



What's in the EU-Ukraine DCFTA?

Increased access to EU markets

The **EU-Ukraine DCFTA granted substantial trade preferences to Ukrainian animal products**, even if the EU maintained the use of tariff-rate quotas for sensitive products.

Since the entry into force of the DCFTA, the volume of trade preferences granted to Ukrainian food products has already been extended. In March 2019, both Parties agreed to increase the volume of the tariff-rate quota open to different cuts of poultry meat from 20,000 to 70,000 tonnes⁵. This was decided to solve a dispute that arose between the EU and Ukraine as Myronivsky Hliboproduct (MHP) – the main Ukrainian poultry meat company exporting to the EU – was using a loophole in the agreement to import vast quantities of double-boned chicken breasts into the EU. These qualified as undefined cuts and thus faced no restriction in terms of tariff or volume, before being transformed into proper chicken breasts in the plant they own in the Netherlands.

Key imports from Ukraine	Market access under the DCFTA ⁶
Poultry-related products	
02071370 - Offal of poultry	Access to TRQ 09.4273 (70,000 tonnes - Duty free)
02071410 - boneless frozen cuts	Access to TRQ 09.4273 (70,000 tonnes - Duty free)
02071310 - Boneless cuts	Access to TRQ 09.4273 (70,000 tonnes - Duty free)
02071290 - Uncut frozen poultry meat	Access to TRQ 09.4273 (70,000 tonnes - Duty free) Additional access to TRQ 09.4274 (20,000 tonnes - Duty free)
02109939 - Salted poultry meat	Access to TRQ 09.4273 (70,000 tonnes - Duty free)
150190 - Poultry fat	Liberalised

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2019:206:FULL&from=en>

⁶ Only TRQs granted in the DCFTA are listed (Ukraine also has access to other *erga omnes* TRQs). Volumes are given as of 2021, taking into account the agreement made by Ukraine and the EU over poultry meat in 2019.

Key imports from Ukraine	Market access under the DCFTA
Eggs and Egg products	
04072100 - Other fresh eggs from fowl	Access to TRQ 09.4275 (3,000 tonnes - Duty free) Additional access to TRQ 09.4276 (3,000 tonnes - Duty free)
04089180 - Dried birds' eggs not in shell	Access to TRQ 09.4275 (3,000 tonnes - Duty free)
Dairy products	
04051019 - Natural butter	TRQ 09.4602 (3,000 tonnes - Duty free)
04031091 - Yoghurt	TRQ 09.6716 (2,000 tonnes - Duty free)
040221 - Milk and cream in solid forms	TRQ 09.4601 (5,000 tonnes - Duty free)

Alignment with EU animal welfare standards

While the EU-Ukraine DCFTA does not condition the import of Ukrainian animal products to the respect of animal welfare standards equivalent to those applied in the EU, **it does include a commitment for Ukraine to align its animal welfare legislation with the EU's**⁷. When Ukraine fulfils this commitment, it will be the first third country to apply EU-equivalent standards for animal welfare. The EU-Ukraine DCFTA also includes an interesting provision in its *article 404* on cooperation in the field of agriculture and rural development, which promotes the use of sustainable methods, respectful of animal welfare. This is a recognition of the strong interlinkage between sustainable development and farm animal welfare.



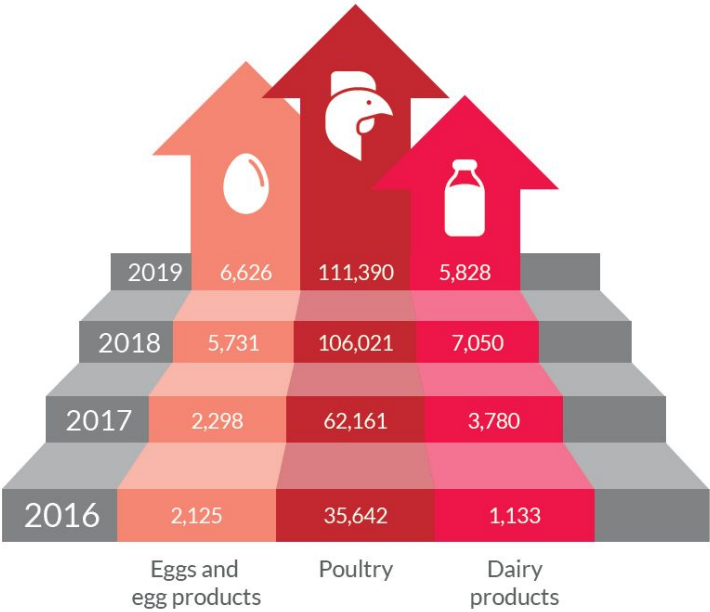
⁷ Article 64 in the DCFTA.



