



BRIEFING: AUSTRALIA

Animal Protection in EU Trade Negotiations

**EUROGROUP
FOR
ANIMALS**

This report is published by Stephanie Ghislain, Trade & Animal Welfare Project Leader, Eurogroup for Animals. We would like to thank Animals Australia for their major contribution.

Eurogroup for Animals represents 65 animal advocacy organisations in 27 EU Member States, Switzerland, Serbia, Norway, Australia and the USA. Since its inception in 1980, the organisation has succeeded in encouraging the EU to adopt higher legal standards for animal protection. Eurogroup for Animals reflects public opinion through its membership organisations' affiliations across the Union, and has both the scientific and technical expertise to provide authoritative advice on issues relating to animal welfare.

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EUROGROUP FOR ANIMALS CALLS ON THE EU TO:

- Give preferential access only to animal-based products which respect EU equivalent or higher animal welfare standards (in transport and on farm);
- Limit the volume granted in tariff-rate quotas (TRQs) for animal-based products, especially for bovine and sheep meat;
- Use this opportunity to review the TRQs granted to Australian bovine meat to end the detrimental impact the hormone-free beef TRQ has had on the welfare of cattle;
- Include a regulatory alignment objective in the provisions on animal welfare cooperation, covering all kind of animals (not only farm animals but also animals used in science, as well as wildlife) and not restricted to slaughter and transport;
- Include a recognition of animal sentience;
- Include a recognition of the link between animal welfare and sustainable agriculture, underlying how improved animal welfare can contribute to fight global crises such as climate change and antimicrobial resistance;
- Raise the issue of mulesing and relevant certification schemes with the Australian authorities;
- Raise the issue of kangaroo hunting with the Australian authorities, not only the sanitary risk posed by the imports of meat but also the cruelty of the hunting per se;
- Include strong and detailed language in the Trade and Sustainable Development chapter:
 - on wildlife trafficking (positive lists, rescue centres, including new species in CITES), with mention of species-specific concerns;
 - on the importance of ensuring fish welfare to make aquaculture sustainable;
 - on enforcement, providing access to the dispute settlement mechanism to external stakeholders, creating clear roadmaps identifying priority issues and monitoring them, and including last-resort sanctions.

INTRODUCTION

The EU and Australia started negotiating a comprehensive trade agreement in July 2018. The mandate granted by EU Member States for the negotiations was adopted on 22 May 2018 and contains language on animal welfare cooperation, calling for the EU to conclude an agreement that will “promote continued cooperation and exchanges on animal welfare, to discuss, *inter alia*, possible commitments on equivalence on animal welfare between the parties”, adding that “EU standards on animal welfare should serve as a basis for negotiations.” Compared to the mandate that had been established for the negotiations with Japan¹ – which called for the agreement to “explore possibilities of establishing the appropriate conditions for co-operation on animal welfare between the two sides” – the language used is definitely stronger, emphasizing the growing importance of animal welfare in EU trade policy.

The time is ripe for the EU to seriously discuss farm animal welfare standards with Australia, notably around handling, transport and the slaughter of bovines and sheep, but that is not to say that the EU should refrain from discussing other topics less relevant to their current trade with Australia, such as broilers and laying hens. Currently, in the aftermath of the huge scandal that arose around the horrendous conditions endured by animals exported alive from Australia, the Australian government is showing willingness to improve the situation and to take responsibility at the federal level for animal welfare issues. There is also strong support among the population, so the trade negotiations with the EU could provide crucial support to Australia’s internal efforts in the field.

These trade negotiations with Australia, a developed, like-minded country, are thus a perfect opportunity for the EU to succeed in including stronger provisions on animal welfare cooperation, as well as more proactive commitments on wildlife conservation. Such strong provisions are long overdue: Australia generally does not ensure animal welfare standards comparable to the EU’s, and has a poor track record in wildlife protection.

THE LACK OF PROTECTION FOR FARM ANIMALS IN AUSTRALIA

In Australia, there is no federal legislation on animal welfare. Constitutionally, competence rests with the states and territories, which do have anti-cruelty laws. However, in most cases, ‘animals raised for food’ are effectively excluded from their scope, which allows for horrendous practices to be maintained in food production. Responsibility for live animal exports and export-accredited slaughterhouses lies, however, with the Federal Government. Its Department of Agriculture and Water Resources (DAWR) is in charge of international work linked to animal welfare, including at the World Organisation for Animal Health (OIE).

In Australia, over 600 million animals are killed in slaughterhouses each year. The vast majority (around 500 million) are raised on intensive farming facilities where many shocking practices are often allowed, such as single stalls for breeding pigs and the caging of battery hens. Painful procedures such as mulesing, castration or tail-docking – without pain relief – also occur on extensive farms. Similar practices would be prohibited under rules that apply to cats and dogs. Farm animal codes of practice and standards have been established at the federal level, and some have been translated into regulations at state level, but these documents allow and therefore perpetuate cruel routine practices.

Australia’s rules on transporting live animals over long distances (Land Transport of Livestock Standards and Guidelines), adopted in 2009 and updated in 2012, are minimal and virtually unenforceable. As they have to be adopted by each state, they are currently not enforced in West Australia, the largest state. The guidelines focus on “Time off Food” and “Time off Water” and allow for most animals, including cattle and sheep, to be kept off water (and thus traveling) for 48 hours, and even longer if certain conditions prevail. In the EU cattle and sheep can be transported for just 8 hours, or 14 hours if extra conditions are fulfilled. In this case, another 14 hour trip can be undertaken after at least a one hour break. After this maximum of 29 hours, animals must be unloaded to rest for at least 24 hours.

