

A Paper for Consultation with Stakeholders

LABELLING FOOD FROM FARM ANIMALS

Method of Production Labels for the European Union



EXECUTIVE SUMMARY

INTRODUCTION

This report has been prepared by the Farm Animal Welfare Forum (FAWF) to make proposals to European policy makers about why it is both desirable and feasible to progressively introduce mandatory labelling of farm animal products by method of production, starting in 2011.

The report sets out the case for action and a realistic implementation plan for achieving the goal that European consumers want - information that tells them how their meat and dairy foods were produced and enables them to make informed choices when purchasing.

We recognise that there is extensive evidence of growing consumer concern about food provenance and that this is unlikely to diminish until the EU takes concerted action to implement a labelling scheme that addresses peoples' disquiet about the existing opaque labelling requirements.

This need for labelling is already agreed in principle. In 2009 the European Commission's report *Options for animal welfare labelling* opened a political debate on how to achieve welfare labelling of animal-based foods. Our report demonstrates how it can be successfully implemented.

We have issued this report in draft because we want to receive comments and contributions from other stakeholders across the EU before finalising our recommendations.

OUR PROPOSALS

This report sets out our proposals for mandatory, clear and unambiguous labelling of all animal-derived products according to method of production, as the simplest and most effective way to give consumers the information that research has demonstrated they want.

We would like to see the European Union take steps that will ultimately lead to:

- All fresh and frozen chicken and pig meat sold through retail outlets across the EU labelled by method of production by 2015
- The establishment of 3 - 5 categories of livestock production system
- Minimum criteria for each category of production system for each livestock species being defined by EU law
- Labelling terms or descriptors being agreed for each production system and species based on consumer and market testing
- The introduction of welfare outcome assessment to provide further information and evidence about the welfare credentials of each category of production system, within 5 years.

We are proposing labelling by **method of production** because it gives consumers information on the potential for high welfare that the farming system offers, when the system is well-managed. Consumers are most concerned with the living environment of the animals and see different production systems as offering different levels of animal welfare, typically associating more extensive systems with better welfare.

We recommend that labelling should be **mandatory**. For a labelling system to be effective from the point of view of consumers, it needs to be both:

- universal: applying to all products of the same type; and
- harmonised: ensuring equivalence of standards across Europe.

A properly audited mandatory system is the only way to ensure harmonisation of marketing terms and standards. Under a mandatory system, consumers, producers and retailers will have confidence that a particular marketing term has the equivalent legally defined meaning throughout the EU.

A voluntary labelling system would not be universal and in practice would not generally cover products from intensive indoor production systems. Voluntary labelling would therefore fail to label the majority of products offered to the consumer as these systems currently rear the majority of Europe's animals.

We are also aware that voluntary labelling can be misleading, undermining consumer trust in all labels.

Mandatory labelling would create the maximum transparency about the provenance of animal-based foods and the welfare of the animals that produced them. The EU's *Feasibility study on animal welfare labelling* (2009) accepts that a mandatory labelling system has a greater power to drive up animal welfare standards than does a voluntary labelling system, because of the increased effect on consumer awareness.¹

We recognise that the quality of management and stockpeople plays a key role in ensuring the quality of all production systems. We therefore propose that the labelling system should include **outcome-measured safeguards**.

We recommend **staged introduction**. In the short term we suggest that the scheme should focus on pigs and chickens, and should focus on fresh and frozen meat sold at retail because:

- › Pigmeat is the most-consumed meat in the EU
- › Labelling of pigmeat and chickenmeat will have the most impact on buying decisions
- › Pigs and chickens are the species most likely to be kept in barren, highly stocked indoor conditions
- › Chicken and pig farming systems are the most readily categorised
- › Fresh and frozen meat at retail is the product that is most visible to the consumer

We also recommend that eggs used as ingredients should be brought into a mandatory labelling scheme in line with the existing situation for whole eggs.

MEETING EUROPE'S EXPECTATIONS FOR ANIMAL WELFARE AND LABELLING

There is substantial unmet public and consumer demand in Europe for:

- › Better welfare for farmed animals
- › Greater transparency about the way the animal was reared, when purchasing food
- › More assurance that the animal was reared in good or acceptable conditions, when purchasing food.

All evidence from EU surveys and retail and consumer group surveys show that consumers aspire to buy food raised to higher welfare standards. However, they lack information or are confused about the meaning, status and comparability of different welfare claims on labels. The March 2010 Eurobarometer report on *Europeans, Agriculture and the Common Agricultural Policy* noted that over half of EU citizens want more information on the two closely related issues of the environmental effects of farming and the welfare of farm animals.²

The demand for labelling about farm animal welfare is demonstrated by the existence of successful voluntary schemes that are seen by consumers to offer a higher welfare potential, including Label Rouge, Neuland, Freedom Food, Thierry Schweitzer and the higher welfare own brands of several retail chains. Label Rouge had in 2007 a 33% market share in household purchases of chicken (and a 62% share in whole chicken) in France² and in 2009 the Freedom Food label covered 20% of UK pig production.³

A recent study by the UK consumer organisation Consumer Focus of 'Green' labelling concluded that the essential attributes of labels that achieve consumer confidence are Clarity, Credibility and Comparability - currently this is not always achieved.⁴ A lack of clear information to consumers about which production systems were used to rear the animal producing the food products, as well as about the welfare potential of those production systems, remain significant barriers to consumer purchase of higher welfare products.

¹ AgraCEAS Consulting et al., for Directorate General for Health and Consumer Protection, 2009, *Feasibility study on animal welfare labelling and establishing a Community Reference Centre for animal welfare*. Part 1. Animal welfare labelling

² European Commission, 2010, Special Eurobarometer, *Europeans, Agriculture and the Common Agricultural Policy*

³ RSPCA, 19 February 2010. News release, *Record number of animals*

⁴ Yates L (2010) *Green Expectations: consumers' understanding of green claims in advertising*. Consumer Focus

HOW THE PROPOSED LABELLING SYSTEM WILL FURTHER EUROPE'S GOALS

Our proposal offers a manageable and achievable route towards important European goals for food, agriculture and animal welfare by:

- Meeting consumer demand for transparent and trustworthy information on which to base food purchasing decisions
- Expanding opportunities for farmers and retailers to benefit from high quality production
- Supporting measurable improvements in standards of animal welfare in the EU.

The EU's *Feasibility Study* and impact assessment concluded that the net impact of labelling on the income of producers and operators would be neutral on average, although there might be certification and labelling costs. The study concluded that producers' incomes would benefit if consumers moved to higher welfare products but that consumers would face higher prices only if they chose to do so, by buying higher-welfare products.²

The European Commission has accepted that mandatory labelling is generally a less trade-restrictive method than other types of regulation providing certain obligations are fulfilled to prevent it being used in any form of arbitrary or unjustifiable discrimination.⁵ The EU's mandatory labelling scheme for eggs has been notified to the WTO's Technical Barriers to Trade (TBT) Committee and has not been challenged by any other WTO member.

According to the legal opinion obtained by the RSPCA, mandatory labelling, with appropriate safeguards to trade, would be compatible with WTO rules.⁶

METHOD OF PRODUCTION LABELLING IN PRACTICE

Labelling by method of production has already proved successful in Europe with the labelling of eggs (mandatory) and has also been applied to higher welfare chicken meat (on a voluntary basis). It has demonstrated conclusively that consumers are willing to pay more for products when they have transparent and trustworthy labels.

We argue that all livestock production systems could be classified in a similar way to the existing egg and poultry marketing regulations. We see the essential differentiation between production systems as including environment, management and genetics and we believe that systems can be classified objectively, even if very broadly, according to whether they are:

- Intensive or extensive;
- Indoor or outdoor based.

The choice of marketing terms to describe each system has to be effective primarily with consumers and retailers, in a marketing context, while retaining the acceptance of producers. We recommend that all labels should:

- Be brief and simple
- Differentiate clearly between different systems
- Give the consumer a clear indication of the type of husbandry system (a 'mind's eye' image)
- Ideally, enable the consumer to make a judgment about the welfare potential of the system and encourage the consumer towards the higher-welfare systems.

To support labelling, consumers will need sources of detailed information on the criteria that each production system is based on providing transparency for those who want more detailed information. We suggest that this information should be provided by retailers, trusted animal welfare organisations and the European Commission DG SANCO.

⁵ Note by EC, 2001, Mandatory labelling for agricultural products

⁶ In the matter of mandatory labelling and the WTO rules. Legal opinion to the RSPCA 2004

THE ROLE OF WELFARE OUTCOME MEASURES AND ANIMAL WELFARE REFERENCE CENTRES

To ensure public trust in a labelling system, it is important that standards for production systems are scientifically robust and compliance verified on farms by independent certified bodies. We suggest that standards defining each method of production should be controlled by the proposed Community Reference Centres.

