



**Phasing out cages in the EU Livestock sector?
Presentation of the EU-wide impact assessment commissioned by Copa and Cogeca**

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29/09/2023

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Introductory remarks

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Animal Welfare legislation reform proposal: a package of 4 regulations

Current legislation	New proposal 3Q2023
On-Farm welfare <ul style="list-style-type: none">• Directive 58/98 – horizontal• Directive 1999/74 – on laying hens• Directive 2007/43 – on broilers• Directive 2008/119 – on calves• Directive 2008/120 – on pigs	A single new Regulation for everything
Welfare in transport <ul style="list-style-type: none">• Regulation 1/2005	A modification of the existing Regulation
Welfare at the time of killing <ul style="list-style-type: none">• Regulation 1099/2009	A modification of the existing Regulation
Animal Welfare Labelling <ul style="list-style-type: none">• No legislation	A new Regulation



Context for the study presented today



2018: Launch of the ECI “End the cage age”



30 June 2021: EC Communication following ECI



Copa Cogeca commissions a study from 3 research institutes



May 2023: Study presented and publicly available



⇒ **Better understand the socioeconomic and environmental consequences of the ban of cages on the pig and layer sectors based on the elements reflected in the Commission’s Communication.**

Copa and Cogeca's general views on the AW legislation revision

- I. The EU in the global context: highest standards on food safety, quality, and sustainability
- II. Harmonisation of the implementation & full enforcement of the existing legal texts
- III. The reform would need:
 - I. A science-based approach
 - II. Enough time and funds for farmers to transition
- IV. The rural economy and its social fabric must be protected
- V. Consistency with other policies must be ensured (Trade, CAP, Sustainability)



Some Member States have already acted on phasing-out of cages (present/future)

- phasing out ongoing sow crates and hens
- phasing out ongoing of cages for hens
- phasing out ongoing sow crates
- Cages for hens phased out
- Sow crates phased out



* Egg Production:

- * Ban in **AT** and **LU**
- * France introduced a ban of any new or refurbished farms with cages for hens.
- * DE ⇨ 2025
- * CZ ⇨ 2027,
- * Wallonia (BE) ⇨ 2028
- * SK ⇨ 2030

* Piglet production

- * Ban in **SE**
- * Austria ⇨ 2033
- * Germany ⇨ 2035
- * Financial support for transitioning to non-confinement stalls in FI and DK



Main outcomes of the impact assessment and Copa and Cogeca's position on the ban on cages

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Context for the study presented today

On 30 June 2021, the European Commission announced a policy initiative for phasing out the use of cages in EU livestock farming, following the European Citizen's initiative "**End the Cage Age**"

Study from 3 research institutes:

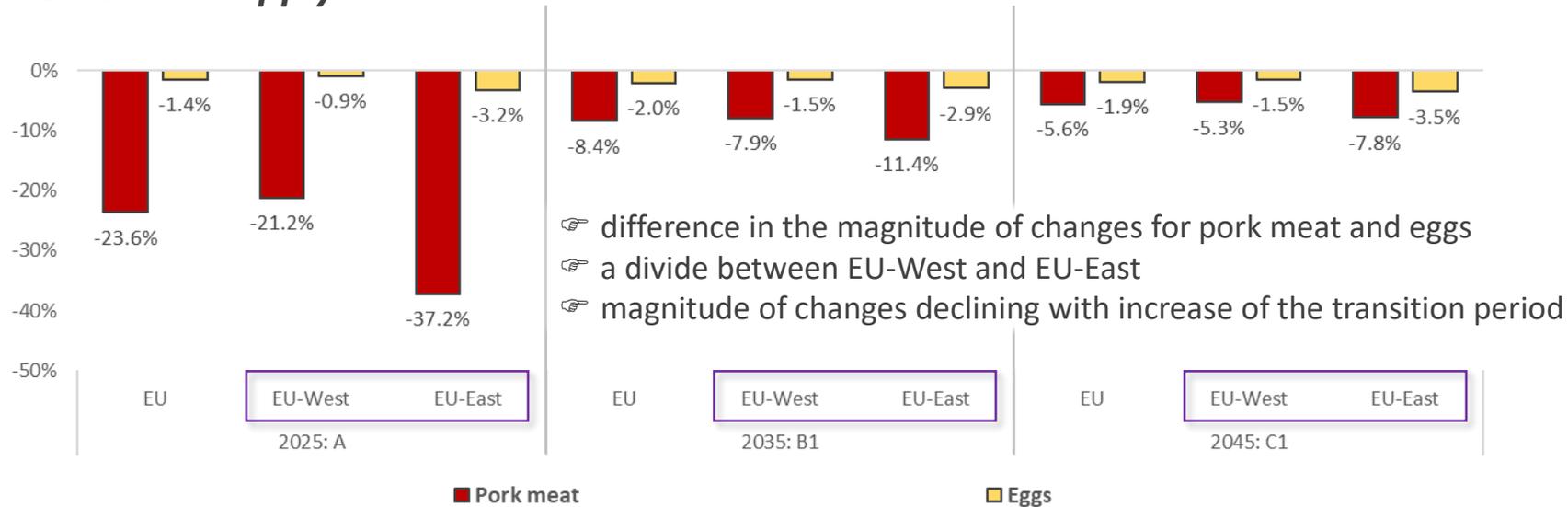
- Institute of Agricultural Economics Nonprofit Kft. (AKI, Budapest, Hungary),
- Foundation Science and Education for Agri-Food Sector (FNEA, Warsaw, Poland),
- European Centre for Agricultural, Regional and Environmental Policy Research (EuroCARE GmbH, Bonn, Germany)

