# HOW TO OBTAIN THE SEAL OF ANIMAL WELFARE AND BOOST YOUR BUSINESS





What producers and companies must do to obtain the Certified Humane®seal that certifies good practices in the production of meat, milk, eggs and other raw materials of animal origin.

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How the use of the Certified Humane® seal will work

## The consumer is the one who demands it: food producers must guarantee the welfare of the animals

Until recently, most people cared little about how foods were produced and coming to their table. This is changing rapidly. In recent years, a greater percentage of consumers are demanding ethical practices and responsibility from food businesses. The main aspect in the list of priorities of these consumers is to check that animals, from which meat, milk, eggs and other raw materials come, were not subjected to cruel or degrading conditions throughout their life cycle; from birth to slaughter.

"The Certified Humane® label helps consumers know what products, among those available on the market, were produced with due respect for animal welfare."

For this, there is a set of rules that establish food standards, health care, minimum housing space, among other requirements related to the quality of life of animals that live on farms and production facilities.

But how to assure consumers that the standards are being met? The mission of Humane Farm Animal Care (HFAC), a non profit organization, is to execute the vigilant role to monitor compliance with animal welfare requirements

Companies and producers that verify that they meet the requirements receive an animal welfare seal--Certified Humane®--which will be placed on the packaged products. The seal, therefore, helps people make sound decisions and buy based on the different products available in the market, knowing which were produced with due respect to the animals.

In the following pages, we will explain how the certification works, which companies can obtain it and what are the steps to follow. If you are a producer or processor of food, this topic is of interest to you.

#### Who can get the certification?

The standards of animal welfare certification cover a large part of the agricultural chain.



The production chain of food and raw materials of animal origin is extensive and quite diversified. In the first instance, there are different types of species raised for human consumption. Each species has particular needs. That is, obviously a bovine is different from a pig or a bird. Not only that, the set of requirements to provide greater welfare to dairy cattle differ from the actions to be carried out in the production of beef cattle. The quality of life of broilers depends on the availability of space, amount of food and water available, different from that provided in the breeding of turkeys.

Diversity also exists in the characteristics of the producers. There are large and small producers. Producers can work in groups or individually. Its production can be negotiated with wholesalers or processing companies. In addition, there are various ways to process raw material of animal origin.

The good news: the certification standards already cover a large part of the livestock activities of the chain from which they are derived.

Those companies and producers that produce or use ingredients produced from the following species can apply for the Certified Humane seal:

- Bovine meat and milk
- Pigs
- Sheep
- Broilers and Laying Hens
- Turkeys
- Goats
- Calves (young bovines)
- Bison (Buffaloes)

If your farm or company relates to one of the species listed, the next step is to find out how your activity or production structure fits into the categories to be certified. See who can request the Certified Humane seal:

#### **Individual producers**

Welfare standards of an individual producer. It can be, for example, a cattle farmer, a poultry farmer, a pig farmer or one that raises any of the other species, following established norms and welfare requirements. The certification has affordable costs for small or large farms and the process as a whole is simple. Therefore, any producer, large or small, can get the animal welfare certificate for their business.

### Companies that use products of animal origin

Companies that buy products of animal origin and process, package and resell them can also be certified. The Product Manufacturing Operation (PMO) is used in the case of slaugher houses and dairy products, for example. In this situation, one of the main aspects demanded by HFAC is that all the raw material comes from certified producers.

#### **Pooled product operations**

A Pooled Product Operation (PPO) is an HFAC-certified operation that buys products from individual production operations, which have been inspected and found to be in conformance with HFAC standards, processes such products and sells them under the brand of the PPO. The individual producers have their own certificate, which remains linked to the PPO (company or cooperative), who finances the operation.

#### Beef cattle traders

The companies that buy beef cattle are a separate category. In order to obtain the seal, the company with this activity must have an Internal Control System capable of guaranteeing that the farmers from whom it is supplied follow the animal welfare standards established by HFAC. The certification of a cattle buying group also includes the operations of processing and handling of the meat and the derivatives produced.

#### **Groups of producers**

When the number of producers involved in a Pooled Product Operation is too large, it can be treated as a Group of Producers, which involves the implementation of an Internal Control System (ICS) by the company being certified. In this case the company must perform animal welfare audits on every producer group member at least once a year and HFAC, during its annual audit, only audits a sample of the total of producers and assesses the effectiveness of the ICS.

#### **Restaurants**

The Certified Humane seal can be obtained by establishments at different stages of the agricultural chain - including restaurants that prepare and serve food directly to consumers. In this case, the guarantee is that the dish indicated on the menu with the certification seal was made only with ingredients of animal origin obtained from duly certified suppliers.

