Opinion on Policy Instruments for Protecting and Improving Farm Animal Welfare

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FAWC Opinions

FAWC Opinions are short reports to Government on contemporary topics relating to farm animal welfare. They are a new format of advice to Government and were introduced in 2007. They are based on evidence and consultation with interested parties. They may highlight particular concerns and indicate issues for further consideration.

Opinions published to date

Opinion on Beak Trimming of Laying Hens, 2007
Opinion on Enriched Cages for Laying Hens, 2007
Opinion on the Welfare of Farmed Gamebirds, 2008
Opinion on Policy Instruments for Protecting and Improving Farm Animal Welfare

Objectives of the Opinion

1. To advise the Government about the range of policy instruments suitable for protecting and improving farm animal welfare and to identify where the application of particular policy instruments should be considered further.

Background

2. The Animal Health and Welfare Strategy for Great Britain (AHWS), published in 2004, aimed to develop a new partnership (between stakeholders and Government) to improve the health and welfare of kept animals. Governments in England, Wales and Scotland are currently considering how responsibility and cost sharing arrangements can form a basis for this new partnership. This Opinion therefore provides a timely review of policy instruments to improve farm animal welfare.

3. Government uses a variety of policy instruments to help protect and improve the welfare of farm animals and an overview of these is provided in this Opinion. Government takes action for a number of reasons including: (a) prevention of anti-competitive behaviour, which can increase prices and restrict supply; (b) reduction of market negative ‘externalities’, such as environmental pollution and animal suffering, and/or encouragement of positive ‘externalities’, e.g. policies to prevent disease spread, and improve animal welfare; (c) supply of information; (d) provision of ‘public goods’ – things that are shared by and benefit many in society but which are not directly linked to any payment, high levels of biosecurity and high levels of animal welfare, for example; and (e) ensuring equity of distribution, e.g. compensation to victims of crime, natural disasters etc., and achievement of social goals, e.g. support for rural areas. In terms of animal welfare, government intervention is justified particularly on the grounds of (b) and (d) but also (c), for example in requiring that information about farm animal welfare be included on product labels and (e), for example in pursuit of a ‘caring society’.

4. All Government policies are now framed within the context of European Union (EU) law. Table 1 attempts to categorise the main forms of policy instruments, and gives general examples of each and its application to animal health and welfare. The table also identifies potential strengths and weaknesses of each policy instrument. None of the policy instruments are mutually exclusive. They are usually used in combination, and often as a ‘cascade’, for example – primary legislation; secondary legislation; codes of practice and/or guidance; enforcement mechanisms; and publicity campaigns.
A brief review of the use of policy instruments to protect and improve animal welfare

Legal rights and liabilities

5. These set basic principles regarding rights and responsibilities. Primary legislation is often an example of such instruments. Such basic laws may then provide a basis for secondary legislation and for rules and regulations enabling other policy instruments, such as command and control. Enforcement of rights and liabilities may take place in the civil courts, for example, to obtain recompense from those who have liability (legal responsibility).

6. In the context of animal welfare, the Animal Welfare Act 2006 (and similar legislation in Scotland) makes animal owners and keepers responsible for ensuring that the welfare needs of their animals are met. Within Europe, the EU 1997 Treaty of Amsterdam contains a legally binding Protocol recognizing that animals are sentient beings and requires full regard to be paid to their welfare when policies relating to agriculture, transport, research and the internal market are formulated or implemented. The European Commission has also produced a Community Action Plan on the Protection and Welfare of Animals for 2006-2010 which lays out the intended programme of legislation and international activity.
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Command and Control

7. Command and control instruments are the rules and regulations with which society (or specified sections within society) must comply. For example, the welfare of farmed animals is protected by the Welfare of Farmed Animals (England) Regulations 2007 (S.I. 2007 No.2078), Welfare of Farmed Animals (Wales) (S.I. 2007 No.3070) and similar legislation in Scotland made under the Animal Health and Welfare (Scotland) Act 2006. The EU lays down minimum welfare standards for farmed animals by means of Directive 98/58/EC and other Directives on the welfare requirements of specific categories of farmed animals (e.g. laying hens, meat chickens, calves and pigs).

8. Compliance is usually monitored and enforced, often with penalties (e.g. financial or penal) for non-compliance. Animal movement control is an example of command and control whereby movement of animals on and off farms that are affected by disease or are in a high-risk area is prevented or constrained in order to prevent disease risk (e.g. the six-day standstill for Foot and Mouth Disease).

