



This monthly briefing note will be a little bit different than the regular ones as the first article of the document will be a quick summary of the findings of the exploratory study we produced, on the potential evolutions of VAT rates for veterinary services within the European Union.

As you will see below, we explored two possibilities: the option to exclude veterinary services from the Services directive and the potential revision on the VAT rates at European level.

Our main conclusion is that any evolution on this topic will be difficult to secure and will take time. Nevertheless, we believe that it is important for our organisation to meet with key actors of the decision-making process on these two dossiers in order to gain information and decide whether or not to launch more actions on the subject.

Piotr KWIECIŃSKI, UEVP President

TABLE OF CONTENTS

PRIORITY ISSUES 2

Potential evolution of VAT rates for veterinary services at EU level 2

Latest EU institutional news 3

Latest news on antibiotics at EU level 4

Update on EMA activities 5

OTHER ISSUES 5

Latest news on the Veterinary profession 5

Latest news on animal health 6

Latest news on animal welfare 6

PRIORITY ISSUES

Potential evolution of VAT rates for veterinary services at EU level

UEVP produced a document aiming at exploring the opportunities to launch an influence campaign at European level to lower and harmonize VAT rates for veterinary services.

Two possible options were explored:

- A potential revision on the VAT rates at European level through the adoption of a revised proposal of the [Council Directive](#) of 2018 as regards rates of value added tax;
- A potential revision of the [Services Directive](#) of 2006 with an exclusion of veterinary services from the scope of the directive leading to a zero VAT rate.

The key actors in the discussions regarding the potential revision on the VAT rates at European level are the Member states within the Council. They must make a unanimous decision on this topic which implies that the discussions take time. The discussions between the Member States take place behind closed doors. Therefore, it is necessary for UEVP to meet with counselors of Member States Permanent Representations to the European Union in order to get precise and detailed information on the state of play of the discussions and on the chance to include a possibility for Member States to allow reduced VAT rates for veterinary services (if the possibility is allowed, each Member State could then choose to use it or not). Moreover, in June 2020, two Members of the European Parliament (MEP), Petra AUSTREVICIUS (RE, Lithuania) and Francisco GUERREIRO (Greens/EFA, Portugal) asked a written question to the European Commission on the topic of reduced VAT rates for veterinary services and could also be potential allies for UEVP on this topic.

Furthermore, a potential exclusion of veterinary care (on the model of the exclusion of healthcare and pharmaceutical care) from the Services Directive which could also be a solution to obtain a zero VAT rate can only be secured through a revision of the Services directive. At the moment, no evolution or revision of the regulation is foreseen but a resolution from the European Parliament drafted by Morten Løkkegaard (RE, Denmark) asked for an evaluation of the implementation of the text. Therefore, UEVP needs to meet with the European Commission's Directorate for the Internal Market, Industry, Entrepreneurship & SMEs (DG GROW) to obtain information on a potential revision proposal and on their position regarding the exclusion of veterinary services from the Services directive. The meeting will also allow UEVP to obtain information on the basis of the differentiation of the classification of veterinary services and healthcare and pharmaceutical care.

The main recommendation of the note is to obtain more information in order to decide UEVP's next steps on the subject and to have a better view on the possibility to secure an evolution on the subject of VAT rates for veterinary services. In order to do so, UEVP should organize meetings with the DG GROW of the European Commission to discuss the potential revision or evaluation of the Services directive and with counselors in charge of the proposed revision of VAT rates within key Permanent Representations of Members States to the European Union.

Latest developments on the Farm to Fork and Biodiversity strategies

Farm to Fork strategy

Discussions continue on the European Parliament's draft [report](#) on the Farm to Fork [strategy](#).

In the Council, Czech Republic, Hungary, Poland, Slovakia, Bulgaria, Croatia and Romania signed a [joint declaration](#) on 12 May 2021, ahead of the Council "Agriculture" of 26-27 May 2021, which gathers Agriculture ministers of EU Member States.

In this declaration, the seven countries show their concern on the consequences of the Farm to Fork strategy for their agriculture. They underline, among others, the need for a "thorough" impact assessment "before legislative proposals following from the strategy", including the strategy's impact on the "entire agri-food chain, in particular farmers, as well as on the European Union's food security, competitiveness and sustainable development of the sector". According to the EU Member States in question, "this is particularly important in the case of restrictions on the use of plant protection products, the sale of antimicrobials and the use of fertilisers, as well as increased animal welfare requirements".

The two parliamentary committees responsible for drafting the European Parliament's report on the Farm to Fork strategy, namely the committee on Agriculture and Rural Development (AGRI committee) and the committee on the Environment, Public Health and Food Safety (ENVI committee) are expected to adopt it by July 2021. It should be noted that the vote on this report in these committees has been postponed due to the large number of amendments tabled.

