Submission on animal welfare and Australia's potential trade arrangements with Gulf Cooperation Council (GCC) countries

December 2022

1. Introduction

This submission has been prepared to help inform the Department of Foreign Affairs and Trade (the Department) about animal welfare in the GCC countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE)). It provides recommendations for any continued negotiations with GCC countries, and has been prepared by five of Australia's non-government organisations (NGOs), comprising Animals Australia, the Australian Alliance for Animals, Humane Society International, RSPCA Australia, and World Animal Protection. Together, we represent a significant proportion of Australia's animal protection sector as well as the millions of Australians who support the various missions of each NGO.

2. Our position

Animal welfare should be considered and recognised in any Australian trade arrangement that includes the import or export of live animals, animal products or animal by-products. The UAE Comprehensive Economic Partnership Agreement (CEPA) and Free Trade Agreement (FTA) with the GCC countries are opportunities for Australia to foster more sustainable development by leading continuous improvements in animal welfare, which is sorely needed in the Middle East.

Our sector is concerned that importing animal products from, and exporting animals to, GCC countries exposes animals used in trade to extremely poor conditions and treatment. This is due to unacceptably low (or no) animal welfare standards and practices in GCC countries, coupled with weak legislation and lax enforcement (or non-existent) mechanisms. We would be deeply concerned and highly critical if animal welfare provisions were not built into any ongoing trade arrangements. Failure to do so would perpetuate poor animal welfare in GCC countries. It would undermine Australian producers and the animal welfare standards and assurance schemes they currently uphold. It would also expose consumers to products derived from much lower animal welfare standards than is considered acceptable by Australian standards and community. Ignoring these issues will also expose Australia to reputational risk and further decline in consumer trust and sentiment.

3. Summary of recommendations

i. The Department should analyse and evaluate the animal welfare legislative framework, standards and enforcement regimes of each GCC country before resuming negotiations.

ii. The Department must consider contemporary animal welfare science and include the improvement of animal welfare in negotiations with the GCC countries on any potential trade arrangements.

iii. The Department should promote legislative equivalence as a condition of trade to protect animal welfare, as well as Australian consumers and producers.

iv. Australia's trade arrangements with GCC countries should include conditionality and equivalency provisions for certain animal products and by-products to prevent domestic production standards being undermined through competition with lower standard imports, and to incentivise higher standards in the Middle East by conditioning access to Australia's consumer market.

v. The Department should seek impartial advice from animal welfare experts in relation to its trade negotiations with GCC countries.

vi. The Australian Government should develop a set of core standards on animal welfare that can be advanced through trade negotiations.

vii. The Department must include an Animal Welfare Chapter in any trade arrangements with GCC countries to provide provisions that proactively improve and protect the welfare of animals.

viii. The content of an Animal Welfare Chapter should recognise animal sentience, align with the World Organisation for Animal Health's Terrestrial Animal Health Code and require proactive cooperative initiatives that demonstrate measurable improvements in animal welfare across all trading partners.

ix. Australia should prohibit the import of live animals from GCC countries where animals have not been cared for to Australian standards.

4. Background

FTA negotiations with the UAE commenced in 2005 and were then subsumed in the negotiations with the GCC, which commenced in 2007. The last round of negotiations with the GCC occurred in 2009, and interest in the FTA was renewed in 2021^{1,2}. We understand that past negotiations did not consider animal welfare.

Multiple social, political and environmental factors have changed since initial negotiations, both globally and nationally. These include increasing global and national consumer concern for animals used for production; increased recognition of animal welfare science; sustained global efforts to foster more sustainable development practices; increased biosecurity risks resulting from zoonotic disease and intensive production systems; established precedent to include animal welfare in trade arrangements and foster continuous improvements; and the election of an Australian Government that has committed to providing national leadership on improving animal welfare.