We are enthusiastic about EU and other initiatives that would lead to scientific welfare assessment by outcome measures. Whilst field application of outcome measures on a large scale is still in development, suitable protocols will be available within five years for future use. In the more immediate future we would like to see existing outcome measures used to help ensure that the welfare potential of various production systems proposed for labelling is being realised in practice on farms covered by the labelling system.

To make progress, we suggest that immediate sampling of EU farms based on Welfare Quality® protocols takes place to inform the choice of measures and level of attainment that should be required for the different categories of chicken and pig production systems. A system of certification, inspection and accreditation would be required to assure welfare outcomes on farms as well as independent and scientific credibility for the public.

THE NEXT STEPS TO ACHIEVE EU-WIDE LABELLING

The European Union has the opportunity to lead the world and achieve an effective, unified and trustworthy labelling system by 2015, by taking the following steps:

During 2010–2011 we believe it would be possible to achieve the following

- political agreement to mandatory labelling of animal-based food products according to their method of production
- use of Welfare Quality® protocols to assess a sample of EU farms as a basis for decisions about suitable welfare outcome requirements; and
- market testing of potential labelling terms.

During 2011 agreement could be reached on the classification and testing of farming systems in different countries.

In 2012, the EU could adopt and bring into force a new Marketing Regulation for all animal-based food products, with labelling provisions initially implemented only for fresh and frozen chickenmeat and pigmeat sold at retail.

By 2015 at the latest, core outcome measures of welfare could be incorporated into the criteria for each production system.

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INTRODUCTION

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The report sets out the case for action and a realistic implementation plan for achieving the goal that European consumers want - information that tells them how their meat and dairy foods were produced and enables them to make informed choices when purchasing.

We have issued this report in draft because we want to receive comments and contributions from other stakeholders across the EU before finalising our recommendations.

The Farm Animal Welfare Forum's aims for European farming are three-fold:

- confidence for consumers about animal welfare and food quality
- a positive future for farmers based on high welfare, high quality and sustainability
- a substantial overall improvement in animal welfare standards.

Whilst we recognise the value of voluntary labelling, and wish it to continue, we argue that mandatory labelling is the only way to ensure that all products offered for sale are clearly labelled.

We believe that EU-wide mandatory labelling of all animal-derived foods according to method of production would be an important step towards achieving these three aims and could lead to major benefits to consumers, farmers and animals. We understand that the introduction of mandatory labelling must be approached in full consultation with all stakeholders and that implementation must be staged and, where appropriate, flexible. We do believe, however, that the EU could have the fundamentals of such a system in place within five years.

This need for labelling is already agreed in principle. In 2009 the European Commission's report *Options for animal welfare labelling and the establishment of a European Network of Reference Centres for the protection and welfare of animals* opened a political debate on how to achieve welfare labelling of animal-based foods in a way that satisfies consumers, raises welfare standards and gives 'EU farmers the policy support they need to win the quality battle' and 'to be recompensed in return'.⁷

But consumers and farmers are still waiting for effective action on labelling animal-derived food in ways that give every consumer the information they need to make an informed choice when purchasing. In 2005 only 20% of EU25 citizens reported that they were able easily to identify animal welfare friendly production systems from existing food labels 'most of the time'. Fifty one percent were 'very rarely' or 'never' able to do so.⁸

We recognise that only a proportion of consumers are interested in animal welfare, but we are acutely aware that these are the very people who want to purchase higher welfare product. They are the people who could expand this market if its products had labels that were transparent and trusted.

We also recognise that there is extensive evidence that consumer concern and awareness is growing and that it is unlikely to diminish until the EU takes concerted action to implement a labelling scheme that addresses peoples' disquiet about the existing opaque labelling requirements.

The EU marks itself out from much of the rest of the world agriculture in its commitment to providing its citizens with transparent information about the provenance of food, including the welfare conditions in which food animals are kept. Animal welfare is an increasingly important policy area in European agriculture and over the last decade it has become accepted that welfare labelling of meat, milk products and eggs has to be an integral part of further progress. By 2010 the time has come for Europe to take decisive action towards a unified and transparent labelling scheme.

We believe this is an urgent task if Europe is to maintain its position as a world leader and innovator in seeking to improve standards of farmed animal welfare.

⁷ Council of the European Union, Note from the Presidency, 26 January 2010

⁸ European Commission, Special Eurobarometer, June 2005, *Attitudes of consumers towards the welfare of farmed animals*.

1.0 OUR PROPOSALS

This report sets out our proposals for mandatory, clear and unambiguous labelling of all animal-derived products according to method of production. We argue that this is the simplest and the most effective way to give consumers the information that research has demonstrated they want.

We would like to see the European Union take steps that will ultimately lead to:

- All fresh and frozen chicken and pigmeat sold through retail outlets across the EU labelled by method of production by 2015
- The establishment of 3 - 5 categories of livestock production system
- Minimum criteria for each category of production system for each livestock species being defined by EU law
- Labelling terms or descriptors being agreed for each production system and species based on consumer and market testing
- The introduction of welfare outcome assessment to provide further information and evidence about the welfare credentials of each category of production system, within 5 years.

The advantages of our proposals are that:

- It would give consumers the information they most want to know - 'how was this animal kept?'
- It would cover products derived from every production system
- The information would be objective and unambiguous
- The system is already known to be feasible and effective for retail shell eggs (mandatory) and free range poultrymeat (voluntary use of 'reserved' marketing terms)
- It would protect both consumers and higher-welfare producers from unsubstantiated or misleading welfare claims on labels.

Why label by method of production with outcome safeguards?

We are proposing labelling by method of production because it gives consumers information on the potential for high welfare that the farming system offers to the animals reared in it, when the system is well-managed. Higher welfare potential means a husbandry system that can provide for behavioural freedom without compromising health and/or physical wellbeing.

The welfare potential of a production system covers those elements of the animal's living environment that would enable them to enjoy a good quality of life, including sufficient space and the environmental resources to enable them to carry out natural behaviour. We recognise that the quality of management and stockpeople plays a key role in determining how effective a particular system is in delivering a high quality of welfare. We propose that the labelling system should include, within 3 - 5 years from implementation, feasible outcome-measured safeguards of welfare in each production system. Suitable assessment protocols are currently being developed by several organisations, including the EU's Welfare Quality® project and FAWF member organisations Bristol University, the RSPCA (including its Freedom Food scheme) and the Soil Association.^{9,10}

An animal's freedom of behaviour and the availability of space are of primary importance to consumers in assessing animal welfare. Systematic studies show that Europe's citizens tend to give importance to these characteristics of farming systems.¹¹ SANCO's online consultation also found that respondents associated the less intensive farming systems with better animal welfare or animal protection (Table 2.1).¹²

⁹ Botreau R, Veissier I and Perny , 2009, Overall assessment of animal welfare: strategy adopted in Welfare Quality®, *Animal Welfare* 18:363-370

¹⁰ Main D C J et al., 2007, Formal animal-based welfare assessment in UK certification schemes, *Animal Welfare* 16:233-236; Project to promote farm animal welfare, *Veterinary Record* 166: 507, 24 April 2010

¹¹ Verbeke W, 2009, Stakeholder, citizen and consumer interests in farm animal welfare, *Animal Welfare*, 18:325-333

¹² DG SANCO, November–December 2005, *Response statistics for Community Action Plan on Animal Welfare and Protection: Welfare and protection of farmed animals*.

Table 2.1 European consumers' priorities for animal welfare ¹²

Characteristic of system	Rated 'very important' for animal welfare (% respondents to SANCO consultation, 2005)
Outdoor access	76.2
Natural light	76.2
Sufficient space to move around	84.4
Animals able to display natural behaviour (wallowing, dust bathing)	75.1
Animals not subjected to mutilations	68.7

Consumer research studies under the Welfare Quality® project show that, across Europe (France, Italy, Hungary, UK, the Netherlands, Norway and Sweden), members of focus groups: ¹³

- had 'a high level of engagement in issues concerning the welfare of farm animals' and 'the living conditions experienced by certain farm animals'
- believed there was 'a strong connection between food quality/safety and farm animal welfare', and connected factors such as the overuse of medicines, stress and inappropriate feed with a negative impact on both welfare and food quality
- associated better welfare with 'different farm environments'
- associated 'factory farming' with 'very low levels of welfare' and 'alternative systems' (such as organic, free-range, small-scale or traditional) were 'perceived to offer higher levels of welfare.'

