Brexit: farm animal welfare
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Q in footnotes refers to a question in oral evidence
SUMMARY

The UK has some of the highest farm animal welfare standards in the world. UK producers are rightly proud of these standards, and there is cross-sector support for maintaining high levels of farm animal welfare after Brexit.

In order to deliver on its commitment to preserving these standards, the Government must transpose existing EU law on farm animal welfare into domestic law so as to be effective on day one after Brexit. Thereafter, the Government, in consultation with the industry, consumers and other relevant stakeholders, will be able to consider whether to improve these standards.

Scientific evidence and advice should be at the heart of any farm animal welfare policy decisions, and the Government must ensure that withdrawal from the EU does not lead to a shortfall in funding for farm animal welfare research.

The Government must also bear in mind that while high farm animal welfare standards can be a selling point for UK producers, they also increase the cost of production. In the event that post-Brexit trading relations with the wider world, and if standards diverge over time with the EU, lead to increased imports from countries operating lower farm animal welfare standards, UK producers could become uncompetitive. This could undermine the sustainability of the industry or incentivise a race to the bottom for welfare standards—contrary to the wishes of the UK industry.

The Government must negotiate to include provisions regarding farm animal welfare in future free trade agreements. There is some doubt, however, over whether animal welfare can be used as a rationale to restrict imports from other countries under WTO rules. The Government must therefore explore the extent to which developments in World Trade Organization (WTO) case law allow the use of farm animal welfare as grounds for restricting imports under WTO rules.

The demand for high-welfare products is ultimately driven by whether consumers prioritise purchasing those products, at added cost, rather than buying cheaper, lower-welfare products. Labelling systems should be simplified, thereby helping consumers to make informed decisions about supporting farm animal welfare. Farm assurance schemes also help build consumer confidence through their high standards, inspections and associated labels. The Government should encourage the uptake of voluntary farm assurance schemes in the UK.

High farm animal welfare can be seen as a public good. We invite the Government to consider whether the delivery of this public good should be supported through agricultural funding after Brexit, bearing in mind that any such funding must respect World Trade Organization rules.

Skilled veterinary staff on farms, in abattoirs and during transport play a key role in inspecting the health and wellbeing of animals. As the UK leaves the EU Single Market and customs union, the need for veterinary certification related to trade may rise significantly. Yet the UK agri-food sector relies heavily on workers from other EU countries, in particular as veterinary staff.

The Government must therefore make sure the industry continues to have access to the staff and the skills that it needs to support good welfare and certify products for exports.
CHAPTER 1: INTRODUCTION

Farm animal welfare and Brexit

1. The UK’s decision to withdraw from the European Union will, as we concluded in our report *Brexit: agriculture*, have a profound impact on agricultural policy, including farm animal welfare, and the trade in agri-food products.1

2. The Government has made it clear that it wishes to trade globally whilst preserving high quality standards for UK produce. The Prime Minister told the House of Commons on 8 February 2017 that “We should be proud that in the UK we have some of the highest animal welfare standards in the world—indeed, one of the highest scores for animal protection in the world. Leaving the EU will not change that.”2 Yet in the course of our inquiry on *Brexit: agriculture*, we heard widespread concern from witnesses that those standards will come under pressure post-Brexit.

The legislative context

3. The UK was one of the first countries in the world to legislate on farm animal welfare,3 and a large body of national law protecting animals was already in place when the UK acceded to the then European Economic Community in 1973. Since then, the welfare of farm animals has been a shared competence between the UK and the EU.4 Indeed, the EU has helped raise farm animal welfare standards across Member States,5 predominantly through the harmonisation of production standards throughout the Single Market.6

4. The majority of EU legislation considers farm animals to be ‘agricultural goods’ and seeks to facilitate the Single Market in those goods.7 Member States thus compete on the basis of harmonised standards and regulations. Key EU farm animal welfare laws are set out in Appendix 3. Individual Member States are permitted to impose higher standards than those specified by the EU provided they do not constitute a barrier to trade in that market.

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2 HC Deb, 8 February 2017, col 424
5. In addition, the Treaty on the Functioning of the EU (TFEU) recognises animals as “sentient beings”\(^8\). This principle requires Member States to pay “full regard to the welfare requirements of animals when formulating agricultural policies”.

6. The vast majority of farm animal welfare legislation in the UK in recent years has originated in EU law.\(^9\) Aside from the implications that withdrawing from the Common Agricultural Policy (CAP) and the Single Market will have on agricultural production and trade in agricultural products, including livestock, meat from poultry, pigs, cattle and sheep, dairy and eggs, Brexit could also affect this legislative framework for farm animal welfare.

This inquiry

7. In this short report, we explore the implications of Brexit for farm animal welfare and the steps the Government should take to protect farm animal welfare in the context of Brexit. Though we recognise that agricultural policy and farm animal welfare are devolved policy areas, this report considers the repatriation of farm animal welfare for the UK as a whole. We do not consider future domestic policy, but note that in the context both of domestic law and of a future UK-EU trade agreement, the Government will need to address issues such as veterinary medicines and the regulation of the wider retail industry for food products.

8. The EU Energy and Environment Sub-Committee, whose members are listed in Appendix 1, met on 5 April 2017 to take evidence from the witnesses listed in Appendix 2. The Committee is grateful to these witnesses for their participation in this inquiry and to those who submitted written contributions.

9. We make this report to the House for debate.

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\(^8\) Article 13 Treaty on the Functioning of the European Union, OJ C 326 (consolidated version of 26 October 2012)

\(^9\) See for instance written evidence from RSPCA (AWF0001), CIWF (AWF0007), ALAW and Wildlife and Countryside Link (AWF0017).
CHAPTER 2: MAINTAINING STANDARDS

Preserving the status quo

10. Farm animal welfare barely featured in the debate ahead of the referendum. Yet some polls suggest that 80% or more of the UK public want animal welfare standards to be maintained or improved post-Brexit. This was supported by our witnesses. Chris Mallon, Chief Executive of the National Beef Association (NBA), told us: “No member of my association has approached me and said, ‘Oh, Chris, we need to reduce welfare standards post exit.’ Nobody has ever come up with that idea.” The Country Land and Business Association (CLA) agreed: “The UK is a world leader in animal welfare and it is vitally important that this is maintained post Brexit.”

11. Witnesses welcomed the Prime Minister’s commitment in the House of Commons in February 2017 to “maintaining and, where possible, improving standards of welfare in the UK”. In the words of Minette Batters, Deputy President of the National Farmers Union (NFU): “We absolutely support the Government’s ambition to maintain welfare standards.” The Soil Association agreed: “Maintaining and improving farm animal welfare should be a non-negotiable criteria for the UK government and we welcome encouraging statements from DEFRA on this matter.”

Preserving the legislative framework

12. To deliver on its commitment to maintaining standards, the Government must in the first instance preserve the existing legislative framework after Brexit. In the words of the RSPCA: “If farm animal welfare is not to decline post-Brexit it is vital that, at the very least, this body of legislation is maintained in its totality.” The CLA commented:

“A failure to transpose all existing EU animal welfare legislation would put at risk the UK’s place as a world leader in animal welfare standards while doing it poorly, or worse incorrectly, would cause significant uncertainty to UK farmers who would be unsure about the status of animal welfare regulations.”

13. One area of concern is the Treaty principle that animals are sentient beings. Farmwel was emphatic that “Government must ensure that farm animal welfare standards are protected post-Brexit.”

11 Q 1
12 Written evidence from CLA (AWF0002)
13 Written evidence from the BMPA (AWF0005), NOAH (AWF0006), CIWF (AWF0007), NFU Scotland (AWF0009), BEIC (AWF0011), BPC (AWF0012), BVA (AWF0020) and NPA (AWF0023).
14 HC Deb, 8 February 2017, col 424
15 Q 1
16 Written evidence from Soil Association (AWF0018)
17 Written evidence from the RSPCA (AWF0001); see also written evidence from CAWF (AWF0015) and NOAH (AWF0006).
18 Written evidence from CLA (AWF0002)
sentience continues to be embedded in UK law”.19 CIWF, the Association of Lawyers for Animal Welfare (ALAW) and the Wildlife and Countryside Link (WCL) all agreed.20

14. Giving evidence to our inquiry into Brexit: agriculture, Pamela Thompson, Head of EU Exit Team for Animal and Plant Health at Defra, gave us the following assurance: “We will transfer across the legislative framework and deal with things that will not be operable so that, on day one of exit, animal keepers should not notice too much difference.”21 We welcome this assurance.

