INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have, including on possible impacts of the different options.

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<th>Revision of the EU legislation on animal welfare</th>
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<td>SANTE (Unit G5: Animal Welfare and Antimicrobial Resistance)</td>
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The Inception Impact Assessment is provided for information purposes only. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception impact assessment, including its timing, are subject to change.

A. Context, Problem definition and Subsidiarity Check

Context

EU animal welfare policy scope and principles derive from Article 13 of the Treaty on the Functioning of the EU, which recognises animals as sentient beings. Article 13 also recognises the need to respect the legislative or administrative provisions and customs of the Member States relating in particular to religious rites, cultural traditions and regional heritage.

The EU legislation on the welfare of farmed animals consists of a Directive concerning the protection of animals kept for farming purposes and four Directives laying down minimum standards for the protection of laying hens, broilers, pigs and calves; one Regulation on animal transport and one Regulation on the protection of animals at the time of killing. In other words, it regulates animal welfare at farm level, during transport and at slaughter.

The objectives of the EU legislation on animal welfare are to ensure by uniform application and enforcement the welfare of farmed animals, while at the same time allowing rational production and fair competition for EU business operators within the single market, and addressing expectations among citizens and consumers.

Under the Farm to Fork Strategy (F2F), the Commission committed to revise this legislation and consider options for animal welfare labelling. The purpose of the revision is to ensure a higher level of animal welfare, broaden the scope of the EU animal welfare legislation, align it with the latest scientific evidence and current political priorities as well as citizen’s expectations and make it easier to enforce. Animal welfare is a key component of sustainability in our food chain.

On 30 June 2021, the Commission announced in its reply to the “End of Cages” citizens’ initiative that it will put forward a legislative proposal to phase out and finally prohibit the use of cages for certain species in the EU.

The revision of the EU animal welfare legislation covers animals – including fish and fur animals – bred and kept for farming purposes, as well as cats and dogs insofar as transport for commercial purposes is concerned. It does not cover wild animals, experimental or laboratory animals (with exception for their welfare during transport) or any invertebrate animals.

To gather evidence to feed into such revision, the Commission initiated in 2020 a fitness check of the current rules on the welfare of animals at farm, during transport and at slaughter, to be concluded in 2022. While the fitness check is still ongoing, available information points to weaknesses in the design, implementation, compliance and enforcement of the EU animal welfare legislation. Among others, the current rules seem to be outdated in light of new science and technology, and the lack of clarity of certain provisions results in divergent transposition and implementation across the EU Member States. In turn, this creates an uneven playing field for EU business operators and poses additional challenges to a proper, effective and uniform enforcement by the competent...
In addition, consumers are not properly and clearly informed about the conditions under which animals are kept, and are thus prevented from making informed purchase choices of “animal welfare friendly products”. Several different animal welfare labelling schemes have emerged, providing unequal guarantees, confusing consumers and leading to unfair market conditions for businesses operating in different EU Member States.

Furthermore, as regards cats and dogs, the illegal trade of pets (companion animals) has been added to the list of environmental crimes the EU should tackle as part of its action against organised crime groups.

Possible solutions to the shortcomings (to be further) identified in the fitness check, and better synergies with other policy areas, such as the Common Agricultural Policy (CAP), the Common Fisheries Policy (CFP), climate policy and animal health policy will be analysed in an Impact Assessment. The different approaches proposed below consider also the role that animal welfare and subsequently animal health play in contributing to preserve biodiversity and food safety. They further take into account the extent to which animal welfare requirements impact market competition aspects and therefore influence the economic and social sustainability of farming and food production.

The role of external factors (such as international trade patterns and the EU framework legislation for official controls along the farming and food production chain) will be taken into account when refining and assessing the impacts of the different policy options.

