



BRIEFING: VIETNAM

Animal welfare in the implementation of the EU-Vietnam FTA

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EUROGROUP FOR ANIMALS' RECOMMENDATIONS

The EU-Vietnam Free Trade Agreement (EVFTA), which entered into force in August 2020, contains a provision allowing for EU-Vietnam cooperation on animal welfare, although this has not been utilised by the partners to date. The agreement also includes a chapter on Trade and Sustainable Development (TSD), which covers wildlife trafficking and sustainable aquaculture and fisheries.

The EU imports significant amounts of animal products from Vietnam (410,814 tonnes in 2020) and this has increased in key sectors since the entry into force of the EVFTA. In light of the potential impact of the agreement on animals, combined with the positive contribution that higher animal welfare can make to the transition towards more sustainable societies, Eurogroup for Animals calls on the European Commission and the Vietnamese government to make full use of the provision allowing for cooperation on animal welfare.

In particular, the EU and Vietnam should establish a working group on animal welfare. Together they should devise knowledge exchange and capacity building programmes to improve animal welfare practices and aim at upward regulatory alignment. Furthermore, the partners could work to create market opportunities for higher-welfare production systems and develop public education programmes on the characteristics and needs of animals as sentient beings, with a special focus on farmed animals.

The sectors that should be addressed under such a cooperation mechanism could be defined by: 1) taking into account EU imports of Vietnamese animal products, as EU consumers are thus exposed to such products; 2) the key livestock sectors in Vietnam, as the impact of any improvement on animal welfare standards would thus have a significant impact; and 3) EU export of live farmed animals to Vietnam, who then end up on Vietnamese farms.

Given the factors described above, the following sectors should be prioritised:

- Broiler chicken welfare
- Laying hen welfare
- Aquaculture
- Frogs used for frogs' legs

The implementation of EVFTA's TSD chapter also provides the opportunity to discuss with Vietnam wildlife-related issues, including:

- Better combating the illegal wildlife trade
- Addressing the welfare concerns related to legal tiger trade
- Bears used in bile farming

INTRODUCTION

Vietnam is a key EU export market in Asia. In 2020, the country was the EU's 15th trade in goods partner and the largest in the Association of Southeast Asian Nations (ASEAN).¹ The EU-Vietnam Free Trade Agreement (EVFTA) - which was concluded in 2019 and entered into force on 1 August 2020 - will likely lead to further growth in trade between the EU and Vietnam.² Together with the Partnership and Cooperation Agreement signed in 2012 and an Investment Protection Agreement, which will enter into force once ratified by all EU Member States, the EVFTA has become the cornerstone of an enhanced relationship between the partners.

Since the entry into force of the agreement, the EU and Vietnam have set up various implementing bodies, such as the Committee on Sanitary and Phytosanitary Measures and the Specialised Committee on Trade and Sustainable Development, and these meet regularly to discuss the implementation of the various chapters.

This report examines what is at stake for animals in EU-Vietnam trade relations, calling for the Parties to make full use of EVFTA's provisions on animal welfare cooperation and on Trade and Sustainable Development (TSD) to improve the lives of millions of animals. It will first look at the evolution of the trade in animal products between the partners, as well as at animal welfare legislation in Vietnam. It will then present the sectors that should become priorities for EU-Vietnam cooperation on animal welfare, as well as key animal issues that should be addressed under the TSD chapter.

VIETNAM:

A BRIEF OVERVIEW

A mid-size country in terms of area, Vietnam's population of 98.5 million makes it the 15th most populous country in the world. Around two-thirds of this population live in rural areas. Since the mid-1980s, a long series of reforms have moved the economy in the direction of open markets for trade and investment. This resulted in rapid economic growth, transforming Vietnam from one of the world's poorest nations to a lower middle-income country, and contributing to significant reductions in poverty rates and improvements in other social outcomes, including in rural areas.³

The agricultural sector in Vietnam has undergone significant structural changes in recent decades, reflecting a shift away from staple foods to export commodities, including pig meat. While the relative importance of agriculture in the economy has declined over time, it remains an important sector, contributing 14% to Vietnam's GDP and employing 37% of the labour force.

¹ <https://bit.ly/3MMI5Ke>

² <https://bit.ly/3DdVnMP>

³ <https://bit.ly/3F1skxj>

1

WHAT'S IN THE EU-VIETNAM FREE TRADE AGREEMENT?

1.1

INCREASED ACCESS TO EU AND VIETNAMESE MARKETS

The EU-Vietnam FTA has the potential to significantly increase trade in agricultural products between the partners. EU exporters will benefit from zero duties on a number of animal products: chicken after 10 years; frozen pork after 7 years; dairy products after 5 years; and beef after 3 years. Most EU import tariffs were eliminated upon entry into force of the agreement and others will be eliminated through gradual liberalisation: tariffs on fish and crustacean imports will be eliminated after 3-5 years, and tariffs on poultry and some processed animal products will be eliminated in 7 years.⁴ The trade limitations left in place on animal products are minor. For example, the EU maintains tariff rate quotas on eggs and tuna.

The trade liberalisation of animal products is not conditional upon any equivalence with EU animal welfare standards. Liberalising trade between the EU and Vietnam therefore runs certain risks, as lower welfare products may increasingly be sold to EU consumers, sometimes without their knowledge (due to the lack of labelling for methods of production of animal products). There is also a risk that this will jeopardise EU animal welfare standards if producers feel negatively impacted by the lack of a level playing field and the pressure of cheaper, lower welfare imports.

1.2

ANIMAL WELFARE COOPERATION AND TSD CHAPTER

The FTA includes a single provision on animal welfare in the Cooperation and Capacity Building chapter. This is a departure from what was then the usual practice of including animal welfare in the chapter on sanitary and phytosanitary (SPS) measures of FTAs.

The Parties agree to cooperate on animal welfare as necessary, including technical assistance and capacity building for the development of animal welfare standards. For the purpose of this Article they shall consult the Committee on Sanitary and Phytosanitary Measures established pursuant to Article 17.2 (Specialised Committees). (Art 16.3)

While this language can be described as relatively weak, the provision nonetheless opens the door for the EU to use a cooperative approach to encourage improvements in animal welfare standards in Vietnam. This could be achieved through measures such as information sharing, capacity building and technical assistance.

⁴ <https://bit.ly/3hwQqX4>

2

EU-VIETNAM TRADE IN ANIMAL PRODUCTS



When the EVFTA entered into force on 1 August 2020, it eliminated over 99% of tariffs and liberalised animal products without any animal welfare-related requirements. This is likely to increase trade in animal products between the partners, which has seen a slight reduction in recent years (421,780 tonnes traded in 2021, compared with 554,003 tonnes in 2016).

The major animal products the EU imports from Vietnam are fish products (65,641 tonnes in 2021, of which roughly 45,000 tonnes derive from farmed fish), crustaceans (32,401 tonnes) and raw hides and skins (3,142 tonnes). The major aquaculture species imported by the EU are tilapia (2,029 tonnes), catfish (42,844 tonnes) and shrimp (31,346 tonnes).