EU-Ukraine trade in animal products

The preferences that were granted to poultry meat, dairy products, eggs and egg products, even if in the form of tariff-rate quotas, have **led to a sharp increase in EU**

imports. For instance, EU imports in poultry meat from Ukraine have been multiplied by 3 between 2015 and 2019 and eggs and egg products imports were roughly multiplied by 7.5. Dairy imports from Ukraine went from almost none to 5,828 tonnes in 2019.

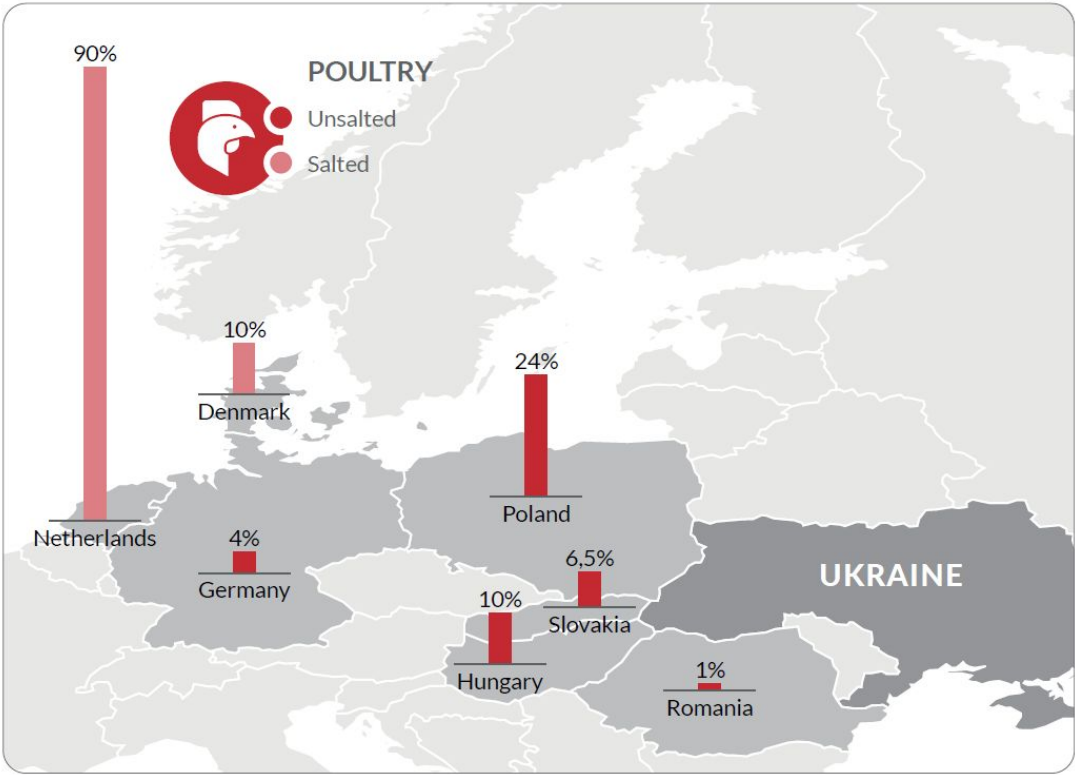


Ukraine is now **the EU's first source of imports for eggs and egg products, as well as for unsalted poultry meat⁸.** It is also one of the **main sources of EU's imports of casein** (a protein found in the milk), but this was