**Problem the initiative aims to tackle**

Available information indicates that there are significant shortcomings related to EU animal welfare legislation in force, which result in sub-optimal levels of animal welfare for farmed animals, as well as for cats and dogs when transported for commercial reasons. While the problem definition will be refined once the final results of the fitness check will be available, a number of core problems have been identified so far as recurrent and “common” to the three areas of animal welfare at farm, during transport and at slaughter, as follows:

1) lack of clarity of certain provisions, leading to differences in the application of EU animal welfare legislation across the EU, resulting in distortions of competition and suboptimal animal welfare protection; For example, the roles and responsibilities of transporters and organisers are not clearly defined by the legislation, which occasionally leads EU Member States to refrain from taking action and to act in an inconsistent and uneven manner. Also, certain legal loopholes in the transport legislation, for instance as regards the current temperature requirements, prevent effective enforcement;

2) lack of tools to properly monitor, measure and report the result and impacts of the application of legislation;

3) poor management of animals due to the lack of appropriate skills/training and competencies of staff handling animals; lack of tools and resources to assess said skills and competencies;

4) current provisions are not futureproof, in that their design does not allow to adjust welfare requirements swiftly to scientific, technological and societal developments, and to exploit the opportunities offered by such developments. For instance, since the adoption of the Regulation on animal transport in 2005, there have been technical developments as regards vehicle equipment (ventilation, cameras, heat sensors etc.). Also, the breeding goals for higher productivity make animals of certain species considerably more fragile during transport (e.g. frequent bone fractures among spent hens), and current rules are not aligned with such developments. Furthermore, the digitalisation of the livestock systems has progressed and science has evolved, and so has societal demand, allowing for valuable production alternatives ensuring a higher level of animal welfare, e.g. on the alternatives to cages for several animal species and on stunning methods.

5) lack of sufficiently specific, updated and detailed requirements for the protection of certain animal species, resulting in an inadequate protection of the welfare of those species;

6) insufficient and uneven information to consumers on animal welfare standards applied to food producing animals to enable informed choices and low incentives for producers to achieve high welfare standards, including as regards imported products;

7) unmet expectations of parts of citizens and consumers in terms of protection of animals;

8) enforcement issues, further aggravated by the low quality of monitoring data and specific welfare indicators referred to in problem 2 above; Lack of coherent and strict enforcement by competent authorities of certain requirements, for instance those related to tail-docking of pigs and to exports of live animals to third countries. Also, for what concerns animal welfare during transport, the current system is to a large extent paper-based and declarative, in that it depends, to a great extent, on information provided by the business operator, and proves to be ineffective in allowing proper enforcement of the rules; There is lack of coordination on controls between authorities in the Member States involved, despite
the Administrative Assistance and Cooperation (AAC) system in the Official Controls Regulation (OCR), and implementation of remedial action following non-compliance is uneven across the EU Member States. Evidence available, for example, shows a lack of enforcement of existing rules towards EU operators concerning the leg of the journey in non-EU countries;

9) inconsistencies with other policy areas, such as the specific health status of animals intended for scientific purposes, the transport of end-of-career cows and the social rules on drivers’ resting time, where different objectives are difficult to reconcile.

In addition to the common issues above, some problems specifically concern the current EU rules on welfare of animals at farm level:

10) the use of Directives to protect animals at farms has contributed to a differing level of animal welfare between the Member States. While Regulations are binding in their entirety and directly applicable in all Member States, Directives are only binding as to the results to be achieved, leaving to national authorities the choice of forms and methods for their implementation. These variations in animal welfare standards have led to competitive distortions in the internal market.

In addition to the common issues above, some problems specifically concern the current EU rules on the welfare of the animals at the time of killing:

11) some requirements are not species-specific enough, e.g. as regards farmed fish.

12) certain legislative requirements are disproportionate to the objectives they pursue and are perceived as burdensome by operators, especially for small slaughterhouses.

In addition to the common issues above, problems related to the EU rules on labelling, and more generally, to information to consumers as regards compliance with animal welfare standards:

13) diverging labelling practices in several Member States and lack of homogenous information to consumers across the EU, which hampers a smooth functioning of the EU internal market.

14) lack of common methodology at the basis of existing animal welfare claims on certain food labels.

Without intervention, the above problems will continue to persist and are expected to grow, hindering further positive developments in farming and compromising the welfare and health of animals in the EU.

### Basis for EU intervention (legal basis and subsidiarity check)

Article 13 of the Treaty on the Functioning of the European Union recognises animals as sentient beings. Although not providing a legal basis for protecting animals, it creates the obligation of the Member States and the EU to ensure that the welfare requirements of animals are considered within the framework of certain EU policies, such as agriculture.