#### After all, how to get certified?

What do to in order to use the Certified Humane label assuring to the market that your company respects the animals



#### 1. First step: knowing the needs of animals

The first step of obtaining the Certified Humane® seal is to study the animal welfare practices that the farm or the company that wants to be certified must follow. Only then will it be possible to evaluate all the necessary adaptations to be made in each operation based on the requirements of the standards. In general terms, the objective is to guarantee that the animals are bred free of physical, psychological or environmental distress. Each species has its own characteristics and needs. The standards for each of them can be found on the website of HFAC.





#### 2. Request the inspection

Those interested in obtaining certification must make an application. At this stage, you must complete a questionnaire that explains in detail how is the operation on the farm or company that is seeking certification. In the case of farms, for example, the questions focus on aspects such as the number of animals housed or raised, the structure of sheds or huts, pigsties or stables, the equipment used and the methods used for breeding, growth, fattening and slaughter.

There is a fee that must be paid (details of the costs of the certification process given later). Once the payment is received and the questionnaire is completed, the technicians of the Certified Humane Institute carry out an initial evaluation. The process can be approved to continue with the certification or the questionnaire will be returned indicating the aspects that are not in compliance with animal welfare standards. In this case, the producers or entrepreneurs must review the indicated aspects to continue with the process.

The initial request is similar to the one made annually to renew the certificate. In this case, the person in charge of the operation must complete the renewal form, noting the changes made since the last inspection.

"The objective of the inspections is to evaluate if the animal welfare requirements are being adopted by the producers and companies"  $\square$ 

#### 3. Submit to inspection

After having analyzed the initial questionnaire, Certified Humane appoints inspectors who will visit and verify the facilities that requested the certification. The requestor will get a conclusion of the inspection work up to 30 days after the initial request. The objective of the inspection is to evaluate if, in fact, animal welfare standards are being applied correctly in relation to the species raised. The result of the inspections could be the approval of the process, granting the right to producers or companies to use the Certified Humane® seal on the products.



There are situations in which the inspection work could be very extensive, considerably increasing the costs with respect to the inspection schedule. For example, this occurs when there are many producers involved. In this case, Certified Humane requires the implementation of an Internal Control System whose function is to ensure that all producers respect the rules continuously. In practice, the Internal Control System - which can be constituted by a professional or by a team - establishes procedures to be followed, generates monitoring reports, conducts training and defines criteria of participation within the group of producers. In addition, it defines the penalties for those who do not respect the rules. This is extremely important, since the set of producers can face the suspension of the certification if one of its members does not comply with the standards.

It is obligatory that all the producers that make up the group are visited at least once a year by the Internal Control System. At the time of the annual inspection, the Certified Humane inspectors will evaluate said systems to confirm that that they are trustworthy. Subsequently, at least 10% of the members of the group will be inspected by Certified Humane, to evaluate if the standards are being met and if the internal control is working correctly. Each year, different producers of said group will be inspected.

There are particularities in each of the productive activities to be certified; however, in general terms, the inspectors follow a fairly regular process. In the first instance, the inspectors hold an introductory meeting of the tasks with the producer or the company responsible to be certified. During the inspection, the management conditions of the animals are evaluated.

The inspectors also seek to confirm the veracity of the information presented by those responsible in the application forms. Throughout the visit, administrators and employees are interviewed to verify the level of knowledge of the person about the requirements to which the operations of the farm are subject.

#### What is done during the inspection, by type of activity:

#### **Animal Husbandry**

- Verification of documents and records of the farm, including information submitted by veterinarians, suppliers of feed for animals and other goods, also service providers to the property.
- Observation of animal handling and care procedures to verify the degree of compliance of the operation with the Certified Humane standards and guidelines.

#### **Transportation of Animals**

- Evaluation on the maintenance conditions of the vehicles.
- Finding of compliance of the vehicle for the species to be transported.
- Observation of loading, transport and unloading procedures for wounded or sick animals.

#### **Processing Units**

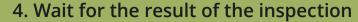
- Evaluation of equipment and facilities maintenance conditions.
- Finding the ability to track animals and ingredients of products.
- · Verification of the adequacy of the management systems of live animals and of the procedures for unloading the animals in the processing plant.
- Evaluation of control systems for origin, identification and appearance of animals, in addition to slaughter protocols, handling of wounded or sick animals, action plans in case of emergency.

#### **Producer Groups**

- Evaluation of the Internal Control System to which the producers of the group are subject (the ICS requires compliance with some requirements, such as carrying out annual inspections of the producers, fully documenting the inspection visits and carrying out the pertinent actions in case of suspicion of irregularities, among others).
- Inspection by the producers of the group, whose result will be compared with that of the inspections carried out by the Internal Control System.