¹ Negotiating mandates are usually not made public – the one with Japan is thus one of the only examples available.

MAIN TRADE FLOWS OF ANIMAL-BASED PRODUCTS BETWEEN THE EU AND AUSTRALIA

With 35,370 tons, Australia is the EU's fifth source of meat imports in 2017, behind Mercosur, New Zealand, Thailand and Ukraine. Those imports are mostly of fresh and chilled bovine meat (the EU's second source of imports), frozen bovine meat (the sixth source of imports), and sheep meat (the second source). Australia is obviously also the first and only source of EU imports of kangaroo meat. It is also the third source of horsemeat imported into the EU, behind Argentina and Uruguay.

Products	2017	
	in tonnes	in Euros
Meat (all kinds)	35,370	284,769,917
Fresh and chilled bovine	16,488	170,643,186
Netherlands	10,399	108,885,595
UK	2,887	24,657,961
Italy	2,159	22,987,556
Belgium	532	6,731,095
Germany	298	4,796,870
France	113	1,400,223
Portugal	59	646,435
Denmark	41	536,108
Frozen bovine	480	2,263,459
Netherlands	398	1,850,630
Italy	50	162,013
UK	32	250,816
Sheep meat (fresh, chilled, frozen)	15,159	97,904,817
UK	11,112	60,526,429
Netherlands	2,196	22,276,474
France	872	4,831,039
Germany	684	8,314,096
Belgium	197	1,428,178
Ireland	82	375,010
Austria	8	105,262
Italy	8	48,329
Kangaroo meat	1,924	8,670,090
Germany	724	2,821,631
Belgium	661	3,188,655
Netherlands	389	1,887,965
France	137	723,491
UK	13	48,348
Horsemeat	673	2,835,391
Belgium	605	2,340,602
France	39	344,634
Netherlands	32	150,155

Australia is the EU's first source of wool imports, and value-wise the sixth of lanolin.² Australia is also the EU's third source, again value-wise, of reptile raw hides and skins³, sixth of reptile leather⁴, and its seventh source of tanned or crust hides and bovine skins (full grain, unsplit; grain splits).⁵

Products	2017	
	in tonnes	in Euros
Wool	33,212	264,015,715
Italy	14,478	149,665,229
Czech Republic	10,084	57,934,314
Germany	6,592	41,002,913
UK	1,020	8,726,378
Bulgaria	893	5,615,354
Spain	84	538,228
Lithuania	42	407,469
Lanolin	219	1,386,980
UK	126	864,476
Belgium	79	232,540
Germany	11	271,464
Ireland	3	18,500
Reptile skins	42	13,595,757
France	36	13,325,416
Italy	2	243,348
Spain	4	26,993
Reptile Leather	/	2,289,573
France		1,268,210
Italy		1,021,363
Bovine Skins	6,748	21,822,602
Italy	6,747	21,815,657
Germany	1	6,945

Looking at the CITES database, it seems the skin and leather products mostly come from several species of crocodile (*Crocodylus niloticus*, *Crocodylus porosus*, *Alligator mississippiensis*), with a small portion also originating from Vietnamese pythons (*Python bivittatus*).

² Lanolin is wool grease that is refined and incorporated into many commercial preparations.

³ HS code 410320

⁴ HS code 411330

⁵ HS code 410411



AUSTRALIA'S ANIMAL PRODUCTION

In 2017, Australia was the country hosting the most sheep in the world, just behind China, with 72 million heads. The country slaughtered 29 million that year. It is also the 12th country in terms of cattle (25 million heads). The country's production of poultry meat and eggs is smaller and reserved mainly for the domestic sector (only 1% of the poultry meat consumed in Australia is imported). According to the FAO, however, 652 million chickens were slaughtered in Australia in 2017, as were 5 million pigs.

Even though Australia is a rather small player in the poultry meat sector on the global stage, production has increased consistently over the past few decades. From 2007-8 to 2017-18, the amount of poultry meat produced went from 797,280 to 1,238,000 tons, and the number of chickens slaughtered from 458 to 664 million.⁶ Australia also had the highest amount of consumers of chicken meat on a per *capita* basis. Laying hens amount to around 16 million heads.

Australia houses around 1.6 million dairy cows on over 5,000 farms, mostly pasture-based. The number of these farms has reduced by a quarter over the past 25 years, confirming a trend towards larger and more intensive operations of more than a thousand dairy cattle.⁷

⁶ <http://www.chicken.org.au/facts-and-figures/>

⁷ <https://www.dairyaustralia.com.au/industry/farm-facts/dairy-at-a-glance>

ANIMAL WELFARE IN EU – AUSTRALIA TRADE NEGOTIATIONS

This section will review the state of play of animal welfare in Australian sectors that are key exporters to the European Union, as well as in the sectors that are sizable at a global level, regardless of whether and where products are exported.