9. Inspections on farms by Animal Health (formerly the State Veterinary Service) and local authority inspectors help to enforce regulations concerning animal movements and animal gatherings, hygiene, animal welfare and other activities. See Direct Action by Government for a practical example.

Direct Action by Government

10. This is where government intervenes directly within society to achieve a policy objective. For example, government undertakes various border and other controls to prevent exotic animal diseases entering the country and to control their spread if they do enter (direct action is also taken for some endemic diseases – such as TB in cattle). Government and its agencies (Animal Health, the Meat Hygiene Service and Local Authorities) also undertake welfare inspections and enforcement. Direct action is often used in combination with command and control.

11. A practical example of the use of direct action (and command and control) is provided by a local authority in Eastern Scotland being made aware of a welfare problem involving cattle on a farm within their area. Upon attending several times over a short period with Veterinary Officials from Animal Health the situation was not improving despite every effort of the Local Authority and Animal Health officials to encourage the owner to take necessary steps. The owner of the animals had medical problems, could not cope and was not fit to care for the animals in a proper manner and because of financial problems was unable to pay for somebody to do the work on his behalf.
12. As the animals were suffering, the Local Authority took possession of the animals under Section 32 of the Animal Health and Welfare (Scotland) Act 2006 and cared for them until they were fit to be moved. During this time the owner was given leave to appeal the decision to seize the animals. As no appeal was forthcoming and when the animals were fit to be moved, the Local Authority applied to the Courts for a Disposal Order under Section 34 of the above Act and upon the granting of the Disposal Order they subsequently sold the animals. As per Section 34 of the Act the monies raised from this sale were then used to cover the costs of the Local Authority in seizing and caring for the animals with any surplus being passed back to the owner. In this example, the combination of command and control and direct action enabled prevention of unnecessary pain and distress for the animals and helped the livestock keeper under difficult circumstances.

13. One area of direct action that could be taken by government concerns its procurement policy. It is recognised that, in practice, government has a number of objectives for its procurement policy, such as environmental protection and value for money, which may conflict with animal welfare objectives. However, government should seek to ensure that its procurement of livestock products takes full account of animal welfare.

Public compensation and social insurance

14. These instruments are often used to address equity and social welfare issues. However, they can also be used to provide incentives or disincentives which influence behaviour. For example, animal disease compensation to livestock producers (e.g. for slaughter of animals posing a disease risk in the cases of Foot and Mouth Disease, Avian Influenza, bovine tuberculosis etc.) can be an incentive to disease reporting but, if set too high, can also act as a disincentive to effective disease risk management. For example, farmer compensation for bovine tuberculosis sometimes exceeded the costs of the disease to the farmer, prior to ‘table valuations’ for livestock slaughter compensation being used.

15. In general, as an incentive to good biosecurity practice, animal disease compensation payments may be linked to time of reporting (e.g. compensation only payable for disease losses incurred after the reporting date) and extent of compliance with biosecurity measures such as animal movement controls and hygiene. Compensation payments could also be linked to compliance with legal requirements for animal welfare.

Incentives and taxes

16. These are widely used by government (and others) to influence behaviour and to raise revenue to fund various activities. For example, livestock farmers in Scotland are being paid monies (from Pillar II of the Common Agricultural Policy) to encourage farm health planning activities. Cross-
compliance is being used as an incentive for farmers to comply with animal welfare (and other) regulation, whereby a farmer’s single farm payment may be reduced for non-compliance. Tax relief and/or capital payments to livestock farmers have also been given to encourage various initiatives and practices (for example, grant aid to support farm improvement and diversification in Wales is provided by the Farm Improvement and Farm Enterprise grant schemes).

17. An interesting example of incentives introduced by the Milk Marketing Board, a public sector organisation no longer in existence, and continued by private dairy companies, is provided by the requirement for farmers to meet certain white blood cell count levels in milk, which has no doubt decreased the levels of mastitis in dairy herds in the UK. Samples of milk are taken from the tank on a regular basis and then samples are tested randomly, i.e. farmers do not know which samples will be tested and thus have to operate to a set level on a routine basis. Payments are made based on the cell count which is banded – i.e. the higher the band (number of cells) the lower the payment. Other parameters such as numbers of bacteria, contamination of the milk with water, blood and other substances and residues of antibiotic are also tested for but arguably these do not have a direct impact on animal welfare. For some contracts the milk is not acceptable unless within tightly defined levels. Cell counts have helped farmers and veterinarians to identify and measure the incidence and severity of mastitis on dairy farms. Payments according to cell count were originally driven by the requirement for an increased shelf life but have also incentivised mastitis reduction and general cleanliness routines. This system has worked well since the levels are measured very accurately by machines and farmers and others accept that results are accurate.