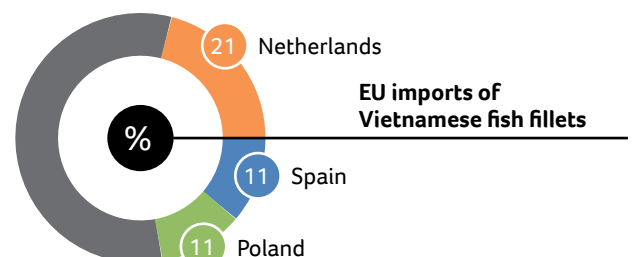
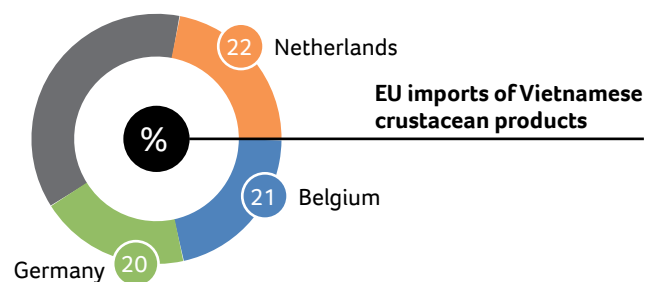
EU imports (in tonnes) of farmed aquaculture products in 2021:

2,029 tilapia	42,844 catfish	31,346 shrimp
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The EU also imports increasing amounts of gelatine from Vietnam (in tonnes)

314 2017	➔	811 2021
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In terms of quantity, EU exports of live animals have steadily increased by 75% in recent years. The main species include live fowl (1.6 million birds in 2021, up from 1.16 million in 2017) and live swine (1,651 swine in 2021, up from 136 in 2018).



3

ANIMAL WELFARE IN VIETNAM

3.1

VIETNAM – A KEY PLAYER IN ANIMAL-BASED AGRI-FOOD PRODUCTION

Vietnam is a key player in animal-based agri-food production, and is working towards the goal in its Livestock Sector Development Strategy for 2021-2030 that carcass meat production will reach 5.5 million MT by 2025 and 6.5 million MT by 2030. Vietnam hopes to have an advanced livestock industry by 2030, and this restructuring objective is influenced by the entry into force of FTAs that Vietnam has signed, the ongoing COVID-19 pandemic, and other emerging animal disease outbreaks.

3.2

MEAT AND EGG CONSUMPTION IN VIETNAM

The rising significance of meat production must be properly understood in order for the EU to cooperate effectively with Vietnam on animal welfare. Over the past decade, Vietnam's livestock consumption has risen significantly (from 2.5 million tonnes in 2013 to 4.5 million tonnes in 2019) due to strong growth in income and population. Yet meat consumption still lags far behind the West. Per capita consumption of meat in Vietnam in 2015 was 33.2kg, just one-third of that in the US (107kg) and

PRODUCTION SECTORS ON THE RISE



CHICKENS

Vietnam has the 14th largest chicken flock (295 million) and is 20th in laying hens (66.5 million). This has been increasing for the past decade, nearly doubling since 2010.* Egg and chicken meat consumption also increased by 30% between 2013 and 2017. Nearly 576 million broiler chickens were slaughtered in the country in 2019.



CATTLE

The cattle industry in Vietnam consists of 5.65 million cattle, of which 301,649 are dairy cows. Yet the dairy sector is growing due to investments from major businesses. Indeed, the Vietnamese dairy herd size increased by 61% between 2013 and 2017, and dairy production by 93%.



PIG MEAT

Vietnam is home to 27.5 million pigs. 49 million were slaughtered in 2017; and 3.7 million tonnes of meat were produced. This makes the country the 6th largest producer of pig meat in the world.



FISH PRODUCTS

Fisheries and aquaculture is a key sector in EU-Vietnam trade relations. Pangasius farming is experiencing significant growth, as a rise in value since 2017 has made it ten times as profitable as rice farming. Vietnam is consequently seeking new export markets for pangasius.



DUCKS

In 2017, over 109.5 million ducks were slaughtered in Vietnam to produce 131,500 tonnes of duck meat, making the country the 4th largest producer.



BUFFALOES

Vietnam houses the 8th largest buffalo herd in the world, with a size of just under 2.5 million. It produced 87,960 tonnes of buffalo meat and 27,840 tonnes of buffalo milk in 2017, making Vietnam the 7th and 14th largest producer respectively.

ANIMALS SLAUGHTERED (2020)⁶

1,869,043 cattle

331,368 dairy cows

435,279 buffaloes

1,420,917 goats

44,146,028 pigs

618,514,000 broiler chicken

144,100,000 duck

* <https://bit.ly/3TfDR0c>

** <https://www.fao.org/faostat/en/#data/QCL>

half of the amount within the EU (76kg). Compared with regional peers, meat consumption per capita in Vietnam was lower than in China (56.4kg) and on par with Thailand.

The average poultry consumption per person was 13kg in 2017.⁵ Egg consumption per capita reached 5.13 kg in 2018 in Vietnam.⁶ According to the Vietnam Poultry Association, the country's poultry population fell 36.3% from 2020 to 2021, from 512.7 million birds to 326.8 million. The chicken population dropped 35% from 409.5 million to 266.2 million; egg production fell 20% from 16.7 billion to 13.3 billion eggs.

Meat accounts for the largest share of monthly food expenditures among urban Vietnamese households, representing 37-44% of monthly food expenditures per adult male equivalent in all cities.⁷ Yet meat output has struggled to keep up with consumption demand. While domestic pork production is relatively sufficient for domestic consumption, there is a shortage in beef and chicken and the country relies on imports to fulfil demand for these products. This is due to geographical limitations, dependence on imported feeds, and fragmented farms and regulations.⁸

Pork is the preferred meat in Vietnam. Pigs are part of the household recycling system for small-scale farms (a system which accounts for 86% of swine farms in Vietnam) as they consume inedible waste. Although pork consumption is expected to grow at a rate of 3% per annum and continues to be the dominant meat consumed in Vietnam, beef and poultry have a slightly higher growth rate of 3-5% per annum. This higher rate is a result of a new preference for foreign and/or imported products.

Key statistics

- Average meat consumption per person in 2017: 64.68 kg⁹
- Consumption data (Annual meat consumption in kg/person)¹⁰
 - Pork meat: 32.7
 - Poultry meat: 20
 - Beef and veal: 9.6

⁵ <https://bit.ly/3zjCSX>

⁶ <https://bit.ly/3CFkYN2>

⁷ <https://bit.ly/3Fdpsxt>

⁸ <https://bit.ly/3VUclSj>

⁹ Food and Agriculture Organization of the United Nations (FAO) (2017). "Food balances data 2017". FAO.org. Retrieved 10 September 2021. <http://www.fao.org/faostat/en/#data/FBS>

¹⁰ OECD (2022), Meat consumption (indicator). (Accessed 28 February 2022)

3.3

ANIMAL WELFARE LEGISLATION IN VIETNAM

Before the EU can effectively cooperate with Vietnam on animal welfare issues, it must take into account the serious lack of animal welfare protections in the country. Vietnam is one of the worst-performing countries in Asia in terms of animal welfare legislation, receiving an 'F' grade in World Animal Protection's global index. While the country has been improving gradually, there is still a long way to go to protect animals adequately.

Animal rights in Vietnam are currently governed by the Law on Animal Health 2015 and the Law on Animal Husbandry 2018. The Law on Animal Health asserts a duty of care upon individuals and organisations in possession of animals, whilst the Law on Animal Husbandry mandates against ill-treatment of livestock in rearing, transport, slaughter and scientific research.

The Wildlife Decree (Decree 32/2006/ND-CP) is the main authority for the protection of wild animals, prohibiting trapping, hunting, keeping and slaughtering of endangered and rare wild animals, alongside forbidding their trading, transporting, exporting, importing and advertising.

In 2021, Vietnam passed a new law to curb animal cruelty and ensure that animals are treated more humanely. It says beating or torturing domesticated animals, including four-legged mammals and two-legged avian species, could result in fines between VND 1 million and VND 3 million (€40 - 120), with higher fines for abattoirs. A representative from the Ministry of Agriculture and Rural Development said the goal is merely to raise awareness of animal cruelty as an issue and so the fines are not severe.¹¹

The concept of animal welfare is still novel in Vietnam. Art 21 of the Veterinary Act 2015 was the first law to require the minimisation of pain and fear, and to treat animals humanely through improved practices in husbandry, transport, slaughter. Other than that, there are no specific regulations or guidelines on the welfare of domestic animals, and farmers are not fully aware of the welfare needs of animals. Modern concepts like temperature-humidity index, body condition score, locomotion score and panting score are little known in Vietnam.