→ **The idea was to better understand the socioeconomic and environmental consequences of the ban of cages on the pig and layer sectors (meat and eggs) based on the elements reflected in the Commission's Communication.**

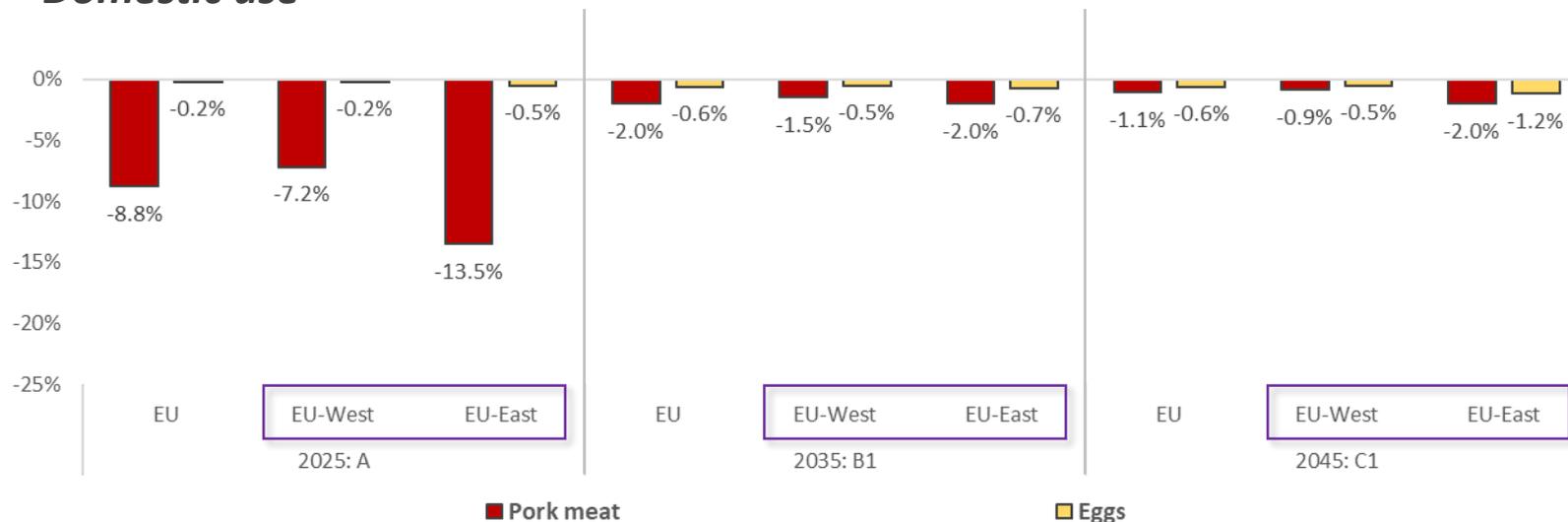


Estimated changes in domestic supply and use

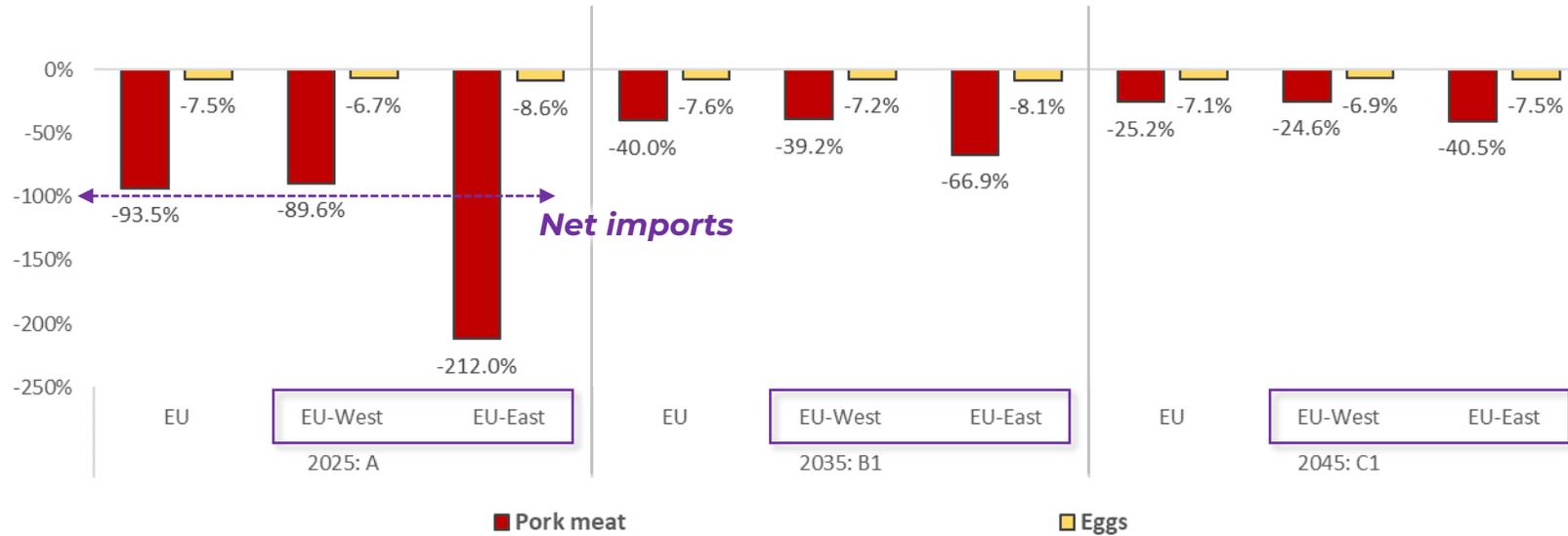
Domestic supply



Domestic use



