



Creating Business Opportunity through Improved **Animal Welfare**

Why Animal Welfare is Important to Your Business

The sustainability of your business depends, among other things, on you responding positively to marketplace trends and grasping new opportunities. Consumers globally are increasing their demand for animal welfare assurances in their food supply. Meeting these demands is not only good for the animals involved, but also greatly enhances animal production and business efficiency.

Animal welfare is first and foremost important for the animal. Livestock can feel, experience, and suffer. However, animal welfare is also important for commercial reasons, both directly, by increasing a business's overall sustainability, and indirectly, by addressing society's expectations of how animals should be treated and how food should be produced.

High standards of animal welfare can thus enable your business to

- ▶ enhance business efficiency and profitability
- ▶ meet consumer expectations
- ▶ satisfy domestic and international markets

Enhancing Business Efficiency

Improving the efficiency of animal production, or reducing any losses, can enhance future profitability, as well as ensure that your business remains viable.

1) Poor interactions between people and animals are known to limit both animal welfare and livestock productivity. The careful selection or education of stock handlers can therefore improve livestock productivity, growth and reproduction. Examples include

- ▶ increasing milk yield in dairy cows by enhancing the milking parlor environment
- ▶ promoting growth and reproduction among pigs by reducing the fear associated with human contact

Case Study I: Improving Animal Health

Disease causes considerable suffering to animals. An IFC client was producing healthy birds from their breeding operation, but with insufficient immunity to cope with the disease challenges on the contract growing farms. This resulted in birds succumbing to



virus and bacterial infection with a resultant 9% mortality. There was also a significant buildup of secondary E coli infection that caused severe hock weakness problems. The company realized that the economic consequences

of this were the loss of large birds through the high late-growth mortality, a significant deterioration in feed conversion, and an increase in downgrades in the processing plant. The benefits of changing the vaccination program and improving farm management were estimated to be worth more than \$10 million per annum. A powerful example of how a sustainable business approach to health and welfare can have a direct impact on the financial bottom line.

- ▶ improving egg production in chickens through increased visual human contact

2) Attention to animal welfare can also improve meat quality. For example, bruising can occur when stock are handled, loaded, transported and unloaded prior to slaughter, and during slaughter. It can lead to down-grading of carcasses and lower quality cuts. For instance

- ▶ bruised meat (and the carcass) has a higher pH, and is considered unfit for human consumption
- ▶ bruised chicken meat is more prone to microbial contamination

- ▶ animals stressed prior to slaughter tend to have depleted glycogen stores in their muscles, which can result in meat that has a higher pH, is objectionably dark in color and prone to microbial spoilage

Case Study 2: Preserving Meat Quality

An IFC client was transporting birds from growout sheds to the slaughter house in crates. The birds were tipped from the crates to a belt that took the birds to the hanging line. Since the birds were tipped from 6 ft there was significant distress to the birds. In addition, there was damage (broken wings, bruising etc) that was causing 8% of birds to be downgraded. When the system was modified to reduce stress, the reduction in downgrades was calculated to be worth \$320,000 per annum. Pointing out the business case got quick action to alleviating a welfare problem.

Meeting Consumer Expectations and Satisfying Markets

Affluence in many parts of the world has increased consumer choices and heightened expectations about food production standards, especially food safety and quality. Consumers also want to receive assurances about how their animal-derived food is produced. This rising consumer concern is reflected in national and international recommendations, codes and legislation which now focus on animal welfare.

In addition, many parts of the international food supply chain now have animal welfare assurance programs that are likely to influence large livestock producers in emerging markets. For instance, leading major international food service retailers increasingly require suppliers to be guided by their animal welfare principles.

These standards are helping to secure and maintain demand for products in welfare-sensitive markets. Thus, while they may in some cases mean an increase in production costs, these may be recouped through market premiums. In addition to their individual programs, some food companies are working with restaurant and food marketing groups to operate common programs.



Evolving Approaches among International Food Supply Companies:

- ▶ Ensuring food products are safe
- ▶ Operating comprehensive quality assurance schemes that make good business sense
- ▶ Adopting comprehensive animal welfare standards that ensure animals are free from cruelty, abuse and neglect
- ▶ Working together with suppliers and interest groups to ensure compliance and continuous improvement of practices related to animal welfare
- ▶ Industry leadership through working with suppliers and animal welfare experts
- ▶ Monitoring performance objectives to ensure continued commitment to improved animal welfare
- ▶ Communicating animal welfare principles and performance



What is Animal Welfare?

In *Indicators of poor welfare* (1986; Br. Vet. J. 142:524-526), D.M. Broom provides the following definition: "the welfare of an animal is its state as regards its attempts to cope with its environment." The welfare of an animal is therefore a reflection of its physical and mental health and well-being. An animal in a poor state of welfare may suffer from pain, discomfort or distress, which may compromise its ability to survive and produce.

Stockmanship, plus the training and supervision necessary to achieve required standards, are key factors in the handling and care of livestock. A management system may be acceptable in principle, but without competent, diligent stockmanship, the welfare of animals cannot be adequately safeguarded.