Institutions and enforcement

15. EU law is supported by an institutional framework. Red Tractor Assurance told us: “Within the EU the DG Health and Food Safety of the European Commission (previously the FVO22) provides oversight that Member States are effectively applying EU regulations. The only effect of Brexit will be to remove this one layer of oversight.”23 This, they argued, “should have little or no consequence”. NFU Scotland agreed: “Enforcement of animal welfare within the UK happens on a range of levels, but all enforcement and assurance is UK-based.”24 The Agriculture and Horticulture Development Board (AHDB) also said that “The remit of existing authorities would need to continue.”25

16. In contrast, Joe Bailey, Head of Agriculture at RSPCA Assured, argued that, for welfare, “there is a great need to increase the number of inspectors in the country”.26 She told us that “Trading Standards, which have the powers, should have more resources … they just do not have the resources or the time to concentrate on animal welfare, particularly in livestock.”27

International standards

17. Though EU law accounts for a significant proportion of farm animal welfare legislation in the UK, the Chief Veterinary Officer (CVO), Professor Nigel Gibbens CBE, giving evidence to our inquiry into Brexit: agriculture, reminded us that much of this legislation “is founded on international standards, as was our law before we entered [the EU]”.28 The Council of Europe has adopted six conventions on farm animal welfare,29 which act as

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19 Written evidence from Farmwel (AWF0014)
20 Written evidence from the ALAW and WCL (AWF0017)
21 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 72 (Pamela Thompson)
22 The Food and Veterinary Office
23 Written evidence from Red Tractor Assurance (AWF0010)
24 Written evidence from NFU Scotland (AWF0009)
25 Written evidence from AHDB (AWF0004)
26 Q 11 (Joe Bailey)
27 Q 16
28 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 72 (Professor Nigel Gibbens)
a framework on farm animal welfare standards.\textsuperscript{30} Indeed the EU rules are based on the European Convention for the Protection of Animals Kept for Farming Purposes.\textsuperscript{31} The UK has signed or ratified all six conventions and will continue to be subject to them post-Brexit.

18. Farm animal welfare legislation is also underpinned by international standards set by the World Organisation for Animal Health (OIE) through the terrestrial animal health code.\textsuperscript{32} The CVO confirmed that “we will always have reference back to the international standard, which is the World Animal Health Organisation, the OIE”.\textsuperscript{33}

Scope for improvement

19. Our witnesses were, as we have noted, united in calling for the maintenance of high farm animal welfare standards after Brexit. But some also saw Brexit as an opportunity to go beyond the status quo. In the words of the RSPCA:

“Brexit provides the UK with the unique opportunity to improve farm animal welfare without being constrained by harmonisation with EU legislation. Although the UK sees itself as operating some of the highest farm animal welfare standards, examples exist where it has fallen behind other countries in some areas”.\textsuperscript{34}

They went on to note that:

“There are also opportunities to go further in certain areas where there is existing European legislation. These … include areas such as the welfare of animals during transport and slaughter, introducing method of production and slaughter labelling and, crucially, reforming the way that farm support payments are used to better safeguard animal welfare.”

20. The Conservative Animal Welfare Foundation (CAWF) agreed:

“Many of the UK’s food and farming policies have been shaped at EU level and the Government now has an opportunity to redefine these policies. We have the power to lead our own farming policies to advance farm animal welfare and implement higher standards than those under the EU laws.”\textsuperscript{35}

21. Witnesses suggested several areas of farm animal welfare that could be improved post-Brexit. These included ending zero-grazing in dairy cows,\textsuperscript{36} mandatory veterinary visits for animal health,\textsuperscript{37} reducing antimicrobial

\begin{thebibliography}{99}
\bibitem{commons} House of Commons Library, \textit{Animal welfare standards in farming after the UK leaves the EU}, Debate pack, CDP 2017/0025, 19 January 2017
\bibitem{oie} The code covers general farm animal welfare, transport and slaughter and details specific recommendations for beef and dairy cattle, broiler chickens and fish. World Organisation for Animal Health (OIE), Section 7 Animal Welfare, Terrestrial Animal Health Code 2016: \url{http://www.oie.int/en/international-standard-setting/terrestrial-code/access-online/?htmfile=titre_1.7.htm} [accessed 20 June 2017]
\bibitem{gibbens} Oral evidence taken on 1 March 2017 (Session 2016–17), \textit{Q 73} (Professor Nigel Gibbens)
\bibitem{rspca} Written evidence from RSPCA (AWF0001)
\bibitem{cawf} Written evidence from CAWF (AWF0015)
\bibitem{ciwf} Written evidence from CIWF (AWF0007)
\bibitem{ravetz} \textit{Q 1} (Gudrun Ravetz)
\end{thebibliography}
resistance, ending slaughter without pre-stunning, and mandatory CCTV monitoring in abattoirs.

22. The practice of exporting live animals for slaughter was of particular concern to several witnesses. The Conservative Animal Welfare Foundation believed that “Meat should be exported ‘On The Hook Not On The Hoof’”. Peter Stevenson, Chief Policy Adviser for CIWF, argued that “Once the UK is no longer constrained by EU law, live exports for slaughter and fattening should be banned”. He highlighted poor slaughter conditions in countries such as France as a key concern, noting that “EU slaughter welfare rules are simply broken regularly”. In supplementary written evidence, the CIWF qualified this position, arguing that a ban should not apply to breeding animals or the cross-border trade between the Republic of Ireland and Northern Ireland.

23. The RSPCA called for the prohibition of “live exports of farm animals for slaughter and/or further fattening”, noting: “Brexit presents the UK with an opportunity to introduce its own rules on animal transport to achieve this, providing they are WTO compliant.” Mr Stevenson did not think that a ban on live exports would pose an issue under WTO rules, citing case law regarding public morals. Giving evidence to our inquiry into Brexit: agriculture the CVO told us: “Outside the EU framework, we are still bound by WTO rules. To ban the export of live animals, you would have to have a point of difference that allowed you to justifiably say that there was a basis to require that ban. That is being explored carefully by the Government.”

24. Phil Stocker, Chief Executive of the NSA, acknowledged that there were concerns about “adherence to legislation” in other countries. He added, though, that “some of our sheep farmers in the south-east quartile of the country—Kent, Sussex and Surrey—are closer to abattoirs across the water and into northern France and Belgium than those in west Wales or up into Yorkshire”. Therefore, the NSA noted, “there are overseas routes to slaughter houses that result in a shorter journey for sheep from the SE of England than they would experience on an internal journey”. They therefore supported establishing assured journeys that would enable live trade while ensuring regulatory compliance.

25. Another suggestion was to update the statutory Codes of Recommendation (COR) on the welfare of livestock, which provide guidelines to help farmers achieve specified standards of good practice. Gudrun Ravetz, President of the BVA, told us the Codes were “out of date and do not take into account

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38 Written evidence from BVA (AWF0020)
39 Written evidence from Animal Aid (AWF0008)
40 Written evidence from BVA (AWF0020)
41 See written evidence from CIWF (AWF0007), Animal Aid (AWF0008), RSPCA (AWF0001), World Horse Welfare (AWF0016), BVA (AWF0020) and CAWF (AWF0015)
42 Written evidence from CAWF (AWF0015)
43 Q 1
44 Q 7
45 Written evidence from CIWF (AWF0007)
46 Written evidence from RSPCA (AWF0001)
47 Q 7
48 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 78 (Professor Nigel Gibbens)
49 Q 7
50 Q 7
51 Written evidence from the NSA (AWF0003)
current and evolving welfare science”. Ms Bailey agreed: “As for the welfare codes in particular … They desperately need to be updated.” Ms Ravetz suggested that a review could “include welfare codes for species where there are currently no EU minimum standards”. CIWF agreed: “Detailed regulations should be made to safeguard the welfare of dairy cows, ducks, turkeys, farmed fish, beef cattle and sheep.”

26. We note that in the run-up to the general election the Conservative Party manifesto stated: “We will continue to take action to improve animal welfare. We … will make CCTV recording in slaughterhouses mandatory. As we leave the European Union, we can take early steps to control the export of live farm animals for slaughter.”

Welfare standards and competitiveness

27. Some witnesses, on the other hand, cautioned that raising standards could undermine UK farmers’ competitiveness. The AHDB told us that if the UK “set its own higher standards” it would need to “bear in mind how this might affect competitiveness in a market where price remains king and cheaper products, produced to lower standards would be available”. In her February statement in the House of Commons, the Prime Minister qualified her emphasis on the maintenance and improvement of “standards of welfare” with a reference to “ensuring of course that our industry is not put at a competitive disadvantage”. We discuss competitiveness and trade in Chapter 3.