¹¹ <https://bit.ly/3ShAT9Z>

Welfare issues in the legislation

The Law on Animal Health and the Law on Animal Husbandry lack clear and stringent animal welfare protections and strict measures to combat animal trafficking.

The legislation prioritises human health and consumption and the language is also vague. The Law on Animal Health and the Law on Animal Husbandry both prohibit the ‘ill treatment’ of animals in rearing, transport and slaughter, and the Law on Animal Husbandry states that the ‘humanitarian treatment of livestock must respect and be in harmony with traditional beliefs, religions and traditional cultures and be accepted by the social community’. However, no further clarification is provided.

There are some requirements for the transport and slaughter of livestock, but these do not align with WOH standards and there are no relevant enforcement mechanisms. Under the Law on Animal Husbandry, organisations and individuals transporting animals are required to use suitable means and equipment, ensure city space and restrict trauma and fear. They are also required to provide enough food and water and it is prohibited to beat or ill-treat animals during transportation. However, long distance transport of farm animals is permitted, causing stress which negates the welfare provisions.

The Law on Animal Husbandry mandates that, before slaughter, water is provided and that livestock should not be beaten or ill-treated. It provides that measures should be taken to cause livestock to become ‘faint’ before slaughter and livestock should not be slaughtered in front of others. Under the 2021 law, abattoirs face fines if they beat animals prior to slaughter or do not induce unconsciousness prior to death.

There is a notable lack of supporting regulations and guidance, by species, on the handling, care, transport, slaughter and euthanasia of farm animals in Vietnam.¹²

There are also issues with the Wildlife Decree, which prioritises conservation over the protection of welfare. It states that species may be obtained from the wild for scientific research when a permit is granted, but does not specify how this should be done or how the animals should be treated thereafter. Also, there are no express laws on the hunting of animals which fall outside the decree.

¹² <https://bit.ly/3TjwvJ5>

3.4

PUBLIC ATTITUDES TOWARDS ANIMAL WELFARE IN VIETNAM

Animal welfare is a relatively new concept in Vietnam, particularly for farm animals. Most higher welfare products originate from small-scale farmers and so although there is a small, yet growing interest in sourcing higher welfare products, there are no medium or large-scale producers capable of delivering these products. While 16.4% of Vietnam’s population is Buddhist and roughly 10% are vegetarian, it is not clear how this impacts attitudes to improving animal welfare.¹³

Consumers in Vietnam are generally more accustomed to animal use and slaughter than Western consumers, as they are a regular occurrence at wet markets, and so this is another barrier to public attitudes. Research has found that addressing the lack of public awareness through education and training is an important solution for animal welfare.

In a study on pigs, 75% of Vietnamese consumers said they had not heard of ‘animal welfare’. Yet 71% believed pigs should be kept in good hygienic conditions and 27% thought pigs should have space to move around and lie down in pens. Only 34% thought they should be slaughtered with the least possible suffering. Animal welfare aspects were considered more by rural consumers than urban ones.¹⁴

Nevertheless, there is significant change in regards to pets. As pet ownership has grown in Vietnam, outrage over animal abuse has become more common. The social phenomenon of ‘pet humanisation’ has led to the quality of pet ownership increasing dramatically in the last five years and this is reflected in the increase in beauty, healthcare, burial and hotel services for cats and dogs in cities like Hanoi.¹⁵

Animal welfare is also of increasing concern to tourists. Vietnam’s tourism industry contributes to approximately 6 million direct and 2 million indirect jobs, and a negative reputation due to animal welfare can hurt this. Notably, in 2019 the Ho Chi Minh City Food Safety Management Board urged locals to stop eating dog meat to improve the national image. Research into tourism and people’s attitudes towards animal welfare shows how important it is for tourists not to be exposed to animal cruelty: 52% said they would not visit a country again after being exposed to animal cruelty.¹⁶

¹³ <https://bit.ly/3VF2Ds5>

¹⁴ <https://bit.ly/3saWcj1>

¹⁵ <https://bit.ly/3ERJFIR>

¹⁶ <https://bit.ly/3MNvdDr>

4

WHY SHOULD THE EU ENSURE EVFTA BECOMES A SPRINGBOARD TO PROMOTE ANIMAL WELFARE?



4.1

ANIMAL WELFARE AT THE CENTRE OF ACHIEVING SUSTAINABILITY

The livestock sectors in both the EU and Vietnam have already been impacted by the tariff reductions that were created under EVFTA and bilateral flows in animal products are expected to continue growing.¹⁷ As the agreement does not include any conditionality related to animal welfare standards, the increase in the trade of animal products, if it leads to an increase in production, is likely to favour mostly industrialised intensive farming practices.

In addition to being intrinsically detrimental to animal welfare, the intensification of livestock farming fostered by unconditional trade liberalisation has also fuelled many challenges that can only be resolved through

international cooperation – climate change, biodiversity loss, antimicrobial resistance, spread of zoonoses¹⁸ – and at the heart of these challenges often lies the food system, and thus animal welfare. Establishing that the cooperation mechanism on animal welfare under EVFTA is fully utilised would contribute to fighting these challenges.

According to the EU's Trade Policy Review, EU trade policy must “unequivocally support the Green Deal in all its dimensions”.¹⁹ Better addressing animal welfare in trade policy is key to achieving this objective, as it would contribute to improving animal welfare and support the transition towards sustainable food systems, a goal expressed in the EU Farm to Fork strategy, which is part of the Green Deal.

¹⁷ <https://bit.ly/3BF3Eld>

¹⁸ <https://bit.ly/3ESZtuU>

¹⁹ <https://bit.ly/3nfQAIC>

“ [EU Member States] recognise the importance of promoting the welfare of animals globally as well as the competition that EU farmers are facing in global trade and (...) sees free trade agreements as one of the ways in which to promote animal welfare globally.”

EU Council Conclusions on Animal Welfare, 2019²⁰

In addition, animal welfare is strongly linked to achieving the UN SDGs, a key objective for both partners. In the EVFTA, the partners recognise the importance of strengthening their “economic, trade and investment relationship in accordance with the objective of sustainable development, in its economic, social and environmental dimensions”.²¹ While protecting animal welfare is essential to sustainable development in its own right (and is recognised as a dimension of a sustainable agriculture),²² it also complements other aspects of sustainable development. Among the UN SDGs, several are either directly connected to animals or cannot be achieved without addressing animal welfare related issues.²³

The first academic study on this topic, published in October 2019, scored the interactions between SDGs and animal welfare, in both directions.²⁴ The conclusion of the exercise was that, even if animal welfare is not explicitly mentioned in the SDGs, it is positively linked with all of them, to various degrees. Higher welfare does not impede any SDG. To the contrary, while, for some of them, the mutually beneficial effect is strong (SDG 12 “Sustainable Consumption and Production” and 14 “Life Below Water”), in some cases, higher welfare would have a direct positive impact on the SDGs (SDG 1 “End Poverty”, SDG 2 “Zero Hunger”, SDG 3 “Good Health and Wellbeing”). Eurogroup for Animals’ 2019 report on “Animal Welfare, Trade and SDGs” explains these interactions in depth.²⁵

To ensure trade policy does not impede the EU in achieving these necessary goals, it is therefore necessary to promote higher animal welfare through EVFTA’s implementation.

²⁰ Council of the European Union, “Council conclusions on animal welfare – an integral part of sustainable animal production”, 16 December 2019

²¹ <https://bit.ly/3VJDVGS> Chapter 5, L186/3

²² Speech by Dacian Cioloş (then European Commissioner for Agriculture and Rural Development), Europe’s path towards sustainable agriculture, G20/Rio De Janeiro, 21 June 2012.

²³ Eurogroup for Animals, Animal Welfare, Trade and Sustainable Development Goals, October 2019 & Linda Keeling et al, “Animal Welfare and the United Nations Sustainable Development Goals”, *Frontiers in Veterinary Science*, 6:336, October 2019.