18. There are many other similar incentives which could improve animal welfare dramatically in the future – for example, payments based on lameness levels and calf health. At present, the measuring techniques are not sufficiently robust and thus these are not currently being used widely for payments. However, this is an area commanding considerable attention by a number of stakeholders, including major food retailers.

Institutional arrangements

19. There is a large number and complex web of diverse institutions and institutional arrangements that assist government, on society’s behalf, to implement policy. Government uses various agencies, such as Animal Health together with local authorities and advisory bodies such as FAWC, to protect and improve the welfare of farm animals – in combination with other policy instruments (such as command and control).

20. Other countries have various institutional arrangements although there has been a trend in many countries to separate policy from delivery. The danger of such separation is that there may develop a lack of communication between the two activities so that delivery agents lose sight of the policy objectives that should be driving their activities and policy is not informed by de-
livery. In Great Britain, there is debate concerning responsibility and cost sharing between government and industry partners for animal health (at the time of writing, it is likely that responsibility for animal welfare policy will remain with government). This could see the creation of a new institutional structure for the management of animal health possibly with a new joint government and industry decision-making body. The problem created by the separation of policy from delivery might be addressed by a more ‘stand alone’ animal health public body.

21. International institutional arrangements have an important influence on animal welfare in GB. The World Organisation for Animal Health (OIE) is responsible for oversight of animal diseases and provides recommendations and guidance covering animal health and more recently animal welfare. OIE health standards are recognised by the World Trade Organisation (WTO), which governs international trade agreements. Within Europe, both the Council of Europe and the European Union have various institutional arrangements to promote the protection of animal welfare, which provide input to the OIE and WTO. It is undesirable for international trade rules to constitute barriers to adoption of animal welfare standards by livestock producers. Advice of OIE to WTO is likely to become increasingly important in this regard and the GB governments need to interact with and influence both European and worldwide intergovernmental organisations to enable progress in animal welfare.

Information provision

22. No policy can be effectively implemented without effective communication and information – for example, by means of public information campaigns and information provision to ‘target audiences’.

23. An example of the potential power of information and communication can be seen by the January 2008 television screenings of TV chefs Jamie Oliver and Hugh Fearnley-Whittingstall campaigning for good poultry welfare through the promotion of free range and organic poultry systems. These programmes clearly made an immediate impact upon the public with sales of free-range and organic chicken reported as rising by some supermarket chains and smaller retailers in the weeks following the programmes (although sales of chicken generally also increased).

Disclosure of information

24. A legal requirement to disclose information can be imposed where one section of society may be at a serious disadvantage due to a lack of information (but which is held by others). Consumers may benefit from access to information held by producers, for example, the contents/ingredients of food products, how and when they were produced etc. Access to this information may not be readily available unless disclosure (e.g. labelling of food ingredi-
ents on food products) is mandatory. There is a current debate concerning the desirability or otherwise of disclosure (to consumers) of the animal welfare provenance of food products. The European Commission is, in principle, in support of such a system in its 2006-2010 Community Action Plan on the Protection and Welfare of Animals and welfare labelling of livestock products has been recommended by FAWC (see FAWC Report on Welfare Labelling 2006).

Education

25. Education can be used as a policy instrument in a number of different ways – both very broadly (i.e. having a well-educated and skilled society which adds to economic prosperity and social well-being) and more specifically (e.g. ‘educating’ society concerning the welfare needs of animals). At school level (5 to 16/19 year-olds) there is currently in the UK almost nothing mandatory that pertains to the protection and improvement of animal welfare. However, there is considerable scope for such teaching if instigated by teachers. For example, in science issues connected with animal welfare can be used to illustrate the nervous system and behaviour; in geography such issues connect to land use for agriculture; and in citizenship, where religious education relates to our use of animals. Various organisations have produced educational materials concerning farm animals for use in schools and colleges. However, there may be a need for provision of appropriate, balanced information for teachers to use as part of the school and college curriculum, as well as training and support for teachers in the teaching of this issue to students.