Estimated changes in the net trade with third countries

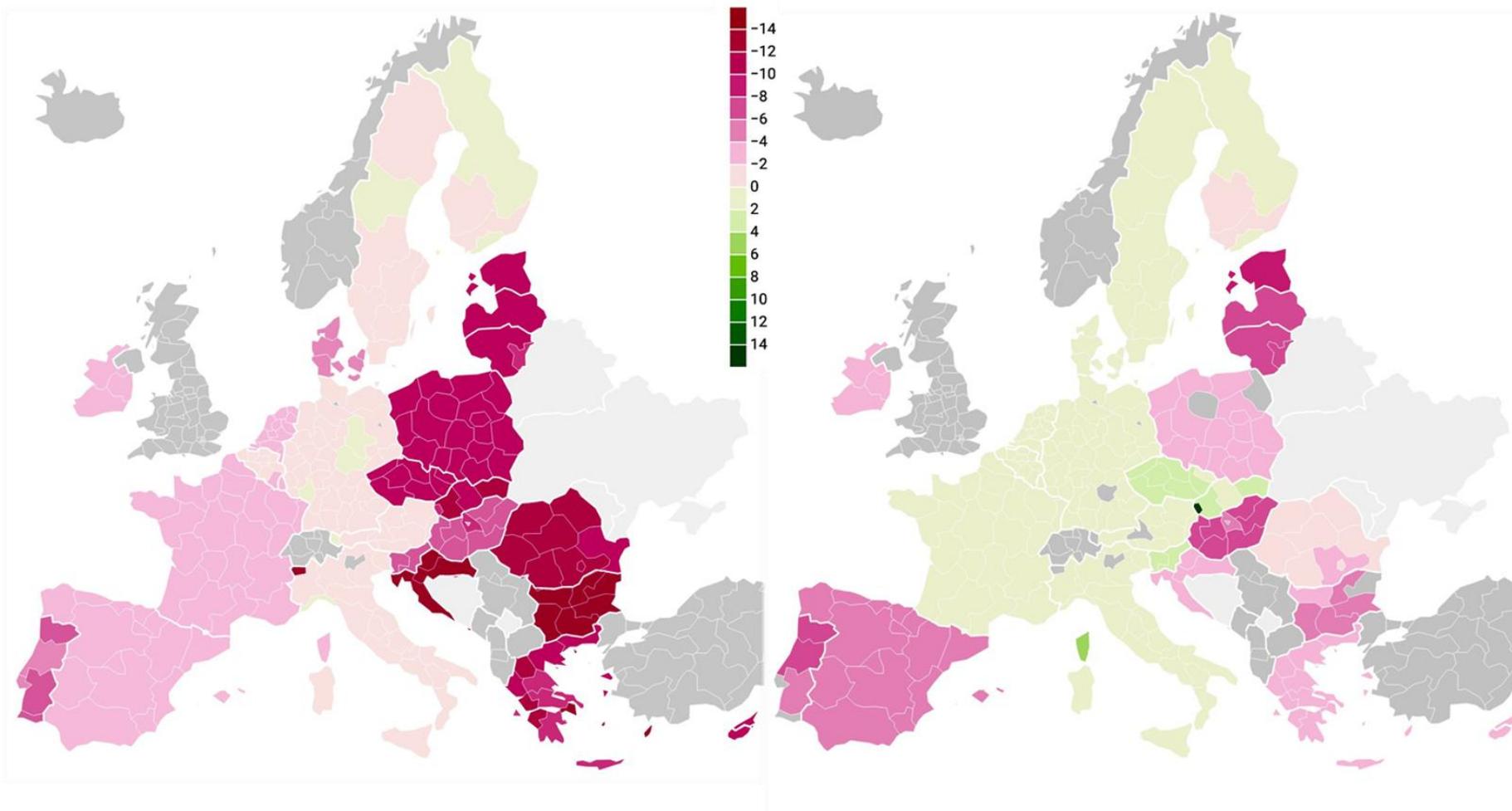


- ☞ pork meat exports drop by 87% while imports increase eleven-fold in Scenario A
- ☞ but the EU and EU-West remain net exporters of pork meat even in Scenario A
- ☞ pork meat trade balance significantly impacted in Scenarios B1 and C1 too
- ☞ trade in eggs less impacted