²⁴ Linda Keeling et al, “Animal Welfare and the United Nations Sustainable Development Goals”.

²⁵ Eurogroup for Animals, Animal Welfare, Trade and SDGs, October 2019. <https://bit.ly/3FsrffN>

ANIMAL WELFARE AND GLOBAL CHALLENGES

- ➔ **Zoonoses are favoured not only by increasing trade in wild animals, be it legal or not, but also the spread of intensive farming.** The change in land-use – notably linked to the spread of animal agriculture and to the production of animal feed – and the subsequent loss of habitat have made encounters between animals (wild and farmed), humans and ecosystems closer and much more frequent. This pressure on biodiversity has been a major cause of the spread of zoonoses. In addition, farmed animals kept by the billions (trillions, if we consider fish and aquaculture) are reservoirs and pathways for diseases that can be dangerous, if not devastating, for humans. A recent study found that “since 1940, agricultural drivers were associated with >25% of all – and >50% of zoonotic – infectious diseases that emerged in humans, proportions that will likely increase as agriculture expands and intensifies.”²⁶
- ➔ **The overuse of antimicrobials in livestock production is the primary cause of the surge in antimicrobial resistance (AMR).**²⁷ This phenomenon is not due to small-scale productions, but to the spread of intensive farming systems, in which antimicrobial products are routinely and increasingly used. The EU’s “One Health” Action Plan against AMR already recognises the link between the issue and poor farm welfare practices, underlining the importance of addressing this concern in trade policy.
- ➔ **The livestock supply chain also accounts for 16.5% of global greenhouse gas (GHG) emissions.**²⁸ There is an issue of quantity, but the way we raise animals also matters. According to the IPBES, “approximately 25% of the globe’s GHG emissions come from land clearing, crop production and fertilization, with animal-based food contributing 75% of that. Intensive agriculture has increased food production at the cost of regulating and non-material contributions from nature”. In addition to potentially allowing for higher animal welfare standards, grass-based and mixed-farm systems, less dependent on additional feed, also have better capacities for carbon sequestration.²⁹

²⁶ <https://go.nature.com/3K1jiLZ>

²⁷ <https://bit.ly/3fhPXn6>

²⁸ <https://bit.ly/3DdiLtG>

²⁹ Canu & Forabosco (UNEP DTU 2018), Greenhouse gas emissions of livestock raised in a harsh environment, *International Journal of Global Warming*, 2018 Vol.15 No.4 pp.431 – 446.

5

FOSTERING IMPACTFUL EU-VIETNAM COOPERATION ON ANIMAL WELFARE



Considering the potential impact of EVFTA on animals, and the positive contribution higher animal welfare can make to the transition towards more sustainable societies, it is important that the EU and Vietnam make full use of the provision on animal welfare cooperation in the agreement.

This section of the report describes the areas that could be seen as priorities for such cooperation. This could be either because the EU imports the animal products in question, because the sectors are key in Vietnam - and therefore any improvement to animal welfare could have a significant impact on animals and on the sustainability of food productions, or because the EU exports live animals who end up being farmed in these sectors in Vietnam.

5.1 OPPORTUNITIES TO IMPROVE WELFARE IN AQUACULTURE

State of play

Vietnam is the fifth largest producer of farmed fish globally and the third largest exporter of seafood, after China and Norway.³⁰ Farmed fish aquaculture output has increased by 20% every year since 2010 and now covers 70,000 hectares. It produces 650,000 tonnes of fish and fish products annually and the EU imported 73,007 tonnes in 2020. By 2025 the Vietnamese government aims to produce 850,000 tonnes, worth up to €900m in export value. The country also has a large shrimp sector, with 750,000 hectares currently devoted to shrimp farming. In 2022, the sector is expected to exceed 980,000 tonnes in output (of which 31,346 tonnes imported by the EU), with export values over €3.8 billion. In 2022, the Deputy

³⁰ De Jong, D. (2019, May). World Seafood Map 2019.

Minister of Agriculture and Rural Development, Phùng Đức Tiến, encouraged greater investment in the aquaculture sector, stating a goal of increasing annual exports to 3 million tonnes (worth €9 billion) by 2045.³¹

Animal welfare and environmental concerns

Fisheries and aquaculture are the most important sectors in EU-Vietnam trade relations. Yet Vietnamese aquaculture suffers from serious welfare concerns, including exceptionally high stocking densities and poor handling/transport practices. The industry is increasingly vertically integrated, with 75% of producers operating on farms of less than 3 hectares in size. These systems tend to be more intensive and pose welfare challenges, including a lack of monitoring of environmental conditions. Most fish produced in small-scale aquaculture are sold (often live) at wet markets, which is highly detrimental to fish welfare.

Pangasius farming in the Mekong delta is experiencing unprecedented growth. A rise in value since 2017 has made it an increasingly attractive endeavour (it is currently 10 times as profitable as rice farming). Consequently, many producers have no experience or training. Pangasius comprises 47% of Vietnamese finfish production and this is primarily from intensive pond and cage cultures. Fish Welfare Initiative identified the most promising welfare interventions as working with European importers of Pangasius to mandate improved water quality, shorter and less stressful transportation routines, and the introduction of pre-slaughter stunning.

Beyond fish welfare, there are concerns about environmental pollution and the spread of disease. The heavy use of antibiotics means the aquaculture sector has a serious environmental impact, such that the achievement of the UN SDGs could be hindered. The EU should seek to improve the sustainability of the sector by sharing its expertise with Vietnam on how to improve fish welfare standards. This would also be relevant to the implementation of Article 13.9 of the TSD chapter on the sustainable management of aquaculture products. Increased fish welfare standards play a crucial role in ensuring healthier, more robust fish and this reduces the need for harmful chemicals and medications. This link between fish welfare and public health was confirmed by a series of opinions published by the European Food Safety Authority (EFSA).

Many shrimps reared in aquaculture also suffer from low welfare practices. Poor water quality (e.g. oxygen, temperature, pH) compromises the immunity of shrimps; high stocking densities increase disease risk and lead to antibiotic overuse; eyestalk ablation (crushing or cutting off the eyestalks of female shrimps to induce rapid reproduction) reduce life expectancy and the ability of offspring to resist disease.³² Although shrimp are not currently produced in the EU on a large-scale, this is another area on which the EU should cooperate with Vietnam to improve welfare.

5.2 OPPORTUNITIES TO IMPROVE THE WELFARE OF BROILERS

State of play

Poultry is the most commonly owned livestock in Vietnam and the second largest meat source after pigs. This industry contributes significantly to the poorest category of the population, with the income accounting for 30-50% of total household revenue. In 2020, 512.7 million poultry produced 1.5 m tonnes of meat. The total poultry meat production grew on average by 8.84% per year from 2000-2020. Vietnamese citizens have moved from consuming 6.3 kg of chicken meat per person in 2013 to 8.2 kg meat per person in 2017. Although egg and chicken meat consumption is lower than in many other countries, both have increased by 30% between 2013 and 2017. As a consequence, Vietnam remains a net importer of poultry meat. In 2020, it imported \$293.2 million of poultry meat, mainly from the US, EU and Brazil. As the EU exports live fowl to Vietnam (1.9 million in 2020), the conditions that the birds are subjected to in Vietnam is therefore one of great importance to EU citizens.³³

Animal welfare concerns in the sector

Farm animal welfare is a new concept to both producers and consumers in Vietnam, and so there are currently no specific regulations or public standards available for poultry. While backyard non-intensive poultry production is common in Vietnam, the country is increasingly transitioning to intensive, industrialised systems.³⁴ These systems have high stocking densities which limit the ability

³¹ <https://bit.ly/3MSUtIM>

³² <https://bit.ly/3uLMwNg>

³³ Poultry production, marketing and consumption in Vietnam: A review of literature

