

We are starting the final phase of our project. Work Package 1 is finished and Work Package 2 is almost ready as well. In the next 6 months we will aim to draw conclusions on the data we collected through discussions with many stakeholders. Our thoughts on this are gradually taking shape. In this Newsletter you'll find some preliminary ideas!

## **Work Package 2 - National workshops with chain stakeholders**

In autumn 2010 five national workshops have been organised in the Netherlands, Poland, United Kingdom, Italy and Macedonia in order to collect the views towards increased animal welfare standards (AW) of the key actors of the supply chain in different Regions of Europe.

Representatives of the main national organisations of farmers, animal traders and transporters, slaughterhouses and processing industry have been invited to participate in order to discuss the practical applicability of standards and initiatives aimed to increase the level of welfare of farm animals in the EU. The participants have been invited to discuss four statements which refer to the main issues and problems related to public and private initiatives aimed to improve the welfare of farm animals.

According to most representatives of farmers', traders, transporters, slaughterhouses and meat processing industry organisations, mandatory EU regulations are considered as the primary means to achieve higher levels of AW (Statement 1). Most representatives believe that the actual EU legislation is already sufficient to ensure a minimum level of AW, but it is necessary to uniform implementation and enforcement across all EU members to prevent unfair competition between the EU countries. Higher AW levels should be initiated on basis of market demands and beyond the basic legislation the market may pose eventually its own rules.

Most participants in the five countries agree on the fact that farmers and farmers groups will only go for higher animal welfare if there are sufficient financial incentives (Statement 2) as they need to be rewarded for capital investment needed to improve animal welfare. Some argue that economic incentives should come from the market as temporary public incentives are not sufficient to improve animal welfare. Other participants indicated also that many improvements of AW could be partly self-funded through higher animal health, which lowers costs of production, but not all improvements in animal welfare result in economic benefits for farmers. To the Dutch farmers three kinds of welfare measures are important: 1) measures with financial benefits, 2) cheap measures that contribute to improved animal welfare and good image and 3) expensive measures which imply a great leap forward.

Generally speaking all participants agree with Statement 3 that voluntary AW schemes combined with labelling, are the most effective in raising AW as they act through the market mechanism and reassure consumers about food safety and AW. There is however also a risk that voluntary schemes can become almost mandatory as they may be imposed by multiple retailers on all the actors of the chain.

Adequate compensation for extra costs should then be accounted for. With regards to education and information of consumers most participants consider this as a complementary and fundamental factor to support voluntary schemes and other initiatives to improve the level of AW (Statement 4). Consumers should be informed that intensive farming per se is not a synonym of low levels of animal welfare. Inadequate information which may create negative effects on the market should be avoided.

*Kees de Roest and Paolo Ferrari*

Time flies when your having fun. The EconWelfare project is already in its final half year, and within a few months time we will deliver our conclusions to the Commission. We've collected a lot of information on possible ways to improve welfare, and have discussed these with stakeholders in the animal production chain. Now the challenge is to 'predict' what the implementation of different policy options will mean in practice, and how best to proceed in different parts of our Community. Not an easy job at all!

Some may argue that increasing animal welfare will always result in a negative financial result to the farmer and the chain. I guess that when farmers are asked to convert their existing systems to provide more space or other benefits to the animal, this may well be the case and our analyses will show that. But welfare can be improved in a number of other ways. There are plenty of examples which show that improving welfare to the animal can go hand in hand with increased production and a sound economic performance of the chain. It is well known that cattle which are not fearful of humans are easier to milk than fearful animals (good human – animal interactions make a difference), high welfare products find their way on supermarket shelves (there's obviously a market for them) and group housing systems for sows perform equally (in financial terms) compared to individual sow housing systems (once their up & running).

Your thoughts on these and other positive and negative 'impacts' of welfare improving policies are very welcome!