IMPORTS TO THE EU

1. Bovine meat

State of play

In 2017, Australia was the EU's second source of imported fresh or chilled beef, behind Mercosur (with 16,500 tons). Over the past decade, these imports have steadily increased from 6,200 tons in 2007 up to 22,500 tons in 2015, before decreasing slightly. Australian exports of fresh beef into the EU mostly go to the Netherlands (10,399 tons), the UK (2,887 tons) and Italy (2,159 tons).

Currently, "high quality" Australian beef can enter the EU market preferentially, using either the "Hilton" tariff-rate quota or the "hormone-free beef" tariff-rate quota. Australia has, under the Hilton quota, a yearly allocation of 7,150 tons of high quality beef that can enter the EU market paying only 20% of tariff. In the past 5 years, it has used around 98% of this allocation.⁸ The criteria set by the EU for the Australian portion of the Hilton quota refer to Australian regulations categorising meat by the age and teeth of the animals.⁹

The "hormone-free beef" quota is even more interesting from a commercial point of view, as it sets an amount of 48,200 tons of "high-quality beef" allowed to enter the EU market duty free. This quota is granted *erga omnes* (to all WTO partner countries), as long as the meat fits the description contained in the EU regulation. Unlike the Hilton quota, this definition is unique and was set, at the time the quota was created, to fit US industry. It indicates that the animal must have been "fed a diet, for at least the last 100 days before slaughter, containing not less than 62% of

concentrates and/or feed grain coproducts." Such an obligation translates into the necessary use of feedlots and thus the confinement of animals. It is more difficult to collect data on the usage of the "hormone-free beef" quota, but it seems that Australia exported around 13,000 tons under it in 2017,¹⁰ and used around 36% of the quota (17,000 tons) in the previous year.¹¹

Animal welfare concerns in the sector

There is no species-specific legislation on cattle either at the EU nor the Australian federal level. However, in the EU the general farming directive, the calves directive, the regulation on welfare at the time of killing, and the transport regulation all apply. Another source at European level is the Council of Europe's Recommendation Concerning Cattle, although this is not legally binding. Finally, several Member States have introduced more specific legislation on mutilations in livestock on the basis of the principles laid down in the general farming directive.

In January 2016, the Agriculture Ministers of all the Australian states adopted the Australian Animal Welfare Standards and Guidelines for Cattle, including rules on calves. However, these rules still need to be translated into state-level regulations to become enforceable, and at the moment, while many states have designed plans to do so, this has not been achieved yet.¹² The content of these new rules have been criticised by Australian animal protection organisations, who described the process as dominated by the industry. Many unacceptable practices, without any requirement to use pain relief at the age at which these mutilations usually occur, will still be allowed under such rules. Primary examples include:

⁸ <http://www.agriculture.gov.au/export/from-australia/quota/usage/historical-eu-us-red-meat-quota-position>

⁹ "Selected cuts obtained from steer or heifer carcasses which have been classified under one of the following official categories "Y", "YS", "YG", "YGS", "YP" and "YPS" as defined by AUS-MEAT Australia. Beef colour must conform to AUS-MEAT meat colour reference standards 1 B to 4, fat colour to AUS-MEAT fat colour reference standards 0 to 4 and fat depth (measured at the P8 site) to AUS-MEAT fat classes 2 to 5."

¹⁰ <https://www.beefcentral.com/trade/export/australia-at-risk-of-losing-valuable-eu-beef-access/>

¹¹ <http://beefandlamb.ahdb.org.uk/market-intelligence-news/eu-autonomous-beef-quota-spotlight/>

¹² <http://www.animalwelfarestandards.net.au/cattle/>



- **Dehorning**, said to be one of the most painful practices. It was recently estimated that 2.1% of calves die after dehorning, usually due to blood loss, but sometimes due to infection.
- **Spaying** of northern cattle. Pain relief is required for flank spaying, but the Willis technique will continue with no pain relief.
- **Disbudding** of dairy replacement heifer calves does not require pain relief, and even caustic chemicals are permitted.
- **Castration.**
- **Branding** (other than face/head branding).

There is no binding obligation pertaining to these practices in EU law, but the Council of Europe Recommendation Concerning Cattle provides some guidance. For instance, the text allows for disbudding by cauterisation (chemical or thermal) to be carried out within the fourth week of life without compulsory pain relief by trained staff. However, dehorning *per se* should only be carried out by a veterinarian under pain relief. In general, the text recommends that “procedures in which the animal will or is likely to experience considerable pain” are “carried out under local or general anaesthesia by a veterinary surgeon or any other person qualified in accordance with domestic legislation”, adding that “these procedures include spaying, dehorning and disbudding by surgical means or by heat cauterisation on animals over four weeks of age, and should include castration and vasectomy.”

Regarding calves, the EU’s directive and the new guidelines adopted by Australia appear quite similar, banning confinement in individual pens and veal

crates, imposing a minimum size for groups, and keeping a specific diet.

Australia does not have a specific federal act on slaughter practices, but the relevant standards are included in legislation enacted at state level, for instance on domestic consumption, or at federal level for exported meat. In addition, the EU imposes rules on animal welfare at the time of killing that must be respected for products to enter the EU market. This system is applied through a certification scheme for non-EU slaughterhouses.

