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New Animal Welfare Standards Could Impact Trade

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Approved By:

Paul Spencer

Prepared By:

Leif Erik Rehder

Report Highlights:

The future of animal husbandry in Germany is under discussion and the Green party has made it a campaign issue for upcoming federal and state elections. The implementation of national standards prior to the EU-wide standards could hurt the competitiveness of German farmers. Beyond changing production conditions in Germany and Europe, there are calls to ensure that imported animal products also comply with European animal welfare standards.

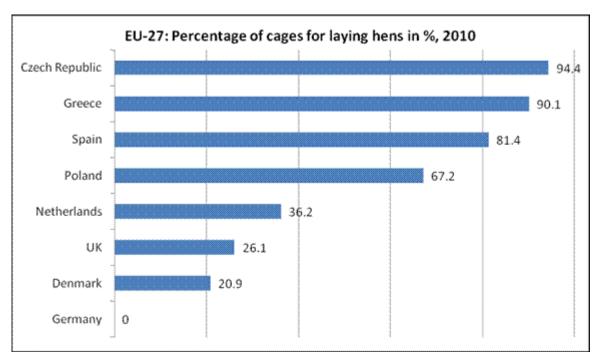
Germany's Political Discussion of Animal Welfare

An amendment to the German Animal Welfare Act being discussed in the Parliament (the Bundestag) would prohibit the castration of piglets without anesthesia starting in 2017. The amendment would also increase internal controls and record keeping by farmers. The proposed amendment is laying bare a broader discussion about the costs and benefits of additional animal welfare policies and the competitiveness of German farmers, who are often called upon to take the lead in new animal welfare practices not yet adopted in the EU or other countries. The amendment must be passed by both the Bundestag and the Federal Council before the legislation can come into effect.

Bundestag Public Hearings

Dr. Helmut Born, General Secretary of the German Farmers Federation (DBV), spoke on October 17, 2012 at a Bundestag public hearing on the proposed amendment to the Animal Welfare Act. He declared that animal welfare is very important for farmers not only for economic reasons but also for ethical and consumer acceptance reasons. Dr. Born also acknowledged that animal welfare practices are changing and continue to develop. He highlighted business practices and certifications, such as the Quality and Safety (QS) or the milk quality management (QM), under which compliance with animal welfare regulations are already being overseen in Germany.

Dr. Born reminded parliamentarians of the example of Germany's prohibition on laying hen cages, which went into effect in 2010, two years before the law was to have been applied in other EU countries. This resulted in a drop in egg production and loss of jobs as cages were exported to EU countries with less rigorous implementation and eggs produced in those cages were imported into Germany. The failure of other EU members to implement the laying hen cage directives is a poignant and oft used political talking point by the Germany's poultry industry.



Source: EU-Commission

Dr. Born gave other examples of regulations, such as those on livestock density, light conditions, bedding areas, etc., where Germany applies stricter rules than other European countries. These lead to higher production cost, which disadvantage German livestock farmers.

Another example is new housing requirements for sows, which come into effect in the EU in 2013. The federal ministry of agriculture, food and consumer protection (BMELF) has confirmed that there will be no exceptions to the rule and that there is intensive work by the industry underway to comply with the transition period. Representatives of the German livestock industry fear that other countries will not fully comply with the new requirements, as was the case with laying hen cages.

Potential Impact on Trade

There are two trade-related aspects arising from the German animal welfare movement. First, within the EU, implementation of national standards prior to the EU puts German farmers at a cost disadvantage. Germany's pork industry has expanded dramatically in the past decade, fueled by exports. The industry's ability to mitigate costs while still meeting new standards poses a challenge.

Second, longer-term, there is the real possibility that today's animal rights standards will become tomorrow's trade restrictions. Clearly, animal welfare has become an important political topic in Germany and, in the run up to elections next fall, the Green Party has made it a campaign issue. The Green Party's main initiative is restricting large scale animal operations, which are portrayed as having more animal welfare problems than smaller farms. In contrast, while the governing Christian Democratic Union (CDU) party encourages greater protection of animals, they feel improvements should be made prudently because stricter regulation could lead to the outsourcing of production.

Declaration for the compliance of animal welfare standards

Beyond changing production conditions in Germany and Europe, there are calls to ensure that imported animal products also comply with European animal welfare standards. There also appears to be little common understanding of foreign animal welfare standards and their comparability to those in Europe.

A good and recent example is an October 4 common declaration by DBV, the German Rural Women's Federation, the Rural Service of the Protestant Church, the Catholic Movement of rural people, and the German Federation of Rural Youth.

Unofficial Translation:

Active national animal welfare policies should be pursued in context of the European single market in order to prevent competition distortions at the expense of the animals and of livestock farmers in some (other) countries. Animal welfare standards should be firmly anchored in the WTO trade negotiations. If this is not possible for the Federal Government and the European Commission, there has to be a special protection for animal welfare standards achieved in Germany and Europe. Animal welfare is not divisible. Domestic as well as imported products must be produced under similar sustainable conditions.

End Unofficial Translation.

Introduction of new, private, animal welfare label

Starting January 2013, German consumers will be able to buy pork and poultry labeled, "For better animal health" at two food retail chains. The German association for the protection of animals is to begin certifying farms for this program in October. Program requirements include ensuring that feeder pigs receive one third more space than required under law, that there are opportunities for activity installed in the stables, and that piglets will not be castrated without anesthesia. Tail docking is not allowed. It is envisioned that Certified products will be positioned between conventional and organic products. Currently, less than 1% of the meat consumption in Germany is organic.