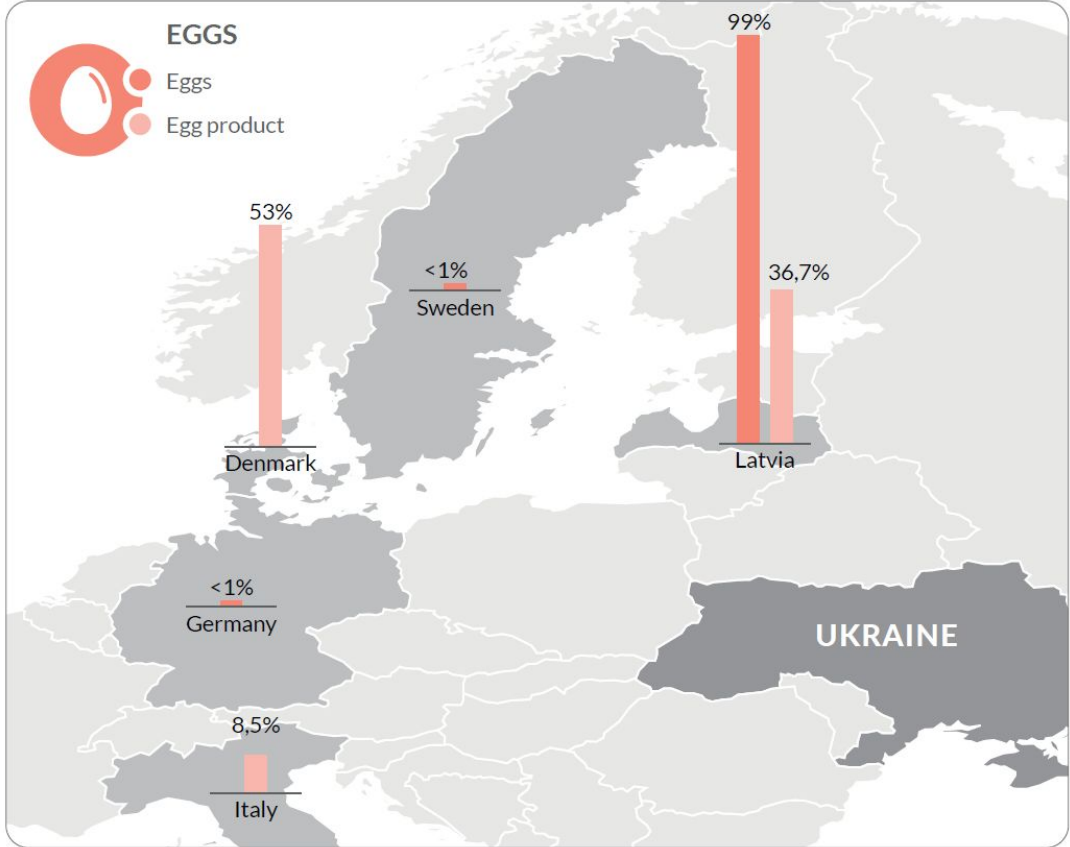
already the case long before both partners started negotiating a trade agreement. The DCFTA also granted preferential tariff-rate quotas to Ukrainian beef, as well as sheep and pig meat, but Ukraine does not export such products to the EU and the quotas remain unused.

⁸ HS code 0207.

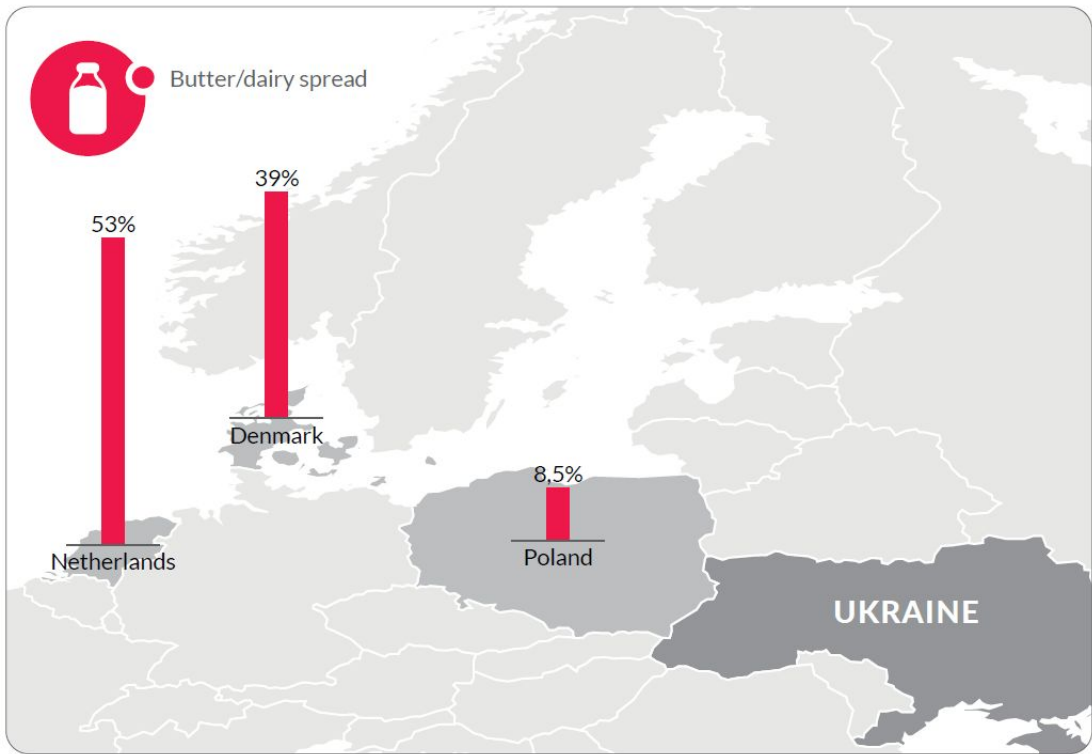
Main destinations for Ukraine **unsalted and salted poultry in 2019** (total 110,000t):