26. The argument for animal welfare education within the school and college curriculum is to engender an awareness of animal welfare in (future) citizens and consumers. Education has a continued role beyond schools and colleges to tertiary education and the workplace. This includes welfare considerations in veterinary training and provision of stockmanship courses for animal keepers and handlers (see FAWC Report on Stockmanship 2007).

Research

27. Governments fund various research activities which are broadly targeted at improving knowledge/information, education, technology, etc. which in turn will result in greater economic prosperity and others benefits to society. There is a clear role for governments to help fund or stimulate research in areas of importance that the private sector is failing (for whatever reason) to address.
28. Research is a significant policy instrument for government as summarised on the Defra website (www.defra.gov.uk/evidence/index.htm):

"Science is at the heart of good policy making at Defra, providing evidence for decision-making, helping us find new policy solutions and helping us to identify and tackle future issues. Defra is a major funder of science, spending over £300 million annually on research, monitoring and surveillance activities. We believe that good quality science is crucial in maintaining the high quality of the work we do for the essentials of life - water, food, air, land, people, animals and plants."

29. The Governments of England, Wales and Scotland all fund research on farm animal welfare. Of the 5,109 projects listed on the Defra website on 30th January 2008, 152 were classified as concerning animal welfare and 730 as concerning animal health. In the financial year 2006/2007, £3.4 million was spent on animal welfare research of which 21% was related to transport. This is similar to the funding levels in 2000/2001 (i.e. £3.6 million) again when approximately one fifth was allocated to welfare of animals during transport. The priorities for funding are decided upon by Defra, the Welsh Assembly Government and the Scottish Government, while FAWC has a role in advising government within its publications. Governments fund work in response to ideas from scientists or publish specific requests for projects addressing particular questions. The decisions to fund certain areas and exclude others reflect the priorities of government. For example, with regards to animal husbandry and animal welfare, Defra has aimed to fund research on methods of husbandry in commercial systems that meet the welfare needs of animals.

30. In addition to animal-based studies, government funds social science that has a ‘people-based’ focus. Whilst much of current funding is focused on behaviour change that may have an impact on climate change, the same techniques and philosophies may be applicable to motivating either consumers to purchase more welfare-friendly products or farmers to modify their husbandry systems.

31. Another major theme of government research funding is economics. Within this funding stream animal health and welfare is identified as a theme which includes providing economic analysis and advice on the development of appropriate incentives and policy intervention to improve animal welfare.

32. Government also conducts some internal monitoring of animal welfare. For example, the proportion of farms that do not comply with either legislation or welfare codes as observed during Animal Health inspections is reported in publications such as the Chief Veterinary Officer’s Annual Report. The implementation groups of the GB Animal Health and Welfare Strategy (guided by FAWC) are also working on welfare indicators to monitor progress in animal welfare.

33. In addition to funding direct from government, welfare research is also funded by the European Commission. For example, a large European project
to standardise welfare assessment (www.welfarequality.net) has promoted collaboration between many welfare and social scientists.

Promoting private markets

34. There is an underlying widely held belief behind this category of policy instruments that ‘the market’ is often more efficient and effective in supplying the needs of society than government intervention. To this end, therefore, government may seek to promote (or ensure the operation of) private markets in the provision of goods and services required by society rather than intervene directly to supply them itself. This promotion can be achieved in a number of ways including by the use of competition regulation, franchising and licensing, contracting, tradable permits etc. In the area of farm animal health and welfare, the Competition Commission has expressed concern about the market power of food retailers and their supply contracts with livestock producers. In the public sector, private veterinarians and others are often contracted or licensed to carry out animal health and welfare activities on behalf of government (or Animal Health). Quotas are often applied to agricultural activities (e.g. milk quotas) but at present there are few if any examples of quotas or tradable permits relating directly to animal welfare.

35. One example of promotion of private markets that could be transferable to animal welfare (or animal health) is that of bidding for environmental contracts whereby a limited number of contracts for environmental improvements are offered (by government) under a competitive bidding process, the Conservation Reserve Program (CRP) of the United States Department of Agriculture, for example. Under such a scheme, livestock producers might be offered contracts with payments to make long-term investments to improve the welfare of animals that they produce under a competitive bidding system (or veterinarians could be offered a similar contract to improve welfare on farms). Applications would have to be ranked according to how well they promote/improve animal welfare (the US system uses an ‘Environmental Benefits Index’) so that the most cost-effective bids are awarded. Such a system would ensure that the taxpayer gets best value for money. Moreover, it is not necessary for public support to cover all the costs (for example, in the CRP the maximum public contribution to costs is 50%). The Higher Level Environmental Stewardship scheme is a competitive scheme where farmers compete for funds to deliver environmental goods, funded under the Rural Development Programme. A similar scheme could apply to the provision of farm animal welfare above the legal minimum.