³⁴ Hanh, H.Q., Xuan, N.T., 2019. Integration of animal welfare into assessment of broiler chicken production systems toward sustainable development in Vietnam. *Livestock Research for Rural Development*, 31(5).

of the broilers to exhibit natural behaviours. They are not provided with enrichments, such as perches or dust baths. Fast-growing breeds are selected, which means a high prevalence of lameness as their legs can't support their rapidly increasing body weight, resulting in pain, inactivity and leg disorders. The birds also suffer from welfare issues related to plumage cleanliness, hock burn, foot pad dermatitis, and walking disabilities. Studies have revealed the high levels of disease in these flocks,³⁵ and because welfare is a new concept in Vietnam, many farmers use antimicrobials as a cheaper alternative to disease control measures, which drives antimicrobial resistance globally.³⁶

By contrast, birds kept in outdoor access systems enjoy comparatively better welfare. They often have perches and dust baths, which can reduce feather lipids and improve leg condition. Broiler producers should therefore improve production facilities by providing enrichments, reducing stocking densities and improving bedding.³⁷ Because the EU sends so many birds to Vietnam, it should care about the welfare of these birds, particularly in the light of the progress on the horizon in the EU, which is due to revise its standards for broiler chickens in the near future.

In smallholder chicken production, indigenous breeds are preferred to industrial breeds due to their adaptability to the tropical environment, product taste and cultural reasons. Yet poultry health is a major concern, and production is characterised by a high incidence of disease, inadequate management and limited access to training. Disease outbreaks are common, which results in the birds suffering from conditions including lethargy, digestive issues and sudden death. Highly Pathogenic Avian Influenza (HPAI) also poses a major risk to Vietnamese poultry production due to the limited disease prevention and treatment practices.

Live poultry are sold in markets, with some slaughtered on-site. As many Vietnamese consumers prefer 'hot' poultry meat (recently slaughtered, having undergone no chilled storage), it is difficult to stop the sale of live birds and poultry slaughtering in markets. It is possible that the construction of small slaughterhouses that ensure high welfare standards, hygiene and safety will be important in the future. This matters for the health of the poultry and people of Vietnam.³⁸

5.3 OPPORTUNITIES TO IMPROVE THE WELFARE OF LAYING HENS

State of play

With thousands of egg producers in the country, Vietnam's 77 million hens laid 8.2 billion eggs in 2019, according to the FAO. Total egg production grew on average by 7.47% per year from 2000–2020. Vietnamese citizens have moved from consuming 85 eggs per person in 2013 to 111 eggs per person in 2017.

Animal welfare concerns in the sector

Most of the eggs that are produced in Vietnam annually are laid by hens kept in wire battery cages, which are so small that the hens cannot even stretch their wings. These caged hens also suffer from the denial of many natural behaviours, such as nesting, perching and dustbathing, each of which are critical for hen welfare.

By contrast, cage-free systems offer hens a significantly improved level of animal welfare. Unlike battery hens, cage-free hens can walk, spread their wings and lay their eggs in nests. While cage-free does not necessarily mean cruelty-free, cage-free hens generally have significantly better lives than those confined in battery cages. And the hens are not the only beneficiaries of the cage-free transition, as numerous studies have found cage-free eggs have a healthier overall nutrition profile.

Notably, V.Food, one of Vietnam's largest egg suppliers, joined the cage-free movement in 2021, and this follows the growth of the cage-free movement in neighbouring countries, such as Thailand and Malaysia.³⁹ Vietnam's transition to cage-free should be supported, as it requires investment and specialised management. With technical and business support from NGOs and big corporations, Vietnam's egg producers can implement more humane treatment in production and integrate into the growing trend around the globe.

³⁵ Cuong NV, Phu DH, Van NTB, Dinh Truong B, Kiet BT, Hien BV, et al. High-resolution monitoring of antimicrobial consumption in vietnamese small-scale chicken farms highlights discrepancies between study metrics. *Front Vet Sci.* (2019) 6:174.

³⁶ <https://bit.ly/3Swp0gN>

³⁷ <https://bit.ly/3eLsDS1>

³⁸ <https://bit.ly/3yQJ4Dd>

³⁹ <https://bit.ly/3Psb87g>

5.4 OTHER AREAS OF POTENTIAL COOPERATION

There are other categories of animal production where the EU does not trade significant amounts of products with Vietnam. Yet it is useful to bear these other topics in mind as areas for potential cooperation, as the provisions of the EVFTA allow for the possibility of new animal welfare standards to be pursued.

Opportunities to improve the welfare of cattle

State of play

Cattle production is an important source of income for many households in Vietnam. In 2018, the number of cattle reached 5.8 million heads, with 42% of production based in the Central Region, an area constrained by low fertility soils, a long, hot dry season and a short rainy season.⁴⁰ Demand for beef has increased in recent years, particularly with rising incomes and tourism. As most beef cattle production is small-scale, the country imported 262,321 live cattle and 42,000 tonnes of meat in 2018 to meet the demand. Notably, in 2019, 71% came from Australia and 27% from Laos, and in 2020, 90% from Australia. This led to Australian NGOs investigating the situation in Vietnam and denouncing the terrible slaughter conditions these animals are exposed to. Dairy farming has also grown rapidly, with 301,649 dairy cows in 2017, a significant increase from 22,000 cows in 1996.⁴¹ The sector is also looking to boost exports. Vinamilk, the country's leading dairy producer, is said to already produce organic milk that meets European standards. For now, smallholder dairy farming (SDF) remains most popular. In 2017, 28,695 SDFs, averaging 20 cows or less, accounted for 80% of milk production.⁴²

Animal welfare issues

The beef and dairy sectors in Vietnam raise significant animal welfare concerns. Dairy cow welfare is not regulated by the Vietnamese government and welfare considerations are not fully appreciated by SDF farmers, who rarely record herd productivity and welfare. One of the leading constraints to cow welfare is heat stress.



While SDFs were initially prioritised by the government to develop in the highland regions, demand for fresh milk meant they expanded to the hotter lowland provinces. Studies have shown that both lowland and highland cows suffer from heat stress, resulting in breathing difficulties, agitation, vomiting, diarrhoea, weakness, collapse or seizure.

A recent study found that the average body weight of SDF dry cows and lactating cows was much lower in Vietnam than in other countries, reflecting the poor nutrition status of the cows. The mean body condition score (BCS is a valuable welfare indicator) was also much lower, with 34% of cows examined having a BCS under 2.5, indicating hunger and poor feeding management.

Other studies report that many SDF cows are not supplied with adequate amounts of drinking water. In the South of Vietnam, 51% of SDFs provided less than 30 litres of water for a cow per day, whereas farmers in the tropics are advised to provide lactating dairy cows 60-70 litres per day for maintenance, plus an extra 4-5 litres for each litre of milk produced.⁴³

Further welfare issues include subclinical mastitis, with one study conducted in Dong Nai reporting a prevalence rate of 89%. Lameness is also a problem, with a high

⁴⁰ Characterization of Smallholder Beef Cattle Production System in Central Vietnam –Revealing Performance, Trends, Constraints, and Future Development.

⁴¹ Bang NN, Chanh NV, Trach NX, et al. Assessment of Performance and Some Welfare Indicators of Cows in Vietnamese Smallholder Dairy Farms. *Animals (Basel)*. 2021;11(3):674. Published 2021 March 3. doi:10.3390/ani11030674

⁴² <https://bit.ly/3eOLqMj>

⁴³ <https://bit.ly/3qghrwZ>



percentage of lame and very lame cows across Vietnam and with the condition ranking as the number one reason for involuntary culling. Improving the hoof health of cows is therefore critical to improving welfare in SDFs.⁴⁴

Tie-up housing is common in SDFs, which is detrimental to welfare because cows cannot be comfortably tied by a rope threaded through a hole in their nasal septum for extended periods. It compromises cow welfare by causing irritation and infection of the nose, knee and hock inflammations, reducing lying and resting time, and restricting self-grooming and social contact.

