

REPORT BY SESSION ORGANIZER

Session title: Labelling in support of sustainable trade: the central role of WTO in responding to young consumers' demand

Organizer: Eurogroup for Animals, Dierenbescherming, Royal Society for the Prevention of Cruelty to Animals (RSPCA) and Four Paws

Date: Friday, 11 October 2019

A universal mandatory method-of-production label would be compliant with the rules of the World Trade Organisation (WTO). This was the main message of a panel organised by Eurogroup for Animals, the RSPCA, Deutscher Tierschutzbund, Four Paws, Dierenbescherming and Djurens Ratt.

As well-known chef, business owner and panel moderator, Gizzi Erskine opened the session by calling for a more simplified approach to sustainability. This is necessary, for businesses and consumers alike. This was echoed by Eva Sommer, representing a start-up producing cultivated meat. She highlighted the difficulty of navigating the current jungle of labels and affirmed the importance of better labelling for businesses that focus on products that differ only in their method of production. Method-of-production labelling is thus needed by businesses for clarity, but also by consumers to make informed choices.

Stephanie Ghislain, Trade and Animal Welfare Programme Leader at Eurogroup for Animals, presented what such a label ideally should look like: universal (also applying to imports), mandatory (as it would have a wider impact and is more likely to lead to harmonization of labels), and positively as well as negatively framed (such as 'Not EC compliant', 'free range', 'cultured meat', ...).

This label is very likely to be found WTO compliant under the Agreement on Technical Barriers to Trade (TBT Agreement), as Professor Aude-Solveig Epstein from the Paris Nanterre University demonstrated. The labelling scheme would need to arise from a legitimate regulatory distinction. 'The prevention of deceptive practices; protection of human health or safety, animal or plant life or health, or the environment' are defined as such legitimate objectives in Article 2.2 of the TBT Agreement.

Professor Epstein also argued that opponents to differentiation based on non-incorporated process and production methods (PPMs), which do not impact the properties of the final product (such as humane production methods), do not have much argument. The TBT Agreement does not distinguish between production methods, and one should not distinguish where the law does not. The dynamic interpretation of WTO law and of 'like products' would allow to differentiate between products to label them according to their method-of-production.

Over half of EU citizens expressed willingness to pay more for high welfare and sustainable products. A mandatory 'method-of-production' label would thus help consumers to make informed purchase decision. This could also lead farmers to favour more sustainable and humane farming systems, contributing to achieving the UN Sustainable Development Goals (SDGs) and to fulfill Millennials and Gen Z expectations. Policy actors, such as the EU, are thus encouraged to take the next step.