Self regulation

36. Self regulation is where society, sections of society or institutions are allowed to regulate themselves. Such regulation may need to be carefully monitored (for example by independent auditing) and may be enforced (i.e. by government). For example, farm assurance schemes have expanded greatly
over recent years and have a potentially important role to play in promoting high welfare livestock production.

37. Farm assurance generally has had some effect on improving animal welfare (see FAWC Report on the Welfare Implications of Farm Assurance Schemes 2005). However, when a considerable number of farmers are members, standards can only be reflective of the average or, some would argue, the lower members of the group. The influence of farm assurance schemes on animal welfare depends on their animal welfare assessment and auditing procedures.

38. Farm assurance schemes can help to ensure that current legislation pertinent to animal welfare is positively implemented. An example of this is the provision of environmental enrichment for pigs. The national requirement is “to enable proper investigation and manipulation activities, all pigs must have permanent access to a sufficient quantity of material such as straw, hay, wood, sawdust, mushroom compost, peat or a mixture of such which does not adversely affect the health of the animals” (Schedule 8, Part 2, Paragraph 15 Welfare of Farmed Animals (England) Regulations 2007). This is difficult to implement in practice in many commercial systems.

39. Farm assurance schemes can incorporate requirements above legislative standards, such as no castration in pigs and crate free systems (outdoor sows). The RSPCA’s Freedom Food is an assurance scheme that is promoted as being the only UK scheme “dedicated to improving farm animal welfare” (www.rspca.org.uk). The current standards operated by Freedom Food for the barn type chicken is an example where requirements which attempt to improve bird welfare have been incorporated, such as slower growing strains, provision of perching and lower stocking densities. Retail sales of these products have recently increased in response to media attention and a greater understanding by consumers of the needs of broilers.

40. Farm assurance schemes can demonstrate compliance with legislative requirements in the UK which are higher than those coming from the EU. This has been used in promotional material. For example, pig gestation stalls are now banned in the UK whereas an EU partial ban does not come into force until 2013.

41. Farm assurance schemes can also help identify where the law has lagged behind animal welfare science and look for ways to implement higher standards more quickly than through legislation. For example, the current legislative space allowance for pigs between 85-110kg, the normal slaughter range, is 0.65 pigs per square metre. However, RSPCA standards operated by Freedom Food require a higher space allowance in response to the scientific evidence whilst many commercial pig producers provide a higher space allowance because the pigs grow faster and more evenly with fewer losses.

42. Farm assurance schemes can be used by food retailers and farmers for marketing purposes and this can be very positive for animal welfare
through increased market share of higher welfare products (e.g. the barn type chicken sold under various brands).

43. The Codes of Recommendation for the welfare of farmed animals (sometimes referred to as the ‘welfare codes’) are examples of enforced self regulation. These lay down recommendations concerning the treatment of specific farm species kept under different systems (e.g. there are separate welfare codes for laying hens, meat chickens and breeding chickens, cattle, sheep etc.). Although welfare codes do not lay down statutory requirements, livestock farmers and employers are required by law to ensure that all those attending to their livestock are familiar with, and have access to, the relevant codes. Although the main aim of the welfare codes is to encourage farmers to adopt high standards of husbandry, they may also be used to back up legislative requirements. Where a person is charged with a welfare offence, failure to comply with the provisions of a welfare code may be relied on by the prosecution to establish guilt. Farm assurance schemes usually incorporate elements of the welfare codes into their requirements.

44. A key policy question is the extent to which government should be involved in influencing private initiatives which improve farm animal welfare (and the institutional arrangements needed to do this). Various combinations of government regulation and private initiatives are possible and can be very beneficial both to the private sector and to society more widely. For example, there may be benefits in a government and industry initiative for a welfare labelling system.

Consultation exercise

45. In June 2007 a consultation exercise concerning the subject matter of this Opinion was carried out. Detailed and comprehensive responses to the Consultation were received from a variety of stakeholders including welfare organisations, educational institutions and industry (see appendix). The Consultation asked a series of five questions and a summary of responses grouped under each question is given below.