In respect of flooring, the cows are often provided with too little space (5.2-7.5m²/cow instead of 8-11m²/cow) and this is often bare concrete flooring. Bare concrete is not considered suitable and cows should be supplied with sufficient and suitable resting surfaces, e.g. mats or bedding.⁴⁵

The killing of cattle through repeated blows to the head with a sledgehammer is a traditional method of slaughter in Vietnam.⁴⁶ In recent years, footage has emerged of Australian cattle being killed in this way in unapproved abattoirs, suggesting the live export sector is not adequately regulated. In light of such findings, the EU should cooperate with Vietnam to ensure that high standards of welfare are assured for exported cattle, particularly at the slaughter stage.

⁴⁴ Prevalence of subclinical mastitis and isolated udder pathogens in dairy cows in Southern Vietnam. Östensson K, Lam V, Sjögren N, Wredle E. *Trop Anim Health Prod.* 2013 Apr; 45(4):979-86.

⁴⁵ Characteristics of Cowsheds in Vietnamese Smallholder Dairy Farms and Their Associations with Microclimate – A Preliminary Study.

⁴⁶ <https://bit.ly/3CPgy69>

BEARS FARMED FOR BILE PRODUCTION

In Vietnam, bear bile farming has been illegal since 1992 but has persisted due to legal loopholes (for instance as ‘household pets’) and continued demand. In 2005, another law was passed to outlaw the practice but, again, people were allowed to keep bears they already had. Finally, in 2017, the Vietnamese government agreed a Memorandum of Understanding with the nonprofit Animals Asia to end the practice of bear bile farming in the country for good. The agreement commits the partners to work together to rescue the estimated 1,000 bears still kept for their bile and to end the private possession of bears by 2026.⁴⁷

Bear bile farms first proliferated in Asia in the 1980s. On these farms, bears spend their lives in tiny cages and their bile is extracted several times a day via painful procedures. Bear bile has been used in traditional Asian medicine for thousands of years, although there are now readily available herbal and synthetic alternatives. Bile extraction causes extreme physical and psychological suffering and long-term health problems for the bears, as extraction techniques are invasive and traumatic. Further, the bears live in tiny cages throughout their lives on the farms, which can be up to 30 years. They grow up in these tiny cages to the point where their bodies contort to fit the bars. Most have missing and damaged teeth from trying to gnaw their way out, and the bears are also starved and dehydrated to encourage bile production.

WELFARE OF DOGS AND CATS USED FOR MEAT

The dog and cat meat sector in Vietnam processes an estimated 5 million dogs per year and 1 million cats. The country is the second largest consumer of dog meat in the world, with many believing it has medicinal properties and brings good fortune. Yet only 6.3% of the population consume dog or cat meat, and 88% support a ban. This is particularly the case with younger generations, who are more likely to regard the animals as companions.⁴⁸

⁴⁷ <https://bit.ly/3UTSeas>

⁴⁸ <https://bit.ly/3FxOt4U>



The dog and cat meat trade involves cruelty at all stages, including at sourcing, transport, sale and slaughter.⁴⁹ The animals are stolen from or sold by their owners, taken from the streets or sourced from farms. The dogs and cats are often transported on journeys lasting days, stuffed into cages or sacks with other animals, and carried on the back of a motorbike without any provision for food or water. The animals are generally slaughtered at the slaughterhouse or restaurant using brutal methods (usually the cheapest possible, e.g. drowning, bludgeoning, boiling alive or electrocution) and often in full view of the other animals.

The trade, slaughter and consumption of dogs threatens human health by disease transmission, most notably from rabies, cholera and trichinellosis. Studies have found substantial incidences of rabies-infected canine tissue in restaurants, slaughterhouses and markets where dog meat is prepared and sold. As the high

demand for dog meat has also created an illegal import market for dogs from neighbouring countries,⁵⁰ the mass unregulated movement of unvaccinated companion animals poses domestic and international public health risks and compromises regional rabies control efforts.⁵¹ Further issues are posed by antimicrobial and other pharmaceutical residues. Dog meat rarely falls under food-hygiene or meat-sanitation laws and is not subject to controls at source nor testing before human consumption. This is a veterinary public health concern and a potential antimicrobial resistance issue.⁵²

In 2018, officials in Hanoi encouraged people to stop eating dog meat because it was damaging the capital's reputation. In 2021, Hoi An City People's Committee and Four Paws, the global animal welfare organisation, signed a Memorandum of Understanding to phase out dog and cat meat from the city.⁵³

⁴⁹ Humane Society International. Dog Meat Trade. <https://bit.ly/3TivHEg>

⁵⁰ <https://bit.ly/3ETcUuQ>

⁵¹ Ekanem, E.E., Eyong, K.I., Philip-Ephraim, E.E., Eyong, M.E., Adams, E.B. and Asindi, A.A. Stray dog trade fuelled by dog meat consumption as a risk factor for rabies infection in Calabar, southern Nigeria. *African Health Sci.* 2013 Dec;13(4):1170-3. doi: 10.4314/ahs.v13i4.44.

⁵² Lee, H.W. Dog Meat Production in Asia. *Global Seminar on Animal Welfare. Proceedings: 33rd World Veterinary Congress.* 2017:639-640

⁵³ <https://bit.ly/3yUU96t>

Opportunities to improve the welfare of animals used for scientific purposes

State of Play

The EU should cooperate with Vietnam to improve the welfare of animals used for scientific purposes. Vietnam has been rated by World Animal Protection as one of the two worst-performing countries in Asia in terms of policies to protect animals,⁵⁴ with policies for species used for scientific research almost entirely absent. Only the ill-treatment of livestock used in scientific research is prohibited in Vietnam under the Law on Animal Husbandry 2018.⁵⁵ However, even in this legislation there are no details as to what ill-treatment constitutes.

The use of animals for scientific and educational purposes is not otherwise restricted; there is no regulation on the proper conduct of animal experiments, and animal research and testing is commonly conducted on a large number of species, including primates. Although Decree 32/2006/ND-CP⁵⁶ prohibits the trade, transport, export, and import of endangered and rare wild animals, it specifies that these species may be exploited for purposes of scientific research and international cooperation with Government approval, with no further details on the protection and welfare of these animals.

There have been encouraging reports of Vietnam's government supporting the use of non-animal methods to test cosmetics. For instance, in 2014, Vietnam banned the use of Draize rabbit eye and skin irritation tests. However, so far, no complete ban on animal testing for cosmetics has been adopted. Notably, 87% of citizens of countries belonging to the Association of Southeast Asian Nations (ASEAN), including Vietnam, would support instituting laws against animal testing in the region.⁵⁷ However, the adoption of an animal testing ban is not a priority for the ASEAN authorities as there is little pressure from consumers or industry.⁵⁸

⁵⁴ <https://bit.ly/3TjwvJ5>

⁵⁵ <https://bit.ly/3sfUqNm>

⁵⁶ <https://bit.ly/3MJ8zwh>

⁵⁷ <https://bit.ly/3eLyeYx>

⁵⁸ <https://bit.ly/3CFEuZO>

Animal Welfare Concerns

Animals used for research and testing suffer unimaginable physical pain, deprivation and emotional distress due to the procedures they endure and the conditions in which they live. The lack of policies on the use of animals in scientific practices is at odds with international standards. Vietnam should therefore develop stringent ethical and welfare standards for all animals used for scientific and educational purposes, including legally binding provisions regarding the care and accommodation of animals, and the proper conduct of animal experiments in line with OIE standards and the principles of the 3Rs (replacement, reduction, refinement).