A 2010 IFOP poll in France found that 65% of people buying eggs take into account the production system (cage versus non-cage) when they make their choice, and for 37% of respondents the production system was a determining criterion.¹⁴ Similarly, 81% of respondents to a British survey on sustainable food agreed with the statement, 'I don't like the idea of lots of animals being reared indoors'.¹⁵

Consumers are thus most concerned with the living environment of the animals and see different production systems as offering different levels of animal welfare, typically associating more extensive systems with better welfare.

The addition of welfare outcome measures will make the method of production labelling system more effective in several ways. It will increase credibility for consumers by ensuring that labelling terms associated with high welfare are only used when good welfare is indeed being achieved. It would also increase the economic and management incentives for producers to maintain and raise welfare standards. We believe that core outcome measures, such as the rate of hospitalisation and euthanasia, rates of lameness for both meat chickens and pigs and the rate of tail-docking and tail-biting in pigs, should be incorporated in the legal criteria defining each category of production system.

Ideally, the welfare outcome measures would be included in the method of production labelling scheme from the outset. However, we do not wish to see the introduction of method of production labelling delayed until all the work involved in implementing outcome measures is completed. We suggest that the Commission should proceed to adopt a new marketing Regulation for livestock products in the near future, and the welfare outcome measures should be incorporated as soon as possible after the Regulation has come into force. This commitment to introducing the measures when they become available could be included within the Regulation from the outset.

¹³ Evans A and Miele M, 2008, Welfare Quality report No 5, *Consumers' views about farm animal welfare: Part II European comparative report based on focus group research*

¹⁴ IFOP (2010), *La sensibilité des Français au bien-être des poules*, February 2010. Report 1-18376

¹⁵ Clonan A et al. (2010), *UK consumers' priorities for sustainable food purchases*, The 84th Annual Conference of the Agricultural Economics Society, Edinburgh, 29–31 March 2010

Why labelling should be mandatory

Voluntary welfare assurance schemes and labels will continue to flourish in the marketplace, but mandatory labelling is essential to ensure that all products are covered and all producers have an incentive to prioritise animal welfare.

For a labelling system to be effective from the point of view of consumers, it needs to be both:

- › universal: applying to all products of the same type; and
- › harmonised: ensuring equivalence of standards across Europe.

A properly audited mandatory system is the only way to ensure that all products offered to consumers are labelled according to their method of production and to ensure a harmonization of marketing terms and standards. Under a mandatory system, consumers, producers and retailers will have confidence that a particular marketing term has the equivalent legally defined meaning throughout the EU.

A voluntary labelling system would not be universal. In practice, voluntary labelling is applied predominantly to higher-welfare, premium products. When method of production labelling is voluntary, the lowest-cost products do not generally carry informative labels about production methods - in some cases, the labelling can be misleading. Unlabelled products typically originate from the most intensive indoor livestock production systems offering the lowest level of welfare potential. These systems currently rear the majority of Europe's pigs and chickens.

We agree with the EU's *Feasibility Study* that 'Mandatory labelling provides most information to consumers, whereas the effects of voluntary labelling depend on the market shares of labelled products.'¹⁶ In practice, intensively mass-produced animal products would not be voluntarily labelled as such, and the main purpose of the labelling scheme - transparent information for consumers - would be undermined.

The EU's existing egg labelling scheme, which superseded voluntary labelling, has shown that a mandatory scheme is necessary to ensure that the lowest-welfare products are labelled as such. It has also demonstrated that, when all - including the lowest-welfare - products are properly labelled, consumers are more likely to choose not to buy those produced under higher welfare conditions.

Why introduction should be staged

It is always possible to postpone new developments by arguing that they have not been perfected. However the very act of introducing them leads to practical experience and learning that produces improvements.

We therefore propose a consumer-focussed approach to labelling that will benefit Europe's food and farming industry and which can be introduced progressively in stages. We propose that the first steps should be limited to priority animal species and to the products and outlets that are most visible to consumers.

Species

In the short term we suggest that the scheme should focus on pigs and chickens. We would also include eggs used as ingredients (by simply expanding the existing mandatory labelling scheme for whole eggs). Once the system is well established we envisage it would be extended to a wider range of species.

Products and outlets

In the short term we suggest that the scheme should focus on fresh and frozen meat sold at retail and eggs used as ingredients. Once established it should be extended to a wider range of products and outlets.

We believe that staged introduction for these products and distribution points will have most impact on consumers because.

- › **Pigmeat is the most-consumed meat in the EU**, followed by poultry meat (predominantly chicken). Supply for the whole of Europe in 2005 is recorded as 21.4 million tonnes of pigmeat and 10.7 million tonnes of poultry meat, compared to 8.9 million tonnes of bovine meat and 1.4 million tonnes of sheep and goat meat¹⁷
- › Labelling of pigmeat and chicken meat will have the **most impact on buying decisions**
- › **Pigs and chickens are the species most likely to be kept in barren, highly stocked indoor conditions** that consumers perceive as 'factory farms' and wish to see improved
- › **Chicken and pig farming systems are the most readily categorised.** These methods of production can be defined unambiguously by known characteristics
- › **Fresh and frozen meat at retail is the product that is most visible to the consumer.** Retail sales constitute an important share of total usage, estimated at up to 60% for chicken meat¹⁸ and 45% for pigmeat.¹⁹

¹⁶ AgraCEAS Consulting et al., for Directorate General for Health and Consumer Protection, 2009, *Feasibility study on animal welfare labelling and establishing a Community Reference Centre for animal welfare*. Part 1. Animal welfare labelling

¹⁷ FAOSTAT consumption data, Europe, 2005

¹⁸ Agra CEAS Consulting Ltd., 2009, *An assessment of the UK market for higher-welfare chicken*, report for RSPCA

¹⁹ Farm Animal Welfare Forum, 2010, *Farming Tomorrow - the way to better farm welfare in the UK*

2.0 HOW THE PROPOSALS WILL MEET CONSUMERS' EXPECTATIONS

There is substantial unmet public and consumer demand in Europe for:

- Better welfare for farmed animals
- Greater transparency about the way the animal was reared, when purchasing food
- More assurance that the animal was reared in good or acceptable conditions, when purchasing food.

In other contexts, such as Fair Trade or environmental sustainability, labels backed by standards are acknowledged to be important tools to motivate changes in consumption, ethical choice and the policies of producers. Similarly, the mandatory EU organic standard and logo (to be compulsory on packaged goods from July 2010) is considered a success in simplifying, harmonising and expanding the retail market for organic products.

The demand for better labelling is demonstrated by the existence of successful voluntary schemes that are seen by consumers to offer a higher welfare potential, including Label Rouge, Neuland, Freedom Food, Thierry Schweitzer and the higher welfare own brands of several retail chains. In 2007 Label Rouge had a 33% market share in household purchases of chicken (and a 62% share in whole chicken) in France¹⁶ and in 2009 the Freedom Food label covered 20% of UK pig production.²⁰

2.1 Europe's consumers want better animal welfare

Meeting consumer demand for better welfare is a recognised EU policy objective. The *Community Action Plan on the protection and welfare of animals 2006 - 2010* established animal welfare as 'a cornerstone of Community policies' and accepted that, 'The mindset of consumers and producers has undergone a seismic shift in recent years from merely preventing cruelty and avoidable suffering to animals, and instead is becoming focussed on promoting their wellbeing and meeting their most important needs.'²¹

Data produced by EU surveys and by retailers, show that EU citizens rate the importance of animal welfare highly, and are dissatisfied with current animal welfare standards and with the available information on food labels.

In the Eurobarometer surveys of 2005 - 2006, EU citizens rated the importance of farm animal welfare at 7.8 out of 10 and one third of respondents rated it as 10 out of 10.²² Laying hens, meat chickens and pigs were considered the species where most welfare improvements needed to be made. The welfare of pigs was rated as 'bad' (fairly bad or very bad) by 44% of respondents. Only 5% judged the welfare of pigs to be 'very good.' In countries with intensive pig industries, such as the Netherlands, Denmark and Germany, 50 - 63% judged pig welfare to be bad. The welfare of laying hens was rated as 'bad' by 58% (and those who had visited a farm were 3 times more likely to judge hen welfare negatively).⁸

The Eurobarometer report on *Europeans, Agriculture and the Common Agricultural Policy* published in March 2010 noted that over half of EU citizens want more information on the two closely related issues of the environmental effects of farming and the welfare of farm animals.²³ Only food safety and quality generated a greater demand for information.