Changes in regional (NUTS-2) production in Scenario B2 (2035)

PORK MEAT

EGGS



Main outcomes of the study

Severe impact on the EU27 net trade balance

In most scenarios studied, sharp **increase in imports**, and a **decrease of exports** decrease for pork & eggs

Producer/consumer price

- The average producer price increases by **47.4% for pork and 3.7% for eggs** with an immediate transition.
- Changes in producer and consumer prices for eggs are less significant when a longer transition is planned.

Concentration of farms

Expected to **intensify** due to some small-scale producers possibly leaving the profession.

Food security

- Internal EU production should cover the internal demand and **should not be dependent on imports**
- Certain products becoming unaffordable would be an unacceptable social impact.

Cumulative impact of the European Green Deal

Would reduce internal production and ultimately make the EU dependent on imports from third countries and increase the price of products for the final consumer.

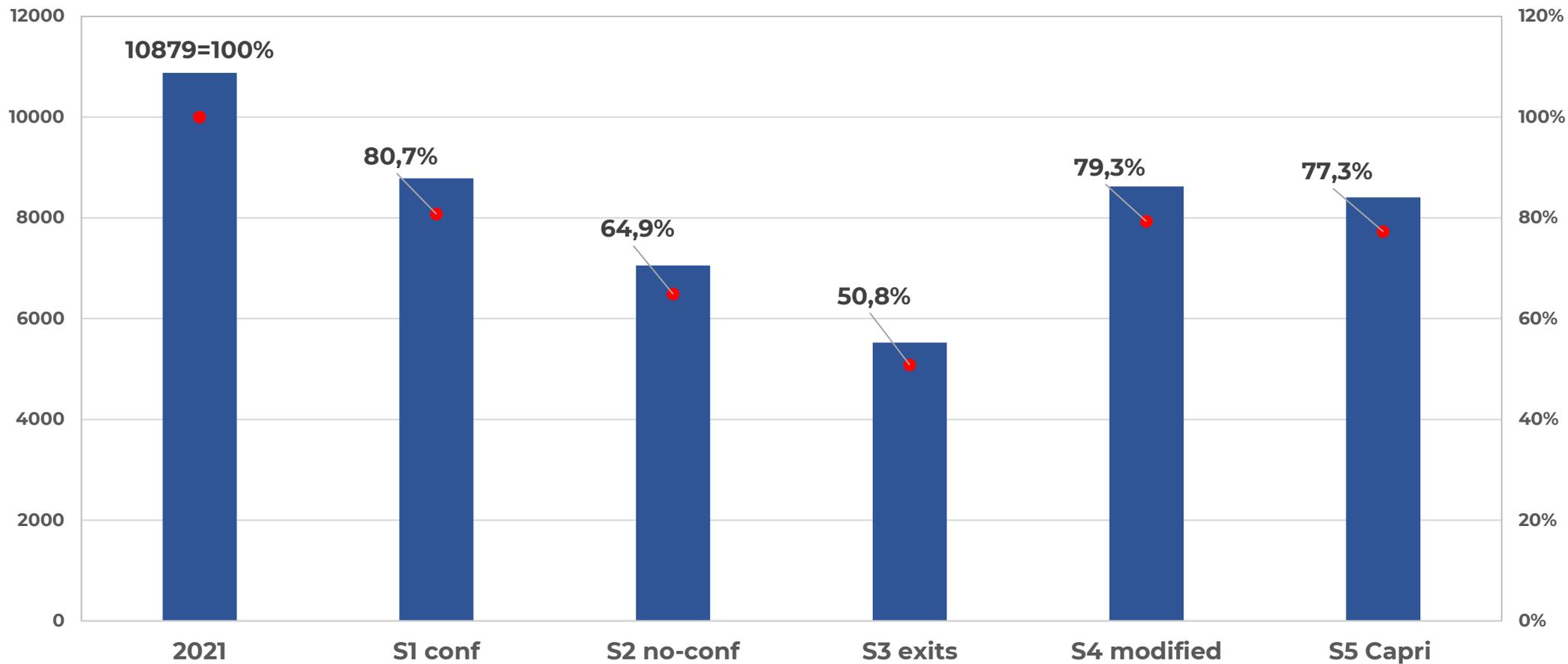
Carbon leakages

Part of our pig and egg production can be relocated.