The inspection will conclude with a closing meeting. At that time, the inspector will present the team with a summary of the activities and conclusions of the audit. Said activities and conclusions shall

be recorded in the exit meeting report, where the inspector shall list the possible non-conformities found. The document will be signed by the applicant for the certification and by the inspector.



The inspections conclude with the final meeting between the inspector and the person in charge of the farm or company being evaluated. Subsequently, the inspector will make a report of the inspection. It may happen that the inspector identifies some minor irregularity, that is, it is the identification of small irregularities that need to be corrected but do not compromise, in general, the quality of life of the animals. In this case, the establishment will have a determined term to take the necessary measures and to adapt completely to the standards; however, they will already have the right to use the certification seal.

Another case is when there are irregularities or major violations of the rules. This means that these irregularities represent serious problems, to the point of determining that an operation cannot be certified. This occurs when a procedure considered important is not performed; that is, the inspectors do not have access to the facilities that will be evaluated or when there are too many minor irregularities that compromise the certification. In practice, a greater irregularity means that Certified Humane cannot guarantee the quality of life in the animals correctly because the producer or the company did not meet the minimum. criteria.

"Approved farms have the right to use the Certified Humane® seal on their products."

Farms and companies in which no irregularity was registered receive a certification valid for one year. At the end of that year it will be necessary to carry out an inspection to maintain the certification.

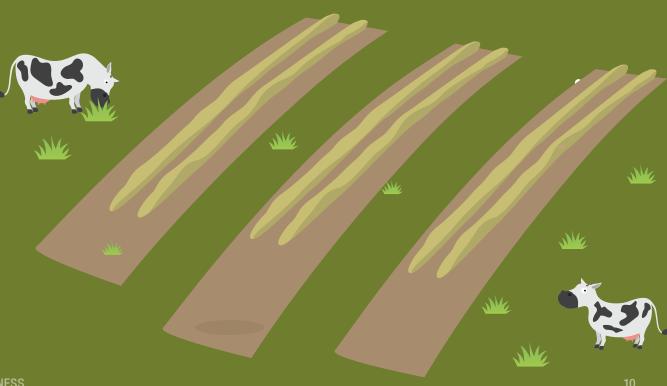
Those farms that presented minor irregularities receive a conditional certificate valid for 30 days - a term granted to correct problems, even minor ones. Subsequently, the final certification will be granted, also valid for one year. No certificate will be granted to anyone who submits one or more major irregularities; these must be resolved before requesting a new inspection.

It should be noted that farms or certified companies can be subject to inspections without prior notice. In these cases, those responsible will be notified about the visit within a period of no more than 24 hours.

#### 5. Annual renewal

Every year, inspections must be carried out to maintain the certification. In accordance with Certified Humane procedures, every client is requested to update the application documents 90 days before the anniversary of the last annual inspection.





#### The necessary investment

See how much it costs to certify your company - an accessible or essential investment for the sustainability of your business (all prices reflected are US dollars - USD).

Fees presented here are not valid for all countries. Please confirm with our team the applicable fees for your project.

A common question among the producers and pusinessmen interested in the certification is:

How much does it cost?

First of all, we must clarify that they include the following fees.

#### Application fees

To start the process there is a fee of \$120 for the analysis of the questionnaires filed in the application for the initial certification.

#### or Annual renewal

This rate is paid annually to renew the certificate. The fee will be \$120 provided that the person responsible for the farm or company sends the renewal form at least two months before the date of inspection--the cost will be \$240 in the case of the renewal request is made within a month of its expiration and \$480 after the expiration date.

#### Inspection Fees

Following come the inspection costs. The fee is charged per day of work of the inspectors--it is considered an eight-hour work day. The time required for the inspection varies according to the extent of the work to be performed. The inspection of a chicken farm with only one barn or shed will last less than the inspection of a group of producers. The client requesting the inspection will also be responsible for the transportation, hospitality and food expenses of the inspectors. In some cases, these costs can be divided between several producers or companies in the same region. To divide costs, it is necessary that they organize themselves and carry out the inspections in the same period. There is a tabulated value for farms and another for industrial operations or processing (see below).

#### **Certification Fees**

There is a certification fee charged to whoever gets the certificate, based on the number of animals or certified products produced.

"We do not exaggerate when saying that the cost of certification per animal or product ends up being ridiculously small compared to the opportunities that open up in an increasingly demanding market."