Main destinations for Ukraine **eggs and eggs products in 2019**:



Main destinations for Ukraine **butter and dairy spread** in 2019:



The increase in imports, notably of eggs and egg products, reflects progress in sanitary conditions. Yet, Ukrainian animal welfare legislation remains very weak. This is even more an issue as Ukrainian poultry meat and egg production are most often intensive industrial farms where animals are denied the most basic welfare conditions.



Animal welfare in Ukraine

Lack of progress in approximating EU animal welfare legislation

The DCFTA committed Ukraine to approximate the EU *acquis* on animal welfare. It also required the EU and Ukraine to adopt a schedule for this legislative approximation no later than 3 months after the entry into force of the agreement. The Parties only formally agreed on such a document in October 2019, more than three years after the entry into force of the agreement⁹.

This schedule lists the different EU legislations that must be approximated (notably on laying hen, broiler chicken, calf and pig welfare, but also on related inspections, slaughter and transport). It also includes the deadlines for the adoption of the necessary legislative tools, but not for their implementation. **Following this document, Ukraine had to have adopted all animal welfare legislation by 2019. This timeline has not been respected.**

While there have been attempts to pass legislation through the Ukrainian Parliament, it was only in February 2021 that the government finally adopted a ministerial order to approximate EU animal welfare legislation on laying hen, broiler chicken, calf and pig welfare¹⁰. **However, according to Ukrainian animal protection organisations, this text displays several weaknesses compared to relevant EU legislation:**

- In several parts of the text, there are references to a regulatory framework for implementation of the relevant provisions that does not exist under Ukrainian law. This will lead to challenges in implementation. For example, the Ukrainian legislation does not define appropriate measures for farm animals, which will render many of the provisions inapplicable.
- The text envisages extended timelines for implementation (2026 instead of 2022).
- There is an exclusion of small farms for certain species (pigs/calves).

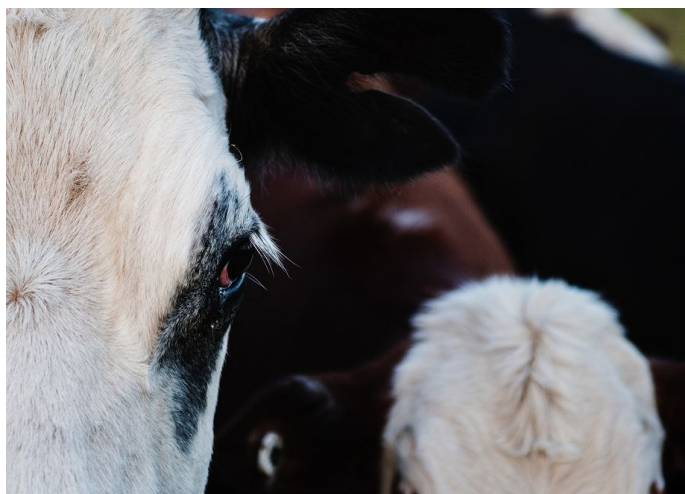
⁹ <https://t.co/th2BRKDO8a?amp=1>

¹⁰ <https://www.me.gov.ua/Documents/Detail?lang=uk%2DUA&id=14d9d69e%2D8293%2D4b86%2D851d%2D3ad0f456f310&title=ProktNakazuMinisterstvaRozvitkuEkonomiki%2DTorgivliTaSilskogoGospodarstvaUkrainiproZatverdzhenniaVimogDoBlagopoluchchiaSilskogogospodarskikhTvarinPidChasYikhUtrimannia>

- The text contains weaker wording on training for farm animal carers, allowing non-independent parties, such as producers associations, to provide and certify the training.
- Allowing use of medicines, including antibiotics, for farm animals does not require rigorous testing.
- Detailed specification of standards regarding electric equipment has been omitted. This could lead to a reduction in the minimal protection of animals, meaning they are more at risk of being electrocuted than in comparison to the EU animal welfare acquis.
- Mechanisms to verify compliance with the legislation and to update it were not included.