Transition scenarios

- **Baseline: CRATES:**
 - represents piglet production with use of farrowing-crates made in fixed prices and production parameters as of 2021.
- **Scenario S1_{conf}:** “All farms move into the free farrowing system **with temporary confinement**”
 - farms in the sample will stay in production and all will move into the free farrowing system with temporary confinement [pen size 5,5m²]
- **Scenario S2_{no-conf}** “All farmers will move to free farrowing system **with NO confinement**”
 - all farms in the sample will stay in production and all will move into the free farrowing system with NO confinement [pen size min 7m²].
- **Scenario S3_{exit}** “All **farm declarations** to alternative systems included”
 - This scenario reflects a situation where all declarations regarding farmers’ decisions will be taken into account.
- **Scenario S4_{modified}** “Farm **declarations** to alternative systems were **MODIFIED**”
- **Scenario S5_{capri}** “Farm exits and number of sows based on the **CAPRI A scenario** results”,
 - which represents the assumption is that all farmers are forced to transition by (1 January) 2025 de to the policy change.

Figure 2. Number of sows (thousand heads and % in relation to the base scenario) in each assessment scenario



■ Number of sows (000')

● 2021=100%



Figure 3. Number of piglets weaned [millions heads and % in relation to base scenario] in the EU-27 in each assessment scenario

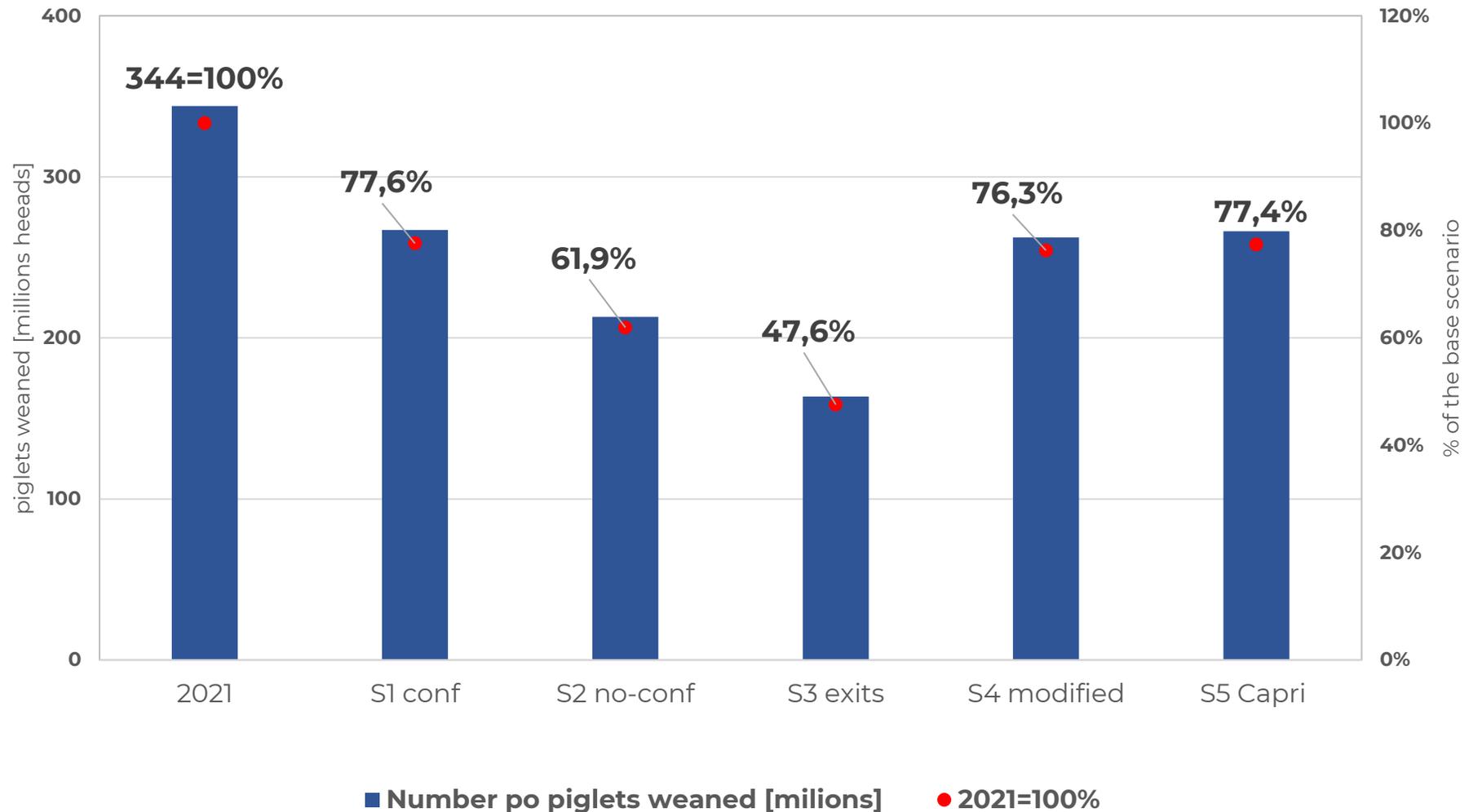


Figure 5. Total costs of investments in new pens [in billion euros] for EU-27 and “East” and “West” countries