Therefore, it is vital that the Department reconsider any potential trade arrangements with GCC countries in light of animal welfare. Each of these factors are outlined in this submission and accompanied by specific recommendations for the Department's consideration of resuming negotiations.

5. Animal welfare concerns specific to GCC countries

5.1 Lack of animal welfare legislation, standards and enforcement

There is a significant chasm between the standard of protection provided to animals in Australia compared to in GCC countries. There are no animal welfare laws in some GCC countries. In GCC countries where laws do exist, the laws fail to prohibit animal cruelty. Such laws fail to provide specific standards of care for particular animal species or ensure adequate enforcement of the laws. Only four of the seven GCC countries have national animal welfare legislation. Qatar, the UAE, Bahrain and Saudi Arabia have enacted or adopted laws that purport to regulate animal welfare. It is not apparent that Oman or Kuwait have enacted or adopted any laws that regulate animal welfare or provide any specific standards in relation to animals. These legislative deficiencies highlight that animal welfare in GCC countries is significantly lower than in any state or territory of Australia and fall drastically short of Australian standards.

There are multiple examples that demonstrate the inadequacy of animal welfare legislation in the GCC countries where laws currently do exist, a few of which we outline here. For example, the *Animal welfare act (system) for the States of Cooperation Council for Arab States of the Gulf* (the Act), adopted by Bahrain and Saudi Arabia, does not appear to contain specific offence provisions, as is standard practice in Australian animal cruelty legislation and Australian criminal law more broadly. The Act contains 17 articles (provisions), with only a small number aimed at preventing animal cruelty. The primary animal welfare obligation set out in article 2 is limited in application to persons who own, or are taking care of an animal. There does not appear to be any general prohibition on acts of animal cruelty. The

provision is also limited in that it simply requires the person to "take all precautions that ensure not causing harm or mischief or pain or suffering of animals".

The language of the obligation in article 2 and the relevant articles in the *Regulations for Unified Animal welfare act* (*system*) *for the States of Cooperation Council for Arab States of the Gulf* made under the Act (the Regulations) is non-specific and undefined.³ The narrow scope and lack of specificity does not clearly define what a breach of these regulations would contain. The regulations lack clarity and are ambiguous. For example, while the regulations prohibit the use of 'big sticks with sharp or metal ends', they expressly allow for the use of plastic sticks, flags and short whips to move an animal. This lack of clarity effectively hinders any enforcement against animal cruelty. This means that the Act would have minimal impact, if any, on the way in which animals are treated nor on providing adequate recourse to effectively deter animal cruelty. Specifically, article 11 of the Regulations states that:

If it is proven to the authorised employee that, animals are exposed to negligence in care or be at risk they must provide counseling and advice to the animal owner about the requirements of animal welfare in a general guidelines way to correct the situation and to ensure compliance with animal welfare act (system) for the States of Cooperation Council for Arab States of the Gulf or regulations issued by it.

Therefore, in instances where animal cruelty is identified, the Regulations provide that counselling and advice should be provided to the offender. Counselling and advice are not considered adequate recourse to animal cruelty under Australian law and is highly unlikely to deter the abuse or exploitation of animals. This provides a clear example of how animal welfare is therefore vulnerable to weak laws, ill-defined offences, a lack of enforcement and inadequate recourse against animal cruelty.

Qatar's *Law no.9 of 1974 on the abandoning and neglecting of animals* contains 14 short provisions.⁴ It does not contain any provisions that purport to broadly restrict acts of animal cruelty, nor does it provide any minimum standard by which animals must be cared for. This law deals entirely with the abandonment of animals. The language of the provisions is general and vague and would be difficult to enforce. If the law was enforced, then article 12 provides that the maximum time a person can be imprisoned for a breach of the law is two weeks. Again, this demonstrates that weak laws, ill-defined regulations, a lack of enforcement and insufficient penalties negate animal welfare protection and fall significantly short of Australian standards.

