

4 May 2022

Australia-GCC FTA Coordinator
Middle East FTAs Branch
Regional Trade Agreements Division
Department of Foreign Affairs and Trade
RG Casey Building, John McEwen Crescent
BARTON ACT 0221

BY EMAIL: GCCfta@dfat.gov.au and UAECEPA@dfat.gov.au

### Recognising animal welfare in Comprehensive Economic Partnership Agreement (CEPA) and Free Trade Agreement (FTA) negotiations with Middle Eastern countries

Thank you for the opportunity to provide feedback on the Australian Government's intention to negotiate partnership and trade agreements with multiple Middle Eastern countries. This submission provides combined feedback in response to the government's intention to both pursue a CEPA with the United Arab Emirates (UAE) and resume negotiations with the Gulf Cooperation Council (GCC) regarding a potential FTA.

The RSPCA is Australia's most trusted animal welfare charity. We have worked alongside policy makers and the community for more than 150 years to improve animal welfare in Australia. As such, we call on the Australian Government to recognise animal welfare as a vital component in the pursuit or negotiation of any economic or trade agreement that Australia is party to.

Animal welfare is essential to sustainable development with implications for all three pillars of sustainability - economic, social, and environmental. This should be recognised in any trade agreement that Australia is party to. The prospect of both the UAE CEPA and AGCC FTA provide opportunities for the Australian Government to demonstrate leadership, foster sustainable development practices, enhance Australia's international reputation, and support animal welfare improvements in the Middle East.

Conversely, subordinating animal welfare for regulatory efficiency and export revenue within these arrangements will expose Australia to reputational damage, continued erosion of some of Australia's exporting industries' social license to operate, and a decline in consumer trust amongst national and international communities.

Therefore, the RSPCA recommends that the Australian Government:

- 1. Consider the animal welfare standards of any potential trading partner before embarking on negotiations.
- 2. Include the improvement and protection of animal welfare as part of its negotiations and in the Terms of Reference when establishing agreements.
- 3. Support a five-year phase out of Australia's live sheep export trade in favour of a chilled and frozen meat only trade.
- 4. Consult expert and independent advice on animal welfare for any trade arrangements that directly involve animals.

RSPCA Australia

ABN 99 668 654 249 ACN 163 614 668

P 02 6282 8300 F 02 6282 8311 E rspca@rspca.org.au W rspca.org.au

PO Box 265 Deakin West ACT 2600





These recommendations are expanded on in the following submission. The RSPCA remains committed to working constructively and collaboratively with the government and the Department of Foreign Affairs and Trade (DFAT) to ensure trade arrangements involving animals reflect community sentiment, are sustainable and incorporate contemporary animal welfare science.

I welcome questions or the opportunity to meet with you to discuss our recommendations further. We look forward to providing more detailed submissions should the UAE CEPA and AGCC FTA progress.

Yours sincerely

Richard Mussell

Chief Executive Officer

RSPCA Australia



#### Submission on UAE CEPA and resumption of an AGCC FTA

The RSPCA provides four recommendations for the Australian Government to integrate into its potential trade arrangements with Middle Eastern trading partners:

### Recommendation 1: Consider the animal welfare standards of any potential trading partner before embarking on negotiations.

RSPCA Australia highlights the growing and evolving national<sup>1</sup> and global public expectations for higher animal welfare practices<sup>2</sup>. This growing community concern means greater scrutiny on trade and industry practices, particularly regarding the treatment of farm and production animals<sup>3</sup>. Therefore, trade and industry practices that result in poor animal welfare (either physical or mental) such as extreme confinement systems, invasive husbandry procedures, and practices that expose animals to significant risk are not sustainable in this climate of social change.