There are many ways to assess animal welfare ranging from behavior and health measurements to how productive animals are, to what they prefer and choose. Five key principles have evolved with respect to how animals should be treated and are increasingly accepted as contributing to higher levels of productivity. Developed by the UK Farm Animal Welfare Council, and widely known as the 'Five Freedoms', they form part of animal welfare recommendations, policy and legislation in many countries (see box).

The "Five Freedoms" of Animal Welfare

1. Freedom from hunger and thirst - by ready access to fresh water and a diet to maintain full health and vigor
2. Freedom from discomfort - by providing an appropriate environment including shelter and a comfortable resting area
3. Freedom from pain, injury or disease - by prevention or rapid diagnosis and treatment
4. Freedom to express normal behavior - by providing sufficient space, proper facilities and company of the animal's own kind
5. Freedom from fear and distress - by ensuring conditions and treatment which avoid mental suffering

Source: UK Farm Animal Welfare Council



Animal Welfare, Human Welfare and Economic Development

Animal welfare standards are based firmly on scientific knowledge and practical experience. Nevertheless, specific needs of people and their cultural practices need to be accommodated during the implementation of animal welfare initiatives.

Enhanced animal welfare is brought about by close liaison with a wide range of groups and organizations with an interest in animal welfare, and the needs of communities in developing countries. To be successful and accepted over the long term, animal welfare objectives need to be balanced with human economic development needs, while ensuring they are aligned with recognized environmental and social guidelines.

Why Animal Welfare is Important for IFC

IFC is committed to developing good practices among our clients. We believe addressing animal welfare concerns will strengthen your business's long-term financial and economic viability, while at the same time helping us to meet our social and environmental responsibilities and fulfill our mandate of promoting economic growth and reducing poverty.

In recognition of the wide range of stakeholder interests, IFC liaises closely with key international organizations, including the Food and Agricultural Organization of the United Nations (FAO), and the World Veterinary Association (WVA), the International Society for Applied

Ethology (ISAE), international primary industry organizations, and international animal welfare non-governmental organizations (NGOs). Some of these groups have already contributed to IFC's animal welfare initiative.

How We Engage with Our Clients

IFC's knowledge and experience will help you to raise productivity and improve efficiency through the application of animal welfare principles and standards. During project appraisal and in the operation of the facility, IFC will therefore be paying attention to a number of production aspects, including the following:

Area	Project Appraisal	Production Appraisal
Feed and water	<ul style="list-style-type: none"> ▶ Availability and accessibility of feed and water supplies ▶ Quality of feed and water supplies ▶ Efficacy of systems for feeding and watering all individuals ▶ Backup and alarms for automated systems 	<ul style="list-style-type: none"> ▶ Body condition score ▶ Growth and reproductive rates ▶ Undue competition and aggression during feeding and drinking ▶ Incidence of metabolic disorders
Housing	<ul style="list-style-type: none"> ▶ Allowances for space and social interactions (group sizes) ▶ Quality and safety of facilities (especially flooring) ▶ Systems for preventing and dealing with excessive dust, gases, humidity and temperature, and disposing of effluent ▶ Methods of creating a complex or enriched environment 	<ul style="list-style-type: none"> ▶ Ability to move and interact without aggression ▶ Clean air, comfortable temperatures ▶ Incidence of normal and abnormal behaviors, and leg and joint problems ▶ Opportunity to manipulate environment
Animal health and husbandry	<ul style="list-style-type: none"> ▶ Animal health program, including preventative actions ▶ Arrangements for veterinary and other professional support ▶ Provision of treatment facilities and resources ▶ Provision of skilled, well-resourced staff 	<ul style="list-style-type: none"> ▶ Incidence of injury, disease and mortality rates ▶ Rapid and skilful treatment or euthanasia of injured or sick animals ▶ Incidence of normal and abnormal behaviors ▶ Measures of productivity
Transport and slaughter	<ul style="list-style-type: none"> ▶ Need for long distance travel ▶ Recognized and specialized carriers ▶ Appropriate handling and lairage ▶ Efficacy of stunning and killing procedures 	<ul style="list-style-type: none"> ▶ Distances traveled ▶ Incidence of injuries and deaths ▶ Treatment of casualty animals ▶ Pre-slaughter stunning
Staff and management	<ul style="list-style-type: none"> ▶ Provision for adequate staffing levels and activities ▶ Consideration given to experience and training ▶ Strategies for dealing with catastrophic emergencies (fire, flood, disease outbreak, interrupted feed and water supplies) ▶ Any HACCP, ISO or farm quality assurance plans 	<ul style="list-style-type: none"> ▶ Staff numbers per head of animals ▶ Clear roles for staff in feeding, treating injured and diseased animals including euthanasia ▶ Frequency of inspections and treatments ▶ Documented and known emergency procedures

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Sources of International Codes and Guidelines for Animal Welfare

- United Nations Food and Agriculture Organization (FAO)** - www.fao.org
- World Organization for Animal Health (OIE)** - www.oie.int
- European Convention for the Protection of Animals** - www.coe.int
- Global Aquaculture Alliance** - www.gaalliance.org