Please send me an email or join the discussion on [www.econwelfare.eu](http://www.econwelfare.eu)

Kind regards,

*Hans Spoolder*  
EconWelfare coordinator

## Work package 3 – Preliminary results on future animal welfare policies

There has been considerable activity in the WP3 team over the past few months, with the most pressing task being the analysis of the recent Delphi questionnaire. Experts across eight European countries (Germany, Italy, Macedonia, Netherlands, Poland, Spain, Sweden and the UK) were invited to complete a policy Delphi exercise to examine the potential of a selection of different policy objectives through which improved farm animal welfare might be delivered. Promoting high(er) animal welfare standards is one of the aims of the EU's Community Action Plan on Animal Welfare.

Respondents were also asked to rank the usefulness of different policy instruments through which higher farm animal welfare might be achieved, and in turn what might be suitable indicators of the effectiveness of these instruments. So that's indicators to measure policy instruments to deliver policy objectives!

A total of almost 200 completed questionnaires were received, representing a response rate of almost 45% which is very encouraging given the typical response rate for surveys of about 30%, so a big 'thank you' from the WP3 team. There was a good spread of responses from the five targeted categories of expert, namely public authorities, civil society, the farming community, chain actors and academics/advisors. Many of the experts have direct experience of dealing with animal welfare policy in their own countries.

Although data analysis is still in progress, and the final results will not be released until after our WP3 workshop of leading animal welfare policy experts meets on 9-10 March 2011, preliminary analysis suggests that the top four policy objectives identified were: improving public awareness of farm animal welfare issues, which ranked highest, providing better education and information to chain actors, including farmers, and improving on-farm standards were ranked equal second, followed by improving off-farm standard. As you might expect, there are some interesting differences between countries and categories of experts in how they rank these policy objectives but more on that in the final Report!

In turn the Delphi results identified those preferred policy instruments which would be most effective to achieve each of these four policy objectives. To take the top policy objective improving public awareness of farm animal welfare issues, instruments suggested to achieve this objective were education-based initiatives for the general public (most preferred) followed by, labelling schemes (ranked considerably lower).

Full results of the Delphi exercise for each participating country will be made available through the local EconWelfare contact in each of the eight countries mentioned above.

*Jonathan Guy, Carmen Hubbard, Guy Garrod, Sandra Edwards, Paul Ingenbleek, Victor Immink and Linda Keeling*

## Statements put to stakeholders

1. Higher levels of animal welfare should be achieved primarily through mandatory EU regulations
2. Farmers and farmers groups will only go for higher animal welfare if there are sufficient financial incentives
3. Voluntary animal welfare schemes combined with labelling, are the most effective in raising animal welfare as they act through the market mechanism
4. The best way to change consumers buying behaviour is to educate and inform them about animal welfare

What is your opinion on these statements?  
Please leave your ideas on our website!



# EconWelfare

## Work package 4 - Developing a calculation model

In the final quarter of 2010 the WP4 continued working on assessing the costs and benefits of upgrading animal welfare housing standards. Fruitful discussions in the meetings in November 2010 (Newcastle with WP3 and Amsterdam with the Core Team) helped to finalize methodologies for farm and chain level assessments.

Recently, the farm level models for all the species considered in the analyses (fattening pigs, sows, laying hens, broilers, dairy cows, beef cattle) have been completed and tested for Poland. As expected, upgrading housing standards above the existing EU requirements would increase costs of production of pigs, eggs and broilers, whilst improving the housing systems for cows and beef cattle does not cause significant changes in financial results.

The final versions of the Costs/Benefits models have been distributed among partners. So far, the model calculations for pigs have been received from Sweden, the Netherlands and the United Kingdom. Results show a similar pattern of costs increase as in the Polish pig sector, although scale of increase differs depending on such factors as e.g. labour, feed or final product prices.

It is planned that before the next project meeting in Macedonia all farm level assessments will be completed, allowing to aggregate costs and benefits in all the countries and present full analysis of the results at the meeting.

The Chain impact of changing housing standards will be assessed in the next phase of the project. Furthermore, in the next few months we will do a qualitative assessment on the impact of different policy options to (international) trade.

*Edward Majewski*

### Acronym project

- EconWelfare  
[www.econwelfare.eu](http://www.econwelfare.eu)

### Project full title

- Good animal welfare in a socio-economic context: Project to promote insight on the impact for the animal, the production chain and European society of upgrading animal welfare standards.

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