Cattle in the EU are often believed to spend their entire life on pastures. However, this is an overly optimistic depiction of the reality. Only Ireland and France, which slaughter roughly 30% of the cows used to produce beef in the EU, offer seasonal grazing opportunities. In the winter, and all year long in other countries, animals are mostly kept inside, eating grain. These animals are kept in sheds rather than feedlots, although that practice is also slowly rising. In Australia 40% of bovine meat production derives from cattle which have been finished on a grain diet, and thus confined in feedlots. The figures reported in the previous section in relation to Australian bovine meat exports to the EU reveal that around two third of Australian beef imports usually enter the EU market using the “hormone-free beef” quota and therefore respect the criteria set by the EU in that quota. This means that most animals used to produce the meat exported to the EU were finished in feedlots.

WELFARE OF CATTLE RAISED IN FEEDLOTS

In intensive production systems, the average period cattle spend in a feedlot is between 50 and 120 days, which corresponds to 10-15% of their lifespan. Confining cattle on feedlots and feeding them with highly concentrated grain diets adversely impacts animal health and welfare, in addition to harming the environment and threatening public health. Cattle finished on feedlots disproportionately suffer from respiratory diseases, the number one cause of mortality in these systems, followed by digestive problems, calving, and death resulting from extreme weather conditions.

Animals mainly suffer from feedlot dust pneumonia, an infection caused by exposure to fine dust, especially in dry weather conditions, and endotoxins from dried manure, combined with heat stress and metabolic disorders. Viral and bacterial infections can also cause respiratory diseases, which find fertile grounds in animals with weak immune systems.

After respiratory diseases, grain overload (acute rumen acidosis) is the most common disorder among feedlot cattle. Because their digestive system is best suited to roughage provided by grass-based diets, the most natural way for cattle to eat is to graze throughout the day. Digestive disorders can also cause bloating, and if persistent, liver abscesses, parakeratosis and foot disorders such as laminitis. Animals will display reduced rumen activity, accumulation of fluids in the rumen, and other symptoms such as diarrhoea and dehydration, infections of the lung, the heart, and/or the kidney, and neurologic symptoms due to the toxic effects of blood acidosis on neurons. Cattle confined on feedlots can also suffer from both heat and cold stress.

The health and welfare problems in feedlot-finished cattle are interconnected. Firstly, the high-grain diet causes digestive and metabolic disorders, which are per se potentially fatal. Secondly, this diet, which is formulated to fatten animals faster, compromises their ability to control their thermoregulation. Extreme weather conditions – rain, mud and/or heat waves, which cause dust or mud on feedlots – further expose the animals to various health and welfare problems.

In Australia, roughly 40% of cattle is administered Hormone Growth Promoters. The EU has banned the import of meat produced with the help of such hormones since 1989,¹³ a position reiterated in the recent compromised EU regulation on veterinary medicinal products. This means that the meat originating from farms using growth promoting hormones cannot be exported to the EU. It is still a difference in practice that should be tackled, considering the impact growth promoters can have on the welfare of animals (see box).

GROWTH PROMOTERS IN THE DAIRY SECTOR

While more studies should be carried out in different industries, the research that has already been conducted, mostly in the dairy sector, on the impact of recombinant bovine growth hormone (rBGH) on dairy cows has led to worrying results. The use of rBGH was found to correlate with increasing cases of mastitis (inflammation of the mammary gland), one of the leading causes of cow mortality. This could be due not to the hormone per se but to the increased productivity triggered by its use. Mastitis puts the cows under terrible udder pain and provokes fever and depression. Other effects such as increased lameness, digestive or skeletal disorders were also observed, as well as irritation at the point of injection, resulting in swelling or in other complications such as draining, lesion or hematoma.¹⁴

Under such treatment, cows are also more prone to heat stress, which has also been observed in beef cattle, even though there have been fewer studies in that sector. The use of beta-agonists such as zilpaterol or ractopamine has been reported to trigger severe heat stress and thus mobility issues in hot climates. Observers also noticed a behavioural impact that could indicate pain (animals pushing and lying on their sides).¹⁵

In addition, growth promoters divert the resources used by the animal to maintain itself towards speedy growth, which can make the animal hungrier and more vulnerable to poor management.¹⁶

¹³ [Council Directive 81/602/EEC](#) (31 July 1981)

¹⁴ HSUS, *An HSUS Report: Welfare Issues with the Use of Hormones and Antibiotics in Animal Agriculture*, January 2016

¹⁵ Ibidem

¹⁶ WAP & HSI, *Beef Production in the EU and the US*, 10th July 2014



2. Sheep industry (meat and wool)

Sheep meat

Australia is the EU's second source of sheep meat (15,170 tons in 2017), behind New Zealand (116,684 tons in 2017). Over the past decade, Australian sheep meat exports have slightly decreased (18,000 tons in 2008), but their value has increased (from 78 to 97 million EUR). These exports are mostly going to the UK, then to the Netherlands, France, Germany and Belgium. Roughly 86% of sheep meat consumed in the EU is imported, and Australia represents a little less than 10% of those imports.

Sheep meat from Australia already enters the EU duty-free thanks to the opening in 2011 of a tariff-rate quota by the EU dedicated to the product. This TRQ¹⁷ allocates 19,186 tons of duty-free sheep meat exports to Australia, and according the Australian Ministry of agriculture,¹⁸ it has been used at around 98-100% for the past 10 years.¹⁹ In the case of Brexit, the EU is planning to maintain 20% of that volume, reflecting the consumption patterns in the EU over the past 3 years (3,837 tons). This process has not yet been approved at WTO level.