Legislation regulating animal welfare is based on Articles 43 and 114 of the Treaty on the Functioning of the European Union, providing for a legal basis for measures for working out and implementing the CAP and approximation of laws which have as their objective the establishment and functioning of the internal market.

The objectives of the EU legislation concerned by this initiative are to ensure a harmonised approach with regard to the protection of animals and their welfare, and to create a level playing field across the Union. This can be better achieved at Union level due to the trans-national character of the present system of keeping animals, where they are being transported from one Member State to another with hardly any limitations, and the important role of the EU internal market for the production and distribution of food.

### B. Objectives and Policy options

According to the F2F Strategy, the EU animal welfare legislation should be revised in order to meet the following general objectives:

- Ensure a higher level of animal welfare;
- Align the EU animal welfare legislation with the latest scientific evidence;
- Broaden its scope; and
- Make it easier to enforce.

Another general objective is to better meet citizens’ growing expectations, including as expressed in the European Citizens’ Initiative “End the Cage Age”.
In addition, the Commission is committed under the F2F Strategy to consider options for animal welfare labelling to better transmit value through the food chain.

In order to achieve such objectives, and pursue effectively sustainability objectives, the impact assessment will consider possible options per each of the different areas of welfare: during transport, at farm and at slaughter and combinations of options. A coherent approach will be ensured when refining and comparing options, taking into account possible synergies, overlaps and potential common solutions. The impact assessment will also look into possible simplification across the areas covered and policy options envisaged. A range of possible actions (“options”) is presented below.

### A) Animal transport

**Baseline**

Council Regulation (EC) No 1/2005 will continue to apply. However, without an intervention, the above problems will persist and may even grow. For instance, the gap between legal requirements and modern science as regards space allowances will continue to increase, to the detriment of the welfare of transported animals.

To address the identified problems, several policy options will be considered (and further refined or complemented depending on the results of the fitness check currently ongoing) in the impact assessment.

**Possible approaches to be developed to design policy options**

#### Space allowances, travel times and travel conditions (would address problem 4):

- **Option 1**: Update requirements in the light of new scientific evidence to increase animal welfare, as regards travel times and space allowances, *and minimum and maximum temperature limits*.

- **Option 2**: Update requirements in the light of new scientific evidence to increase animal welfare, as regards travel times and space allowances.

#### Live animal exports to non-EU countries (would address problems 7 and 8):

- **Option 1**: Prohibit the export of certain categories of live animals to non-EU countries in light of the difficulties of ensuring the compliance with animal welfare standards after the transport means has left the EU territory.

- **Option 2**: Make the export of live animals subject to specific conditions, such as an assurance systems (departure and arrival); training and competence requirements, requiring the presence of a veterinarian and the use of closed-circuit television (CCTV) on livestock vessels; conditions may also include a requirement that the third countries concerned apply acceptable standards of animal welfare.

- **Option 3**: Clarify the provisions applicable to the leg of the journey in third countries, and lay down training and competence requirements for transporters/organisers and vessel crews.

Any future measures the EU takes will need to comply with WTO rules.

#### Unweaned and other vulnerable animals (would address problems 4, 7 and 9):

- **Option 1**: Prohibit long journeys for unweaned and other vulnerable animals, to increase their welfare, while addressing existing enforcement issues.

- **Option 2**: Upgrade the requirements to the needs of unweaned and other vulnerable animals, including a compulsory veterinary inspection of the animals before and during loading, to increase their welfare, while addressing existing enforcement issues.

**Better monitoring and enforcement by introducing new technologies (would address problems 2, 4 and 8):**

- **Option 1**: Create an *EU central IT system* for digitalisation of certificates and authorisations, as well as for automatic checks of documentation through common algorithms, giving real-time access to data on journeys to competent authorities, including a *mobile app* and other tools to facilitate enforcement. Based on new technology,
this measure would comprehensively address existing enforcement issues.

Option 2: Require Member States to digitalise certificates and authorisations, and to establish a system for automatic checks through common algorithms giving real-time access to data on journeys to competent authorities. Based on new technology, this measure would address important enforcement issues.