The UAE's *Federal Law No. 16 of the year 2007 Respecting Animal Welfare* contains a total of 27 provisions. ⁵ The language of the law is vague, broadly worded and limited in its description of offences compared to Australian animal cruelty laws and criminal laws. The law is like the laws described above and because of its lack of specificity, would be difficult to enforce. If the law was enforced, article 22 sets out the penalties. There is only one offence that attracts a penalty of imprisonment, which is for sexually abusing an animal.

Any trade negotiations between Australia and GCC countries should address animal welfare as an important component of sustainable development. Negotiations provide the Australian Government with an opportunity to demonstrate leadership on animal welfare and supporting potential trading partners to develop and expand legislation and standards. Trading animal products or animal by-products with countries that do not have animal welfare protections, without any conditions or provisions, would be of great concern because it would not support sustainable development and would perpetuate extremely poor animal welfare conditions.

5.2 Evidence of poor treatment of animals in-country

A significant volume of evidence has emerged over the past forty years, showing that the treatment of animals in the Middle East is extremely poor. In the GCC countries, it is common practice for animals to be bought from livestock markets and then taken for home slaughter. Alternatively, the animals are slaughtered on cement blocks or dirt floors in chaotic street and livestock markets, or in abattoirs.

The animals are not stunned prior to slaughter, so ALL animals suffer through the pain and distress of having their throats cut while fully conscious. This applies all over these destination countries – regardless of whether the slaughter is at a slaughterhouse, livestock market or private home. Many slaughtermen are inexperienced, and this results in the animals being stabbed and cut multiple times.

There is also evidence of animals being transported and handled in cruel and inappropriate ways across the GCC countries. For example, the image below depicts evidence of sheep being jammed into the boot of a car in Kuwait.

Animals Australia, an organisation which has investigated the trade of shipping live animals from Australia to the GCC countries, has for decades **gathered extensive evidence** from importing countries documenting inhumane slaughter and handling practices that are contrary to Australian laws and standards. Additional evidence can be provided to further substantiate the extremely poor treatment of animals in GCC countries over the past four decades and recent years.



Recommendation i: The Department should analyse and evaluate the animal welfare legislative framework, standards and enforcement regimes of each GCC country before resuming negotiations.

6. Animal welfare is a vital consideration in Australia's trade arrangements

6.1 Increased recognition of animal welfare science

Animal welfare science provides rigorous scientific evidence to estimate the welfare state of an animal. The discipline includes the assessment of welfare and considers vital components such as animal needs, sentience and suffering. These components are inherent in contemporary animal welfare science, and detailed in the prevalent Five Domains model to systematically identify and grade the severity of different forms of welfare compromise. The Five Domains have been widely adopted to assess the welfare impacts on animals over the past twenty years and comprise of nutrition, environment, health, behaviours and mental state. ^{6,7,8}

Recognition and inclusion of animal welfare science must underpin any Australian trade arrangements that involve animals or animal products. Given Australia's trade negotiations with GCC countries occurred circa 2007-2009, we understand that animal welfare would not have formally been a consideration. However, the importance of science in influencing Government decisions and policies has increased in that time. Given the growing availability of scientific evidence on the welfare needs of animals used in production, it would be remiss of the Department not to include animal welfare in any future negotiations to ensure continuous improvement both domestically and with potential trading partners like the GCC countries.

Recommendation ii: The Department must consider contemporary animal welfare science and include the improvement of animal welfare in negotiations with the GCC countries on any potential trade arrangements.