Furthermore, there is significant scientific evidence and increasing concern within society over the scientific limitations, predictive value and effectiveness of many animal-based models and tests. Intrinsic differences in physiology, metabolism, pharmacokinetics, and genetic function between humans and other animal species remain an insurmountable obstacle to using animals to predict human outcomes. While major advances have been made in non-animal technologies, universities, pharmaceutical and diagnostic laboratories as well as military and agricultural facilities continue to see animal research as the gold standard. However, the replacement of animal tests by advanced non-animal methods has the potential to facilitate better quality, faster, cheaper and more humane science. Non-animal models are game-changing technologies, with the potential to significantly improve our understanding of human diseases by producing data based on human biology, leading to considerable benefits for public health in terms of preventing and curing diseases. Therefore, the development and use of animal-free methods in science, testing and education should be promoted and encouraged.

Moreover, the EU ban on animal testing for cosmetic products and ingredients led to the development of innovative and reliable non-animal methods for safety assessment that meet regulatory needs. On top of that, the EU is home to a dynamic 3Rs community with a range of organisations and institutions who develop and promote alternative methods to animal testing. Therefore, the EU could share its experience with Vietnam to build partnerships between authorities and non-governmental stakeholders from industry, academia and civil society organisations to help with establishing concrete objectives and actions to further develop, promote, uptake and build confidence on non-animal models and technology.

6

FOSTERING COOPERATION AROUND ANIMAL ISSUES UNDER THE TSD CHAPTER



Sustainable development is key in EU-Vietnam cooperation, and the Trade and Sustainable Development (TSD) chapter included in the EVFTA is the basis on which the partners can cooperate to achieve this objective. The chapter contains provisions on biodiversity, wildlife trafficking and sustainable aquaculture, and there are also animal-related topics that the EU should bring up with Vietnam under this chapter. In addition, the EU should foster cooperation with Vietnam on sustainable food systems. Although the agreement does not mention this topic, the recently published EU trade strategy clarified that cooperation on sustainable food systems should be pursued also with existing FTA partners.

6.1

WILDLIFE WELFARE AND CONSERVATION

EVFTA's TSD chapter provides that the parties 'adopt and implement appropriate effective measures, which are consistent with its commitments under international treaties to which it is a party, leading to a reduction of illegal trade in wildlife, such as awareness raising campaigns, monitoring and enforcement measures.' It also states that 'each Party reaffirms its commitment to effectively implement in its domestic law and practice the multilateral environmental agreements to which it is a party.' The EU and Vietnam could thus, on the basis of the TSD chapter, collaborate on topics related to wildlife: wildlife trade, habitat fragmentation and loss, and lack of enforcement of the legislation are the main threats facing wildlife species in Vietnam.

Addressing the issue of illegal wildlife trafficking

Legal and illegal wildlife trade occurs in Vietnam and both are closely linked to cultural habits, including traditional medicines, alimentation, decoration and pets. In the legal wildlife trade, actors keep and breed legally captive animals, such as tigers and bears. The animals or animal products are then sold to domestic or international markets, and the production methods often compromise animal welfare. By contrast, the illegal wildlife trade involves the harvesting of wild animals by local people, who then sell them to retailers to be traded to domestic or international markets. The illegal wildlife trade is a key contributor to global biodiversity decline, as it reduces wild populations and fuels local extinctions. Vietnam has been implicated in the trafficking of at least 18,000 elephants, 111,000 pangolins and 976 rhinos since 2010, and 75% of these animals originated from Africa.

The domestic and international trade in tigers for commercial purposes is prohibited in Vietnam under Decree 160/2013/ND-CP and Decree 92/2006/ND-CP, yet the trade is still highly active, with 68 seizures involving tigers between 2004 and 2016. The trade in rhino horns, ivory and pangolin scales is also banned, but their trafficking and consumption has also not been prevented. These products are all highly prized for their use in traditional medicine or for decorative purposes. Weak law enforcement has allowed a black market to flourish, making Vietnam a major transit hub for the products en route mainly to China.

Tiger breeding and Trade

Tiger farming to meet Chinese and Vietnamese demand for tiger-based traditional medicines is growing across Asia. The trade in captive-bred tigers was introduced to relieve pressure on the wild population, despite this conflicting with a 2007 CITES decision that tigers should only be bred for conservation purposes and not “for trade in their parts and derivatives”.⁵⁹ The trade is highly detrimental to animal welfare. The tigers are often pumped with fluid to increase their weight before being slaughtered (often by electrocution).

The industry has also not achieved its objective: it is believed that wild tigers are now extinct in Vietnam. While tiger skins, bones, teeth and claws are all traded for profit, tiger bone glue is the primary driver of the illegal tiger trade in Vietnam, and a recent study found that consumers of tiger bone glue in Vietnam prefer illegal wild products over legal alternatives. This suggests tiger farming should be phased out as it does not alleviate pressure on wild tigers and only encourages the consumption of tiger parts.⁶⁰

It is an international problem. Vietnamese networks often source captive-bred tiger parts from facilities in South Africa, which have grown amidst a lack of regulation over the breeding and trading of non-native species. The prominence of illegal trafficking in Vietnam also means that European tigers exported to the country (at least 31 between 1999 and 2016) are at high risk of being trafficked or killed for their parts.

A European live tiger can cost up to €22,000 when purchased in Vietnam, but the animals are also valuable dead: a small tiger tooth costs around €800, a bottle of tiger wine (made from tiger bones) around €220. Claws, eyeballs, brains, tails, innards and fur are processed, usually for traditional medicine or jewellery. Pink tiger bones are considered a luxury. While CITES prohibits the commercial trade in tiger parts, this has done little to limit the number of tigers bred in captivity to be killed and their body parts commercially traded.⁶¹

In respect of the issues with the trade, the EU should cooperate with Vietnam under the TSD chapter, Article 17.3.7.3 (d) and (e) of which commit the parties to implement appropriate effective measures to reduce wildlife trafficking. Vietnam must improve efforts to investigate tiger traders, for instance by following the money associated with those already convicted.⁶² This would require acknowledging the role corrupt state actors play in the trafficking.

Furthermore, an immediate audit of all captive tigers is critical. DNA profiling and stripe pattern databases would identify the source of tigers that end up in the trade so that facilities feeding the demand can be detected. Phasing out tiger farming can help wild tigers in the long term, but the recovery of wild tiger populations will depend on governments taking action to strengthen conservation and wildlife crime enforcement.⁶³

⁵⁹ <https://bit.ly/3BDQUle>

⁶⁰ <https://bit.ly/3Sb9iY4>

⁶¹ <https://bit.ly/3TwMBi2>

⁶² <https://bit.ly/3gmETc9>

⁶³ <https://bit.ly/3gjqYDE>

Habitat loss

The biodiversity law adopted in 2008 governs all biodiversity-related issues in compliance with the Convention on Biological Diversity, and it is the first law to provide a legal basis for the management of national and provincial conservation areas. Other regulations have been drafted to implement CITES commitments. However, the development of aquaculture, forestry and agriculture has led to the fragmentation and loss of animal habitats. While Vietnam is acting to reverse the trend (for instance, through a reforestation program, the creation of a national park, and species conservation projects) the impact of liberalisation - particularly in the field of agriculture - threatens the survival of many species. Notably, the ongoing growth in rice production could lead to the extension of arable areas into forests populated by endemic species (such as elephants). The same applies for aquaculture and forestry.

Lack of enforcement

While Vietnam has developed comprehensive laws and policies relating to wildlife and sustainability, effective implementation poses challenges as wildlife trade is continuously evolving and the country lacks the capacity to enforce the legislation. For instance, in the case of the illegal wildlife trade the government has been slow to investigate. Since 2018, 15 tonnes of ivory and 36 tonnes of pangolin have been seized at local seaports without any arrests or convictions. Indeed, only 14% of wildlife seizures in Vietnam in the past year resulted in convictions. While anti-corruption was initially listed as a key commitment in Vietnam's National Ivory Action Plan, this was deleted from the revised version without justification.⁶⁴

Yet Vietnam has increased efforts to combat the illegal wildlife trade in recent years. Under its 2018 penal code, seizures rose by 44%. The National Ivory and Rhino Act Plan commits the country to exchange information with source countries. While cooperation has so far been limited, Vietnamese law enforcement must collaborate with authorities in source countries including Nigeria and South Africa, transit countries such as Cambodia, Malaysia and Singapore, and China, a popular end market for smuggled wildlife products. This includes gathering and sharing intelligence with relevant countries in Africa and Asia to conduct transnational intelligence-driven investigations into seizures made at Vietnamese ports.