Cats and dogs (would address problems 4 and 5):

Option 1: Introduce more detailed requirements for commercial cross-border transports of cats and dogs similar to the ones provided for the transport of other species such as cattle and pigs; e.g. inspection of the animals prior to departure, health certificates and approval of a journey plan and its registration in Trade Control and Expert System (TRACES). This measure would introduce specific animal welfare rules to cater for the specificities of cats and dogs.

Option 2: As above, with the addition of rules on space allowances, travel times, temperature limits.

Means of transports, adapted to new technologies (would address problems 2 and 4):

Option: Upgrade standards of livestock vessels (ship classifications and safety), and upgrade standards of road vehicles, including closed-circuit television (CCTV).

B) Animal welfare at farm level

Baseline

The current legislation protecting animals kept for farming purposes and laying down minimum standards for the protection of laying hens, broilers, pigs and calves, would continue to apply. The technical requirements set in the five Directives would be even more outdated in light of newly available science and technology. Moreover, this legislation would continue to rely on the “old-fashioned” principles of the “Five Freedoms”, and could not cater for developments stemming from the more modern animal welfare approach based on Five Domains: a) good nutrition, b) good environment, c) good health, d) appropriate behaviour, and e) positive mental experiences.

Possible approaches to be developed to design policy options

Five domains (would address problem 4):

Option: Introduction of common and comprehensive animal welfare principles and requirements, to ensure a high level of animal welfare based on:

a) good nutrition (e.g. adaptation of fibre for calves, such as hay),

b) good environment, (e.g. air quality, ventilation, humidity, temperature, fresh water),

c) good health (e.g. good controls of the animals by the farmer, appropriate treatments when needed, limitation of mortality by using resilient breeds of animals that are also resistant to external influences),

d) appropriate behaviour (e.g. perform natural behaviour, such as rooting, scratching, nesting, jumping, flying and exercising), and

e) positive mental experiences (e.g. social contacts, enrichment material).

Duty-of-care (would address problem 2):

Option 1: Standard operational procedures for larger farms based on risk areas for animal welfare (to be identified by the farmer), including harmonised farm records. This would allow improving competencies of staff dealing with animals, while simplifying controls and enforcement.

Option 2: as above, with standard operational procedures extended to all farms.

A prohibition on cages/stalls (would address problems 4 and 7):

Option: Prohibit the use of cages/stalls for all species referred to in the ECI “End the cage age” (i.e. pigs, laying
hens, calves, rabbits, pullets, broiler breeders, layer breeders, quail, ducks and geese to apply after certain transition period(s). This measure would update legislation in the light of scientific evidence, while ensuring a higher level of animal welfare for an important number of species.

The conditions for the prohibition of cage systems will be studied, taking into account animal welfare benefits, the social and economic needs of the farming sector in the EU, including of small farms, the international dimension, including trade aspects, and environmental aspects. In particular, this will assess the feasibility of working towards the proposed legislation entering into force from 2027 taking into account the support to farmers in this transition – financially and otherwise.

**Requirements for livestock farming systems** (would address problem 4):

**Options:** Measures to require increased outdoor access or increased access to fresh air will be considered.

**Increased space allowances** (would address problem 4):

**Options:** Increased space allowances, based on the latest scientific evidence and advice, as regards floor space and height.

**Mutilations** (would address problems 4 and 5):

**Option 1:** Prohibition of tail docking and/or castration and/or dehorning and/or beak trimming.

**Option 2:** Additional restrictions on tail docking, castration, dehorning and beak trimming, e.g. mandatory anaesthesia and analgesia.

**New species-specific animal welfare requirements** (would address problems 5 and 7):

**Option:** New species-specific animal welfare requirements on dairy cows (and possibly on rabbits, pullets, layer breeders, broiler breeders and day-old chicks) and with empowerments for the Commission to adopt at a later stage further, detailed rules on additional species – such as farmed fish – based on scientific evidence as it progressively becomes available.

**Imported products of animal origin** (would address problem 6):

**Option 1:** Similar animal welfare requirements to be applied at import and in particular as regards the use of cages in the EU.

**Option 2:** Labelling requirements providing EU consumers with information on whether imported products are obtained from animals (not) raised in line with EU animal welfare requirements, in order to ensure consumer information and raising consumers’ awareness, creating new opportunities for operators.

Any future measures the EU takes will need to comply with WTO rules.