28. Mark Williams, Chief Executive of BEIC, argued from an egg-industry perspective: “What we must avoid at all costs … is gold-plating for the sake of it. That reduces our competitiveness, and as the Government have said we are moving into this brave new world of freer trade.” In written evidence, BEIC added: “the Government should … be aware that legislating further would increase the cost of production at home.” Dr Georgina Crayford, Senior Policy Adviser at the NPA, also raised concerns for the pig sector, noting that in terms of standards, “We need to be cautious about raising standards so high that we end up exporting production abroad. We need to make sure that we have a sensible policy so that farm businesses can be profitable and sustainable.” She made it clear that the NPA wants “a level playing field, yes, but we want to level up rather than down”.

Research: informing policy

29. Mr Williams cautioned against any “unnecessary ratcheting up of animal welfare standards without a sound science and evidence base.” Richard

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53 Q 11
54 Q 11
55 Q 11
56 Written evidence from CIWF (AWF0007)
58 Written evidence from AHDB (AWF0004)
59 HC Deb, 8 February 2017, col 424
60 Q 11
61 By way of example they noted that the transition for battery cages had increased the cost of production by 7%. Written evidence from BEIC (AWF0011)
62 Q 11
63 Q 17
Bennett, Professor of Agricultural Economics at the University of Reading, agreed that “policy needs to be based on good science, which in turn needs to be based on excellent scientific research”.

Currently, the Panel on Animal Health and Welfare (AHAW) at the European Food Safety Authority (EFSA) produces independent scientific reports “on all aspects of animal diseases and animal welfare” that underpin proposed legislative changes across the EU. According to the RSPCA, “The EU has a long history of providing scientific information on farm animal welfare to inform legislation.” The CVO, in evidence to our inquiry Brexit: agriculture, agreed: “The European Food Safety Authority is a good example where they carry out assessments of risks to animal health and welfare and public health and then advise the Commission when it frames proposals for EU law.” As we set out in our report Brexit: agriculture, some stakeholders have argued that after Brexit the UK should explore ways to establish ongoing cooperation with EFSA, either by becoming an observer or by other means.

The CVO noted that, post-Brexit, “We will need to inform our own legislation with our own assessments.” But the RPSCA warned that, in respect of farm animal welfare, there was no UK equivalent body: “No similar independent body exists in the UK other than the Farm Animal Welfare Committee (FAWC) which, unlike EFSA, is not mandated by Government to produce reports on animal welfare, and whose reports do not have the same status as EFSA reports in the legislative cycle.”

The RSPCA also noted that the advice provided by EFSA was crucial for settling trade disputes internationally: “All WTO panels now examine the scientific expertise given to Government before a legislative decision has been made when they are adjudicating any complaint made about measures introduced by that Government.”

Bearing in mind the importance of AHAW advice through EFSA, many of our witnesses were emphatic that FAWC should be strengthened. The BPC told us FAWC would “need to have a fundamental role in setting Government policy on welfare issues”, and noted that it “would be the ideal lynchpin for partnership working between the interested parties”. Prof Bennett noted: “Its work, particularly in helping to interpret scientific research, will need to be enhanced.” Ms Bailey agreed: “We desperately need to give FAWC more powers, if we can, to produce reports in the way EFSA does and to take

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64 Q 1 (Professor Richard Bennett)
66 Written evidence from RSPCA (AWF0001)
67 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 73 (Professor Nigel Gibbens)
68 European Union Committee, Brexit: agriculture (20th Report, Session 2016–17, HL Paper 169, para 203
69 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 73 (Professor Nigel Gibbens)
70 The Farm Animal Welfare Committee (FAWC) is an expert committee that advises the Department for Environment, Food and Rural Affairs (Defra) and the devolved administrations in Scotland and Wales on the welfare of farmed animals: https://www.gov.uk/government/groups/farm-animal-welfare-committee-fawc [accessed 10 July 2017]
71 Written evidence from RSPCA (AWF0001)
72 Written evidence from the RSPCA (AWF0001)
73 Written evidence from BPC (AWF0012), see also Q 5 (Joe Bailey).
74 Q 5
those forward. In fact, it is vital for the WTO to be able to do that.” Ms Batters concluded: “I really hope that out of today’s session we can send a very strong recommendation for strengthening FAWC in the future.”

**EU research funding**

34. As Prof Bennett explained, “FAWC does not undertake research itself, so that fundamental research still needs to be funded and still needs to be done,” He added that UK academics and research institutes “have been really good ... at winning EU research funding”, and that “unless we make some other arrangements for that research to be funded post-Brexit, there will be a real science information gap”. He concluded: “The UK has been a world leader in animal welfare research and animal health research, and we will lose that if we lose the funding.”

35. In contrast, Ms Batters told us: “Some people are very worried, the universities in particular, but the likes of Fera and the public-private sector see this as an opportunity”. Prof Bennett countered: “I would like to be optimistic, as Fera was, but I do not think there will be alternative sources of funding when European funding goes unless the Government takes steps to make sure the funding is there.”

**Conclusions**

36. **UK farmers and producers are rightly proud of their high animal welfare standards. Our evidence suggests the industry is united in seeking to maintain these standards and the UK’s status as a world leader on farm animal welfare. We therefore welcome the Government’s commitment to ensuring high farm animal welfare standards are maintained after Brexit.**

37. **We note that transposing the body of EU farm animal welfare legislation into domestic law and delivering continued enforcement will require resources. Though we recognise and commend Defra for the preparatory work it has undertaken regarding the legislative transfer from the EU, we urge the Government to review whether Defra and its associated bodies have sufficient resources to deliver on the commitments made, particularly on enforcement.**

38. **The repatriation of farm animal welfare policy presents opportunities to review and improve farm animal welfare and standards, including the Codes of Recommendation for animal welfare in the UK and the practice of exporting live animals for slaughter. But the Government will also need to consider the effect of increasing standards on the competitiveness of UK producers and the future trading relationship with the EU. We encourage the Government to work in partnership with the industry to ensure that any policy changes support the long-term viability of UK farming and are based on sound evidence.**

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75  Q 5
76  Q 5
77  Q 5
78  Q 3
79  Q 5
80  Fera is the Food and Environment Research Agency.
81  Q 6
82  Q 13
39. In leaving the EU, the UK will find itself outside the European Food and Safety Authority (EFSA) and therefore outside the Panel on Animal Health and Welfare (AHAW). It will be important to retain a degree of coordination with EFSA. We also heard strong support for giving the Farm Animal Welfare Committee (FAWC) a stronger mandate and role in the legislative process, enabling it to inform government policy on farm animal welfare in the absence of input from AHAW. We therefore call on the Government to bolster the remit and resourcing of FAWC to ensure that farm animal welfare policy continues to be evidence based.

40. Much farm animal welfare research is funded through the EU and Brexit could lead to a major funding gap. This would have adverse effects on the long-term evidence base for policy making. We call on the Government to set out a strategy for how it will prevent such a shortfall.
CHAPTER 3: TRADE

Competitiveness of UK products

41. In our report Brexit: agriculture we noted that EU membership has facilitated trade in agri-food products within the Single Market through harmonised legislation. The EU applies these standards to products from outside the EU as well. As Ms Batters noted: “You cannot get into the European market unless you adhere to those standards.” The RSPCA agreed: “The EU’s agreed body of farm animal welfare legislation gives a high degree of consistency on standards and a level playing field for trade in farm products.”

42. Outside the EU, the UK will need to re-negotiate its trading relations with third countries as well as the EU. The AHDB told us that “if the ‘free trade’ ambition is successful it will be difficult to stop the UK market from being flooded with imports produced to different and by inference, lower welfare standards”. They added: “This does not prevent the UK from setting and maintaining its own domestic standards, though this would create an unequal playing field for UK producers.”

43. NFU Scotland was also worried about food produced to a lower standard entering the UK, “thus undermining … the high standards of domestic producers”, while BEIC cautioned:

“As the government presses ahead on negotiating bilateral Free Trade Agreements with other (non-EU) countries, it could be tempted to allow imports of cheap products, produced to lower standards than our own, in an effort to keep a lid on food price inflation as a result of the lower value of sterling.”

Ms Batters summarised the concern: “We see the greatest threat to welfare coming from products coming on to this market that are produced to different standards and within a different regulatory framework.”

Cheap imports

44. Dr Crayford told us: “The big concern, certainly in the pig industry, is the talk from some government members that we need to pursue a cheap food policy.” Ms Batters agreed: “Food potentially becomes the victim in all this, which is why we have to champion what we have at the moment, because we start from a very sound place.” She cautioned against listening to “the cheap food brigade” and their argument that “Brexit is going to be great, because we will have cheaper food on the back of it”. Instead, Ms Batters warned:

“We could be opened up to other nations, and this is not just about standards but the whole regulatory framework that underpins them...”