In addition, EU legislation on welfare at the time of killing and on transport of animals have not been transposed yet.

Existing animal welfare legislation in Ukraine



Protection of farmed animals in Ukraine has been awarded an 'E' ranking by the Animal Protection Index¹¹, which scores countries based on animal welfare criteria. This is a particularly poor ranking, similar to that of China, Nigeria, Argentina, Indonesia and Venezuela.

Ukraine has anti-cruelty legislation, adopted in 2006 with the aims of protecting animal

from suffering and death as a consequence of cruel treatment, preserving the animals' natural rights, and reinforcing moral and compassionate behaviour in society¹². The law covers farm, domestic and wild animals as well as animals used in research, in zoos and circuses. However, despite this positive legal framework, the authorities have so far failed to introduce the secondary legislation required to meet their obligations. Therefore, few animal welfare advances have been made as a result of this law.

¹¹ <https://api.worldanimalprotection.org/>

¹² Law of Ukraine n°3447-IV.

Yet this lack of legislative progress does not mean that animal welfare is unimportant to Ukrainian citizens. In 2017 a study by Open Cages and the Kyiv International Institute of Sociology found that 65% of Ukrainians consider animal welfare important when it comes to purchasing animal products, and 50% think that battery cages are not appropriate. In the same year, 22% of people considered paying extra money for ethical products, and in 2019 a similar study found that 68% of consumers were willing to pay extra for cage-free eggs. This demonstrates that there is an interest among Ukrainian consumers in more ethical and sustainable production practices.

Administrative organisation and implementation

Ukraine struggles with its international obligations on animal welfare due to a lack of effective governance, national leadership and accountability on the issue. **Animal protection campaigners and politicians in Ukraine often cite corruption as a significant barrier to the improvement of animal welfare legislation and to its better implementation.**

The administration responsible for animal welfare is located in the Ukrainian State Service for Food Safety and Consumer Protection, under the department of Food Safety and Veterinary Medicines. The list of responsibilities of this "animal health and welfare" unit states that the administration "organizes and carries out, within the limits of the powers stipulated by the legislation, state supervision (control) of health and welfare of animals." While the unit was created in 2016, it has not yet been very active, except on organising training sessions for veterinarians within the framework of the twinning project that took place between March 2014 and December 2016, funded by the EU's European Neighbourhood Partnership Instrument. Meanwhile, the Ministry of Ecology is in charge of wild animal control and the State Veterinary Services are responsible for disease control, stray animal control, and police investigations for cases of animal cruelty.

Further concerns relate to the moratorium on all government inspections of businesses, including environmental ones, that Ukraine implemented between 2014 and 2019. This moratorium is likely to have had a detrimental impact on animals and on the environment, but it also had a production and trade distorting effect, reportedly saving agribusiness millions of euros¹³.

¹³ <https://www.lexology.com/library/detail.aspx?g=4bd139e6-d609-4478-bba4-6b562e2ed89e>



Why should the EU address the impact of the DCFTA on animal welfare?

As described in the previous section, the EU-Ukraine DCFTA has, so far, stimulated a trade in unsustainable products. Both Parties should work to correct that trend before considering any additional market access for the livestock sector under this agreement. This section will briefly describe why it is important to address the impact of the DCFTA on animal welfare.

Animal welfare at the centre of achieving sustainability

According to the Trade Policy Review¹⁴, **EU trade policy must “unequivocally support the Green Deal in all its dimensions”**. Addressing animal welfare in trade policy more fully is key to achieving this objective, as it would contribute to improving animal welfare and transition towards more sustainable food systems, a goal expressed in the EU Farm to Fork strategy.