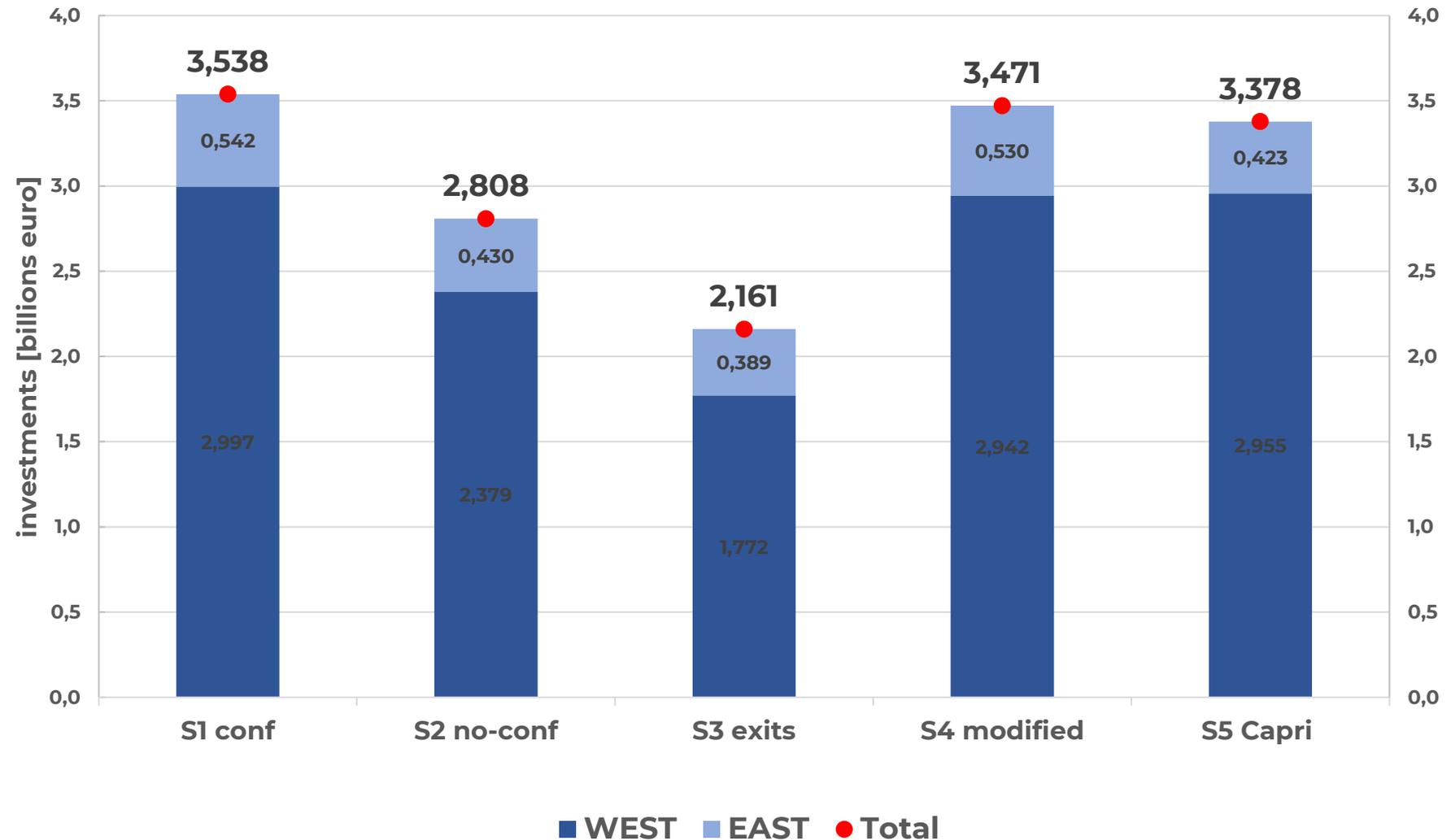
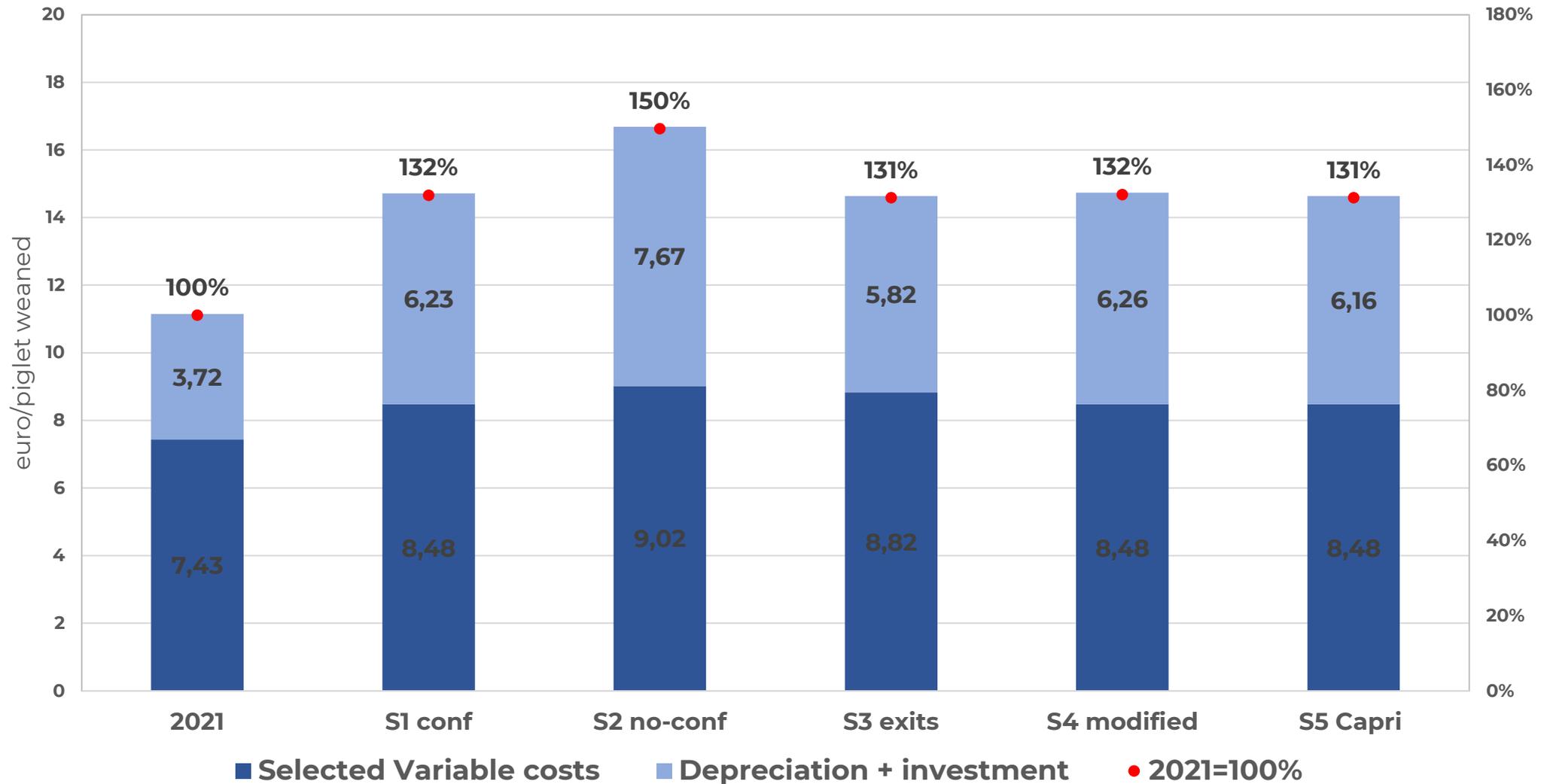