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84 Q 10
85 Written evidence from RSPCA (AWF0001)
86 Written evidence from AHDB (AWF0004)
87 Written evidence from NFU Scotland (AWF0009)
88 Written evidence from BEIC (AWF0011)
89 Q 1
90 Q 10
91 Q 8
… we need to expose the cheap-food political commentators, whose laptops are their farmyard, for what they are. That is the greatest threat to welfare in this country.”

45. Mr Stocker shared her concern:

“I hear members of the Cabinet often suggesting that we in the sheep industry need to raise our welfare standards, add value, have a more expensive product, build our export markets, and at the same time give British consumers access to cheaper imported sheep meat. We have a major problem if we are building our industry on exports and feeding our consumers with imported, cheaper products.”

ALAW and the WCL also warned that “There have already been declarations of intent to erode welfare standards post Brexit, and the UK government needs to stand very firmly against this”.

46. Were UK farmers to seek to compete with such imports, welfare standards could be diminished to level the playing field. In the words of Mr Mallon: “This is about maintaining standards. If you want us to compete economically with those countries, you are going to have to say that you will reduce those standards. No farmer in my association wants to reduce our standards just to compete with world trade.” He gave an example: “A growth promoter would make us more efficient. It is not necessarily going to be what a consumer wants, but it would give us efficiency so we can compete. Our farmers are saying, ‘We don’t want to do that.”

Quality products

47. In our report Brexit: agriculture we noted that quality could be a selling point for UK farmers, if they were unable to compete on price alone. This point was borne out by Dr Siobhan Mullan from the School of Veterinary Sciences, University of Bristol, who argued that “UK farmers will never be able to compete on price in many global markets”. The Rt Hon Andrea Leadsom MP, then Secretary of State for Environment, Food and Rural Affairs, went on record in October 2016 to say that “our unique selling point both at home and abroad should be the highest standards of animal welfare.”

48. The CLA, echoing the Secretary of State, told us: “The UK’s high welfare standards, along with traceability and food safety requirement, mean that many UK products are seen as premium products domestically and across the world and are in high demand.” Red Tractor Assurance was clear that “UK farming will never compete as the lowest cost producer so its main capital is an inherent trust in British standards.” They added:

92 Q 8
93 Written evidence from ALAW and WCL (AWF0017)
94 Q 2
95 Q 2
96 European Union Committee, Brexit: agriculture (20th Report, Session 2016–17, HL Paper 169), paras 131–133
97 Q 11
98 Quoted in House of Commons Library, Animal welfare standards in farming after the UK leaves the EU, Debate pack, CDP-2017/0025, 19 January 2017
99 Written evidence from CLA (AWF0002)
100 Written evidence from Red Tractor Assurance (AWF0010)
“The challenge will be to achieve the correct balance between standards that meet the aspirations of UK citizens; that are sufficient to provide a USP for British producers against import substitution at home and meet the needs of export markets; but which avoid adding costs to British production that would make it uncompetitive both at home and abroad.”

Farmwel also cited “strong evidence” that “there is a reliable market for higher welfare products in Britain (as demonstrated by cage-free egg and higher welfare pork sales), and that there is a largely untapped market for higher welfare products around the world”. BVA agreed: “A market exists for high standards of animal welfare.”

By contrast, the BMPA told us: “We are not aware of any export markets that are prepared to pay a premium for higher welfare product (and welfare should not be confused with animal health). We would like to see evidence that indicates there are before any changes are made to try and satisfy this ‘demand’.”

AHDB focused on the costs associated with producing to higher standards, telling us that “if the UK does choose to further enhance its standards, it will have to rely on UK and International consumers being prepared to preferentially choose and probably pay more for UK product on the basis of these standards”. We review the role of consumers in Chapter 5.

Trade agreements and farm animal welfare

To mitigate the risks associated with competing against cheaper imports, Mr Stevenson recommended that “when negotiating new trade agreements, the Government should insist on the inclusion of a clause that permits the UK to require imports to meet UK standards”. The RSPCA agreed, giving the example of the EU-Chile trade agreement, which led to “an improvement in animal welfare [in Chile] and increased trade in higher welfare products into the EU”.

We concluded in our report Brexit: agriculture that farm animal welfare provisions could and should be included in free trade agreements after Brexit. CIWF noted that, in the absence of such provisions, the UK should “press for the ability to place differential tariffs on imports”, whereby “imports that do not conform to UK welfare standards would be subject to tariffs that are sufficiently high to safeguard UK farmers; imports that meet UK welfare standards would benefit from a low or zero tariff”.

On 15 March 2017 the Prime Minister stated: “We will maintain the UK’s high standards of food safety and of animal welfare; that will be a priority for us. Any trade deals we enter into will need to be right for consumers, for businesses and for farmers, and will need to ensure … animal welfare.”

101 Written evidence from Farmwel (AWF0014)
102 Written evidence from BVA (AWF0020)
103 Written evidence from the BMPA (AWF0005)
104 Written evidence from AHDB (AWF0004)
105 Q 17
106 Written evidence from RSPCA (AWF0001)
108 Written evidence from CIWF (AWF0007)
109 HC Deb, 15 March 2017, col 392
World Trade Organization rules

54. As we noted in our report Brexit: agriculture, in the absence of free trade agreements, international trade is governed by World Trade Organization (WTO) rules. For a more detailed consideration of WTO rules and trade in agri-food products, we refer to that report.

55. WTO rules impose limits on the extent to which countries can restrict imports on the basis of welfare concerns. But as we noted in Brexit: agriculture, recent developments in WTO case law indicate a shift towards allowing such restrictions. Mr Stevenson argued that “This assumption that we cannot have any import restrictions on animal welfare grounds is not true. It ignores WTO case law of the last 16 years.” He continued: “A number of cases have shown that a country can require imports to meet welfare standards equivalent to its own, provided that there is no element of discrimination favouring domestic producers.” He also told us “WTO case law has made it very clear that trade restrictions can be justified on the grounds of what it calls public morals, and it has ruled that animal welfare is an issue of public morals in the European Union, including obviously the UK”. In written evidence, CIWF elaborated: “The EU requires imported meat to be derived from animal slaughtered to welfare standards equivalent to its own and this has not been challenged under the WTO rules.”

56. Nevertheless, we note the CVO’s statement in the course of our inquiry into Brexit: agriculture that “In WTO terms, animal welfare is not a legitimate barrier to trade”, and CLA’s acknowledgement that WTO rules are “untested and unclear on the ability for the UK to ban the import of agricultural products produced to lower welfare standards”.

Conclusions

57. Our evidence strongly suggests that the greatest threat to farm animal welfare standards post-Brexit would come from UK farmers competing against cheap, imported food from countries that produce to lower standards than the UK. Unless consumers are willing to pay for higher welfare products, UK farmers could become uncompetitive and welfare standards in the UK could come under pressure.

58. In our report Brexit: agriculture we concluded that “It may be hard to reconcile the Government’s wish for the UK to become a global leader in free trade with its desire to maintain high quality standards for agri-food products within the UK”. We take this opportunity to reiterate the importance of this conclusion.

59. In the same report we concluded that “There is some doubt over whether animal welfare can be used as a rationale to restrict imports from other countries under WTO rules. However, we encourage the Government to secure the inclusion of high farm animal welfare standards in any free trade agreements it negotiates after Brexit.”

111 Q 10
112 Q 7
113 Written evidence from CIWF (AWF0007)
114 Oral evidence taken on 1 March 2017 (Session 2016–17), Q 79 (Professor Nigel Gibbens)
115 Written evidence from CLA (AWF0002)
urgency of this conclusion. We also urge the Government to explore the recent developments in WTO case law highlighted by witnesses as examples of permissible import restrictions on the grounds of animal welfare.
CHAPTER 4: VETERINARY STAFF

The role of veterinarians

60. Veterinarians play a key role in ensuring that farm animal welfare standards are upheld, as Ms Ravetz explained: “Vets work with and support local farmers to meet standards, and Official Veterinarians, working in abattoirs in particular, play an essential role in maintaining animal health and welfare and making sure that animals are slaughtered humanely.”

61. Reflecting on the likely change in UK-EU trading relations, the BVA noted that “Many countries require veterinary certification of food safety ... before animal shipment”, adding that “Post-Brexit all EU countries are likely to be regarded as Third Countries for the purposes of exports and imports”. Therefore, they argued, there could be “increased demand for veterinary certification and supervision, which would require more [Official Veterinarians] than are currently employed in the sector”. We note the BVA’s call for a “major review of current UK capacity for Third Country Certification” as an “early priority to ensure the UK can facilitate trade post-Brexit”. It was supported by Richard Griffiths, Chief Executive of the BPC: “The veterinary oversight of trade issues … is crucial.”