Considering trade arrangements from an economic perspective alone is no longer sufficient. Animal welfare is an important matter that should be considered a key criterion for any agreement that involves animals or animal products. Careful consideration of trading partners in respect of animal welfare legislation, standards, practice and enforcement is also important so as not to inadvertently promote or foster poor animal welfare outcomes. Rather, Australia's goal should be to bolster animal welfare standards to better reflect community expectations and better align with the United Nation's Sustainable Development Goals (SDGs) for sustainable economic growth (SG 8), industry innovation (SDG 9) and responsible production (SDG 12)<sup>4</sup>.

# Recommendation 2: Include the improvement and protection of animal welfare as part of its negotiations and in the Terms of Reference when establishing agreements.

Animal welfare is a vital factor in economic and trade negotiations and agreements that involve animals or animal products. Today, the Australian Government's role in protecting Australia's international interests, security and prosperity spans more than the economic benefits of international trade. Factoring the improvement and protection of animal welfare into trade arrangements will assist the government in adequately reflecting the expectations of national and international communities. It will also mitigate the reputational risks associated with what is perceived as unethical or unsustainable trade.

Australia's recent FTA with the United Kingdom (UK) demonstrates this point having come under significant public scrutiny and international criticism. For example, Australia's ongoing practices of mulesing, the use of battery cages and sow stalls underpinned by out-dated national standards has resulted in a comparatively low global ranking for the nation's approach to animal welfare<sup>5</sup>. These factors have the potential to thwart Australia's trade success and prosperity.

Therefore, the RSPCA recommends that the Australian Government should factor the improvement and protection of animal welfare into its trade negotiations and agreements. This could include, though should not be limited to:

- 2.1 Recognition of animal sentience by all signatory nations.
- 2.2 Recognition of animal welfare as a critical component of sustainable food production systems.



- 2.3 Commitment to continuous improvement in animal welfare by aligning regulatory standards to the nation that upholds the higher animal welfare standards in accordance with contemporary animal welfare science.
- 2.4 Commitment to exchange information, expertise and experience in animal welfare and evidence-based animal welfare standards between Australia and the World Organisation for Animal Health (OIE) Sub Regional Representation for the Middle East.
- 2.5 Enhancement of animal welfare by implementing, reinforcing and expanding the OIE's animal welfare standards.
- 2.6 Enhancement of animal welfare by establishing Technical Working Groups between Australia and each trading partner to develop work plans and report on the activities and progress in fulfilling each Party's obligations regarding animal welfare.

# Recommendation 3: Support a five-year phase out of Australia's live sheep export trade in favour of a chilled and frozen meat only trade.

Another example of where poor animal welfare has resulted in international reputational damage for Australia, is the nation's live animal export trade. The RSPCA has specific concerns with live animal exports because both expert advice and contemporary animal welfare science substantiate that the trade is inherently cruel and continues to subject animals to conditions beyond their tolerance and the most basic welfare needs. While other countries around the world are responding to their respective national communities by prohibiting the live export of animals for slaughter (for example, New Zealand and the United Kingdom), Australia remains one of the world's largest exporters of live animals<sup>5</sup>.

The RSPCA's long held position on live animal export is that it should be phased out in favour of a chilled and frozen meat trade only. Of particular concern is the potential implications that the UAE CEPA and an AGCC FTA, would have on Australia's live sheep export trade. Australia is the world's fifth largest exporter of live sheep<sup>6</sup>, and the Middle East is Australia's largest live sheep export market<sup>7</sup>. It has been demonstrated through multiple public exposes and contemporary animal welfare science that sheep suffer extremely poor welfare when shipped from Australia to the Northern Hemisphere. A more humane alternative is to phase out live exports in favour of meat exports only. International demand for Australian meat continues to grow and phasing out live sheep exports will mean better sheep welfare. An economic analysis conducted by the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES) in 2021 also concludes that abolishing live export will initially generate a noticeable economic impact, yet importantly, will be followed by a smooth and relatively low-cost transition to alternative markets<sup>8</sup>.