Biodiversity strategy

The ENVI committee adopted on 28 May 2021 its own-initiative [report](#) on the European Commission's Biodiversity [strategy](#) by 62 votes to 4 with 12 abstentions.

The adopted report includes several references to the need to protect animal welfare and animal health, and particularly:

- Calls on the European Commission to use the regulatory dialogues provided for in Free Trade Agreements to "promote stringent EU sanitary and phytosanitary standards and animal welfare in order to minimise the risks of future epidemics and pandemics";
- Calls on the European Commission to review the [Regulation](#) on maximum residue levels of pesticides to "incorporate animal health and environmental risks as criteria of the legislation";
- Asks for the European Commission and the EU Member States to "facilitate the adoption of healthy and sustainable diets" and "assess subsidies that are harmful to animal welfare by 2022 with a view to phasing them out".

The European Parliament should vote on this report on 7 June 2021 in plenary sitting. It should be noted that once voted, this report will represent the position of the European Parliament on the European Commission's Biodiversity strategy.

Positioning of Animal health Europe on animal health in the context of the Green Deal

During the "EU Green Week", Animal health Europe published a brochure, illustrating how the organisation can contribute to the European [Green Deal](#) – which comprises among others the [Farm to Fork](#) and [Biodiversity](#) strategies of the European Commission.

Regarding these two strategies, the organisation suggests to “*look where we can improve animal health and welfare, protect against emerging diseases and increase production efficiencies while drastically cutting food waste from farm to fork*”. It also underlines that the organisation’ support to farmers and veterinarians “*with the tools to prevent disease and help animals stay healthy*”, help “*ensure the well-being of farm animals*”, as well as “*to avoid food waste at source, and reduce resource inputs like feed and water*”.

As a reminder, one of the 2030 targets of the Farm to fork strategy is to reduce the sale of antimicrobials for farmed animals and in aquaculture by 50%.

Latest developments on the CAP reform

Negotiations in “trilogues” between the European Parliament, the Council and the European Commission continue on the common agricultural policy (CAP) reform at European level, with discussions expected to be concluded in the coming weeks. Intensive talks took place at the end of May 2021 in order to reach an agreement, which has not been concluded eventually between negotiators.

The remaining topics for an agreement to be reached include the budget dedicated to eco-schemes and the agri-environmental measures – both of which should include measures in favor of animal welfare.

A new “Agriculture Council” gathering Agriculture ministers of the EU Member States and the European Commission is scheduled for 28-29 June 2021.

In parallel, the European Commission published an [evaluation](#) of the instruments applicable to State aid in the agricultural and forestry sectors and in rural areas on 11 May. With regards to animal welfare, it highlights, among others the following elements:

- aid measures that are particularly relevant for achieving the objectives of the [Green Deal](#) include the improvement of the natural environment and hygiene and animal welfare standards beyond European standards;
- rules on State aid for the agricultural sector are “*largely coherent*” with both the CAP and the EU veterinary and public health policy.

Latest news on antibiotics at EU level

The Council publishes its priorities regarding AMR for the 2021 United Nations Food Systems Summit

In the perspective of the 2021 United Nations Food Systems Summit, the Council – the European body which represents the EU Member States – published on 31 May 2021 its [conclusions](#).

In this document, the Council gives its opinion and supports to the transformation of food systems. It recalls its priorities for the Food System Summit. Some of them target antimicrobials.

First, the Council recommends including reduction targets in order to enhance the responsible and sustainable use of fertilizers, pesticides, and antimicrobials.

Then, the Council highlights that AMR is a threat to public and animal health. It reaffirms the EU’s willpower to implement measures to rule “*the responsible, prudent and sustainable use of antimicrobials*”. The Council recalls that actions should be taken to implement the [2015 Global Action Plan on AMR](#).

The United Nations Food Systems Summit aims at defining new actions to draft a healthier, more sustainable, and equitable food systems. Thanks to these actions, the Summit should contribute to the [Decade of Action](#) and

help achieving the Sustainable Development Goals (SDGs) by 2030. The United Nations Food Systems Summit will take place in September 2021. Subscriptions are not yet open, but a [Pre-Summit](#) event will take place both online and in Roma between the 26 and the 28 of July.

Update on EMA activities

Decisions of the Committee for Medicinal Products for Veterinary Use (CVMP)

The Committee for Medicinal Products for Veterinary Use (CVMP) held a [meeting](#) from 10 to 12 May 2021.