Non-UK EU nationals

62. There may be a greater need for veterinarians after Brexit, yet Ms Ravetz told us that “over 90% of our Official Veterinarians are non-UK EU 27 citizens. That is a concerning number, because these are people who are working for our animal health and welfare, particularly in our abattoirs, and this has a knock-on effect for food safety and hygiene.”

63. In written evidence, the BVA noted: “Without non-UK EU vets, there may not be enough appropriately qualified vets to meet workforce needs which would have a significant effect on animal health and welfare, public health and trade.” NFU Scotland also pointed to the many inspection and enforcement services undertaken by vets, noting that “many of these services do rely heavily on vets who have migrated from countries within the EU”. They were therefore “seeking assurances on any new immigration controls recognising the needs of the industry in this regard”.

64. As we noted in our report Brexit: agriculture, non-UK EU nationals are also essential workers in abattoirs and on farms. The NPA raised similar concerns: “Stockmanship is key to livestock productivity and good animal welfare. Availability of good stockpeople, veterinary input and development of skills will impact animal welfare post-Brexit.” They told us: “Our own survey found that half of the pig businesses employed at least one permanent migrant worker, and considering most farms are still small and only have 2–3 staff, this could mean losing half the workforce and the likely closure of...”

116  Q 1
117  Written evidence from BVA (AWF0020)
118  Written evidence from BVA (AWF0020)
119  Q 16 (Richard Griffiths)
120  Q 4
121  Written evidence from BVA (AWF0020)
122  Written evidence from NFU Scotland (AWF0009)
123  European Union Committee Brexit: agriculture (20th Report, Session 2016–17, HL Paper 169), para 266
124  Written evidence from NPA (APW0023)
the business.” Therefore, they concluded, “Government must ensure that agriculture has access to the migrant workers it is so reliant on.”

65. Mr Stocker raised concerns about abattoirs specifically, noting that “The work that we have done shows that something in the region of 75% of our abattoir workers are migrant workers, and the sector relies on those levels of workers.” He added:

“We rely on these people, and if we do not have them any more and if that stock could not be processed in this country we could end up relying on our export trade even more, which would push the adding of value to our sheep overseas, prevent us adding value here on our home shores … We rely very heavily on migrants.”

Conclusion

66. Veterinarians play a key role in ensuring and inspecting farm animal health and welfare in the UK from farm to abattoir. They also play an important role in certifying animals in the context of trade. We note the overwhelming reliance on non-UK EU citizens to fill crucial official veterinary positions in the UK, and call on the Government to ensure that the industry is able to retain or recruit qualified staff to fill these roles post-Brexit.
CHAPTER 5: THE ROLE OF CONSUMERS

Consumer demand

67. As we noted in Chapters 2 and 3, the costs of producing higher welfare products could make UK products uncompetitive compared to cheaper, lower-welfare import products—unless quality is in fact a selling point. The AHDB told us that the UK could only truly remain a leader in farm animal welfare “if UK consumers continue to have animal welfare very high on their agendas because this will drive demand (the pull) through the supply chains”. They continued: “There is no doubt that UK consumer demand and awareness play a key role in driving up animal welfare standards.”

68. Yet we heard that UK citizens, who according to Dr Mullan “consistently express high levels of concern for animal welfare”, do not necessarily act upon their concerns in the choices they make as consumers. Ms Batters told us: “There is a popular line of debate that consumers will pay more for animal products from small, extensive, pasture-based systems. We do not recognise that.” Ms Bailey also acknowledged that “You are absolutely right that, when it comes to it, a lot of the time consumers will just look at the cheapest to buy. We have a part to play in education”. In a similar vein, the NPA told us that after Brexit, “UK pig farmers would be delighted to meet the pork requirements of the UK population. However, this requires a better understanding amongst consumers of the welfare credentials of British meat and a willingness to pay accordingly.”

The retail sector

69. Prof Bennett reminded us that food retailers “will be of increasing importance in helping to bridge the gap between producers and consumers”. Dr Mullan told us that “For some products, consumers are seriously overcharged for the welfare benefit”. Mr Mallon agreed: “Retailing, and especially the catering side in some respects, will sell the product at the highest margin possible.” This, the NPA told us, is evident in pork products: “the mark-up for premium/higher-welfare pork in the supermarket compared to standard pork is often around 40% meaning that retailers dis-incentivise consumers from buying the product.”

70. On the other hand, NFU Scotland told us, “Supermarkets are becoming increasingly proactive in setting welfare standards above the baseline legal standards and competing against each other to use these standards as points of difference in sales.” Red Tractor Assurance agreed: “The main trade buyers in UK retail, brands and some food service operations understand the attitudes of their customers and include animal welfare criteria in their buying specifications; their reputations depend on it.”

126 Written evidence from AHDB (AWF0004)
127 Q 1
128 Q 11
129 Q 8
130 Supplementary written evidence from the NPA (AWF0023)
131 Q 2
132 Q 3
133 Q 15
134 Supplementary written evidence from the NPA (AWF0023)
135 Written evidence from NFU Scotland (AWF0009)
136 Written evidence from Red Tractor Assurance (AWF0010)
71. Mr Stevenson, in contrast to other witnesses quoted above, said that “We are being too pessimistic about consumers”. He highlighted the role of labelling in influencing consumer choices in the egg sector, telling us that “The mandatory labelling of egg packs has played a part in the shift from cage eggs to free range”. He continued: “We have to give consumers more information. Some will just go for the cheapest, but some will play their part in driving welfare improvements.”

72. Other witnesses also highlighted labelling as a way to help consumers to make informed choices. Farmwel stated: “Labels influence consumer behaviour directly at point of sale.” Lynn Frewer, Professor of Food and Society at Newcastle University, agreed that consumers “use the labels as a heuristic to make decisions”. But she also believed that “consumers are totally overwhelmed by the variety of the labels that appear to be promulgated across a range of products”. She added: “An enormous and increasing amount of information is associated with different labels and … there is a gap in consumers’ understanding of what those labels mean, including in relation to animal welfare. The system needs to be simplified.” Farmwel agreed: “Confusing labels have a significant adverse economic impact on those producers operating to a higher welfare standards because they undermine natural consumer preferences.”

73. According to Prof Frewer, “It is a really good time, and an opportune moment, to find out what labelling the public—both citizens and consumers—would like to see, possibly using some kind of harmonised system for different supply chains, and through different sectors such as the catering sector and retail sector.” Mr Williams highlighted the catering industry, noting that “the invisible products in caterers are where the problems can arise and where more work needs to be done”. Mr Mallon told us that he “would like to see a label that encourages the buyer or the consumer, or the person out to dinner, to be able to make an informed choice.”

74. Another specific suggestion was reviewing country of origin labelling, with the AHDB explaining that it would “be essential that consumers can readily differentiate between domestically produced, high welfare product and imported product which may, in some cases, have been produced to lower standards”. Dr Crayford agreed: “Britishness is commensurate with higher welfare, so country of origin labelling is really important.”

75. Alongside country of origin labelling, Farmwel proposed mandatory ‘method of production’ labelling, describing it as a “simple measure to enhance transparency”. The RSPCA and Soil Association agreed. Prof Bennett, however, argued that “ideally [labelling] should relate to welfare outcomes. I have real concerns about labelling according to system of production,
because that is not the same as high welfare.” Mr Stevenson, in contrast, argued the two approaches could be compatible:

“British consumers want method of production labelling. They want to know how the animal lived and how it was kept. I agree with those who said that it also needs to be backed up by welfare outcomes. It is no good if an animal was kept in what is theoretically a good system if in practice it had a bad life. We need to blend the two.”

Farmwel concurred: “Method of production labelling should be underpinned by robust welfare outcome-based assessments.” Similarly, Ms Ravetz was in favour of “mandatory method of production labelling that is welfare outcome-based”. She continued: “They can be retailer-led, they can be consumer-driven, and there may be a role for regulation in understanding exactly what phrases mean, with all parties in industry—I use the word ‘industry’ in a wider sense—involved in that production labelling.”

76. Mr Stevenson believed that the Government had a role in setting labels: “It was government, through the European Commission, that made the labelling of egg packs mandatory. They tried a voluntary scheme before, but when they introduced the law they said that the voluntary scheme had not worked.”

Prof Bennett focused on co-operation: “It requires a partnership approach and needs the Government working with industry and others to make sure that one comes up with a system that makes sense, that the consumer can rely on, and that actually works.” He concluded that “Some sort of mandatory system imposed on industry would be absolutely disastrous”.

Assurance schemes

77. Mr Stocker told us that one reason the UK was “already renowned for its high levels of animal farm welfare” was that “We have a number of optional farm assurance platforms that farmers can use if they choose to—Red Tractor is one. We also have a number of high-level—or more niche, if you like—farm assurance standards that cater for farmers and the public who want to buy into higher levels of animal welfare.” Prof Bennett also argued that “Farm assurance has been incredibly successful in this country,” a point echoed by Dr Mullan, who believed that accreditation “by trusted farm assurance schemes” was essential to high welfare products.