6.2 Increasing concern for animals used in production

Animal welfare is a growing community concern, both in Australia and internationally. Consumers are increasingly aware and increasingly concerned about animals used for production. The government-commissioned report titled *Commodity or Sentient being? Australia's shifting mindset of farm animal welfare* (2018) highlights that Australians see animals as sentient beings that have capabilities, rights and freedoms. The report also indicates that ninety-five per cent of people are concerned about farm animal welfare, and that Australians see the federal government as responsible for addressing these concerns.⁹

Globally, the welfare of animals used for production and trade also remains a focus. Recent examples include trade negotiations and media reports on Australia's negotiations on FTAs with the UK and the European Union. Australia's animal welfare standards have come under scrutiny with both social and political pressure requiring proactive cooperative initiatives within FTAs to ensure continuous improvement. While these trading partners promote higher animal welfare standards than Australia, these situations demonstrate how those with higher animal welfare standards can support improvements in countries with lower animal welfare. That is, they demonstrate that the inclusion of animal welfare factors in trade negotiations and arrangements can lift the bar on animal welfare.

While domestic animal welfare standards require vast improvements, Australia's animal production industries are well organised, regulated and operate numerous quality assurance schemes which attempt to address some of the concerns relating to animal welfare. National leadership in improving animal welfare in Australia's trade arrangements is required to promote Australian standards and foster improvements in GCC countries. Therefore, there is an opportunity for Australia's trade negotiations to better protect Australian consumers and producers from lower-welfare imports.

Granting better trade preferences for certain animal products and by-products only where the GCC trading partners can demonstrate equivalence with Australian standards is a viable way to protect animal welfare, meet consumer expectations and promote the standards that domestic producers uphold. This approach of conditional liberalisation has already been adopted by trading partners in several instances. For example:

- the draft EU-Mercosur agreement from 2021 made the liberalisation of the shelled eggs trade conditional upon equivalence with the EU standards for layer hen production systems, in recognition of the poor animal welfare associated with cage egg systems.¹⁰
- The recently concluded EU-New Zealand FTA restricts the access to the preferential tariff-rate quota on beef to that produced from grassfed animals, in recognition of animal welfare issues associated with feedlots.

This approach of conditional liberalisation would be WTO-compliant as it would form part of a deal agreed to and approved by trading partners. Moreover, it would instil confidence in Australian consumers that animal products they buy will not result in the offshoring of animal abuse or environmental harm to countries with lower standards.

Recommendation iii: The Department should promote legislative equivalence as a condition of trade to protect animal welfare, as well as Australian consumers and producers.

Recommendation iv: Australia's trade arrangements with GCC countries should include conditionality and equivalency provisions for certain animal products and by-products to prevent domestic production standards being undermined through competition with lower standard imports, and to incentivise higher standards in the Middle East by conditioning access to Australia's consumer market.

6.3 Sustained global efforts to foster more sustainable development practices

Animal welfare has been recognised as a vital component of sustainable development, with implications for all three pillars of sustainability – economic, social, and environmental. Research indicates that working to achieve sustainable

development goals is compatible with working to improve animal welfare.¹¹ Therefore, the Australian Government should promote and support animal welfare improvements as part of its progress on adopting more sustainable development practices.

We understand that the Department has traditionally been focused on the protection of Australia's international interests, security and prosperity, primarily based on the economic benefits of international trade. The Department currently appears to lack the animal welfare expertise needed to embed animal welfare within trade arrangements as a dimension of sustainable development. Therefore, to enable this, the Department should seek impartial advice on animal welfare from subject matter experts and develop a core set of standards on animal welfare to help guide trade arrangements going forward. The UK's Department of International Trade recently established an expert body known as the Trade and Agriculture Commission which provides impartial advice on trade negotiations and recommended the establishment of a core set of standards for animal welfare which can be advanced via international trade.¹²

Recommendation v: The Department should seek impartial advice from animal welfare experts in relation to its trade negotiations with GCC countries.

Recommendation vi: The Australian Government should develop a set of core standards on animal welfare that can be advanced through trade negotiations.