How can policy instruments be used to protect/improve the welfare standards of the food we eat?

46. Welfare organisations felt that improved enforcement of existing legislation would achieve substantial welfare benefits. Others advocated improvement of existing law to protect/improve farm animal welfare at national, European and international levels.

47. Some respondents felt that another form of encouragement for improved welfare should be market-led (e.g. through assurance schemes). The industry agreed that farm assurance schemes are being used as means of delivering better welfare standards. However, some felt that farm assurance schemes cannot be fully effective levers for significantly improving farm welfare.
48. Welfare organisations identified cross-compliance payment as a tool which can be used to provide incentives to encourage good practice ensuring that minimum welfare standards are met.

**How can we adapt existing policy instruments, or develop new ones, to provide appropriate incentives for animal welfare improvements?**

49. Some respondents suggested that the industry be involved in the development and promotion of non-legislated instruments such as Codes of Practice.

50. The industry suggested that voluntary changes in welfare may be achieved via market-led incentive schemes and/or labelling with improved returns that cover any increase in associated production costs.

51. Welfare organisations expressed a view that welfare-based labelling of animal-derived food products was essential whilst educational institutions felt that labelling could be made clearer as to the production methods used.

52. Welfare organisations also believe that public procurement could play a bigger role in advancing standards of farm animal welfare.

53. The industry suggested that there should be a greater degree of communication, understanding, and flexibility in terms of policy instruments.

**What should be the relative roles of government and industry?**

54. Respondents agreed that it was the government’s responsibility to set animal health and welfare standards and enforce them. At a minimum level these should reflect societal expectations and producer/industry realities. The role of the industry is to comply with these standards.

55. Welfare organisations suggested a closer collaboration between government, supermarkets, food manufacturers and the food sector. In their view, such a relationship would encourage supermarkets, food manufacturers and the food sector to fulfil their social responsibility to support and help a move to higher welfare standards.

56. Welfare organisations felt that self regulation within the food and farming industries has the potential to result in positive outcomes for farm animal welfare, although what form this self regulation should take was not stated.
What examples of effective policy instrument initiatives to protect/improve animal welfare are you aware of?

57. Respondents identified the following policy instruments which can and do improve animal welfare:
(i) education (via engagement with consumers/public, producers, school curriculum), as well as education in responsibility in the needs of animals as companions, for food and in an understanding of their sentiency;
(ii) industry initiatives (farm assurance, training of farm workers, animal health monitoring, knowledge transfer);
(iii) legislation;
(iv) labelling (provision of information to consumers, country of origin), and labelling as to the method of slaughter;
(v) research (both directly through finding solutions to animal welfare problems and indirectly by resulting in greater public and industry awareness in animal welfare needs).

Which particular policy instruments would help your sector deliver better welfare?

58. Welfare organisations expressed a view that they would welcome a more outcome-based approach to farm and market inspections where a formal assessment was made of resources provided (through the environment, feed or water etc.) but also in terms of animal health and welfare end results (outcomes).

59. The industry felt that the use of welfare outcome measures together with existing policy instruments may allow a better assessment of the standards being implemented on farms.

60. Advisory bodies like FAWC or the GB implementation groups of the Animal Health and Welfare Strategy can and do act as important and useful sources of advice. However, it was indicated that they have limited powers to ensure that their recommendations are translated into practice.

Critical issues

61. There are a number of important issues to address when considering policy instruments for animal welfare. These include two major considerations which are:
   i) the reason (justification) for government intervention; and
   ii) the nature and extent of government intervention

62. Paragraph 3 of this Opinion sets out the reasons why government might intervene to protect and improve animal welfare in society. These include (i) the presence of negative externalities (i.e. of livestock production) in the form of animal suffering which causes concern to many in society and if left to the market would not be addressed; (ii) the provision of public goods shared by society, such as healthy animals with high welfare; and (iii) the pro-
vision of information, which, for example, allows markets to function more efficiently.

63. High animal welfare standards have a number of benefits for society generally. These include: (i) consumer knowledge that their food is of high quality and produced from animals that have had a ‘life worth living’; (ii) citizens being assured that animals are not being mistreated and have a ‘life worth living’; and (iii) a caring society with a culture of care for sentient beings with associated benefits to human social relations.

64. Although these are reasons for government intervention on society’s behalf it does not necessarily mean that government, or rather taxpayers, should pay the cost of intervention. Costs may be shared in society between various stakeholders depending on responsibilities and who benefits from intervention.