78. Ms Batters told us that “There is no need to reinvent the wheel … If you want to know that a product has been produced in Britain and packed in Britain, you look for Red Tractor on the shelf. That is how it is traceable from farm to fork. We need government at all levels to really get behind that and to champion that.” The BPC agreed: “Assurance schemes have become extremely competent at setting, auditing, and enforcing standards, and they should continue to do so.” But David Clarke, Chief Executive of

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148 Q 15
149 Q 15
150 Written evidence from Farmwel (AWF0014)
151 Q 8
152 Q 15
153 Q 15
154 Q 1
155 Q 1
156 Q 11
157 Q 15
158 Written evidence from the BPC (AWF0012)
Red Tractor Assurance, acknowledged the scheme’s limits: “We certainly do not cover all farms, so if we accept that we play a role in the regulation we have to accept that it is not universal. At the end of the day I am a voluntary scheme. I do not have powers of access to farms that do not sign up to the scheme.”\(^{159}\)

79. Some witnesses saw assurance schemes as a vehicle for addressing the labelling issues outlined above. Mr Griffiths told us: “The members of across-the-board assurance schemes are very proud of what they do and want to tell people—consumers—what they are doing and to give consumers access to information, should they want it. All assurance schemes do a very good job at that.” But, he qualified, “Government involvement could come in where there is no label.” The CLA agreed: “At present, the range of assurance and accreditation schemes causes confusion and uncertainty ... Supermarkets, the food and farming industry and if necessary the Government must ensure that a clear food labelling system is introduced that provides consumers with information about the welfare standards used to produce it”.\(^{160}\)

Conclusions

80. Though citizens have high aspirations for farm animal welfare in the UK, as consumers they are not always aware of the difference between production systems or willing to pay a higher price for premium welfare products. This could exacerbate the challenge to UK farmers’ competitiveness arising from a potential increase in cheaper imports produced to lower welfare standards.

81. Our evidence suggests that effective and transparent labelling has in some cases helped consumers to distinguish higher welfare products, thereby influencing consumer choices. Given the challenges that will face UK farmers in competing with lower welfare imports post-Brexit, there is now a strong case for simplifying labelling systems, to ensure consumers can easily process and act upon the farm animal welfare information contained in the label. We also note that some call for the introduction of mandatory country of origin and method of production labelling based on welfare outcomes. We urge the Government to consult with the industry, consumers and retailers to ensure that any new or simplified labels or labelling systems are effective and proportionate.

82. We recognise that the retail and catering sectors, from supermarkets to restaurants, will continue to play a key role in promoting the uptake of high farm animal welfare throughout the food chain after Brexit.

83. Voluntary assurance schemes have been effective in increasing standards across the UK and provide high levels of consumer confidence through their inspection and labelling systems. We call on the Government to encourage, and where possible facilitate, uptake of farm assurance schemes across the UK.

84. We note that, for those products which are not produced under the auspices of a voluntary assurance scheme and the associated labelling

\(^{159}\) Q 6
\(^{160}\) Written evidence from CLA (AWF0002)
system, there is a role for Government in setting mandatory labelling requirements.
CHAPTER 6: FINANCIAL SUPPORT

Funding for farmers

85. Given the risk that maintaining high welfare standards could put UK farmers at a competitive disadvantage post-Brexit, witnesses were keen to discuss the potential need for financial support. Many UK farmers receive financial support through the Common Agricultural Policy (CAP)—which, in some regions, such as Northern Ireland, provides over 80% of farmers’ income.\footnote{European Union Committee, Brexit: agriculture (20th Report, Session 2016–17, HL Paper 169), para 211} As we noted in our report Brexit: agriculture, the future of funding after the UK withdraws from the CAP is not clear. Yet the British Society of Animal Science cautioned: “Removal or reduction of subsidy post CAP is likely to lead to a real risk of a reduction in welfare standards as producers wrestle with the economic realities of production.”\footnote{Written evidence from the BSAS (AWF0021)}

86. In our report, Brexit: agriculture, we concluded that there was a case for continuing to provide financial support to farmers after Brexit in order to correct market failures and deliver public goods which would not otherwise be paid for.\footnote{European Union Committee, Brexit: agriculture (20th Report, Session 2016–17, HL Paper 169), para 239} Mr Stevenson, the CIWF and the NPA stated that, in this context, ‘public goods’ should include high farm animal welfare standards.\footnote{Q 2; written evidence from the CIWF (AWF0007) and NPA (AWF0023)} Similarly, Dr Mullan described a “small investigation into market prices and farm gate prices as compared to supermarket shelf prices”, which she believed revealed the suppression of uptake of higher welfare systems and “clear market failure”.\footnote{Q 3}

87. The BVA suggested that funding could be provided through a “farm animal welfare stewardship programme”, focusing on animal health and welfare outcomes.\footnote{Written evidence from the BVA (AWF0020); see also Q 1 (Dr Mullan), Q 11 and Q 17 (Ms Ravetz and Professor Bennett).} The CIWF suggested that funding should be made contingent on membership of assurance schemes and achieving “specified high welfare standards that go beyond those of the scheme”.\footnote{Written evidence from CiWF (AWF0007); see also Q 1 (Ms Bailey).}

88. Although the NSA recognised the value of “some form of welfare leveller”, they cautioned that funding higher welfare “could distort market and production dynamics”.\footnote{Written evidence from the NSA (AWF0003)} Dr Crayford also advised that any funding system needed to reflect market realities: “If you are talking about incentivising farmers to change to a certain system, if the market is not there for that system or for that type of production, you are effectively just subsidising inefficient farms.”\footnote{Q 3} We also note that some largely unsubsidised sectors, notably the pig and egg sectors,\footnote{Q 1 (Mark Williams and Dr Crayford)} have been successful without funding: as Mr Williams noted, “there has been no market failure in the egg sector”\footnote{Q 5}
89. The Minister of State for Agriculture, Fisheries and Food, George Eustice MP, told us in March 2017 that:

“We have a manifesto commitment to put stronger emphasis on animal welfare in the way we design future agriculture policy. We are looking at options of anything from grant support to support the development of units that might be more welfare-friendly, right through to possible incentive payments as well to encourage farmers to adopt approaches to farm husbandry which might be better for welfare and, indeed, better for animal health.”

He added: “If you are supporting [farmers] to improve farm animal welfare standards so that we become the best in the world, you are supporting them to deliver a public good that we should recognise and be willing to reward.”

90. The Conservative Party manifesto stated that “we will continue to commit the same cash total in funds for farm support until the end of the parliament”. It also confirmed that “We will work with farmers, food producers and environmental experts across Britain and with the devolved administrations to devise a new agri-environment system, to be introduced in the following parliament”.

WTO rules and funding

91. We noted in our report *Brexit: agriculture* that any future policy on funding would have to respect WTO rules. This means that any funding deemed to be ‘green box’ would be permissible while so-called ‘amber box’ policies would be trade-distorting and not permissible. Ms Ravetz believed that “a welfare stewardship scheme would be acceptable under WTO rules because it comes under public morals. As long as it is the welfare that you are incentivising, and the financial incentive is for that, it is acceptable.” Prof Bennett agreed: “I would say that such a programme could fit within the WTO green box of permitted support measures alongside environmental protection.”

92. The Minister acknowledged in March 2017 that the Government would need to be mindful of WTO rules as they draft a future funding policy:

“Ironically, the single farm payment, which is ultimately an area-based, distorting subsidy, technically at the moment qualifies as Green Box, whereas the types of policies that would be more modern, more progressive—payments to get animal welfare outcomes … we understand, at the moment, would probably be deemed under the WTO rules as amber box.”