In addition to being intrinsically detrimental to animal welfare, the intensification of animal agriculture fostered by unconditional trade liberalisation, such as in the EU-Ukraine DCFTA, has also fuelled three key challenges the planet is facing: zoonoses, antimicrobial resistance and the climate crisis. Moreover, intensive animal agriculture is dependent on the use of soy and cereals as animal feed. This has led to deforestation and has also fuelled the intensification of crop production which, with its use of monocultures and agro-chemicals, has led to biodiversity loss, soil degradation and overuse and pollution of water. Better addressing animal welfare in trade policy - including conditioning further market access to higher animal welfare standards - would thus contribute to lessen the risks of future pandemics, and help fight the rise of antimicrobial resistance and the climate crisis as well as reducing environmental degradation:

- **Zoonoses are favoured not only by the increasing trade in wild animals, be it legal or not, but also by the spread of intensive animal farming.** The change in land-use – notably linked to the spread of animal agriculture and to the production of animal feed – and the subsequent loss of habitat have made

¹⁴ https://trade.ec.europa.eu/doclib/docs/2021/february/tradoc_159438.pdf

encounters between animals (wild and farmed), humans and ecosystems closer and much more frequent. This pressure on biodiversity has been a major cause of the spread of zoonoses. In addition, farmed animals kept by the billions (trillions, if we consider fish in aquaculture) are reservoirs and pathways for diseases that can be dangerous, if not devastating, for humans. A recent study found that ***“since 1940, agricultural drivers were associated with >25% of all – and >50% of zoonotic — infectious diseases that emerged in humans, proportions that will likely increase as agriculture expands and intensifies”***¹⁵.

- The **overuse of antimicrobials** in livestock production is the primary cause of the surge in antimicrobial resistance (AMR)¹⁶.
- This phenomenon is not due to small-scale production, but to the spread of intensive farming systems, in which antimicrobial products are used routinely and increasingly. The EU's “One Health” Action Plan against AMR already recognises the link between this issue and poor farm welfare practices, underlining the importance of addressing this concern in trade policy.
- **The livestock supply chain also accounts for 14.5% of global greenhouse gas (GHG) emissions.** There is an issue of quantity, but the way we raise animals also matters. According to the IPBES, ***“approximately 25% of the globe’s GHG emissions come from land clearing, crop production and fertilization, with animal-based food contributing 75% of that. Intensive agriculture has increased food production at the cost of regulating and non-material contributions from nature”***. In addition to potentially allowing for higher animal welfare standards, grass-based and mixed-farm systems, less dependent on additional feed, also offer a better capacity for carbon sequestration¹⁷.

In addition, animal welfare is strongly linked to achieving the UN SDGs, which is now a key objective across all Commission portfolios, including Trade. While protecting animal welfare is essential to sustainable development in its own right (and is recognised as a dimension of a sustainable agriculture)¹⁸, it is also complementary to a number of other aspects of sustainable development. Among the UN SDGs, several are either directly connected to animals or cannot be achieved without addressing animal welfare related issues¹⁹.

The first academic study on this topic, published in October 2019²⁰, scored the interactions between SDGs and animal welfare, in both directions. The conclusion of the exercise was that, **even if animal welfare is not explicitly mentioned in the SDGs, it is positively linked**

¹⁵ <https://www.nature.com/articles/s41893-019-0293-3#Ack1>

¹⁶ <https://www.cddep.org/wp-content/uploads/2017/10/science.0929PolicyForum-1.pdf>

¹⁷ Canu & Forabosco (UNEP DTU 2018), Greenhouse gas emissions of livestock raised in a harsh environment, International Journal of Global Warming, 2018 Vol.15 No.4, pp. 431-446.

¹⁸ Speech by Dacian Cioloş (then European Commissioner for Agriculture and Rural Development), Europe's path towards sustainable agriculture, G20/Rio De Janeiro, 21 June 2012.

with all of them, to various degrees. Higher welfare does not impede any SDG. To the contrary, while, for some of them, the mutually beneficial effect is strong (**SDG 12 “Sustainable Consumption and Production”** and **SDG 14 “Life Below Water”**), in some cases, higher welfare would have a direct positive impact on the SDGs (**SDG 1 “End Poverty”**, **SDG 2 “Zero Hunger”**, **SDG 3 “Good Health and Wellbeing”**). Eurogroup for Animals' 2019 report on “Animal Welfare, Trade and SDGs” explains these interactions in depth²¹.

To ensure trade policy does not impede the EU in achieving these necessary goals, it is thus key to prevent further harm being done when reviewing market access provisions in the DCFTA.

Farm animal welfare and the level playing field



In addition to favouring unsustainable production in Ukraine and a trade in unsustainable products, increasing market access for Ukrainian animal products without effectively ensuring that Ukraine has improved its animal welfare standards is also detrimental to animal welfare in the EU.