Numerous studies, including those funded by the EU's Welfare Quality® project, have shown that consumers identify high quality, food safety and healthy food with high animal welfare. In turn, high animal welfare is identified with extensive and free range systems and with 'natural' systems of feeding and husbandry. Consumers identify intensive systems with 'factory farming' and with low animal welfare, and also with lower standards of food safety and higher disease risks. Currently, much of the animal-based food sold in the EU is produced in conditions which, although legal, are far from conforming to what most EU citizens would consider high animal welfare. Typically, there is no information about these conditions on the product label.

The 44,500 responses to a public online consultation by DG SANCO in December 2005, albeit self-selected, showed a very high level of concern about farm animal welfare. A large majority (82.3%) rated farm animal welfare in the EU as between moderate and very poor. Welfare was rated 'poor' or 'very poor' for broilers,

²⁰ RSPCA, 19 February 2010. News release, *Record number of animals*

²¹ European Commission, 2006, Communication on a Community Action Plan on the Protection and Welfare of Animals 2006–2010

²² European Commission, Special Eurobarometer, March 2007, *Attitudes of EU Citizens Towards Animal Welfare*

²³ European Commission, 2010, Special Eurobarometer, *Europeans, Agriculture and the Common Agricultural Policy*

laying hens and pigs by 78.4%, 76.6% and 71.7% of respondents respectively and 78.4% believed 'certainly' that more needed to be done to improve farm animal welfare in the EU.¹² In 2007, respondents to a survey by Ghent University rated the welfare of laying hens, broilers and pigs as all below 'neutral' - scores of less than 3.5 in a range from 1 (very bad) to 7 (very good).¹¹

European consumers believe that farmers have a responsibility to ensure the welfare of their animals. In the 2010 published Eurobarometer survey, EU citizens ranked this responsibility joint 4th in importance (with the provision of safe and healthy food as 1st responsibility). In Denmark, Germany, the Netherlands, Sweden and the UK, respondents ranked this responsibility second only to the provision of safe and healthy food.²³

Retailers' surveys also show a high and increasing concern with animal welfare as a priority in food production. In 2004 a survey of 29,000 consumers for the UK's Co-operative Group on ethical attitudes to food revealed that:

- 60% of respondents were more concerned about ethical issues such as human rights, animal welfare, food integrity and the environment than they had been 10 years previously
- 71% considered it 'very important' that retailers should buy humanely-reared meat (up 7% from 10 years previously)
- Humane rearing was one of the top 3 priorities of 51% of respondents, and for 21% it was their top priority²⁴

In 2009 surveys of consumers by the industry group IGD found that 46% (and 58% of 'AB' shoppers) mentioned concerns about farm animal living conditions, the second most mentioned concern about food production, compared to 38% in 2008²⁵ and 37% in 2007.²⁶ Only 35% had confidence in standards of animal living conditions, and only 28% had confidence in humane methods of slaughter.²⁷

Research from Mintel in the UK found that animal welfare was the number one food-related concern for consumers. 40% of those taking part in the research said that they are worried about the issue, making it more important to them than country of origin (37%) and the use of additives and preservatives (36%).²⁸

2.2 Europe's consumers want better labelling

Consumer demand for better labelling of products in relation to animal welfare has driven the Commission's initiatives since 2006. As mentioned above, only a minority of EU citizens find it easy to identify welfare-friendly rearing systems from labels. In DG SANCO's online consultation in 2005, 87.6% of respondents thought that food retailers did not provide enough information on the animal welfare conditions the animals were reared under and 89.2% wanted food products labelled more clearly with this information.¹² In 2004, 96% of British consumers believed that labels should give 'full information' on ethical issues such as animal welfare and environmental sustainability (up 54% on a decade earlier) and 90% believed that misleading labels should be banned (up 56% on a decade earlier).²⁴

All the evidence is that consumers aspire to buy food raised to higher welfare standards, but that they lack information or are confused about the meaning, status and comparability of different welfare claims on labels. A recent study by Consumer Focus of 'Green' labelling has concluded that the essential attributes of labels that achieve consumer confidence are Clarity, Credibility and Comparability - currently not always achieved.²⁹

2.3 Consumers link animal welfare to other attributes

Recent research under the Welfare Quality® project found that concern for farm animal welfare as a whole stretches across Europe and across different social groups. The conditions of poultry caused most concern, followed by pigs and cattle.³⁰

²⁴ Co-operative Group, 2004, *Shopping with Attitude*

²⁵ Padbury G, 15 January 2009, IGD news release, *Animal welfare affecting shopper choices*

²⁶ IGD, March 2007, *Consumer attitudes to animal welfare: a report for Freedom Food*

²⁷ IGD, March 2007, *Consumer attitudes to animal welfare: a report for Freedom Food*

²⁸ Mintel (2010) *Food for thought*, report April 2010

²⁹ Yates L (2010) *Green Expectations: consumers' understanding of green claims in advertising*. Consumer Focus

³⁰ Kjærns U, Miele M and Roek J Eds (2007), *Attitudes of consumers, retailers and producers to farm animal welfare*, Welfare Quality Report no 2, University of Cardiff

For consumers, the issue of farm animal welfare is multidimensional and complex and is generally associated with three principal concerns: the first for product quality and food safety³¹; the second for ethical treatment of farm animals; and the third for a sense of naturalism in both farm animal lives and the farm environment.³²

Across Europe, good animal welfare is highly associated in the public's mind with better animal health, food safety, food taste and more healthy food;^{22, 12} 'if it's better for the animal, then it's better for you'.²⁷ Growing numbers of consumers are no longer looking simply for the lowest price, but for the best value for money in terms of the balance they can achieve between product quality, including taste, and what they are willing to spend.³³ Animal welfare has become part of that 'best value' and therefore an integral part of the perception of food quality and food ethics.

Studies in France, Denmark, Sweden and the UK of consumer attitudes to the taste and appearance of pork from indoor and outdoor systems found that people associate outdoor rearing with better eating quality. The consumers were more appreciative of the meat reared outdoors rather than indoors and were willing to pay more for it, although the researchers themselves believed there was no difference in the taste.³⁴

In Italy, consumer research showed that people expected a product to taste better when they had been informed that the animal welfare was high. Even for less attractive products, people were willing to pay more if they were told the animal welfare was good. Thus 'information about animal welfare, if given to the consumers, can be a major determinant of consumer WTP [willingness to pay] for animal-based food products', especially when combined with good eating quality.³⁵

Consumer ethical concerns for animal welfare are closely associated with issues of trust. There have been many gains over the last decade or so in animal welfare legislation in most European countries and at the EU level. But consumers remain confused by the varied and often inconsistent messages they receive regarding standards of welfare and are uncertain of the extent of regulatory control. The consumer research undertaken for the Welfare Quality® project, for example, showed that consumers across Europe found it difficult to find coherent and consistent information on welfare at the point of purchase. Many would therefore associate higher animal welfare standards with recognised food assurance labels, whether correctly or not.

Consumers also associate animal welfare with nature through issues of environmental quality, landscape and natural animal behaviour. It is important not to underestimate the emotive and affective links that consumers make between 'natural' lives, natural environments, farm animal welfare and food quality, which may have more weight in influencing their purchasing decisions than certain types of conventional scientific evidence. Good welfare is associated with natural behaviour, a good natural environment and also with environmental sustainability.

In France, the Agriculture Ministry's CREDOC Baromètre for 2009 on public perceptions of food and food policy found that over 67% of respondents stated willingness to pay more for a product guaranteed to respect the environment and animal welfare (up 4 percentage points from 2008). Respondents placed respect for the environment and animal welfare third in importance, closely following taste (68.7%) and health benefits (68.4%) of the product.³⁶

Similarly, recent consumer research in the UK found that 'animal welfare' and 'free range' came second and third in consumers' estimation of important food issues, just after 'healthy' and before several other important consumer issues such as carbon footprint, low packaging and fair trade.³⁷ A University of Nottingham survey of British consumer attitudes to the environmental sustainability of food also found that the desire for high standards of animal welfare was coupled with the desire for 'responsibly produced' food, no added chemicals, less packaging, and a 'quality product'.¹⁵

³¹ Blokhuis H J et al. (2003), Measuring and monitoring animal welfare: transparency in the food product quality chain, *Animal Welfare* 12:445–455

³² Evans A and Miele M, 2008, Welfare Quality report No 5, *Consumers' views about farm animal welfare: Part II European comparative report based on focus group research*

³³ McInerney J (2004), *Animal welfare, economics and policy*, report for the Farm and Animal Health Economics Division, Department for Environment, Food and Rural Affairs