65. Animal welfare is a ‘non-market good’. In other words, it has no explicit money value and is not traded in markets. The danger of this is that animal welfare, and animal suffering, can be undervalued in society because it has no explicit financial value attached to it. This is why government intervention to protect animal welfare is necessary and why legal minimum standards will always be required to ensure that animals are not treated cruelly or in ways that the majority of society finds unacceptable. Of course, these legal minima need to be consistently and rigorously enforced, and this requires a dedicated enforcement activity with appropriate institutional arrangements.

66. However, the market can be a very powerful and efficient means of supplying what people want and there is considerable scope to use markets better to deliver improved animal welfare. For example, increased consumer demand for food with a high animal welfare provenance could have a more rapid and widespread effect in improving farm animal welfare than government legislation but only providing that appropriate markets exist for this to happen.

Conclusions and Recommendations

67. To achieve the levels of animal welfare that people want requires a co-ordinated approach to the use of policy instruments to achieve desired behavioural change (on the part of farmers, food retailers, consumers and other stakeholders, facilitated by Government). This behavioural change needs to be ‘self motivating’ to be sustainable. This means that stakeholders believe that high levels of farm animal welfare are in their best interests, i.e. that consumers feel they are getting a high quality product as a result and that producers are getting adequately rewarded for supplying it in terms of market price.

68. Legislation will always be necessary to protect animals from unacceptable treatment and cruelty or to avoid unnecessary suffering and distress. Furthermore, society has an expectation that government should intervene to ensure that animal welfare is appropriately protected in relation to farm ani-
mals and food sold in the UK, which includes animal products imported into the UK. Legislation must continue to protect animal welfare with standards based on good scientific and technical information, established experience and society's expectations.

69. Given the importance of these legal standards, it is essential that compliance with them is rigorously enforced. Although there is a clear role for a government-sponsored enforcement agency in this regard, other bodies such as farm assurance organisations have a useful role to play and can improve the efficiency of enforcement by helping to minimise unnecessary bureaucracy, for example, by aiding the use of 'risk-based' inspections.

70. Government should seek to ensure that its procurement of livestock products takes full account of animal welfare.

71. Incentives to compliance with legal minima, such as cross-compliance, should be widely and extensively used, whilst Pillar II monies of the Common Agricultural Policy could be used to promote higher welfare, for example, through the use of bidding for contracts (see Paragraph 34).

72. Registration or perhaps licensing (which would grant certain permissions) of animal keepers are both policy instruments that could assist with welfare monitoring and enforcement and may have added benefits, for example, for disease control. However, systems need to be carefully designed to achieve animal welfare (and other) objectives without unduly increasing administrative costs.

73. The welfare codes are valuable additions to animal welfare legislation and are widely incorporated into farm assurance schemes and food retailer product specifications. To this end, it is important that they are regularly revised and updated in a timely fashion so that they can be of most use and are freely available.

74. Given the potential power of the consumer and of markets in improving welfare, serious consideration needs to be given to the provision of appropriate information to consumers to allow them to make informed choices concerning their purchasing of food products based on their animal welfare provenance. This will require an appropriate labelling system to be developed and for this to be widely recognised, accepted and adopted by the food supply industries and by consumers. Government could have a role to play in this regard, working with the private sector to facilitate such a system. In this way, producers should obtain better acknowledgment through the market for producing to high welfare standards.

75. Animal welfare assessment is critical in determining whether policy objectives are being met. There is a need for a nationally or internationally agreed system for welfare assessment which incorporates animal-based outcome measures, i.e. which can assess the welfare status of animals. Government needs to be actively involved in, and support, the development of such a system.
76. The provision of balanced animal welfare educational teaching materials for schools should be facilitated and incorporated to best effect within the school and college curriculum. There should be appropriate training and support for teachers in the delivery of this information to students.

Acknowledgements

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Appendix – Organisations who responded to the consultation

Assured Dairy Farms (ADF)
Compassion in World Farming (CIWF)
Farmers’ Union of Wales
Halal Food Authority
MAF Animal Welfare – New Zealand
Meat and Livestock Commission (MLC)
National Sheep Association (NSA)
National Proficiency Tests Council (NPTC)
NFU Scotland
OIE – Animal Welfare Working Group
RSPCA – Farm Animals Department Science Group
Soil Association
Scottish Agricultural College (SAC)
VEGA