As the quota has been fully used for the past decade, one can expect any additional preferential volume granted to Australia during negotiations to be used.

Wool products

Australia is the EU's first source of wool, not carded or combed, with New Zealand closely behind (32,000 and 29,000 tons). Australian wool exports are much more valuable (260 million EUR versus 110 million EUR for New Zealand). Since 2003, EU wool imports from Australia have been reduced by three-quarters, with 70% of Australian wool exports now going to China. It is interesting to note that it is likely that some products made with Australian wool sent to China finish up in the EU. Even if the tariff imposed on this product by the EU is currently null for all WTO members, wool remains an important topic to raise with Australia. This is because of a practice still imposed on most Merino sheep in the country called mulesing.²⁰

Animal welfare concerns in the sector

Mulesing consists of farmers or contractors removing strips of the sheep's skin located near the buttocks in order to prevent the infection by a particular fly. The wool located near the buttocks, if particularly wrinkly, can retain feces and urine, which attracts flies that can transmit myiasis (caused by blowfly strike), a deadly disease very painful to the sheep. As the scarred tissue that grows back reduces wrinkles and wool growth, the area remains cleaner and will reduce the risk of flystrike. Mulesing is performed by farmers and contractors with no need for accreditation or training, and there is no

¹⁷ Commission Implementing Regulation (EU) 1354/2011 [opening annual Union tariff quotas for sheep, goats, sheepmeat and goatmeat](#), 20 December 2011.

¹⁸ <http://www.agriculture.gov.au/export/from-australia/quota/usage/historical-eu-us-red-meat-quota-position>

¹⁹ Figures from sheep meat exports from AUS (19,092 tons) and imports in the EU (15,159 tons) are in conflict, but it is not unusual for statistics to be a bit inconsistent or pending slight adjustments.

²⁰ The term comes from the name of the person who developed the method, John Mules.

legal requirement to use pain relief, even though pain relief agents are now readily available.

The issue of mulesing is a complex one, as myiasis/ flystrike is very painful to the sheep. However, there are alternative practices to better protect the sheep against the disease. Selective breeding of flocks to reduce skin wrinkle is proving successful, but only a small portion of farmers are adopting this approach. In addition, better management practices could be applied, such as “crutching”, clipping the area of wool regularly to prevent the development of dirty, fly-attracting wool (dags). Australia’s neighbour, New Zealand, has recently approved a legal ban of mulesing following a voluntary movement among its producers. At the moment, the recently endorsed Australian Standards and Guidelines for Sheep still approve the practice.

Besides mulesing, another practice is still not banned in Australia: the group “shedding” of sheep. Most sheep used in meat or wool production in Australia are kept outside and raised in extensive conditions, while in the EU the landscape is more diverse (ranging from extensive to intensive indoor productions). It appears that there are no more Australian producers still using individual pens (the practice has been banned under standards adopted in 2016), but sheep may still legally be confined in group pens in sheds. These groups of sheep are used to produce ultra-fine wool and are kept in sheds to ensure stricter control of the animals and their nutrition.²¹ Shedding can lead to several animal welfare-related issues: lack of social behaviour, inappropriate nutrition, lack of space to express natural behaviour, etc.

3. Horsemeat

The amount of horsemeat imported into the EU from Australia has been rising the past decade, after falling from around 400 tonnes in 2008 to only 62 tonnes in 2014. It reached 1,439 tonnes in 2018, overtaking Canada to become the EU’s third source. The main importer in the EU is Belgium, then France and the Netherlands. Apart from Europe, Australian horsemeat also goes to Russia, Switzerland, Singapore and Japan.

Australia only has two slaughterhouses certified for the slaughter of horses for human consumption (Caboolture in Queensland and Peterborough in South Australia), and a Belgian company owns the largest

one.²² It is estimated that these slaughterhouses handle an estimated 700 horses per month.

Many horses ending up in the Australian slaughterhouses are former racehorses,²³ many of which are still young and healthy.²⁴ It is difficult to estimate the exact portion of those horses slaughtered that are from the racing industries but given the large number of foals born for racing each year (17,000+ Thoroughbred, and 9,000+ Standardbred), the high attrition rate in the industry, and the constancy of the number of horses in the racing and breeding sectors of the industry, that portion is likely to be significant. A study by Doughty (2008) found that 52.9% of horses studied at one Australian export abattoir carried brands indicating they were of racing origin and a further portion fitted the breed specifications for racing horses, but had no brand, indicating that perhaps they were discarded before being registered to race). Many animal protection organisations in Australia criticise this practice and call for more responsible breeding methods to be implemented.

Animal welfare concerns in the sector

Having only two slaughterhouses available in such a vast country implies that the horses are likely to have traveled a long distance prior to slaughter. The journeys can be over several days, going all the way from Victoria to Queensland or South Australia by truck, and the herding and holding of the horses together can lead to aggression, fear and injuries.

The long distance transport of horses (for human consumption) is not well monitored or regulated. Travel is usually stressful for horses, and research shows that even a travel of 6 hours causes suppression of the immune system (an indicator of welfare problems). The ‘land transport of horse’ Standards in Australia allow horses to be ‘off water’ for 24 hours, and their journey can actually be extended to 36 hours if water is provided (which is unusual and rare) and sometimes up to the full 48 hours or longer given the lack of enforcement – i.e. drivers must sleep and so the horses remain on board during that time, without food or water.