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172 Oral evidence taken on 8 March 2017 (Session 2016–17), Q 83 (George Eustice MP)
174 Under the WTO Agreement on Agriculture WTO members started to move away from giving farmers domestic support that was tied to production, or production subsidies. The types of permitted domestic agricultural support are classified according to which WTO ‘box’ they fall into. Green Box subsidies are permissible under WTO rules and are not subject to spending limits, whereas Amber Box subsidies are severely restricted. For more details, see European Union Committee, *Brexit: agriculture* (20th Report, Session 2016–17, HL Paper 169), paras 55–69 and 228–233.
175 Q 9
176 Q 11 (Professor Bennett)
177 Oral evidence taken on 8 March 2017 (Session 2016–17), Q 84 (George Eustice MP)
Conclusion

93. We note the Minister’s stated intention to review options for prioritising farm animal welfare in future agriculture policy, including by means of grant support or incentive payments. Any decision to give financial support to higher welfare standards should be made on the basis of consultation with the industry; deliver public goods where there is market failure; and be targeted to minimise market distortion. Support would need to be justified and, as we noted in our report *Brexit: agriculture*, to be compatible with WTO rules.
SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Maintaining standards

1. UK farmers and producers are rightly proud of their high animal welfare standards. Our evidence suggests the industry is united in seeking to maintain these standards and the UK’s status as a world leader on farm animal welfare. We therefore welcome the Government’s commitment to ensuring high animal welfare standards are maintained after Brexit. (Paragraph 36)

2. We note that transposing the body of EU farm animal welfare legislation into domestic law and delivering continued enforcement will require resources. Though we recognise and commend Defra for the preparatory work it has undertaken regarding the legislative transfer from the EU, we urge the Government to review whether Defra and its associated bodies have sufficient resources to deliver on the commitments made, particularly on enforcement. (Paragraph 37)

3. The repatriation of farm animal welfare policy presents opportunities to review and improve farm animal welfare and standards, including the Codes of Recommendation for animal welfare in the UK and the practice of exporting live animals for slaughter. But the Government will also need to consider the effect of increasing standards on the competitiveness of UK producers and the future trading relationship with the EU. We encourage the Government to work in partnership with the industry to ensure that any policy changes support the long-term viability of UK farming and are based on sound evidence. (Paragraph 38)

4. In leaving the EU, the UK will find itself outside the European Food and Safety Authority (EFSA) and therefore outside the Panel on Animal Health and Welfare (AHAW). It will be important to retain a degree of coordination with EFSA. We also heard strong support for giving the Farm Animal Welfare Committee (FAWC) a stronger mandate and role in the legislative process, enabling it to inform government policy on farm animal welfare in the absence of input from AHAW. We therefore call on the Government to bolster the remit and resourcing of FAWC to ensure that animal welfare policy continues to be evidence based. (Paragraph 39)

5. Much farm animal welfare research is funded through the EU and Brexit could lead to a major funding gap. This would have adverse effects on the long-term evidence base for policy making. We call on the Government to set out a strategy for how it will prevent such a shortfall. (Paragraph 40)

Trade

6. Our evidence strongly suggests that the greatest threat to farm animal welfare standards post-Brexit would come from UK farmers competing against cheap, imported food from countries that produce to lower standards than the UK. Unless consumers are willing to pay for higher welfare products, UK farmers could become uncompetitive and welfare standards in the UK could come under pressure. (Paragraph 57)

7. In our report Brexit: agriculture we concluded that “It may be hard to reconcile the Government’s wish for the UK to become a global leader in free trade with its desire to maintain high quality standards for agri-food products..."
within the UK”. We take this opportunity to reiterate the importance of this conclusion. (Paragraph 58)

8. In the same report we concluded that “There is some doubt over whether animal welfare can be used as a rationale to restrict imports from other countries under WTO rules. However, we encourage the Government to secure the inclusion of high farm animal welfare standards in any free trade agreements it negotiates after Brexit.” The evidence heard in the present inquiry underlines the importance and urgency of this conclusion. We also urge the Government to explore the recent developments in WTO case law highlighted by witnesses as examples of permissible import restrictions on the grounds of animal welfare. (Paragraph 59)

Veterinary staff

9. Veterinarians play a key role in ensuring and inspecting farm animal health and welfare in the UK from farm to abattoir. They also play an important role in certifying animals in the context of trade. We note the overwhelming reliance on non-UK EU citizens to fill crucial official veterinary positions in the UK, and call on the Government to ensure that the industry is able to retain or recruit qualified staff to fill these roles post-Brexit. (Paragraph 66)

The role of consumers

10. Though citizens have high aspirations for farm animal welfare in the UK, as consumers they are not always aware of the difference between production systems or willing to pay a higher price for premium welfare products. This could exacerbate the challenge to UK farmers’ competitiveness arising from a potential increase in cheaper imports produced to lower welfare standards. (Paragraph 80)

11. Our evidence suggests that effective and transparent labelling has in some cases helped consumers to distinguish higher welfare products, thereby influencing consumer choices. Given the challenges that will face UK farmers in competing with lower welfare imports post-Brexit, there is now a strong case for simplifying labelling systems, to ensure consumers can easily process and act upon the farm animal welfare information contained in the label. We also note that some call for the introduction of mandatory country of origin and method of production labelling based on welfare outcomes. We urge the Government to consult with the industry, consumers and retailers to ensure that any new or simplified labels or labelling systems are effective and proportionate. (Paragraph 81)

12. We recognise that the retail and catering sectors, from supermarkets to restaurants, will continue to play a key role in promoting the uptake of high farm animal welfare throughout the food chain after Brexit. (Paragraph 82)

13. Voluntary assurance schemes have been effective in increasing standards across the UK and provide high levels of consumer confidence through their inspection and labelling systems. We call on the Government to encourage, and where possible facilitate, uptake of farm assurance schemes across the UK. (Paragraph 83)

14. We note that, for those products which are not produced under the auspices of a voluntary assurance scheme and the associated labelling system, there is a role for Government in setting mandatory labelling requirements. (Paragraph 84)
Financial support

15. We note the Minister’s stated intention to review options for prioritising farm animal welfare in future agriculture policy, including by means of grant support or incentive payments. Any decision to give financial support to higher welfare standards should be made on the basis of consultation with the industry; deliver public goods where there is market failure; and be targeted to minimise market distortion. Support would need to be justified and, as we noted in our report Brexit: agriculture, to be compatible with WTO rules. (Paragraph 93)
APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Lord Cunningham of Felling (until 27 April 2017)
Lord Curry of Kirkharle
Viscount Hanworth
Lord Krebs
Duke of Montrose
Lord Rooker
Lord Selkirk of Douglas
Baroness Sheehan
The Earl of Stair (from 27 June 2017)
Lord Teverson (Chairman)
Lord Trees (until 27 April 2017)
Viscount Ullswater
Baroness Wilcox
Lord Young of Norwood Green (from 27 June 2017)

Declarations of interest

Lord Cunningham of Felling
   Member, RSPB
   Member, National Trust

Lord Curry of Kirkharle
   440 acre farm in Northumberland in receipt of the Basic Payment Scheme and Environmental Stewardship payments
   Trustee, Clinton Devon Estates
   Chair, National Land Based College
   Chair, The Prince’s Countryside Fund

Viscount Hanworth
   No relevant interests to declare

Lord Krebs
   Scientific advisor to Marks and Spencer plc
   Scientific advisor to Ajinomoto Inc
   Advisor to Tesco plc on sustainability
   Advisor to the Wellcome Trust on Planetary Health
   Member, of the Advisory Board of the Energy and Climate Information Unit

Duke of Montrose
   Fellow, Royal Agricultural Society
   President, National Sheep Association
   Management of family owned farm and rural property receiving funding under CAP Basic Farm Payment, areas of natural constraint, Environmental Farm Management Options
   Management of two nature reserves and various Sites of Special Scientific Interest (SSSI’s)
   Major shareholder in a farm-based hydroelectric scheme benefiting from feed-in-tariff payments
   Member of Quality Meat Scotland

Lord Rooker
   Member, RSPB
   Member, Friends of the Lake District
Lord Selkirk of Douglas  
Chairman of Directors, and Director, Douglas-Hamilton (D Share) Ltd (small family company: agriculture and property; the Member’s financial interest derives from his directorship, which is now paid an annual sum above the registration threshold)  
Director, Douglas-Hamilton Investments Ltd (company no SC343289: no financial benefit)  
Diversified investment portfolio in McInroy & Wood Income Fund, managed by third party  
Note: Douglas-Hamilton D Share has an interest in pockets of land used for rough grazing and possible development, and also a field which may have a wind turbine or turbines in due course

Baroness Sheehan  
No interest to declare

The Earl of Stair  
Actively involved in the agricultural industry  
In receipt of payment through the Less Favoured Area Support Scheme (LFASS)  
In receipt of funding through the CAP Basic Payment Scheme  
In receipt of EU Dairy Aid  
Beneficiary of a Rural Development Contract for equipment and the storage and processing of dirty water and waste  
In receipt of support through the SRDP Forestry Grant Scheme 2014–2020  
Member, Red Tractor Assurance  
Member, NFU Scotland

Lord Teverson (Chairman)  
No interests to declare

Lord Trees  
Honorary Member, British Veterinary Association  
Chair, Moredun Research Institute, Edinburgh, an independent animal health research institute  
Veterinary Editor in Chief, Veterinary Record  
Member, RSPB