Figure 6. Difference in total selected costs (selected variable costs + depreciation of existing buildings&equipment and of new investment in pens) **per piglet weaned** [euro/piglet] for EU-27 in each assessment scenario



Concluding remarks

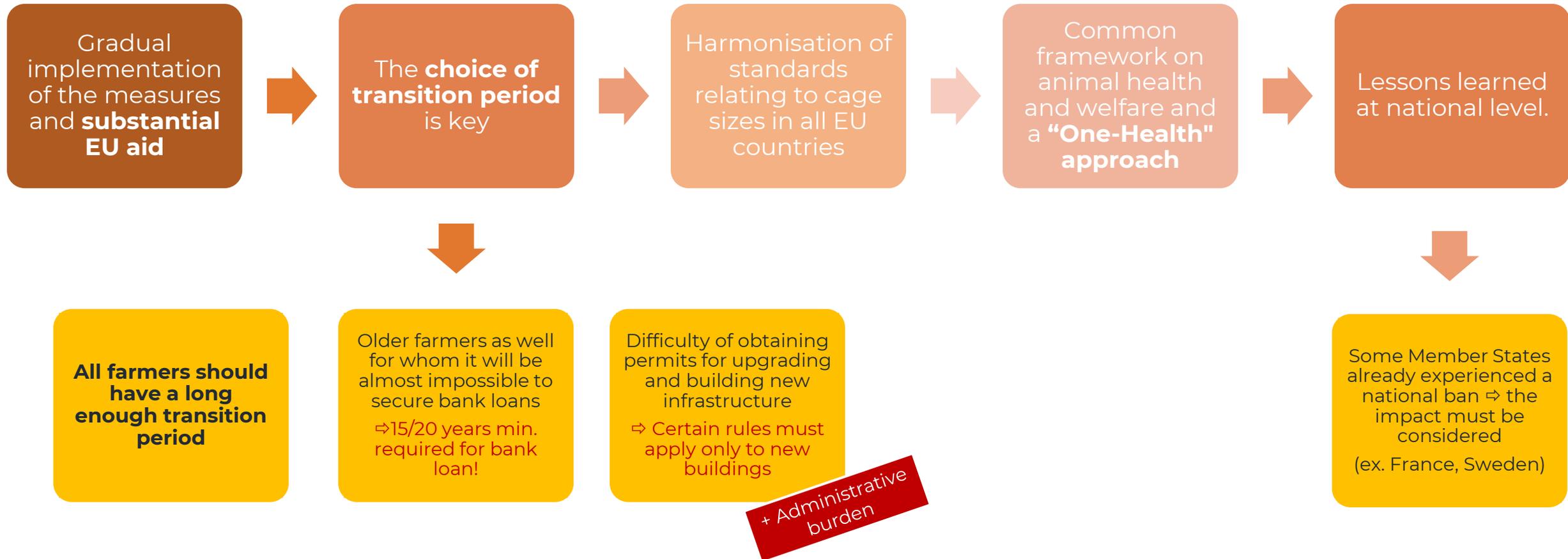
- The ban on crates will result in an increase of costs of production related to farrowing period (increase of vet costs, labour costs, feed costs, decrease of production efficiency related to increased mortality of piglets and higher sow replacement needs)
- The ban on crates will result in a reduction in sow population and piglets production in the EU due to increased space requirements for sows and necessary investments;
- The ban will strengthen the concentration trend in production. Exits of small scale farmers, without successors, will be very likely. Some part of farms will move to finishing only.