The consumption of racehorses is also problematic as most are routinely injected with drugs, the use of which can be prohibited in the raising of horses for human

²¹ <https://kb.rspca.org.au/knowledge-base/what-are-the-animal-welfare-issues-with-individual-housing-of-sheep>

²² Thompson, Tuck, *Australian slaughterhouses face uncertain future if European horse meat scandal reins in exports*, The Sunday Mail, 23 February 2013

²³ Doughty, Amanda, *An epidemiological survey of the dentition and foot condition of slaughtered horses in Australia*, June 2008

²⁴ ibidem

consumption in the EU.²⁵ Back in 2012, the EU's Food and Veterinary Office underlined unresolved issues with the mechanisms established to ensure the traceability of horses: *"In general the national requirements for holding registration and animal identification are fulfilled. However, no changes in the identification procedures of horses occurred. The identification, at least six months prior to slaughter, is not achieved and the link to the guarantees provided in the Horse Vendor Declaration (HVD) cannot be verified, in all cases, where the horse has had more than one owner in the six months prior to its first sale for slaughter. A comprehensive approval procedure for establishments listed for export of products covered by the scope of the audit is in place. However, in several cases the EU listing had not been updated."*²⁶ The report recommended for Australia *"to ensure that the identification of horses, at least six months prior to slaughter is achieved and to ensure the reliability of the guarantee that horses are not treated with the essential substances included in the Annex of Commission Regulation (EC) No 1950/2006, during the 180 days prior to slaughter."* In 2015, a new audit report addressing only the control of residues and contaminant considered the issue handled but still recognised that *"the occurrence and follow-up of non-compliant residue results serve to illustrate general weaknesses in verifying information provided in horse vendor declarations accompanying horses to slaughter."*²⁷

ANIMAL WELFARE CONCERNS IN OTHER SECTORS

Australia is an important producer of several animal-based products that it does not export to the EU. However, as the EU has been including provisions on animal welfare cooperation in its FTAs since 2002 (and the EU-Chile association agreement), it is important to consider which sectors are key in Australia. In such sectors, the impact of any legislative improvement that could result from EU-Australia cooperation on animal welfare could be huge.

As described in the section on Australian animal production, Australia slaughters over 600 million animals a year, most of which are intensively raised. Of the 710 million animals slaughtered in 2017, 652 million were broiler chickens, which in Australia are farmed in large sheds, in total confinement. Shed sizes vary, but a typical shed is 150 metre long and 15 metres wide, and crams in around 40,000 broiler

chickens. The largest can hold up to 60,000 chickens. Usually they are overcrowded (up to 40kg/sqm). Even those chickens now raised 'free-range' (as consumer demand has increased) will usually only have access to an outdoor area for up to half their short lives, as they are kept indoors until feathered. The industry practices selective breeding for fast growth combined with artificial lighting, and uses antimicrobials to accelerate growth even more.

In 2017, there were 16 million hens in Australia. Most of these birds are confined to small wire cages in which they are unable to perform most of their natural behaviours, confined row after row in large sheds with thousands, or even hundreds of thousands, of other hens. Australia is currently reviewing its "Model Code of Practice for Poultry" but a move away from conventional cages is unlikely to be adopted. In addition, the code – while meant to be applicable at federal level – will still have to be implemented by the states, which could decide not to apply it.

Finally, Australia slaughters around 5 million pigs per year. Around 90% of pigs are raised in intensive indoor production systems, where some of the main welfare concerns for the piglets include tail docking, teeth clipping and castration. A primary concern for breeding pigs is the confinement of sows in gestation stalls and farrowing crates, which causes adverse mental and physical symptoms by severely restricting the pigs' movement and their ability to perform natural behaviours, and causing lameness, injuries and reduced bone strength. Australia has not yet moved towards banning sow stalls or farrowing crates; rather, the current Code of Practice (adopted by some states) has restricted the use of sow stalls to 6 weeks of each pregnancy since 2017. A voluntary (total) phase out has been proposed by the industry, but an estimated 10 to 20% of pig farmers are still using stalls. The Code is currently under review.

²⁵ Stayner, Guy, [Australian horse meat exports in doubt following standards complaint](#), ABC Australia, 21 June 2014

²⁶ Food and Veterinary Office (DG SANTE), [Final Report of an Audit carried out in Australia from 12 to 24 October 2012](#), 5 November 2013

²⁷ Food and Veterinary Office (DG SANTE), [Final Report of an Audit carried out in Australia from 2 November 2015 to 13 November 2015 in order to evaluate the control of residues and contaminants in live animals and animal products including controls on veterinary medicinal products](#), 22 March 2016

WILDLIFE CONSERVATION AND WELFARE ISSUES

AUSTRALIA – A BEACON OF WILDLIFE, AT RISK

Australia is home to more species than any other developed country, most of them endemic. However, it is also one of the countries with the highest loss of mammal species in the world: 1 out of 3 mammal extinctions in the last 400 years has occurred in Australia²⁸. Over the past 200 years, it has even been the country with the highest losses, with around 50 species. In 2016 the first extinction due to climate change took place in Australia, wiping out a rodent, the Bramble Cay Melomys. According to academics involved in the conservation work at governmental level, this extinction could have been prevented and exemplifies the poor management of threatened species in Australia.²⁹