Below you will find the lists (valid for 2020) with the costs for the different stages of application, inspection of the operations and the certification itself. Volumes mentioned below are anual. Fees below are not applicable to all countries.

| Application fee                                     |       |  |
|---|-------|--|
| Application delivery date                           | Fee   |  |
| 60-30 days before the annual inspection anniversary | \$120 |  |
| 29-0 days before the annual inspection anniversary  | \$240 |  |
| After the annual inspection anniversary date        | \$480 |  |

#### *Inspection fees (US\$)*

The HFAC fee for inspections on a farm is \$ 600/day/inspector

The HFAC fee to conduct inspections of a Product Manufacturing Operation (PMO), Pooled Product Operations (PPO) a slaughterhouse or processor is \$750/day/inspector

| Certification fees (US\$)              |          |  |
|--|----------|--|
| Dairy Cows (per 1000 liters of milk)   | \$0.1816 |  |
| Sheep - Milk (per 1000 liters of milk) | \$0.1816 |  |
| Sheep - Meat (per head)                | \$0.1265 |  |
| Turkeys (per bird)                     | \$0.0189 |  |
| Young Dairy Beef (per head)            | \$0.2853 |  |
| Goats Milk (per 1000 liters of milk)   | \$0.1816 |  |
| Goats Meat (per head)                  | \$0.1265 |  |
| Laying hens (for cases of 360 eggs)    |          |  |
| 0 - 50,000 cases                       | \$0.0385 |  |
| 50,001 - 100,000 cases                 | \$0.0289 |  |
| > 100,000 cases                        | \$0.0193 |  |

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| Certification fees (US\$)   |          |  |
|-----------------------------|----------|--|
| Cattle (per head)           |          |  |
| 0 - 25,000 animals          | \$0.5706 |  |
| 25,001 - 50,000 animals     | \$0.4279 |  |
| 50,001 - 75,000 animals     | \$0.3209 |  |
| 75,001 - 100,000 animals    | \$0.2407 |  |
| 100,001 - 200,000 animals   | \$0.1805 |  |
| 200,001 - 300,000 animals   | \$0.1354 |  |
| > 300,000 animals           | \$0.1015 |  |
| Pigs (per head)             |          |  |
| 0 - 35,000 animals          | \$0.2853 |  |
| 35,001 - 65,000 animals     | \$0.2150 |  |
| 65,001 - 100,000 animals    | \$0.1605 |  |
| 100,001 - 200,000 animals   | \$0.1204 |  |
| 200,001 - 300,000 animals   | \$0.0903 |  |
| > 300,000 animals           | \$0.0677 |  |
| Broiler Chickens (per bird) |          |  |
| 0 - 6,000,000               | \$0.0017 |  |
| 6,000.001 - 15,000,000      | \$0.0012 |  |
| 15,000.001 - 30,000,000     | \$0.0009 |  |
| 30,000.001 - 40,000,000     | \$0.0007 |  |
| > 40,000,000                | \$0.0005 |  |
| Bison (per head)            |          |  |
| 0 - 500 animals             | \$0.5105 |  |
| 500 - 2,500 animals         | \$0.3829 |  |
| > 2,500 animals             | \$0.2553 |  |

<sup>\*</sup> All prices shown are in American dollars.

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#### In conclusion: The use of the seal of animal welfare

#### How will the use of the Certified Humane® seal work?

After the certification process, your company will be able to use the Certified Humane®seal on their products. With this, the market will visualize that your business takes concrete measures to guarantee the quality of life of animals raised for human consumption.

You may wonder: But why is it important? For many reasons. One of them is **productivity**. The experience of certified producers shows that certified farm animals face fewer health problems, contributing to weight gain, reducing the loss of animals due to diseases.

However, there are other aspects to consider. A growing percentage of the population is demanding the right to consume food whose production has not resulted from the suffering of any living being. Respect for animal welfare constitutes a fundamental business commitment with people. For example, when the food we eat is from healthy animals, our health will be more protected, free of threats from the irresponsibility of animal health.

The organization of the chains of food production goes through a profound transformation. Large food companies are demanding that their suppliers guarantee animal welfare through a certification. As could be expected, it is the consumer's behavior that is driving this change. This occurs even in developing countries.

Recent research shows that respect for animal welfare is one of the main aspects that people value in a company. A good part of the population ensures that it avoids consuming products whose animal raw material was obtained in a cruel or painful way.

At the same time, there is a growing number of people who claim to be willing to pay more for food produced without pain or unnecessary suffering for any living being.



Then the fundamental question is: On which side of history do you want to be? Animal welfare is one of the sources of sustainability for your business.



www.certifiedhumane.org

