Meeting of the sub-group on animal welfare labelling

Second meeting, 20 April 2022 (Videoconference)

MINUTES -

Attendance

Independent expert	Jarkko Niemi
	Eurogroup for animals
Civil society organisations	Four Paws
	CORA
	COPA
Business and professional	EMN
organisations	ERPA
	FVE
	Denmark
Member States	Germany
	Spain
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	CANTE OF
	SANTE G5
European Commission	SANTE F2

Discussions

The discussion were based on the presentation made by the Commission (in separate document).

1. Problem definition and the baseline

The group agreed on the points proposed by the Commission for the **problem definition** but some members also highlighted the following:

- 1. Farmers do not get a fair share of their efforts because retailers tend to have an excessive negotiating power.
- 2. Retailer are not keen for transparency to keep a certain flexibility on their supply chain.
- 3. Consumers' problems are the most important to address because consumer demand for choice is not sufficiently addressed.
- 4. There is a market failure to deliver good welfare standards and there is a need to find a balanced way to create more choice for consumers and incentives for farmers to improve standards. While legislation can address market failure with minimum standards, it does not give incentive for farmers. It is therefore useful to create a system that can reward farmers for their efforts.

5. Retailers also fear transparency because information on animal welfare may trigger more questions, especially on products where no information is provided.

Regarding **the baseline**, the group agreed that without EU intervention, the problem will not be solved. In particular, existing labels or claims, that are nationally based and link to national origin, have already difficulty to expand to other Member States. Some existing animal welfare labels have approved non-national products, but it remains complicated for farmers to comply with various national requirements, and it leads to a fragmented internal market. From consumer side, each label or claim tends to have different wording and standards which makes equivalency difficult, and the risk of confusion will remain or increase.

In addition, national labels tend to put forward improvements that are the easiest to comply in their national context and this makes the competition unequal. For example, in Spain surgical castration is not common and therefore claiming the absence of castration will be easy to publicise. Similarly, countries with high land availability would be at competitive advantage on free range claims against countries with little space for farming.

The group then concluded that, in absence of EU intervention, problems are unlikely to evolve favourably.

2. Option "Regulating animal welfare claims" and understanding of the option

The Commission presented shortly the understanding of this option referring in particular to the existing legislation on health claims as an example. While this option can vary depending on the level of details contained in the legislation, this option should be considered as the lightest version of an EU intervention. If the legislation was very prescriptive, this option would resemble more to a full label. In order to keep a distinction with the other options, this option should therefore be understood as providing relatively light requirements, focusing on key principles and some particular terms and claims.

This option could include protected terms but the level of details may vary. It does not exclude the fact that other options will also include protected terms. The organic farming regulation for example is a detailed label that contains clause for protected terms too.

3. Impacts of the option on the problem

The group agreed that this option could limit to a certain extent consumer confusion. However, some members of the group fear that without much details, claims will be possibly going in various directions (more space, or no confinement, no castration, etc.) without much consistency for the overall welfare of the animals. Since animal welfare is a multidimensional issue, individual claims may increase consumer confusion by proposing attractive wording that does not reflect overall positive improvements for the welfare of animals (both in terms of various dimensions but also along the production chain from farming, transport and slaughter).

However, it would be useful to investigate if the market today shows many individual claims (open air, free range, free from antimicrobials) compared to general labels with animal welfare attributes.

If such option wants to reduce confusion, standards should be more specific and terms strictly protected like it is the case for marketing standards for poultry meat.

The impact on the problem will also depend on how the claims will be assessed and checked. If the regulation is rather generic and assessment of claims is only verified when there are complaints (i.e. no regular controls by the authorities), the ability of solving the problems will be limited.

The impact will also depend on the way the regulation of claims will interfere with existing rules on marketing standards for eggs and poultry.

The positive impact of such option will depend on its ability to ensure a certain level of convergence among existing claims and labels.

The positive effect of the option on fair competition did not gather much support among the members. The impact on better competition will also depend on the extent to which the rules are detailed enough and can allow comparison between claims.

Because claims are voluntary, it might also put at disadvantages producers that are providing better welfare without embarking on specific claims. As any voluntary claims or labels, only the ones that embark into the scheme will be able to benefit of possible returns.

In any case, the group agreed that this option will not address some aspects of the problem, like the absence of choice in some Member States, the fragmentation of the internal market or the distinction for products imported from third countries with lower standards. In particular, because animal welfare status cannot be verified on the final product, checking claims on imported products will be very difficult, exposing the system to risk of frauds.

4. Impacts on stakeholders /other issues

The group considered that this option will have possibly negative impacts on operators since the market will be still open to many claims. This diversity will also hamper the authorities to ensure proper check on claims, and it will be expensive and require a lot of resources for the authorities to carry out an efficient control of claims if it has to be done preventively. However, if authorities verify claims only in case of complaints, then the work will be limited.

Retailers might be the most favourable to such options because of its flexibility.

5. How to refine the option

As regards the impact of adding a database or a mobile application to allow the comparison of claims, members of the group were sceptical on the effect of such tool. Similarly, the study on animal welfare labelling indicated that consumers are looking at the label of a product for information and very few use mobile application when shopping.

In case of a database, it would be also necessary to envisage a way to finance and manage it.

6. Overall conclusion on the session and next steps

The next meeting will take place on 18/5 and dates after summer will be proposed via DOODLE. It was suggested to have a presentation of the study on animal welfare labelling on ones of the next meetings.