Increasing market access and/or reducing regulation in Australia's live export sector will most certainly result in adverse animal welfare. Not only do animals suffer on live export voyages, but their welfare is often further compromised at the destination of Australia's trading partners. For example, sheep continue to be subjected to extremely hot temperatures for weeks without shade and little access to food and water at destination ports and feedlots. Furthermore, slaughter practices do not meet Australian standards because pre-slaughter stunning is not mandatory in the Middle East<sup>9</sup> despite Australia's Exporter Supply Chain Assurance System (ESCAS). The reality is that Australian Government regulation does not have legal effect in foreign jurisdictions and the standards it attempts to impose do not reflect the expectations of the Australian public. Therefore, the RSPCA would strongly object to live animal export trade arrangements with the UAE or the GCC.



Moreover, any attempt to expand Australia's live export trade will receive strong public backlash. An independent poll commissioned by RSPCA Australia this year showed the majority of Australians still want an end to this trade<sup>10</sup>. The polling showed more than two out of three Australians want an end to the live export of all animals, and nearly eight out of 10 Australians oppose the government's recent reduction in the prohibition dates for live sheep exports during the Northern Hemisphere Summer.

# Recommendation 4: Consult expert and independent advice on animal welfare for any trade arrangement that directly involves animals.

Acknowledging that Australia's international trade arrangements have traditionally been economic agreements, and that animal welfare has been recognised as a vital component of sustainable development, it is imperative that the Australian Government and DFAT seek independent, expert advice from animal welfare subject matter experts to help inform decisions for any international trade arrangement that involves animals or animal products. As DFAT is the federal agency responsible for protecting Australia's international interests, security and prosperity, including the economic benefits of international trade, there is currently and understandably, no animal welfare credentials within the department to guide these decisions.

There are inherent competing priorities for federal government departments expected to promote the competitiveness, efficiency and productivity of industries and trade involving animals while considering animal welfare. Therefore, introducing independent and expert animal welfare advice is required to ensure animal welfare is recognised, protected and improved, and to mitigate the potential conflict of institutional objectives in the negotiation or development of Australia's UAE CEPA or GGC FTA.

#### References

<sup>&</sup>lt;sup>1</sup> Future Eye

<sup>&</sup>lt;sup>2,3</sup> Vecqueray R and Hambling P (2018). *Farm Animal Welfare Global Review Summary Report*. National Farming Union, Enterprise Group. UK.

<sup>&</sup>lt;sup>4</sup> United Nations (2015). The 2030 Agenda of Sustainable Development. https://sdgs.un.org/2030agenda

<sup>&</sup>lt;sup>5</sup> Datawheel, 2020. Observatory of Economic Complexity (OEC). https://oec.world/en/profile/hs92/animals-live

<sup>&</sup>lt;sup>6</sup> Datawheel, 2020. Observatory of Economic Complexity (OEC). <u>Sheep, live (HS: 010410) Product Trade, Exporters and Importers | OEC - The Observatory of Economic Complexity</u>

<sup>&</sup>lt;sup>7</sup> Department of Primary Industries and Regional Development. Sheep Live Export frequently asked questions (2022). <a href="https://www.agric.wa.gov.au/sheep/sheep-live-export?page=0%2C1">https://www.agric.wa.gov.au/sheep/sheep-live-export?page=0%2C1</a>

<sup>&</sup>lt;sup>8</sup> Nelson R, Mornement C, Bruce M, Weragoda A, Litchfield F and Collins P. (2021). *The economic impacts of regulating live sheep exports*, p18. ABARES, Canberra ACT. https://daff.ent.sirsidynix.net.au/client/en\_AU/search/asset/1031441/0

<sup>&</sup>lt;sup>9</sup> RSPCA Knowledge Base (2022). <a href="https://kb.rspca.org.au/knowledge-base/why-is-the-rspca-opposed-to-the-live-export-trade/">https://kb.rspca.org.au/knowledge-base/why-is-the-rspca-opposed-to-the-live-export-trade/</a>

<sup>&</sup>lt;sup>10</sup> Digital Edge independent omnibus poll, 17 January 2022.