Viscount Ullswater  
Director and Trustee of agriculture estate company in Cumbria  
Tenants on the estate receive payments under the CAP  
Member, Country Land and Business Association (CLA) 

Baroness Wilcox  
No interests to declare

Lord Young of Norwood Green  
No interests to declare

The following Members of the European Union Select Committee attended the meeting at which the report was approved:

Baroness Browning  
Lord Crisp  
Lord Cromwell  
Baroness Falkner of Margravine  
Lord Jay of Ewelme  
The Earl of Kinnoull  
Lord Liddle  
Baroness Neville-Rolfe
Lord Teverson  
Lord Whitty  
Baroness Wilcox  
Lord Woolmer of Leeds

During consideration of the report the following Members declared an interest:

Lord Cromwell  
Member, CLA  
Member of the Higher Lever Stewardship Scheme which receives EU support  
Farms organic beef store cattle

The Earl of Kinnoull  
In receipt of EU Farm Subsidy both personally and as a Trustee of the Blair Charitable Trust

Lord Whitty  
Vice President, Chartered Trading Standards Institute

Baroness Neville-Rolfe  
Shareholdings, Tesco plc (food and drug retailer)

A full list of Members’ interests can be found in the Register of Lords’ Interests: http://www.parliament.uk/mps-lords-and-offices/standards-and-financial-interests/house-of-lords-commissioner-for-standards-/register-of-lords-interests/
APPENDIX 2: LIST OF WITNESSES

Evidence is published online at http://www.parliament.uk/brexit-animal-welfare/ and available for inspection at the Parliamentary Archives (020 7219 3074).

Evidence received by the Committee is listed below in chronological order of oral evidence session and in alphabetical order. Those witnesses marked with ** gave both oral evidence and written evidence. Those marked with * gave oral evidence and did not submit any written evidence. All other witnesses submitted written evidence only.

Oral evidence in chronological order
* Minette Batters, National Farmers Union QQ 1–17
** Gudrun Ravetz, British Veterinary Association QQ 1–17
* David Clarke, Red Tractor Assurance QQ 1–17
* Chris Mallon, National Beef Association QQ 1–17
** Phil Stocker, National Sheep Association QQ 1–17
** Dr Georgina Crayford, National Pig Association QQ 1–17
* Dr Siobhan Mullan, University of Bristol QQ 1–17
** Richard Griffiths, British Poultry Council QQ 1–17
* Professor Lynn Frewer, Newcastle University QQ 1–17
** Professor Richard Bennett, University of Reading QQ 1–17
** Peter Stevenson, Compassion in World Farming QQ 1–17
* Joe Bailey, Freedom Foods/RSPCA Assured QQ 1–17
** Mark Williams, British Egg Industry Council QQ 1–17
* Dr Sophia Hepple, Animal and Plant Health Agency QQ 1–17

Alphabetical list of all witnesses

Agrantec AWF0019
Agriculture and Horticulture Development Board (AHDB) AWF0004
Association of Lawyers for Animal Welfare (ALAW) and Wildlife and Countryside Link AWF0017
Animal Aid AWF0008
* Joe Bailey, Freedom Foods/RSPCA Assured QQ 1–17
** Professor Richard Bennett (QQ 1–17) AWF0022
** British Egg Industry Council (BEIC) (QQ 1–17) AWF0011
British Meat Processors Association (BMPA) AWF0005
** British Poultry Council (BPC) (QQ 1–17) AWF0012
British Society of Animal Science (BSAS) AWF0021
** British Veterinary Association (BVA) (QQ 1–17) AWF0020
** Compassion in World Farming (CIWF) (QQ 1–17)  
** Country Land and Business Association (CLA) 
** Conservative Animal Welfare Foundation 
** Farmwel  
* Professor Lynn Frewer, Newcastle University (QQ 1–17) 
* Dr Siobhan Mullan, University of Bristol (QQ 1–17)  
* National Farmers Union (NFU) (QQ 1–17) 
* NFU Scotland  
* National Beef Association (QQ 1–17) 
* National Office of Animal Health (NOAH) 
* National Pig Association (NPA) (QQ 1–17) 
** National Sheep Association (NSA)(QQ 1–17)  
* Red Tractor Assurance (QQ 1–17) 
* RSPCA 
* Soil Association 
* World Horse Welfare
APPENDIX 3: KEY EU FARM ANIMAL WELFARE LEGISLATION

European Union law provides general rules for farm animal welfare on-farm, during transport and at slaughter.

Key Directives and Regulations are:

- Directive 98/58/EC\(^{178}\) concerns the protection of animals kept for farming purposes\(^{179}\)
- Regulation (EC) No. 1/2005\(^{180}\) on the protection of animals during transport and related operations\(^{181}\)
- Regulation (EC) No. 1099/2009\(^{182}\) on the protection of animals at the time of killing\(^{183}\)

The EU has also set out detailed standards for specific livestock species:

- Directive 1999/74/EC\(^{184}\) laying down minimum standards for the protection of laying hens;
- Directive 2007/43/EC\(^{185}\) laying down minimum rules for the protection of chickens kept for meat production;
- Directive 2008/119/EC\(^{186}\) laying down minimum standards for the protection of calves;
- Directive 2008/120/EC\(^{187}\) laying down minimum standards for the protection of pigs. These are transposed into UK law via Regulations and Schedules in The Welfare of Farmed Animals Regulations\(^{188}\) and The Mutilations (Permitted Procedures) (England) Regulations 2007.\(^{189}\)

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181 Directly applicable in UK law, though provisions regarding enforcement in England are carried out through The Welfare of Animals (Transport) (England) Order 2006 (SI 2006/3260)
183 Elements such as enforcement are carried out through The Welfare of Animals at the Time of Killing (England) Regulations 2015 (SI 2015/1782) (WATOK). WATOK retains many UK provisions that were enacted before, and are stronger than, those in Regulation (EC) No 1099/2009 (OJ L 303/1, 18 November 2009).
Other relevant legislation:

- Regulation (EC) No 834/2007\(^{190}\) and Regulation (EC) 889/2008\(^{191}\)—provide minimum standards of welfare for livestock in organic production systems and detail rules on labelling of organic products;

- Council Decision of 17 December 1999\(^{192}\)—prohibits the placing of Bovine Somatotrophin (BST) on the market within the EU for the purpose of administration to dairy cows due to animal welfare concerns;


Beyond this, a large body of EU legislation with varying degrees of relevance to farm animal welfare exists, including legislation on disease management and prevention, method of production labelling and the Common Agricultural Policy.

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## APPENDIX 4: GLOSSARY

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<thead>
<tr>
<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>AHDB</td>
<td>Agriculture and Horticulture Development Board</td>
</tr>
<tr>
<td>AHAW</td>
<td>Panel on Animal Health and Welfare</td>
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<tr>
<td>ALAW</td>
<td>Association of Lawyers for Animal Welfare</td>
</tr>
<tr>
<td>APHA</td>
<td>Animal Plant and Health Agency</td>
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<tr>
<td>BEIC</td>
<td>British Egg Industry Council</td>
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<tr>
<td>BMPA</td>
<td>British Meat Processors Association</td>
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<tr>
<td>BPC</td>
<td>British Poultry Council</td>
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<tr>
<td>BSAS</td>
<td>The British Society of Animal Science</td>
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<tr>
<td>CAP</td>
<td>Common Agricultural Policy</td>
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<tr>
<td>CAWF</td>
<td>Conservative Animal Welfare Foundation</td>
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<tr>
<td>CIWF</td>
<td>Compassion in World Farming</td>
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<tr>
<td>CLA</td>
<td>Country Land and Business Association</td>
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<tr>
<td>CVO</td>
<td>Chief Veterinary Officer</td>
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<tr>
<td>Defra</td>
<td>The Department for Environment, Food and Rural Affairs</td>
</tr>
<tr>
<td>EFSA</td>
<td>European Food Safety Authority</td>
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<tr>
<td>FAWC</td>
<td>Farm Animal Welfare Committee</td>
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<tr>
<td>FERA</td>
<td>Food and Environment Research Agency</td>
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<tr>
<td>NFU</td>
<td>National Farmers Union</td>
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<td>NOAH</td>
<td>National Office of Animal Health</td>
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<td>NPA</td>
<td>National Pig Association</td>
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<tr>
<td>NSA</td>
<td>National Sheep Association</td>
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<tr>
<td>OIE</td>
<td>World Organisation for Animal Health</td>
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<tr>
<td>RSPCA</td>
<td>Royal Society for the Prevention of Cruelty to Animals</td>
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<tr>
<td>USP</td>
<td>Unique selling point</td>
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<tr>
<td>WCL</td>
<td>Wildlife and Countryside Link</td>
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<tr>
<td>WTO</td>
<td>World Trade Organization</td>
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