



# Transatlantic Trade and Investment Partnership (TTIP)



## Egg Production in the EU and US

Egg production is one of the most heavily industrialised sectors of animal agriculture in both the EU and US. The extreme confinement of laying hens in barren battery caged production systems has, however, seriously compromised the welfare of billions of chickens.

The EU's recognition of these animal welfare problems has led to significant changes in production methods in the Union. As a consequence, there are now fundamental differences between egg production methods and animal welfare standards in the EU and the US. World Animal Protection and Humane Society International believe that the EU standards should be set as a minimal starting point for TTIP negotiations on eggs.

### Volume and value of egg production

The EU is the world's second largest egg producer and a major exporter of eggs and egg products. In 2013, 6.4 million tonnes of eggs were produced in the EU for consumption purposes; 921.9 (1000) tonnes were produced as hatching eggs.<sup>1</sup> Germany, France, Spain, Italy, Poland, the Netherlands and the United Kingdom are the biggest producers. The following table shows the number of laying hens recorded in the EU in 2013 according to production system.<sup>2</sup>

	Battery Cages	Enriched Cages	Barn	Free range	Organic	Total
<b>Million hens</b>	0.8	218.3	100.6	46.3	14.5	380.5
<b>Percentage</b>	0.2%	57.4%	26.5%	12.2%	3.8%	100.0%

According to official US statistics, 91.9 million eggs with a value of \$7.4 billion were produced in the US in 2011. Iowa, Ohio, Pennsylvania, Indiana and California are presently the biggest egg producing states and represent around 45% of all US laying hen production. In 2011, there were a total of 338.5 million laying hens in the US.<sup>3</sup> No indication of the production systems used is provided in the official statistics, but industry sources suggest that a mere 5.7% of the total US flock are cage-free; 2.9% of which are organic.<sup>4</sup>

### EU-US trade in eggs

In 2013, the EU exported a total of 214,617 tonnes of eggs (not including hatching eggs) to non-EU countries; Japan and Switzerland were most important trading partners.<sup>5</sup> The EU also imported 20,454 tonnes of eggs (excluding hatching eggs) from third countries, 33.5% of which were from the

<sup>1</sup> EU Market situation for eggs. Committee for the Common Organization of the Agricultural Markets 19 June 2014.

[www.pve.nl/wdocs/dbedrijfsnet/up1/ZucdlgcIW\\_Markt\\_juni\\_ei.ppt](http://www.pve.nl/wdocs/dbedrijfsnet/up1/ZucdlgcIW_Markt_juni_ei.ppt)

<sup>2</sup> EU Market situation for eggs. Committee for the Common Organization of the Agricultural Markets 22 May 2014. Number of Laying Hens 2013 by way of keeping based on the EU Member States that communicated data (27) Methods of production communicated accordingly to Reg. 589/2008. Slide 21. (Member States reporting production using traditional battery cages are in violation of EU legislation.) [www.pve.nl/wdocs/dbedrijfsnet/up1/ZelisubjIW\\_Markt\\_mei\\_ei.ppt](http://www.pve.nl/wdocs/dbedrijfsnet/up1/ZelisubjIW_Markt_mei_ei.ppt)

<sup>3</sup> USDA, National Agricultural Statistics Service (2012) Agricultural Statistics 2012, page VIII-42, Table 8-62 and VIII-41, Table 8-59. [www.nass.usda.gov/Publications/Ag\\_Statistics/2012/2012\\_Final.pdf](http://www.nass.usda.gov/Publications/Ag_Statistics/2012/2012_Final.pdf)

<sup>4</sup> United Egg Producers. General US stats. [www.unitedegg.org/GeneralStats/default.cfm](http://www.unitedegg.org/GeneralStats/default.cfm)

<sup>5</sup> EU Market situation for eggs. Committee for the Common Organization of the Agricultural Markets 22 May 2014. EU Exports of eggs. [www.pve.nl/wdocs/dbedrijfsnet/up1/ZelisubjIW\\_Markt\\_mei\\_ei.ppt](http://www.pve.nl/wdocs/dbedrijfsnet/up1/ZelisubjIW_Markt_mei_ei.ppt)

US.<sup>6</sup> Eggs may be imported/exported in shell, dried or liquid form. Dried and liquid products are primarily used for manufacturing processed foods. Under the MFN regime, a tariff of 2.8 USD cent/doz applies to in-shell eggs, dried egg yolks are subject to a tariff rate of 47.6 USD cent/kg, while the tariff for liquid eggs is 9.7 USD cent/kg.<sup>7</sup>

### EU imports to/exports from the US of eggs and egg products 2009-2013<sup>8</sup>

<b>In shell eggs, fresh, preserved or cooked</b>					
EUR millions	2009	2010	2011	2012	2013
Import value	27.7	26.6	26.2	28.0	20.9
Export value	1.5	0.9	1.4	2.5	2.3
<b>Dried and liquid eggs and yolks</b>					
Import value	10.3	13.5	6.3	16.3	7.9
Export value	0.4	0.5	1.0	0.3	0.2

### Welfare of laying hens

Hundreds of millions of egg-laying hens in the US are confined in small, wire enclosures known as battery cages. Barren battery cages have been outlawed in the EU; only 'enriched' cages and alternative systems have been permitted since 1<sup>st</sup> January 2012.

Un-enriched battery cages are so cramped that the hens are unable to perform many important natural behaviours, including walking, perching, dust bathing, nesting, or even fully stretching their wings. They suffer psychological stress as well as numerous physical harms, including bone weakness, feather loss, and disease associated with lack of exercise.