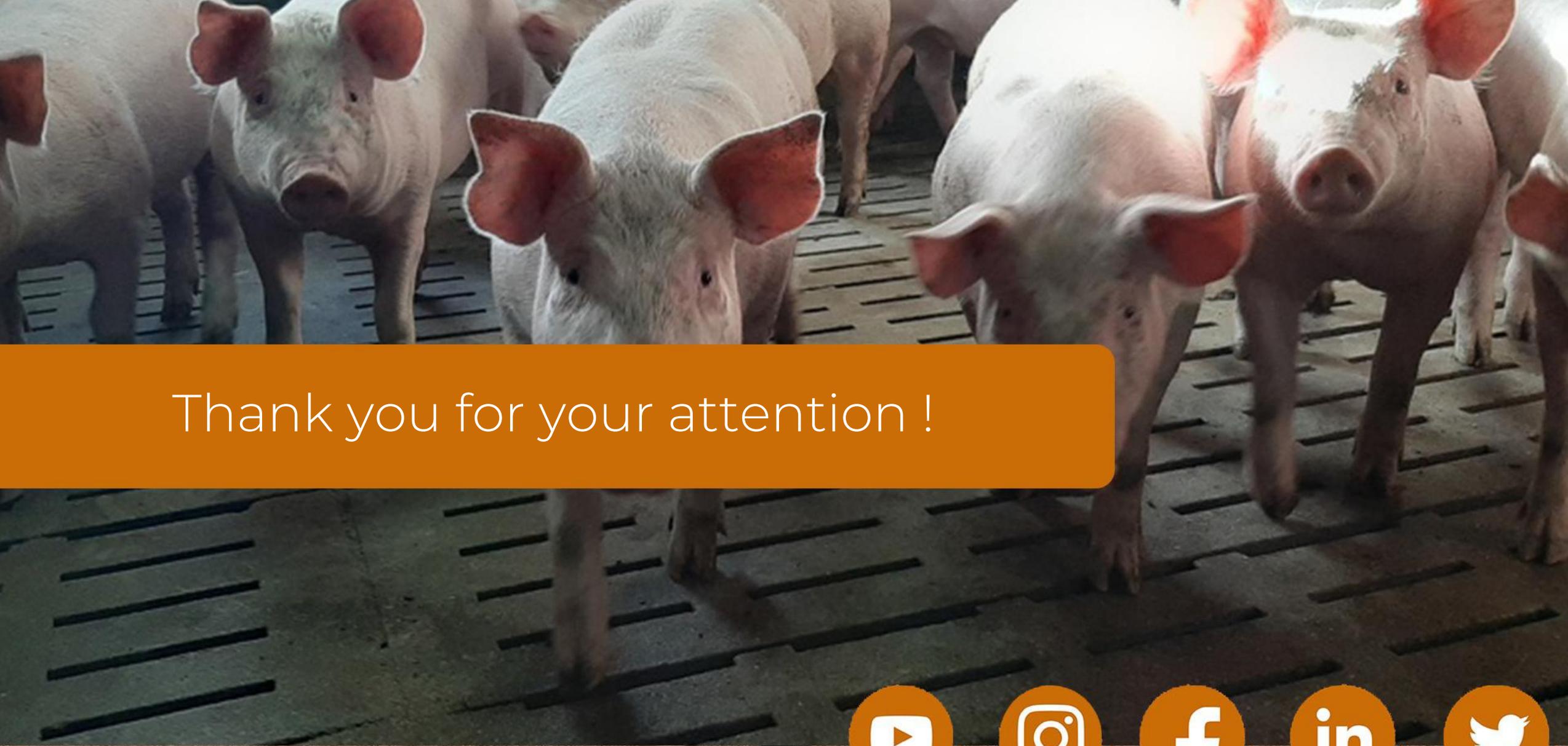
Summary and takeaways of the overall impact of a ban on the EU27

- * Ban on cages is only a limited part of a much greater equation –the overall animal welfare legislation revision
- * The study on the impacts on the ban for the sow and hen sectors shows that **the ban itself will have detrimental effects on the sectors.**
- * **The cumulative impact of all the European policies** that will impact livestock production (such as the IED) must be considered.



Copa and Cogeca's requests to legislators





Thank you for your attention !



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