The increase in EU imports of animal products that are not obliged to respect EU-equivalent standards has resulted in a distortion of the level playing field which, in turn, resulted in a ‘chilling effect’ on farm animal welfare legislation in the EU. After more than a decade without progress for farmed animals, the EU has finally announced its ambition to review these standards with the Farm to Fork Strategy. The question of which standards should be imposed on imported goods is increasingly

discussed. It would thus not be sensible to **further increase pressure on EU producers by granting more unconditional preferential access to lower welfare products.**

¹⁹ Eurogroup for Animals, [Animal Welfare, Trade and Sustainable Development Goals](#), October 2019 & Linda Keeling et al, [“Animal Welfare and the United Nations Sustainable Development Goals”](#), *Frontiers in Veterinary Science*, 6:336, October 2019.

²⁰ Linda Keeling et al, [“Animal Welfare and the United Nations Sustainable Development Goals”](#).

²¹ Eurogroup for Animals, [Animal Welfare, Trade and SDGs](#), October 2019.



Animal welfare concerns in the EU-Ukraine trade relations

Looking at existing trade flows between the EU and Ukraine, this section gives a brief overview of the situation of the livestock sector in Ukraine. It will then focus on the laying hen and broiler sectors.

A report published in 2017 underlined a trend towards more intensive production systems. In 2019, Ukraine slaughtered over 700 million chickens (with over 1.4 million tonnes of poultry meat produced, up from 1.2 million tonnes in 2016), over 8 million pigs, and over 2 million cattle²³.

In the pork production sector, Ukrainian industry is also responsible for the largest share, reaching 58% of market share in 2019²⁴.

Profitability is currently thought to be low in Ukrainian livestock, and this makes it more difficult for producers to take positive welfare measures. Corruption remains an important issue and there might even be fraud operations to falsify medicines – particularly damaging for animal health and welfare²⁵.

Battery cages and laying hens

Ukraine uses battery cages for hen rearing on a large scale and those cages are particularly detrimental to hen welfare. Conventional battery cages are so narrow that hens cannot walk, stretch their wings or carry out other basic natural behaviour. In the EU, such cages have been banned since 1999, but the legislation does not impose the same criteria on imported products, which means that **Ukrainian eggs and egg products can enter the European market, regardless of the type of cages – or environment – in which the hens were reared**. Interestingly, Ukraine imports part of those cages from Germany, an ironic situation as using the cages in the EU would be illegal. According to organisations

²³ Data sourced from FAOSTAT

²⁴ Ibid.

²⁵ <http://ciab.expert/news/five-key-challenges-to-ukrainian-livestock-in-2017/>

present in the country, around 95.5% of the production in 2020 is caged eggs (in battery or enriched cages), with only 4.5% providing outdoor access. For comparison purposes, the European laying hen sector is dominated by the use of enriched cages (49.5%) and barns (32.5%), but 19% also provide outdoor access (including 6.2% of organic production)²⁶.

The increase of imports in eggs and egg products that followed the trade liberalisation with Ukraine has not only led to more hens being reared in conditions that are generally worse than in the EU, but it is also harming the competitiveness of European producers, who must respect stricter rules. This situation is also detrimental to European consumers who overwhelmingly consider that imported products should comply with the same animal welfare standards as the ones that are applicable in the EU²⁷.

With the coming review of EU animal welfare standards, hopes are high that the EU will ban cages in most production. In such a case, it would also be important to avoid investments being made in Ukraine to transition to enriched cages, while they would have to maintain their legislation aligned with the EU's, and therefore ban cages as well in the near future.

Welfare in the broiler chicken sector

Poultry meat production is becoming an export-oriented sector in Ukraine²⁸, with foreign currency revenues almost doubling at the beginning of 2017 compared to the same period in 2015. 43.3% of this poultry is produced by a single company: **Myronivsky Hliboproduct (MHP)**²⁹. Ukraine's chicken meat exports to the EU reached record numbers in 2019, with EU imports exceeding the new TRQ introduced in November 2019. The EU accounted for 28.4% of Ukrainian poultry meat exports in 2019³⁰. In the poultry meat industry, the share of chicken meat produced in large industrial farms reached 89% of Ukraine's national market share³¹. MHP, which regained access to the EU market in November 2019, has both the largest approved facility and utilises nearly the entire quota allocated to Ukraine under the DCFTA³².

²⁶ https://ec.europa.eu/info/sites/info/files/food-farming-fisheries/farming/documents/eggs-dashboard_en.pdf

²⁷ European Commission, Special Eurobarometer 442: Attitudes of Europeans towards Animal Welfare (2016). 93% of Europeans strongly agree that imported products from outside the EU should respect the same animal welfare standards as those applied in the EU.