³⁴ Dransfield E et al. (2005), Consumer choice and suggested price for pork as influenced by its appearance, taste and information concerning country of origin and organic pig production, *Meat Science* 69:61–70

³⁵ Napolitano F et al. (2008), Effect of information about animal welfare on consumer willingness to pay for yogurt, *J Dairy Science* 91:910–917

³⁶ MAAP/CREDOC 2009, *Baromètre des perceptions alimentaires*. Ministère de l'Agriculture et de la Pêche

³⁷ Brook Lyndhurst (2010). Unpublished data presented at Defra Animal Welfare Labelling Workshop, Defra Innovation Centre, Reading, 27 April 2010

Reviewing changes at the start of 2009, the industry body IGD pointed out that the ‘stronger [consumer] focus on standards of animal welfare demonstrates that consumers have become much more engaged with their food as ethical values have become deeply embedded in their purchasing decisions,’ offering opportunities for producers with world-leading animal welfare standards.²⁵

Research undertaken for the Welfare Quality® project shows that demand for food produced to higher welfare standards is strong across Europe but that this demand is often ‘bundled together’ with other ethical concerns or quality indicators in labelling and assurance schemes operated by retailers, manufacturers and other actors. A lack of clear information to consumers about which production systems were used to rear the animal producing the food products, as well as about the welfare potential of those production systems, remain significant barriers to consumer purchase of higher welfare products.

3.0 HOW THE PROPOSED LABELLING SYSTEM WILL FURTHER EUROPE’S GOALS

Our proposal offers a manageable and achievable route towards important European goals for food, agriculture and animal welfare:

- › Meeting consumer demand for transparent and trustworthy information on which to base food purchasing decisions
- › Expanded opportunities for farmers and retailers to benefit from high quality production
- › A measurable improvement in standards of animal welfare in the EU.

3.1 Increasing transparency and impact

Mandatory labelling would create the maximum transparency about the provenance of animal-based foods and the welfare of the animals that produced them. The EU’s *Feasibility study on animal welfare labelling* (2009) accepts that a mandatory labelling system has a greater power to drive up animal welfare standards than does a voluntary labelling system, because of the increased effect on consumer awareness. This is because it ‘provides most information to consumers, and leads to the highest pressure on producers to improve animal welfare.’¹⁶ FAWF believes that this approach is the way to achieve the ‘Holy Grail’¹⁶ of higher standards in conjunction with high market penetration.

Socioeconomic research funded by the EU’s Welfare Quality® project found significant growth in the market sector of consumers ‘wanting to know more’, whereas ‘the market for those that do not want to know is static.’³⁸ Indeed, consumers who are currently ‘disengaged’ may rapidly become engaged when they learn of some farming practice, such as mutilations, that they were previously unaware of and may consider inhumane.

3.2 Expanding the market for higher welfare products

There are several existing trends suggesting that universal labelling would lead to a larger market for higher welfare food products, moving animal welfare well beyond a niche attribute.

Significant trends include:

- › Ethical consumerism: people increasingly choose or boycott products on the grounds of their ethical acceptability
- › Raising animal welfare standards: consumers aim to improve overall welfare standards by their individual purchasing decisions
- › Perceptions of food quality: animal welfare and extensive production systems are associated in consumers’ minds with food quality, food safety and health
- › Retailer branding: animal welfare is increasingly seen by the major retailers as an essential part of their overall offer of quality food and their Corporate Responsibility policies, and of high concern to consumers
- › Supply chain management: retailers and food manufacturers are increasingly managing a larger proportion of their supply chains, from farm right through to shelf, thus enabling transparency, assurance and standards to be consistently employed.

³⁸ Roe E and Higgin M, 2008, *UK meat and dairy retail distribution and supply networks: a study of the current and potential market for welfare-friendly foodstuffs*

Hard evidence for these trends comes from the following sources:

- In EU surveys, 74% of respondents believed that buying animal welfare friendly products would either 'certainly' or 'probably' have a positive impact on the welfare or protection of farm animals^{8, 39}
- In 2005, 57% of the EU-25 public said that they would be willing to pay a price premium for eggs from welfare friendly systems and, not surprisingly, those who were more concerned about current standards of hen welfare were more likely to be willing to pay the highest premium⁸
- Among French consumers surveyed by IFOP in February 2010, 75% stated they would be willing to pay more for eggs produced in non-cage systems.¹⁴
- Among British consumers surveyed by the IGD industry group in 2010, a time when many areas of discretionary spending have seen reductions, 31% stated that they were prepared to pay more for free range products and 18% reported that they had specifically purchased products with higher welfare standards within the last month (compared to 11% in 2007)⁴⁰
- Over 2008, several retailers in the UK increased their sales of higher-welfare chickens by up to and well over 100%.^{41, 42, 18} Over the year to March 2010, the value of retailers' sales of Freedom Food-labelled chicken meat increased 4.4-fold⁴³
- Sales of free range sales have increased dramatically over time despite their high price differential with battery eggs (see later in report for details)
- In a UK survey by the Co-operative Bank, 1 in 2 adults claimed to have purchased a product primarily on ethical grounds during 2009, compared to 1 in 4 in 1999.⁴⁴

Animal welfare is now a recognised aspect of international standards for the social responsibility of companies and other organisations, as expressed in the ISO 26000 Guidance. The Guidance recommends that organisations consider adopting animal welfare practices defined in leading standards and certification schemes and notes that 'the concept of sustainable consumption encompasses a concern for animal welfare'.⁴⁵

³⁹ Directorate-General for Health & Consumers, 2009, Factsheet, *Animal welfare: how to make an informed choice*

⁴⁰ IGD, 1 February 2010, news release, *Support for local food doubles in 5 years*

⁴¹ J Sainbury plc, *140 years of making a difference: Corporate Responsibility Report, 2009*

⁴² Tesco plc, *Corporate Responsibility Report, 2009*

⁴³ RSPCA, April 16 2010, news release based on Kantar Worldpanel research, *Shoppers ditch 'standard' chicken*

⁴⁴ The Co-operative Bank plc, 2010, *Ten years of ethical consumerism 1999 - 2008*

⁴⁵ ISO, Draft International Standard *ISO/DIS 26000 Guidance on social responsibility* (4 September 2009)

Case Study

Consumer response to information on meat chicken production methods in the UK

The retail market share of higher welfare chicken (both indoor and free range) has increased from only 1 - 2% to 15 -20% over the last decade in the UK.¹⁸ The major reason for the increased sales of higher-welfare chicken was consumer response to information about chicken production.

In early 2008, a series of UK prime-time television programmes compared the rearing conditions of fast-growing intensively kept broiler chickens and those in other systems making clear the health and welfare advantages of free range or more extensive indoor systems. A celebrity TV chef campaigned vigorously for consumers to switch to higher welfare chicken. A national TV station requested details from the major retailers of the breed, age of slaughter/growth rate and stocking density used for their different chicken brands, and posted these on its website.⁴⁶

The result of this graphic reporting and education campaign was an immediate burst of consumer demand for free-range or higher-welfare chickens, with a G2 Data Dynamics survey suggesting that 38% of consumers had switched to free-range chicken over a few weeks.⁴⁷ While this huge rate of change was perhaps not surprisingly not sustained, the growth in higher-welfare fresh chicken sales has continued, particularly for chickens produced indoors in more extensive conditions but costing less than free range chickens. The value of sales of fresh chickenmeat from indoor higher welfare systems increased by over £71 million or 38% in the year to February 2010, whereas the value of sales of standard intensively produced fresh chicken increased by only 3% over the same period with a reduced market share.⁴⁸ Consumer choices are thus raising welfare standards in the industry.

The IGD in 2009 noted that 'the effects of these [TV programmes] continued to reverberate throughout the year' in focus groups and 20% of shoppers mentioned animal welfare as a driver of product choice, compared to 13% the previous year.²⁵

Intensively produced chicken, however, is not labelled with information about the production system. It is likely that we would have seen an even greater and more sustained effect on consumer choice and welfare standards if the TV information had been linked to unambiguous labelling of all fresh and frozen chicken meat.

3.3 Marketing with method of production labels

Retailers are already highly involved with consumers and animal protection organisations in society's debate on farm animal welfare. Some have already chosen to sell only higher-welfare products, for example, no eggs from caged hens or no pigmeat or chicken meat produced intensively indoors, while others sell a range of brands covering the spectrum of welfare potential. Method of production labelling would not change or restrict retailers' freedom to choose what to sell. It would mean that all products had to be identified as being produced under one of a number of legally defined production systems.