6.4 Established precedents to include animal welfare in trade arrangements

Australia's international trade arrangements have traditionally focussed on economic outcomes. In recent years, however, negotiations with other nation-states that have higher animal welfare standards have highlighted opportunities to improve Australia's animal welfare standards. Specifically, negotiations regarding Australia's UK and EU FTAs have set a precedent to include an Animal Welfare Chapter in trade agreements, and to include provisions relevant to the welfare of animals in an Environment Chapter (the Australia-UK FTA, for example, includes a provision aimed at combatting the illegal trade of native animals, including ivory products). This precedent is a positive development because it has capacity to foster continuous improvements in Australia's approach to animal welfare and globally via trading partners. The standalone Animal Welfare Chapter and Environment Chapter in the Au-UK FTA could serve as a starting point for all Australian trade arrangements that directly involve animal products or by-products. Importantly, an Animal Welfare Chapter should specifically recognise animal sentience, improve animal welfare standards at the very least in alignment with the WOAH's Terrestrial Animal Health Code, and require proactive cooperation to progress animal welfare.

Examples of other animal welfare provisions that have featured in recent trade agreements include:

- The Comprehensive and Progressive Agreement for Trans-Pacific Partnership included commitments in an environment chapter to conserve and protect marine animals through shark finning prohibitions, by-catch limitations, and requires parties to domestically implement their CITES obligations.
- The EU-Mexico Global Agreement, concluded in 2018, featured a standalone chapter on animal welfare and antimicrobial resistance, which recognised animal sentience and committed the parties to implementing WOAH's standards.
- The EU-UK Trade and Cooperation agreement, ratified in 2021, made explicit the link between improved animal welfare practices and sustainable food systems.

Recommendation vii: The Department must include an Animal Welfare Chapter in any trade arrangements with GCC countries to provide provisions that proactively improve and protect the welfare of animals.

Recommendation viii: The content of an Animal Welfare Chapter should recognise animal sentience, align with the World Organisation for Animal Health's Terrestrial Animal Health Code and require proactive cooperative initiatives that demonstrate measurable improvements in animal welfare across all trading partners.

7. National commitment to improving animal welfare

The Federal Government has committed to providing national leadership on animal welfare improvements. The government's trade portfolio provides a significant opportunity to demonstrate national leadership, improve Australia's international reputation and foster continuous improvements in animal welfare both here and globally via trade arrangements and cooperation with trading partners.

We note that trade agreements offer WTO members the flexibility to address the impact of trade deals on production standards when that may not be possible within the broader multilateral trade system. The Australian government's commitment to phase out live sheep exports is a promising development. We suggest that that commitment could be extended into Australia's trade arrangements with GCC countries with a prohibition on live animal imports from the region as part of trade agreements given the evidence that animals are not protected, treated or cared for as per Australian standards.

Australia imported 24,067 live animals from GCC countries in 2020-21.¹³ This is a relatively small number in comparison to other imports. Given the increasing community concern for production animals, the GCC's poor animal welfare framework, and the need to adopt more sustainable development practices, prohibiting live animal imports from the region as part of trade agreements would demonstrate national and global leadership in animal welfare improvements.

A prohibition on live animal imports would better reflect Australian community expectations. We note that the World Trading Organisation's (WTO) case law indicates that trade restrictions can be imposed outside of trade agreements to protect public morals, including on the basis of animal welfare concerns, so long as the restrictions are non-discriminatory and non-arbitrary. This was confirmed by the WTO's ruling on the EU seal ban.¹⁴

Recommendation ix: Australia should prohibit the import of live animals from GCC countries where animals have not been cared for to Australian standards.

8. References

1 Department of Foreign Affairs and Trading website - Australia-Gulf Cooperation Council (GCC) FTA page, accessed 09/12/22.

2 Department of Foreign Affairs and Trading website – <u>Australian-UAE Comprehensive Economic Partnership Agreement (CEPA)</u>, accessed 09/12/22.

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13 Observatory of Economic Complexity website, <u>What does Australia import from UAE (2020)</u> and <u>What does Australia import from Kuwait</u> pages, accessed 17/11/22.

14 Trade & Animal Welfare Coalition (2021). Defining core standards for Animal Welfare in Trade Policy.