**Fur animals** (would address problems 5 and 7):

**Option:** New requirements for fur animal farming to improve animal welfare conditions, in light of new scientific evidence and to improve enforcement.

**Animal welfare indicators** (would address problems 2 and 4):

**Option 1:** Further mandatory Animal Based Measures (in complement to Resource Based Measures) and thresholds for action, to facilitate compliance and enforcement.

**Option 2:** Further voluntary Animal Based Measures (in complement to Resource Based Measures) and thresholds for action, to facilitate compliance and enforcement.

**More precise terminology, definitions and requirements** (would address problems 1, 8 and 10):

**Option:** Common terminology, new definitions and directly applicable standards (in a Regulation, replacing Council Directive 98/58/EC) to support uniform implementation and effective enforcement.
Competence of animal handlers (would address problem 3):

Option: Training requirements for all handlers of animals.

C) Animal welfare at the time of killing

Baseline

Council Regulation (EC) No 1099/2009 will continue to apply and mainly remain unchanged. However, without an intervention, the above problems will continue to persist and may even grow. For instance, the gap between legal requirements and new science will continue to increase, to the detriment of animal welfare.

Possible approaches to be developed to design policy options

Water bath stunning (would address problem 4):

Option: Prohibit water bath stunning for poultry after a certain transition period, in light of new scientific evidence to reduce animal suffering.

CO\(^2\) Stunning (would address problem 4):

Option: Prohibit CO\(^2\) at high concentration as stunning methods for pigs, after a certain transition period in light of new scientific evidence to reduce animal suffering.

Electric prods (would address problem 4):

Option 1: Prohibit the use of electric prods for any species to reduce animal suffering, in the light of new scientific evidence.

Option 2: Limit the use of electric prods only to cattle, as pigs are more sensitive and younger when slaughtered.

Farmed fish (would address problems 4, 5 and 11):

Option 1: In the light of new scientific evidence, add species-specific provisions for the killing of the five main species of farmed fish (Atlantic salmon, common carp, rainbow trout, European sea bass and gilthead sea bream), and review current requirements which cannot be applied to farmed fish (such as individual monitoring and certain definitions) to better ensure the welfare of those species.

Option 2: In the light of new scientific evidence, add species-specific provisions for the killing of *European sea bass and gilthead sea bream* and review current requirements which cannot be applied to farmed fish (such as individual monitoring and certain definitions) to better ensure the welfare of those species.

Equipment (would address problems 2 and 4):

Option 1: Introduce a pre-approval system for stunning and restraining equipment *at EU level*, by the European Animal Welfare Reference Centers, to reduce animal suffering by ensuring the use of proper equipment.

Option 2: Introduce a pre-approval system for stunning and restraining equipment *at Member State level*, to reduce animal suffering by ensuring the use of proper equipment.

Approval of slaughterhouses (would address problems 2 and 3):

Option: Require the manufacturers’ instructions on the use of restraining and stunning equipment as a precondition for approval of slaughterhouses, to improve animal welfare by ensuring that staff is properly trained.

Simplification (would address problems 1 and 12):

Option: Across all options, consideration will be given to possible lighter requirements for small, local slaughterhouses where compatible with animal welfare standards (e.g. as regards the rules on monitoring and registration, visible indication in pens of date and time of arrival, and the calibration of equipment).
D) Animal welfare labelling

Baseline (Option 0).

There is no EU legislation on animal welfare claims or labelling. Some EU rules provide consumers with a certain degree of information on farming methods used and thus on the level of animal welfare protection during production. This is the case for EU rules on organic farming, which provide high animal welfare standards and for EU marketing standards for eggs in shell, which provide mandatory labelling requirements (indication of the farming methods). EU marketing standards for poultry meat define farming methods for broilers (and the possibility of voluntary labelling of the same). The rest of the information to consumers on animal welfare is based on national labelling schemes (when they exist) which follow various approaches and provide different levels of animal welfare protection.

If no action is taken, the provision of (some) animal welfare information to consumers will depend on the limited regulation above, and on (divergent) national initiatives, or on market forces (voluntary private labelling schemes). The prevalence of few national standards over the others might contribute to contain uneven national requirements and a proliferation of schemes which would be detrimental to cross border exchanges. However, there is no indication that this is happening and that it would eventually properly address consumers’ expectations.