⁶⁴ <https://bit.ly/3eMKLLm>



THE CASE OF PET MACAQUES

Five species of macaque are native to Vietnam, including Assamese macaques, which are classified by the International Union for Conservation of Nature as Near Threatened and decreasing. No current and comprehensive assessment of the conservation status of the different species within Vietnam is available.⁶⁵ Despite this, macaques are commonly kept as pets in Vietnam, although illegally. The animals are exploited as pets more frequently than other primates but have fewer protections. Pet macaques are normally kept in cages in gardens or in front of homes, hotels, or restaurants, as a novelty or attraction. The unsuitability of primates as pets has been noted by veterinary bodies and animal welfare specialists, and studies of ex-pet primates have found that rescued individuals show clear signs of posttraumatic stress disorder, major depression and generalised anxiety disorder.

High demand for exotic pets persists. A survey by WWF in 2021 found that 13% of respondents in Vietnam had purchased exotic pets in the past 12 months. As this trade poses a threat not only to the conservation of species, but also to animal welfare, the issue of exotic pets may be an area of possible collaboration between the EU and Vietnam. One concise, transparent and enforceable method of regulating the keeping and sale of exotic pets is using a Positive List.

⁶⁵ <https://bit.ly/3CL7jDL>



6.2 OPPORTUNITIES TO IMPROVE THE WELFARE OF FROGS

State of play

Vietnam is the world's second largest exporter of frogs' legs and the second largest source for the EU after Indonesia. The EU imported 1,724 tonnes from Vietnam in 2019, representing about 50-85 million frogs, mostly caught in the wilderness (although frog farming has developed significantly in recent years).⁶⁶ This represents a significant increase in imports since 2000, when the EU imported only 99 tonnes. In 2010, the main importing countries in the EU were Belgium, followed by France and Italy.⁶⁷

Animal welfare concerns in the sector

The frogs' legs sector raises serious animal welfare concerns because production methods are highly cruel. Frogs are captured using hooks, nets, and spears and kept in overcrowded and unsanitary conditions until they are sold. Before consumption, their rear legs are cut off while they are still alive by scissors, blade or by hand and their torsos are tossed in a pile of other bleeding frogs, so they endure a painful death which can take a full hour.⁶⁸

The sector has also led to the depletion of native frog populations in Vietnam, compromising the welfare of the local environment as frogs play a vital role in balancing aquatic ecosystems.^{69 70} Thus the sustainability of this trade must be considered in light of the TSD chapter, particularly Article 13.7.3(f) on biodiversity. The lack of mandatory reporting in Vietnam means that the species involved in the trade are untraceable.

Unsustainable wildlife exploitation is a key driver of biodiversity loss.⁷¹ Amphibians are among the most frequently traded animals due to a lack of international protections. Notably, amphibians are one of the least protected taxa under CITES regulations, with only 2.4% of all known species listed, despite showing faster population declines than any other vertebrate group. High rates of wild collection, carried out with limited assessments of sustainability, risk the future survival of many species. Trade can also lead to the introduction of invasive amphibians, which can be vectors for pathogen spread and compete with native species for resources. These also drive species loss.

Wildlife collection occurs on local levels, humans collecting species for trade, consumption and medicine, whereas more widely amphibian trade is augmented by demand for pharmaceutical products, pets and even fashion. More comprehensive data are necessary to ensure that wildlife trade avoids harming species' long-term survival prospects.

⁶⁶ The Future Viability Of The Frog Farming Industry In Tien Giang Province And Ho Chi Minh City, Vietnam.

⁶⁷ Canapes to Extinction <https://bit.ly/3gnbuuy>

⁶⁸ <https://bit.ly/3yXg7pg>

⁶⁹ <https://bit.ly/3TD9HUa>

⁷⁰ <https://bit.ly/3SbcpPK>

⁷¹ Gaps in global wildlife trade monitoring leave amphibians vulnerable.

6.3

MOVING TOWARD SUSTAINABLE FOOD SYSTEMS

As the EVFTA fosters trade in animal products, its implementation could fuel intensive farming practices. Intensive industrial farming has a highly negative impact on the environment (air, water and ground pollution), biodiversity (changes in land-use result in habitat loss), public health (spread of zoonoses and antimicrobial resistance) and climate change (through the related deforestation and animals emitting greenhouse gases). Intensive farming also leads to huge volumes of waste (i.e. high level of water use, animal remains, excrement, water and soil pollution). In addition, the poor animal welfare standards inherent in intensive farming mean the animals cannot express natural behaviours and they become more vulnerable to disease. This is why, since 2012, the EU explicitly considers animal welfare as a dimension of sustainable agriculture.

Through the European Green Deal and Farm to Fork Strategy, the EU has committed to a more economically, socially and environmentally sustainable European food system and to use its external policies to promote sustainable food systems beyond its borders. Trade policy must play a key role here, and, in acknowledgment of this, the EU has included SFS chapters in some of its latest FTAs, which recognise animal welfare as a key component of SFS (e.g. the EU-Indonesia Comprehensive Economic Partnership Agreement). Such chapters can help to ensure that trade liberalisation does not result in the spread of unsustainable farming practices. As it is important to recognise the links between sustainable food systems and animal welfare, the EU should strive to replicate these outcomes through the existing cooperation mechanisms with Vietnam.

EVFTA's TSD chapter already offers a platform to discuss sustainable aquaculture and fisheries. On the one hand, Vietnam is one of the world's largest producers of fish and seafood worldwide (the fifth largest producer of farmed fish). On the other hand, the EU is the largest fish importing market in the world (34% in terms of value). In the EU, the share of aquaculture in the fishing industry is approximately 17% and amounted to almost 3 billion tonnes in 2018.



Fish welfare is an important aspect of sustainable aquaculture in the EU, notably to reduce the use of antibiotics in the sector. In May 2021, in the context of the latest EU 'Farm to Fork' food strategy, the EU adopted strategic guidelines for a more sustainable aquaculture in the EU towards 2030. These guidelines contain specific objectives related to fish welfare:

- ➔ to support authorities, experts and stakeholders to develop together a code of good practice on fish welfare including farming, transport and slaughter;
- ➔ to set validated, species-specific, and auditable fish-welfare indicators including farming, transport and slaughter;
- ➔ to enhance research and innovation especially into species-specific welfare parameters and nutritional needs;
- ➔ to provide training to aquaculture producers and other operators.

The EU and Vietnam could build on these recommendations to cooperate on higher fish welfare and on moving towards sustainable aquaculture systems.

Fish welfare is also a dimension that should be taken into account when addressing fisheries. Minimising the welfare impacts during capture and killing in wild capture fisheries is critical to preserving product quality characteristics including taste texture, nutritional content, and shelf life, and to the efficient operation of commercial fishing boats.

7

CONCLUSIONS



In May 2020, the European Commission's Farm to Fork Strategy indicated that "EU trade policy should contribute to enhance cooperation with and to obtain ambitious commitments from third countries in key areas such as animal welfare (...)". This strive to obtain commitments on animal welfare from trading partners should also apply to the implementation of trade agreements, and the European Commission should inject sufficient resources into the relevant cooperation processes to achieve this goal.

The list of topics that could bring relevant progress for animals is significant, and so are thus the opportunities for the EU to promote higher animal welfare with Vietnam, and contribute to a transition towards more sustainable societies.



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