Retailers need to be involved in discussions to facilitate the marketing of products bearing method of production labelling. Each retailer would be free to choose whether and how to promote which category of production system, as they have already done under the mandatory egg labelling rules (Section 4.1 below).

Retailers may want to pursue a dual strategy of educating their consumers and encouraging them to move up the quality chain to higher welfare products, while respecting the decisions of those consumers who wish to continue buying their retailer's lowest-cost brands. Additional sources of information and motivation could include the following:

- For online shopping, product information could include the production system
- In-store leaflets detailing production system for each brand
- In-store screens, perhaps including video footage of higher welfare systems
- Well-signposted web pages describing production systems in depth
- A photograph on the pack of a typical example of the production system being described
- Cooperation with trusted animal welfare organisations in publicising progress and highlighting the welfare benefits of particular brands.

⁴⁶ Channel Four, January 11 2008, *Jamie's Fowl Dinners, The facts about the shops you shop in*, www.channel4.com

⁴⁷ Allison R, 2008, Free-range sales up - but planning hinders progress. *Poultry World* March 2008, p5

⁴⁸ Compassion in World Farming, April 2010, news release based on Kantor Worldpanel research, *Consumers drive chicken welfare: shell eggs and fresh chickenmeat sales 2009 - 2010*

The EU's *Feasibility Study* and impact assessment concluded that the net impact of labelling on the income of producers and operators would be neutral on average, although there might be certification and labelling costs. The study concluded that producers' incomes would benefit if consumers moved to higher welfare products but that consumers would face higher prices only if they chose to do so, by buying higher-welfare products.¹⁶ For retailers, we agree with the IGD that the growing public interest in animal welfare provides 'an excellent opportunity to differentiate and gain more shopper loyalty.'²⁵ We would also maintain that improvements in welfare are not always and inevitably associated with higher production costs overall. Benefits such as reduced mortality, fewer health problems and/or improved carcass quality can help to offset any additional costs of adopting a higher welfare system.⁴⁹

Case Study

The EU's organic standards and labelling system

The 2009 Feasibility Study on labelling cites the introduction of the EU organic standard and label as a major contribution to the expansion of the organic market in the EU. Legal standards and certification acted to achieve this in a number of ways, including:¹⁶

- 'Harmonising' private labels
- Giving retailers a wider range of equivalent suppliers
- Assuring consistency of standards to consumers
- Providing EU funding for consumer information campaigns
- Allowing 'a "(somewhat) lower standard, mass market" segment addressing occasional buyers with a limited willingness to pay and "higher standard, niche market" segments addressing the traditional intensive buyers of organic products'.

According to the study, the result was to allow organic products to leave 'the niche market of frequent users they were formerly trapped in and to enter new mass-market segments', and move to 'a "broad market change" strategy that addresses modern retail and low-involvement occasional buyers.'¹⁶ We believe that mandatory labelling of all (non-organic) products by method of production would engage consumers less committed to animal welfare in a similar way and expand the market for higher welfare products.

⁴⁹ See for example RSPCA (2006), *Everyone's a Winner*, September 2006

3.4 Compliance with WTO free trade rules

EU-wide mandatory labelling would be introduced in response to demand from EU citizens for greater transparency on standards of animal welfare used to produce the food that they buy.

The EU's *Feasibility study* comments that, because the WTO has not yet explicitly recognised animal welfare as a public concern, 'it is not possible to predict whether a possible mandatory animal welfare labelling scheme could successfully be challenged and, thus, become incompatible with WTO law.'¹⁶ We believe that, while the requirements of WTO law need to be taken fully into account, they should not be seen as a barrier to the EU introducing mandatory method of production labelling for animal-based food.

The European Commission has accepted that mandatory labelling is generally a less trade-restrictive method than other types of regulation providing certain obligations are fulfilled to prevent it being used in any form of arbitrary or unjustifiable discrimination.⁵⁰ The EU's mandatory labelling scheme for eggs has been notified to the WTO's Technical Barriers to Trade (TBT) Committee and has not been challenged by any other WTO member.

The TBT Agreement recognises that governments may set labelling schemes with technical requirements to meet 'legitimate goals', which include measures to protect animal life or health or the environment. Although the TBT Agreement does not specifically mention animal welfare, it could be taken as a legitimate goal.

According to the legal opinion obtained by the RSPCA, mandatory labelling, with appropriate safeguards to trade, would be compatible with WTO rules.⁵¹ Labelling schemes should be verifiable, clear and audited. Efforts should be made to involve stakeholders from other countries to avoid problems of discrimination and in particular the Commission should include technology transfer options and assistance in particular to developing countries.

The World Organisation for Animal Health (OIE) *Terrestrial Animal Health Code*, adopted by delegates from all 175 OIE member countries, now includes recommendations for animal welfare. This shows that detailed global welfare standards can be agreed multilaterally.

For fairness and effectiveness, the same system of labelling would need to be applied to food imported from non-EU countries (this is already the case for EU organic standards⁵²). The Eurobarometer surveys found that 89% of citizens wanted the EU's animal welfare standards to apply to products imported from non-EU countries.²²

⁵⁰ Note by EC, 2001, Mandatory labelling for agricultural products

⁵¹ In the matter of mandatory labelling and the WTO rules. Legal opinion to the RSPCA 2004

⁵² Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products

4.0 METHOD OF PRODUCTION LABELLING IN PRACTICE

Labelling by method of production has already proved successful in Europe: in the labelling of eggs (mandatory) and higher welfare poultrymeat (on a voluntary basis). Egg and poultrymeat labelling has provided consumers with the information to allow them to differentiate between products on the basis of animal welfare. It has also protected farmers who operate higher welfare systems, such as free range, by attaching legal conditions to the use of 'reserved terms' used in marketing labels.

4.1 The EU egg labelling scheme: a success story

Egg labelling by method of production started as a voluntary, retailer-led initiative, in response to consumer demand and resulting from widespread consumer disapproval of battery cages for laying hens. In 1995 the Co-operative Group supermarket in the UK first labelled shell eggs from hens kept in battery cages as 'Intensively produced' because it was seen to be 'in the consumer's interest' to know. Technically this was illegal at the time, but it contributed to a change in the law, allowing intensive battery eggs to be labelled 'Eggs from caged hens', and other retailers also adopted this voluntary labelling.⁵³

Mandatory labelling was introduced after voluntary labelling failed to provide consumers with clear and transparent information on all eggs, because unlabelled eggs from battery cages continued to be sold in some outlets. Use of terms such as 'farm' or 'country' eggs further served to confuse consumers. Since 2004 the labelling of shell eggs according to production method has been mandatory (currently regulated under Council Regulation (EC) 1234/2007 and Commission Regulation 589/2008).

The main features of the egg labelling scheme are that:¹⁶

- Retail packs of eggs 'bear on the outer surface in easily visible and clearly legible type the farming method' (the farming method code number is also stamped on each egg)
- The farming method must be described as either: 'Free range eggs', 'Barn eggs', 'Eggs from caged hens' (as set out in the Regulation in the appropriate European languages) or 'Organic'. There is an option for eggs from hens kept in 'enriched [furnished] cages' to be labelled as such but only in addition to the 'Eggs from caged hens' label
- The farming method described must conform to the criteria set out in the Directive on laying hens (1999/74/EC), for cage systems, barn systems and for free range systems, for which the range area per hen is also set out in the Regulation (EC 589/2008). Organic eggs must be from systems that conform to EU standards for organic production
- Member States appoint inspection services to check compliance with the Regulation, including random, unannounced sampling. (For example, inspection is carried out by local authorities' Trading Standards Departments and official DEFRA agencies in the UK)
- The farming method criteria describe minimum standards and producers may go beyond this if they wish (for example in the UK's Lion Code, an independent voluntary farm assurance scheme)
- The views of stakeholders - including producer organisations and animal welfare organisations - were considered in the drafting of the legislation.

The EU's *Feasibility Study* on labelling noted that the mandatory egg labelling regulations have proved 'a successful animal welfare labelling scheme as since its application a switch in demand for more animal welfare friendly eggs has been observed in the EU, significantly in some Member States.'¹⁶ There remain problems of compliance in some EU countries but, as a result of consumers' choices, the proportion of laying hens kept in non-cage systems doubled, tripled or more in several EU countries between 2003 and 2007.⁵⁴ In the UK, where retail egg packs are clearly labelled, 52.6% of retail sales of shell eggs in the 12 months to March 2010 were from non-caged (mainly free range) hens, compared with 47.3% the previous year.⁴⁵ This is despite a significant price differential between cage and free range eggs.