### EU legislation for the protection of laying hens

In view of these serious animal welfare problems, the EU adopted Council Directive 1999/74/EC, which banned and phased-out the use of barren battery cages by 1<sup>st</sup> January 2012. All enriched cages must now ensure each hen has 750 cm<sup>2</sup> of space, a nest, sufficient litter to peck and scratch, plus appropriate perch space of at least 15 cm per hen. These enriched cage systems must have feeding troughs that can be used without restriction and appropriate drinking systems. Cages must be fitted with suitable claw-shortening devices. Alternative higher animal welfare barn and free-range systems are being widely used and approximately 42% of the EU flock are cage free.<sup>9</sup>

### US state animal welfare legislation and industry standards

Just five US states have adopted measures to ban or restrict the use of battery cages. Legislation is already in effect in Oregon and Washington, while battery cage bans will fully enter into force in California and Michigan in 2015 and 2019 respectively. In Ohio, there is a moratorium on the installation of new battery cage facilities. However, leading food companies in the US—including Burger King, Walmart, Kraft Foods, General Mills, and Con Agra Foods—have announced policies to purchase all or a proportion of their eggs from cage-free systems, greatly influencing the US poultry industry.

The United Egg Producers (UEP), a cooperative marketing association representing the interests of around 95% of US egg producers, has adopted voluntary animal welfare standards for laying hens. These, however, fall far short of EU legislative standards.

Hens laying eggs according to the UEP conventional cage standards have just 67 square inches (432 cm<sup>2</sup>) of cage space per bird, an area less than a sheet of letter-sized paper. The hens are confined in restrictive, barren battery cages and cannot perform many of their natural behaviours, including

<sup>6</sup> EU Market situation for eggs. Committee for the Common Organization of the Agricultural Markets 22 May 2014. EU Imports of eggs. [www.pve.nl/wdocs/dbedrijfsnet/up1/Zelisub|W\\_Markt\\_mei\\_ei.ppt](http://www.pve.nl/wdocs/dbedrijfsnet/up1/Zelisub|W_Markt_mei_ei.ppt)

<sup>7</sup> [http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat\\_id=AT&from=publi](http://madb.europa.eu/madb/datasetPreviewFormATpubli.htm?datacat_id=AT&from=publi)

<sup>8</sup> Data from DG Trade, Market Access Database. Query run on Product codes: 0407000000 and 0408000000. Figures rounded off. [http://madb.europa.eu/madb/statistical\\_form.htm](http://madb.europa.eu/madb/statistical_form.htm)

<sup>9</sup> Op cit footnote 2.

perching, nesting, foraging or even spreading their wings. Compliance is verified through third-party auditing. Forced moulting through starvation to manipulate the hens' laying cycles is prohibited, but beak trimming is allowed. The UEP claims that more than 80% of eggs produced in the US are produced according to its guidelines.<sup>10</sup>

### **Marketing and traceability of eggs**

Directive 1994/74/EC established the requirement for EU egg producers to be registered with Member State authorities and to compulsorily mark all eggs placed on the market for human consumption with a distinguishing number. These numbers should also indicate the production method.

The EU's marketing standards for eggs are set down in Regulation (EC) No 1028/2006, which has since been incorporated into the Single CMO Regulation (Council Regulation (EC) No 1234/2007). This legislation establishes the rules not only for eggs intended for export to third countries, but also provides rules for imports from outside the Union. Imported eggs must be legibly marked with the ISO 3166 country code and packs containing the eggs must also bear of the country of origin as well as the farming method 'non-EC standard'.

The majority of eggs in the US fall under the UEP's voluntary programme and are accordingly labelled as 'United Egg Producers Certified'. Eggs certified as 'organic' comply with the standards set down by the National Organic Program, which although it requires cage-free production methods, still permits beak-trimming and forced moulting.

In addition, there are labelling programmes for various uncaged egg production systems, such as 'cage-free', 'free-range', and 'pasture-raised', operated by the Food Alliance and NGOs, including 'Global Animal Partnership', 'Certified Humane' and 'Animal Welfare Approved'. While these programmes typically require third party auditing, the federal Department of Agriculture neither has set forth specific standards for these production methods nor requires third party certification in order for a producer to claim on his egg cartons that a particular production method was used. As such, consumer confusion and misapprehension abounds.

In 2009, the state of California passed a bill (AB1437) that applies the state's battery cage ban not only to eggs *produced* in the state, but also to all eggs *sold* in the state, affecting producers in many other states that sell eggs in California. Starting in 2015, all eggs sold in California must comply with the provisions of the California Health & Safety Code § 25990-25995 prohibiting confinement of hens in a manner that prevents the animal from fully extending her limbs or turning around freely. Since many states in the Midwest region sell shell eggs in the highly populated state of California, this law has wide-spread ramifications for egg production in the other top egg producing states and throughout the country.

**Humane Society International and World Animal Protection urge TTIP negotiators to ensure that the standards for the welfare of laying hens are harmonised upwards. The more advanced EU standards should be set as a minimal starting point for negotiation on specific animal product categories.**

**Mutual recognition of standards is not an acceptable approach since it requires that one of the Parties accept market entrance for egg products that do not meet both animal welfare and public health protection standards imposed on domestic producers. We also recommend that TTIP go further to protect farm animals, specifically on issues relating to housing of laying hens.**

10<sup>th</sup> July 2014

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<sup>10</sup> [www.unitedegg.org/AnimalWelfare/default.cfm](http://www.unitedegg.org/AnimalWelfare/default.cfm)

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