EU system for animal welfare labelling (would address problems 6, 13 and 14):

Option 1: Regulating animal welfare claims. Under this approach, common minimum requirements for all animal welfare claims made on food on the EU market would be established, e.g. general principles and conditions of use, scientific substantiation.

Option 2: An EU animal welfare label, limited to cage/ non-cage systems. Under this approach, an EU animal welfare labelling would distinguish farming methods between cage vs non-cage systems during the transition towards the cage-free systems, with an approach similar to the one currently in place for eggs in shell. Under this option, the impact assessment will look into a compulsory vs voluntary scheme, with a main focus on fresh products.

Option 3: An EU animal welfare label, with key welfare criteria. Under this approach, an EU animal welfare label will be developed beyond the issue of cages (e.g. scheme governance, technical standards, verification of compliance, and logo/visual entity). Under this option, the impact assessment will look into a compulsory vs voluntary scheme, with a main focus on fresh products.

C. Preliminary Assessment of Expected Impacts

Likely economic impacts

The livestock sector and aquaculture contribute substantially to the European economy and represents a large share of rural and agricultural activity.

Upgrading EU animal welfare standards is expected to, in the short term, increase farm production costs, but will also bring tangible benefits such as better meat quality and food safety (evidence shows e.g. that an increased stocking density, larger farms and stress-inducing conditions result in increased occurrence, persistence and spread of Salmonella in laying hen flocks), something that both farmers and other business operators as well as consumers will profit from, also economically.

In addition, farmers will profit from higher productivity and cost-savings from a reduced use of veterinary medicines and other expenses. In turn, processors and retailers will profit from animals and products that are better aligned with their corporate social responsibility approaches.

Upgraded EU animal welfare standard will also bring additional costs. For instance, farmers will need to invest in new infrastructure and equipment, and will need to pay more for materials needed (feed and manipulable materials) as well as for staff (since more staff is needed to manage the farming activities, such as animal rearing, manure disposal). These additional costs are expected to be to a certain extent passed along the farming and food production chain, onto consumers who would then (have to) pay more for better quality food and in line with their animal welfare concerns and willingness to pay. The economic impact of the phasing-out of cages will depend on the length of the transitional period and the financial support to farmers.
On the other hand, improved animal welfare conditions will also provide economic opportunities by contributing to the segmentation of the market and responding to consumers’ demand and citizens’ concerns.

Growing consumer perception of the EU's sustainable production methods, provided through an EU animal welfare label, would improve the market position of products respecting animal welfare. Such a label would also empower consumers to make informed choices, and hence create new business opportunities.

In addition, upgraded and harmonised EU animal welfare standards will create a more level playing field and promote fairer competition among EU business operators on the internal market.

The scope of the application of EU animal welfare rules to imports must also be considered in the context of this economic assessment, notably the impact this requirement would have on non-EU countries, and in particular developing countries as well as the ability for EU consumers to make informed purchasing choices when exposed to (substandard) imported products. Animal welfare rules are linked to the process and production methods which in most cases are non-product related, which means that no discernible differences exist in the final products. In sum, EU measures applied to imported products must be compatible with relevant WTO rules.

The economic impacts of this initiative will be looked at in greater detail during the impact assessment and compared against data available for the baselines. One objective of the impact assessment will be to help identify a balance in the combination of options to increase animal welfare protection and economic sustainability at the same time.

### Likely social impacts

There is a clear societal demand to improve animal welfare. In the Eurobarometer from 2016, animal welfare was given an eight out of ten mark on average in terms of importance. While most citizens perceived that animal welfare had improved in their country, 77% still believed there is more to be done. Furthermore, many citizens felt that they lack the necessary information to distinguish between products on animal welfare grounds.

The phasing-out of cages will respond to the societal demand as expressed in the European Citizens' Initiative “End the Cage Age”, successfully submitted to the Commission in 2020.

The primary objective of the initiative is to improve animal welfare, based on the most up-to-date scientific evidence. Given the link between the health and welfare of animals and public health (“One Health”), the improvement of animal welfare is expected to have a positive impact on society at large.