Two Australian states also implement ‘shark control’ programmes using shark nets and drumlines to protect swimmers from these animals. As well as being ineffective for the purpose, these nets and drumlines catch large numbers of endangered wildlife, such as green turtles, rays or dolphins, as well as endangered grey nurse or hammerhead sharks. Sharks are tremendously important apex predators in the oceanic ecosystem, and many of the at-risk species have not been sufficiently protected. In March 2018 the Australian Environment minister decided to still allow fishing and exports of meat and fins of three species considered endangered or vulnerable to extinction by the International Union for the Conservation of Nature. Shark finning, which has been technically banned in the EU since 2013, is illegal in all jurisdictions in Australia, but the fines applied are too low to act as a deterrent. Australia also allows the import of shark fins (23 tons in 2013), the origin of which is impossible to trace.³⁰

THE CASE OF KANGAROO PRODUCTS

The EU is the main market for Australian kangaroo meat, with exports amounting to around 2000 tons in 2017, mostly going to Germany, Belgium, the Netherlands and France. The killing of kangaroos is the largest slaughter of terrestrial wildlife for commercial purposes, and raises concerns in terms of conservation and welfare of the animals, as well as in regard to public health. As kangaroos often feed at night, shooting takes place at night away from scrutiny, when non-lethal shots are inevitable and often cause horrific injuries. Up to 40% of kangaroos that are commercially killed are not shot in the brain as required, but in the neck or in the body. In 2015, this represented up to 652,839 animals, not counting the many that are hurt and escape, only to die after suffering for weeks sometimes.

When females are shot, the national Code of Practice calls on shooters to “crush the skull and destroy the

²⁸ <http://www.australianwildlife.org/wildlife.aspx>

²⁹ Cox, Lisa, ‘A national disgrace’: Australia’s extinction crisis is unfolding in plain sight, The Guardian, 12 February 2018

³⁰ Van Extel, Cathy, [How involved is Australia in the global shark fin trade?](#), ABC, 18 June 2015

brain” of joeys that are left in the female pouch. According to research, this is mostly done by swinging their heads against a vehicle. If not put to death in this cruel and violent way, many are simply left to die from exposure, starvation and predation. Older joeys, out of the pouch but still dependent, are required to be shot, but often flee when their mother is shot and are then abandoned. Deaths of joeys are not recorded but were reported to amount at least to 110,000 in 2015 (likely an underestimate).

Kangaroos are butchered in the field without supervision, and transported – sometimes all night long – in unrefrigerated open trucks exposed to dust, flies and, often, high temperatures. Tests in Australia have shown high levels of salmonella and *E. coli*, as well as the routine use of acetic acid to hide the systemic contamination. Recent tests in European countries have shown in all samples traces of lactic acid, which has not been cleared by the EU Food Safety Agency (EFSA), and worrying levels of salmonella and *E. coli*.

In addition to the cruelty of this practice, there is also a potential risk for the conservation of hunted species.

The shooting of kangaroo kills around three million kangaroos a year. While the kangaroo is often characterised as abundant and a ‘pest’ in Australia, analysis have shown that there are flaws in the survey method used by the government, leading to an inflation of the population estimates, on which a 15–20% quota is defined. The quota that are set are thus likely to be higher than the maximum rate at which wild populations grow in optimal conditions. Already, local and regional extinctions have been observed throughout the country.

ANIMALS IN SCIENCE

Australia has reasonably high standards for animals used in science; NGOs consider this field the most regulated in terms of animal use. Similarly to the EU, Australia has now adopted a ban on animal testing for cosmetics.

Both countries could thus cooperate on how to further promote the adoption of 3Rs and improve the collection and collation of statistics of animal use in research, science and teaching activities. They could also act together in international fora to promote an international ban on animal testing for cosmetics.



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DEMANDS FOR THE EU – AUSTRALIA FTA

Beyond strong and detailed provisions on future animal welfare cooperation between the partners aiming at regulatory alignment, the agreement should also include, where possible, conditional liberalisation mechanisms providing trade preferences only for products that respect standards equivalent to those used in the EU. In addition to serving as an incentive for Australian producers to increase their animal welfare standards, conditional liberalisation would contribute to better alignment with the wishes of EU citizens – 93% want to see imported animal products respect EU equivalent standards – and to ensure a level playing field for European producers.

The agreement should include a recognition by the partners that each should be entitled in the future to condition access to their own market to the respect of animal welfare standards equivalent to those applied within their territory. This would consolidate the EU's (and Australia's) right to regulate in favour of higher animal welfare standards (which would also apply to imported products) by reducing the fear of seeing the new rules challenged at the WTO.

ON THE BEEF SECTOR

In general, Eurogroup for Animals is concerned about the indirect consequences of allowing further preferential access to the European beef market. European beef producers are already struggling with the effects of other trade agreements, as well as a dwindling demand for beef on the internal market. As well as putting the sector under significant strain, these challenges have resulted in successful efforts to increase EU exports of live cattle towards third countries such as Lebanon, Turkey, Algeria, and Israel, where after harrowing journeys the animals are slaughtered in patent violation of even the most basic OIE standards.