²⁸ USDA (2020) 'Poultry and products annual (Ukraine)' (2020), Foreign Agricultural Service, <https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Poultry%20and%20Products%20Annual%20Kyiv%20Ukraine%2009-01-2020>

²⁹ Ibid.

³⁰ In 'Poultry and products annual (Ukraine)' (2020), United States Department of Agriculture, <https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Poultry%20and%20Products%20Annual%20Kyiv%20Ukraine%2009-01-2020>

³¹ Ibid.

³² Ibid.

Back in 2014, **Compassion in World Farming** carried out an investigation on **MHP** revealing the company's detrimental impact on the environment and on its workers³³. While **MHP** claims to comply with EU standards, it is hard to confirm, especially considering the lack of enforcement and monitoring capacity in Ukraine. In addition, they have so far refused requests emitted by NGOs to visit their premises³⁴.

In May 2019, the company triggered outrage by applying for yet another new loan with the European Bank for Reconstruction and Development (EBRD).

The EBRD's Environmental and Social Governance indicates that grantees must respect EU-equivalent animal welfare standards. After weeks of strong campaigns led by animal welfare and environmental organisations, the European Commission, through then Trade Commissioner *Cecilia Malmström* and then Agriculture Commissioner *Phil Hogan*, also expressed its opposition to the EBRD granting such a loan to **MHP**³⁵. After the debate had been postponed several times, **MHP withdrew its application in October 2019 to avoid more scrutiny**³⁶.



“The decision has been delayed. The Commission strongly opposed the EBRD loan to MHP. We share many of the concerns around the company’s environmental and animal welfare standards + have made our position clear to other shareholders, notably EU member states.”

Cecilia Malmström, European Commissioner for Trade, on Twitter

In the near future it is expected that the EU will revise animal welfare standards for broiler chickens (e.g. *lower maximum stocking density, use of slower growing breeds, access to outdoor, access to natural light, and provision of enrichment material*) and introduce rules for broiler breeders and hatcheries. Indeed, a recent study³⁷ written by six independent scientists and coordinated by *Eurogroup for Animals* highlighted the many welfare issues experienced by industrially reared broiler chickens in the EU and stressed that these animals face animal welfare challenges during all stages of their lives, from breeding to slaughter. Broiler breeders (the parent birds) and new-born chicks in hatcheries are not legally protected by minimum animal welfare rules; broiler chickens are mostly reared in barren conditions and suffer from health problems (heart disease, lameness) derived from genetic selection for fast growth; the catching and transport of chickens are phases in

³³ Compassion in World Farming. 2014. Evidence report: following the money trails that finance factory farming. May. www.ciwf.org.uk/media/5880729/follow_the_money_ebrd_investigation_synthesis_report.pdf. Accessed 9 January 2016.

³⁴ <https://www.worldanimalprotection.nl/actueel/het-rijk-van-de-kippenkoning-blog-1-uit-oekraïne>

³⁵ <https://www.eurogroupforanimals.org/news/no-european-money-ukrainian-poultry-company>

³⁶ <https://worldanimalsvoice.com/2019/11/19/ukraine-no-european-money-for-ukrainian-poultry-company/comment-page-1/>

³⁷ https://www.eurogroupforanimals.org/sites/eurogroup/files/2020-11/2020_11_19_eurogroup_for_animals_broiler_report.pdf

which the birds can be injured and suffer from cold or heat stress as well as hunger and dehydration; last, but not least, slaughter practices and parameters vary widely and are likely causing unnecessary suffering to millions of birds every year due to incorrect handling and stunning.



Conclusions

The EU should do everything within its power to hold Ukraine accountable to its animal welfare obligations. Subsequently, Eurogroup for Animals calls on the EU:

- **to not grant further market access to Ukrainian animal products until Ukraine implements EU-equivalent animal welfare standards, thereby fulfilling the commitment it made in the DCFTA;**
- **to provide specific capacity building and technical assistance to implement the animal welfare dimension of Ukraine's alignment strategy on SPS measures;**
- **to discuss with Ukraine how to better adapt its legislation taking into account the revisions that will be brought under the implementation of the EU Farm to Fork Strategy. This would help to avoid ineffective investments, for instance in enriched cages;**
- **to call on Ukraine to strengthen its auditing rules. Without appropriate controls, new standards are unlikely to trigger the needed changes in the livestock sector.**

EUROGROUP FOR ANIMALS



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