

Animal welfare in support of economic sustainability for farmers

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Levels of animal Welfare

1. Legal Minimum

2. Private labels just above legal minimum

3. Private labels with high animal welfare levels

Restrictions of private labels

- Small improvements in animal welfare
- Restricted to part of the market
- No international recognition (except organic)

Economics of private labels

- In NL we find that additional conditions (= additional costs) are compensated by higher prices → better margin. This is NOT the same as a better income because often less animals are kept.
- Mixed feelings of farmers participating in private labels. On average organic farmers are more satisfied than conventional farmers
- Markets for private labels are limited because only a part of consumers is willing to pay the extra price. By restricting volumes participating prices and margins can be kept at a satisfying level. Thus, private labels are NOT for all farmers

Conclusion

Yes, for part of farmers it can be economically sustainable to participate in private animal welfare labels.

NO, it is not an economically sustainable solution for all farmers because of limited consumer markets.