The existing mandatory egg labelling scheme has thus been a success in a number of ways:

- Labels have been understood by consumers
- The system has wide acceptance
- The market share of eggs from higher-welfare systems has increased
- The proportion of the EU's hens kept in higher welfare systems has increased.

⁵³ Co-operative Group, *Animal welfare achievements, 1995 - Egg labelling* <http://www.co-operative.coop/food/ethics/Animal-welfare/Our-achievements/>

⁵⁴ Lymbery P, Stevenson P and Lambert L, September 25 2009, *Briefing on animal welfare labelling*, FAWF

We believe that the existing well-accepted EU rules on egg labelling point the way forward for the eventual labelling of all livestock products. Council Regulation 5/2001 on marketing standards for eggs, that initiated the mandatory system, explained that ‘clear and unambiguous compulsory labelling is the only way of ensuring that the consumer is able to make an informed choice between the various classes of egg on the basis of the farming method.’ We believe that the success of mandatory labelling of shell (whole) eggs should now result in the requirement being extended to cover products containing eggs as ingredients.

4.2 Existing poultrymeat labelling rules in the EU

Under Council Regulation (EC) 1234/2007 and Commission Regulation 543/2008, there are specific terms (‘reserved terms’) for the labelling of higher welfare poultrymeat by method of production. These are: ‘extensive indoor/barn-reared’; ‘free range’; ‘traditional free range’; and ‘free range - total freedom’ (as set out in the appropriate language in the Regulations). If the producer or retailer chooses to use any of these terms for marketing on labels, the system must conform to legally-defined minimum production criteria. Table 4.1 sets out the Regulation’s criteria as apply to meat chickens (broilers).

Crucially, the voluntary poultrymeat labelling regime does not cover the intensive indoor production which accounts for the large majority of all poultry reared in the EU (estimated at 80-90% in the UK, for example). This omission reduces transparency for consumers and does nothing to encourage producers to move to higher welfare systems.

Table 4.1 Existing EU rules for voluntary labelling of higher welfare chickenmeat (Commission Regulation (EC) 543/2008)

‘Reserved’ marketing term	Minimum slaughter age and growth rate	Indoor stocking density	Number of birds in shed	Range stocking density	Outdoor access
‘extensive indoor/barn reared’	56 days	12 birds or max. 25 kg/m ²	Not limited		No outdoor access
‘Free range’	56 days	13 birds or max. 27.5 kg/m ²	Not limited	1m ² per bird	Continuous daytime access for at least half lifetime to open-air runs mainly covered by vegetation
‘Traditional free range’ [1]	81 days and slow growing strain	max. 12 birds or max. 20 kg/m ²) [1]	4,800	2m ² per bird	As ‘free range’, from 6 weeks old
‘Free range total freedom’	As ‘traditional free range’	As ‘traditional free range’	As ‘traditional free range’	Unlimited range (no fences)	As ‘traditional free range’

[1] The Label Rouge meat chicken is an example where the birds are slaughtered from 81 to 110 days old and have a maximum of 11 birds per m² in their shed.⁵⁵ In ‘Traditional Free Range’ and ‘Free range total freedom’ production, a higher indoor stocking density is permitted if small mobile sheds are used which remain open at night. Organic chicken production includes requirements comparable to those in the ‘Traditional Free Range’ and ‘Free Range Total Freedom’ categories.⁵⁶

We recognise that the Regulation’s existing criteria for poultrymeat production systems may not cover sufficiently well all higher-welfare chicken production systems in Europe. These include several retailers’ own brands of affordable higher-welfare indoor-produced chickens. For a mandatory system, workable and economically viable criteria would need to be agreed upon in consultation with producers and retailers. But we believe that the principle of the poultrymeat marketing Regulation is sound and that it has worked well in protecting the integrity of the labelling term ‘free range’, to the advantage of both producers and consumers.

4.3 Classification of production systems for other livestock products

It would be feasible to classify all livestock production systems in a similar way to the examples of the existing egg and poultry marketing regulations discussed in Sections 4.1 and 4.2, into a small number of categories for each species. We see the essential differentiation between production systems as including environment, management and genetics and we believe that all livestock production systems can be classified objectively, even if very broadly, according to whether they are:

- Intensive or extensive
- Indoor or outdoor based.

⁵⁵ Syndicat National des Labels Avicole de France, 2008, Label Rouge poultry, <http://synalaf.com>

⁵⁶ Soil Association Organic Standards. Revision 15, 2005

We propose that the EU take steps to classify all production systems for livestock rearing in some similar or analogous manner, as the basis for method of production labelling. These categories could then be communicated to consumers through a set of agreed labelling terms that had been shown to work in the retail and consumer context.

Case Study

Labelling of pigmeat in the UK

There are no existing EU regulations for labelling pigmeat. Much of European pig production is intensive, but not labelled as such. Retailers have their own brands of ‘free range’, ‘outdoor bred’ or ‘outdoor reared’ pigmeat, backed by their own standards and auditing systems. But in the absence of regulation, these labelling terms have no legal basis, reducing transparency for consumers.

There is evidence that many producers would welcome harmonisation of the use of these terms across Europe and we believe that pigmeat should be a priority for method of production labelling. In the UK, a voluntary Code of Practice for labelling higher-welfare pigmeat was agreed by pig producers, all the major food retailers, consumers, food services companies and government in April 2010. This initiative was led by the industry body BPEX and included an animal welfare NGO. It provides a useful case study showing how the food and farming industry is able to agree and adopt well-defined labelling terms relating to method of production.⁵⁷

The Code includes definitions of the method of production labelling terms - ‘free range’, ‘outdoor bred’ and ‘outdoor reared’, which include the broad criteria set out in Table 4.2. While currently voluntary, the criteria for these labelling terms relating to production systems could be made mandatory by law.

Table 4.2 Criteria for production systems and marketing terms under the UK’s voluntary pigmeat labelling scheme⁵⁸

‘Outdoor bred’ [1]	‘Outdoor reared’	‘Free range’
<ul style="list-style-type: none"> ➤ Pigs are born outside and remain outside in fields until weaning, then reared indoors ➤ Sows live outside in fields during their entire breeding lives ➤ Label includes information about the housing of pigs after weaning (e.g. in straw barns) 	<ul style="list-style-type: none"> ➤ Pigs are born outside and reared outside in fields for half their lifetimes, then finished indoors ➤ Sows live outside in fields during their entire breeding lives ➤ Label includes information about the housing of pigs during finishing (e.g. in straw barns) 	<ul style="list-style-type: none"> ➤ Pigs are born outside and live outside in fields for their entire lifetimes ➤ Breeding sows live outside in fields during their entire breeding lives
[1] Note: all these outdoor systems also provide the pigs with appropriate shelter in the fields		

Additional requirements agreed in the scheme include:⁵⁸

- Detailed criteria, such as minimum space allowances, for each production system. These details are available to consumers through the Code of Practice website (www.porkprovenance.co.uk)
- The label should provide information as to whether the pigs spend part of their lives indoors
- Imported pigmeat is required to meet the same criteria, if retailers choose to label it using the terms ‘outdoor bred’, ‘outdoor reared’ or ‘free range’
- Compliance with the criteria for the labelling terms is assured through a combination of retailers’ assurance schemes and producers’ farm assurance schemes.

As yet, the voluntary scheme applies only to higher-welfare pigmeat production systems. It does not yet cover the intensive indoor production that accounts for the majority of pigmeat consumed in the UK and elsewhere in Europe. However, it demonstrates that comprehensive labelling of pigmeat by method of production is entirely feasible.

⁵⁷ RSPCA, February 23 2010, news release, *Shoppers no longer need to be pig ignorant about pork*; Department for Environment, Food and Rural Affairs (Defra) 23 February 2010, *Code brings clarity to country of origin*

⁵⁸ BPEX (2010) *Code of Practice for the labelling of pork and pork products*, February 2010

4.4 Marketing terms for labelling livestock products

The choice of marketing terms to describe each system has to be effective primarily with consumers and retailers, in a marketing context, while retaining the acceptance of producers. All labels should:

- › Be brief and simple
- › Differentiate clearly between different systems
- › Give the consumer a clear indication of the type of husbandry system (a 'mind's eye' image)
- › Ideally, enable the consumer to make a judgment about the welfare potential of the system and encourage the consumer towards the higher-welfare systems.

While it is essential that the labelling term should be brief, consumers need a source of detailed information on the criteria that each production system is based on, if they want it. We suggest that this information should be provided by retailers, trusted animal welfare organisations and the European Commission DG SANCO. This might also be one of the functions of the proposed Community Reference Centres for animal welfare.