For instance through a reduced need for veterinary medicines, which helps to tackle antimicrobial resistance. It may also contribute to the improvement of the social status of the livestock and aquaculture sector by responding to societal demands. Livestock production provides an essential contribution to the development of rural communities and the livelihood of many rural European regions and local businesses. Aquaculture creates jobs and economic development opportunities in the EU's coastal and rural communities.

Individually, better animal welfare can contribute to increased occupational health, safety and mental well-being of farm and slaughterhouse workers, while also enhancing job satisfaction.

Providing transparent information to consumers on animal welfare standard applied would facilitate informed choices for sustainable food.

### Likely environmental impacts

Well managed livestock and aquaculture systems provide several ecosystem services, and better animal welfare can (subject to certain trade-offs and a proper balance between protecting the environment and protecting the animals) contribute to

- Preservation of biodiversity, e.g. through grazing and use of old breeds.
- Reduction of air pollution, by reducing the emissions of greenhouse gases (GHG) and corresponding soil acidification, as well as by lowering the formation of secondary particulate matter.
- Reduction of water pollution and consumption, by reducing ammonia deposition and water waste related to animal rearing.
• Improvement of soil health, by reducing additional disturbances of environmental nutrient fluxes.

However, a more animal welfare friendly farming system could also result in increased land occupation and energy consumption, unless innovative solutions are applied.

The overall impact of the different options on the environment will be further assessed in the impact assessment.

The impact assessment will also consider how the new EU rules on animal welfare, including labelling, can play a role in contributing to the circular economy and sustainability.

Likely impacts on fundamental rights

This initiative is considered to have limited impacts on fundamental rights. However, the use of modern IT technology and common databases would need to take into account personal data protection.

Likely impacts on simplification and/or administrative burden

The impact of having a clarified and modernised set EU animal welfare rules, with greater use of electronic means of communication, will reduce burden with paperwork and record-keeping for business operators compared to today’s paper based system, including for SME’s. Digitalisation will counterweight the additional administrative burden caused by the introduction of new procedures. Digitalisation of the compliance and enforcement work will also reduce burden and simplify the process for the competent authorities.

D. Evidence Base, Data collection and Better Regulation Instruments

Impact assessment

An impact assessment will be carried out to support the preparation of this initiative and to provide a robust evidence base for the contents of the legal proposal(s). The impact assessment will build on the results of the fitness check of the EU animal welfare legislation which is running in parallel.

The impact assessment will quantify, as far as possible, the costs and benefits of the changes outlined in options developed on the basis of the options presented above.

Evidence base and data collection

Targeted studies will be commissioned to support the impact assessment process. Findings from these studies will be used to source evidence to assess the impacts of the proposed options, developed on the basis of the options presented above (as well as to further refine such options). In particular, those studies will provide data on expected economic, social, environmental and administrative impacts.

Findings and data collected in the context of the ongoing fitness check of the animal welfare legislation will feed into the impact assessment.

Various other studies and reports (including audit reports) on animal welfare, including scientific opinions from EFSA, will also be used as evidence base for the impact assessment. Among others, the evaluation of the European Union Strategy for the Protection and Welfare of Animals (2012-2015) completed and published in 2021, and the findings of the ongoing study on “animal welfare labelling schemes”, will be considered in this context.

Consultation of citizens and stakeholders

Interested parties will be consulted through a mix of open and targeted consultations. Consultations will be carried out to engage all relevant stakeholders and seek their opinion on the main policy approaches and how they would be affected by them.

Relevant stakeholders include, but are not restricted to:

a) competent authorities responsible for the implementation and enforcement of the EU legislation on animal welfare and related policies;

b) businesses and business organisations active in the food supply chain, including farming, transport and slaughter;

c) European and national professional organisations involved in the area of animal welfare;

d) organisations from the civil society active at Union level involved in the area of animal welfare;
e) experts from academia and research institutes active on animal welfare sciences;  
f) international intergovernmental organisations involved in the area of animal welfare.

A public consultation for citizens and all stakeholders will be launched during the second half of 2021 and will run for a period of 12 weeks. The questionnaire will be available in all 24 official EU languages and replies accepted in all these languages. The consultation will be accessible from the Commission's 'Have Your Say' portal.

A synopsis report on all consultation activities will be published on the consultation webpage together with the result of the assessment of impacts.

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