Almost all Australian beef imports enter the EU market at a preferential rate (either 20% tariff or duty free), using two specific tariff-rate quotas (TRQs) on “high-quality” beef:

- the Hilton TRQ, with a specific volume allocated to Australia (7,150 tonnes) at a preferential tariff of 20%. The criteria set by the TRQ link to Australian legislation and refer to physical characteristics of the carcasses.
- the “hormone-free beef” TRQ, which is currently at 45,000 tonnes, and is open to every trade partner respecting the criteria established by the TRQ (*erga omnes*). The definition set by the TRQ implies that animals have to be fed with a diet of at least 62% grains – which is detrimental to the welfare of ruminants – for a minimum of 100 days. Animals are thus very likely to have spent at least 100 days on feedlots.

As Australia fully uses these two existing TRQs, any additional volume granted to Australia is likely to be fully used as well. The EU is currently re-negotiating the “hormone-free beef” TRQ with the US, and aims to allocate more than two thirds of its volume solely to US producers. Opportunities will thus decrease for Australian producers, and the EU will probably offer to compensate that loss through the establishment of a new TRQ in the context of the Free Trade Agreement (or by decreasing the in-tariff of the Hilton quota – currently at 20% – to zero, as it did with Canada). Considering the grain-based diet obligation contained in the “hormone-free beef” TRQ, which is detrimental to the cattle's welfare, the EU should push for the criteria set by any new TRQ established with Australia to favour producers that respect higher levels of animal welfare standards. At the moment, the definition contained in the Hilton quota only refers to physical characteristics of the carcasses, which, while not implying any negative impact on animal welfare, does not serve as an incentive to promote higher welfare, either.

ON THE SHEEP SECTOR

Despite the existence of the TRQ on sheep meat (already allowing duty-free access to 19,000 tons of sheep meat), the EU should negotiate that any increase in volume should go hand in hand with higher welfare conditions, notably on transport. The time off food and water allowed for sheep in that context is 48 hours, a journey that can be reproduced several times when the sheep are sold in sale yards. In addition, the lack of use of pain relief for procedures such as castration or tail docking is an important issue.

European consumers do care about mulesing in the wool sector, as recently shown by the decision of an important group of Italian wool processors to stop buying wool from mulesed sheep³¹. To date, Australia has developed a system of certification displaying whether sheep were mulesed or not, but it rests on statements made by producers rather than on regular audit checks. The EU needs to address this issue and convince its partner it needs to move away from this cruel practice.

ON THE TRADE AND SUSTAINABLE DEVELOPMENT CHAPTER

The EU must thus work towards the inclusion of a ground-breaking Trade and Sustainable Development (TSD) chapter in the future EU–Australia Free Trade Agreement, with proactive and detailed language on wildlife conservation and fighting illegal wildlife trafficking, and on the link between improved animal welfare and sustainable agriculture and aquaculture.

Regarding wildlife, the EU must build up on the stronger language included in the modernised EU–Mexico Global Agreement, notably on promoting the inclusion of new species in CITES and fighting the spread of invasive alien species. The EU should also consider species-specific commitments and strong provisions on deforestation – a clear driver of biodiversity loss.

Special attention should be paid to the trade in exotic pets. Although CITES is a powerful tool to reduce or even ban the international trade of threatened species, there are several criminal ways to circumvent it – export quotas may be systematically exceeded or inappropriately set. A lack of knowledge and expertise on certain species, especially reptiles, also contributes to an increase in the trade of more endangered species.

In addition, many species that deserve to be protected under CITES are not, and even if they are protected under Australian law, their trade in the EU would be deemed legal. To avoid such a situation, Eurogroup for Animals recommends that both partners move towards a “positive list” approach, listing all species that can be traded rather than those that cannot. Such an approach would facilitate enforcement by the customs authorities and ensure a more precautionary procedure is adopted towards species about which not much is known at the moment.

The chapter should also contain a ground-breaking recognition of the link between sustainable development and animal welfare. While protecting animal welfare is essential to sustainable development in its own right (and is recognised as a dimension of a sustainable agriculture), it is also complementary to a number of other aspects of sustainable development. Among the UN Sustainable Development Goals (SDGs) set by the UN 2030 Agenda for Sustainable Development, several are either directly connected to animals or cannot be achieved without addressing animal welfare related issues. Intensive industrial farming is detrimental to animal welfare. It implies a confinement of the animals that intrinsically negates the possibility to respect their welfare, cramming them into tiny and barren spaces where they cannot express natural behaviour, and where they are more vulnerable to diseases. This type of farming also has a very negative impact on the environment (on air, water and ground pollution), on biodiversity (as related land-use changes lead to a loss of habitat), on antimicrobial resistance and on climate change (both as animals emit greenhouse gases and because of the related deforestation).

Frank discussions are also needed on kangaroo products, the cruelty of the practice, concerns regarding conservation and the risks for public health.

The TSD chapter must include strong enforcement mechanisms with last-resort sanctions, accompanied by a complaint mechanism open to stakeholders other than the Parties and by detailed road maps of issues that must be addressed by the countries.

In Australia there is now a momentum on both farm animal welfare and fighting the extinction of wildlife. The EU must seize this opportunity and support this movement to promote better animal protection and welfare in Australia.

³¹ Locke, Sarina, [Mulesing drives Italian wool processors to buy wool from other countries due to animal welfare issues](#), ABC Australia, 9 August 2017



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