As we have proposed that the classification of systems should be on the basis of objective criteria (intensive/extensive, indoor/outdoor), it is preferable for marketing terms to reflect these criteria rather than implying an element of evaluation in the term. For example, terms such as 'standard' and 'conventional' do not inform the consumer about the husbandry conditions, but instead suggest that the system is 'normal' ('regular') and hence, potentially, acceptable.

We recommend that a range of possible marketing terms for chickenmeat and pigmeat be subjected to consumer and market testing across all European countries at the earliest opportunity.

5.0 THE ROLE OF COMMUNITY REFERENCE CENTRES AND WELFARE OUTCOME MEASURES

To ensure public trust in a labelled system it is important that animal welfare standards are scientifically robust and compliance verified on farms. We suggest that standards defining each method of production should be controlled by the proposed Community Reference Centres.⁵⁹ As with organic schemes compliance should be verified by independent certification bodies accredited to the EN 45011 requirements.

We are enthusiastic about EU initiatives that would lead to scientific welfare assessment by outcome measures. These initiatives include the welfare assessment protocols developed through the Welfare Quality® project⁶⁰ and the proposed Community Reference Centre or network for animal welfare.⁶¹ We look forward to a future where welfare assessment against high legal animal welfare standards will be routine practice for every animal reared for food in Europe and, in the longer term, worldwide.

The science of welfare outcome assessment is already in place from work in the EU's Welfare Quality® project and the experience of organisations that are already incorporating some outcome measures into assurance schemes; for example, in Britain this is being investigated by the University of Bristol, the RSPCA and the Soil Association.¹⁰ While the field application of outcome measures on a large scale is still in development, suitable protocols will be available within 5 years. In future, automated systems could provide more reliable data than today's inspection regimes.

In the more immediate future, we would like to see outcome measures used to provide assurance that the welfare potential of the various production systems proposed for labelling is being realised in practice on each farm covered by the labelling scheme. These would ensure that management and stockpeople's competency in each farm were adequate to achieve the welfare potential of the system. Thus, for example, the products of a free range farm would not be permitted to use a 'free range' label if the potential of that system was not being realised and the farm's welfare outcomes were in fact poor.

We note that existing farm assurance schemes for chickens already use some simple outcome measures, by specifying the expected maximum mortality rate and on the percentage prevalence of hockburn.⁶² The extent of tail-docking and tail-biting in pigs is another key indicator of whether the animals have an environment that provides for their behavioural, physical and social needs and is well-managed.

To make progress, we suggest that sampling of EU farms based on the existing Welfare Quality® protocols could be carried out immediately. The results should be used to inform the choice of measures and the level of attainment that should be required for the different categories of chicken and pig production systems. We also believe that the Community Reference Centres should have ownership of the welfare outcome standards, to assure independence and scientific credibility for the public.

For the same reason, a system of certification, inspection and accreditation, similar to that required by the EU Regulation (EC 834/2007) on organic production and labelling of organic products, will be necessary to assure the welfare outcomes on farms. Under the organic Regulation, member states designate public administrative authorities ('control authorities') and/or approved private bodies ('control bodies') to carry out certification, annual inspections and reporting. Private control bodies are required to be accredited to ISO 65 or EN45011 and these requirements apply equally to imported organic products.⁵² To minimise costs and avoid duplication of functions, the welfare outcomes audit could be carried out by the producer's existing farm quality assurance body in many cases. Clearly, any decision on the most appropriate method of auditing will need to take account of practicality, costs and effectiveness.

⁵⁹ Directorate-General for Health and Consumer Protection, 2009, *Feasibility study on animal welfare labelling and establishing a Community Reference Centre for animal protection and welfare: Part II Community Reference Centre*

⁶⁰ Welfare Quality®, 2009, *Assessment protocol*, available for pigs, poultry and cattle

⁶¹ Directorate-General for Health and Consumer Protection, 2009, *Feasibility study on animal welfare labelling and establishing a Community Reference Centre for animal protection and welfare: Part II Community Reference Centre*

⁶² Assured Chicken Production, February 2009, *Poultry Standards 2009 - 2010*

6.0 THE NEXT STEPS TO ACHIEVE EU-WIDE LABELLING

This report has outlined how mandatory method of production labelling fulfils the EU's goals of providing transparency about the provenance of food for consumers, supporting high quality farming and raising standards of farm animal welfare in the EU, and potentially beyond.

The European Union has the opportunity to achieve an effective, unified and trustworthy labelling system by 2015, by taking the following steps:

During 2010–2011 we believe it would be possible to achieve the following:

- › political agreement to mandatory labelling of animal-based food products according to their method of production (farming system)
- › use of Welfare Quality® protocols to assess a sample of EU farms as a basis for decisions about suitable welfare outcome requirements; and
- › market testing of potential marketing (labelling) terms.

During 2011 agreement could be reached on the classification and testing of farming systems in different countries.

In 2012, the EU could adopt and bring into force a new Marketing Regulation for all animal-based food products, with labelling provisions initially implemented only for fresh and frozen chickenmeat and pigmeat sold at retail.

By 2015 at the latest, core outcome measures of welfare could be incorporated into the criteria for each production system.

Please send us your comments and contributions

We would be delighted to hear your views. Please tell us:

- › What your organisation thinks about the proposals
- › How the proposals could be strengthened
- › What the main obstacles to implementation are and how they could be overcome.

Your views should be sent to:

Jo Hastie, Farm Animal Welfare Forum, PO Box 762, Godalming, GU7 9EQ

Telephone: **44 (0)1483 521 970**. They can also be emailed to: **info@fawf.org.uk**

APPENDIX 1

The Farm Animal Welfare Forum

The Farm Animal Welfare Forum brings together a group of influential organisations concerned with improving farm animal welfare.

We are:

Compassion in World Farming

Compassion in World Farming is the leading charity campaigning exclusively for the welfare of farm animals throughout the world. Our vision is a world where farm animals are treated with compassion and respect and where cruel factory farming practices end.

Co-operative Group

The Co-operative Group is a member-owned co-operative. Its vision is to be the best co-operative business in the world and it is the largest independent convenience store operator in the UK. Taking a responsible approach to business has been a guiding focus since its inception in 1863.

Food Animal Initiative

Food Animal Initiative (FAI) was set up by farmers in 1998 in recognition of the fact that commercially robust alternative systems - that significantly raise animal welfare standards, tackle environmental concerns and address issues of human health - can and do exist. FAI farms commercially in Oxfordshire and undertakes farm-scale research to improve animal welfare within a commercial farming system.

Royal Society for the Prevention of Cruelty to Animals

The RSPCA is a charity whose vision is to work for a world in which all humans respect and live in harmony with all other members of the animal kingdom. Our mission is to prevent cruelty and promote kindness to animals and alleviate their suffering by all lawful means.

Soil Association

The Soil Association is the UK's leading campaigning and certification organisation for organic food and farming, with a track record on promoting and implementing high standards of animal welfare.

The University of Bristol's Animal Welfare and Behaviour Group

The University of Bristol's Animal Welfare and Behaviour Group based within Bristol University's School of Veterinary Science is a centre of excellence in animal welfare science. Working nationally and internationally with governments, industry and charities, the group carries out high quality animal behaviour and welfare research and teaching, embracing a range of species.

World Society for the Protection of Animals

For 25 years, WSPA has aimed to promote the concept of animal welfare in regions of the world where there are few, if any, measures to protect animals. Politically, we have campaigned to convince governments and key decision makers to change practices and introduce new laws to protect or improve the welfare of animals.

Taking the internationally accepted Five Freedoms as our guide, we have identified the most pressing animal welfare issues and developed high-level strategies for addressing them.

We believe we can do most to improve the welfare of animals by working collaboratively towards shared strategic objectives.

Because we believe improvements in farm animal welfare must be based on peer-reviewed scientific evidence and analysis, we consult with representatives from the University of Bristol's Animal Welfare and Behaviour Group, a centre of excellence for animal welfare science.

As our proposed improvements must be economically viable for farmers and businesses in the food supply chain, the Forum includes leading representatives from the voluntary sector, food and farming industries. We also cooperate with other organisations concerned with farm animal welfare that support our analysis and want to work with us to achieve our objectives.

Further information will be available shortly on our website www.fawf.org.uk

The Farm Animal Welfare Forum has published its vision for improving food and farming - *Farming Tomorrow: Improving Farm Animal Welfare in the UK*.

The report details our priority areas for action for policy-makers, food business and consumers and can be ordered from info@fawf.org.uk or **44 (0) 1483 521 970**.



The **co-operative**
food



Soil Association
the heart of organic food & farming



The work of the Farm Animal Welfare Forum is supported by the Tubney Charitable Trust

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