The Committee adopted positive opinions for a market authorization application for Bonqat, for type II variation applications concerning Simparica Trio, for type IB variation grouped application for Vectra 3D and Vectra Felis.

The Committee decided that the withdrawal periods for milk, meat and offal derived from treated food producing species should be reviewed. It concluded the referral procedure lead by Germany regarding injectable veterinary medicinal products containing vitamin A for use in food producing species.

The Committee required that the product information in the PSURs for Cytopoint, Draxxin and a signal detection outcome for Osrnia need to be changed. On the contrary, the Committee concluded that no further action was required concerning the PSURs for Circovac, Clynav, Mirataz, Panacur AquaSol, Posatex and Spironolactone Ceva.

OTHER ISSUES

Latest news on the Veterinary profession

The European Commission opens two initiatives on veterinary medicines

The European Commission has launched two consultations on veterinary medicines.

The first one concerns the rules on the distribution of active substances. It aims to ensure that these medicines are stored, transported, and handled correctly. The proposed regulation is intended to apply to importers, distributors and manufacturers of active substances used as starting materials in veterinary medicines. To contribute to this consultation, please visit this [link](#).

The second consultation concerns the regulation of good distribution practice for veterinary medicinal products. The draft regulation is intended to apply to holders of a manufacturing and wholesale distribution authorization. It also includes those established or operating under specific customs procedures (free zones or customs warehouses). To contribute to this consultation, you can visit this [link](#).

Stakeholders can give their opinion until 9 June 2021. It is necessary to have an "EU Login" account in order to participate.

Please note that the European Commission plans to adopt implementing regulations on these topics in the 4th quarter of 2021.

Latest news on animal health

The European Commission harmonized for all Member States the surveillance of SARS-CoV-2 infections in mink bred for fur production

While Denmark has incinerated four million minks in order to curb Covid-19 mutations, the European Commission has introduced standards for the surveillance and reporting of SARS-Cov-2 infections in mink bred for fur production on 12 May 2021.

To do so, the European Commission has adopted the [Implementing Decision 788](#) which is a legally binding act that applies to all EU Member States. For the first time, this decision foresees a mandatory and a harmonized diagnostic screening and reporting system for minks. This should help preventing outbreaks of SARS-CoV-2 like the 400 fur farms in 2020.

In practice, the standards will apply to at least 5% of the population of any single farm. They can be extended to 20% of the farm if positive results for SARS-CoV-2 are found. Then, virological tests will be carried out on a weekly basis, on live or dead animals.

Even if this decision will help reducing the number of infected minks in farms, the organization Eurogroup for animals claims that gaps remain. According to the decision, public authorities can decide to switch from active to passive surveillance on farms. Eurogroup for animals explains that the passive surveillance is not efficient to monitor the increase of SARS-CoV-2. Indeed, under this situation tests will be required only if mortality has increased or if farm workers are tested positive.

Latest news on animal welfare

Update on the “End of the Cage Age” initiative

The NGO Compassion in World Farming (CIWF) has proposed a European Citizens' Initiative (ECI) on the end of cage farming for the 300 million farmed animals (chickens, rabbits, ducks, geese, calves, sows).

An ECI is an instrument of participatory democracy that works like a petition. It needs to collect at least 1 million signatures from European citizens for the European Commission to consider whether to propose a new legislation on the issue in question.

CIWF's ECI has collected the required 1 million signatures and the European Commission is expected to respond by 30 June 2021.

In the meantime, it is up to the Agriculture committee (AGRI) of the European Parliament to propose a [draft resolution](#) on this issue. Drafted by its chairman, Norbert LINS (EPP, Germany), the proposal received 216 amendments from MEPs in the committee. The final draft was voted on 21 May with a compromise amendment on the revision of the [1998 directive](#) on the protection of animals kept for farming purposes to provide for a ban on cages "by 2027".

In addition, an amendment calling for a cage farming ban for products imported into the EU was also adopted.

Call for application to select experts in the “EU Platform on Animal Welfare”

In May 2021, the European Commission adopted a [decision](#) renewing the mandate of the Platform on Animal Welfare until 30 June 2025. The European Commission created in 2017 this experts’ group in order to “*develop and exchange coordinated actions on animal welfare*”.

The renewal of the platform implies a new call for applications to re-elect its members. The European Commission is therefore launching a call for applications from business, professional and civil society organizations, and independent experts (academics and researchers) based in the European Economic Area and operating at EU level.

The call for applications is available [here](#) and is open until 21 June 2021. The application file must include a motivation letter and the two forms in [the annexes of the call for applications](#).

Latest news on the ANIT Committee’s report on animal welfare during transport

The Committee of Inquiry on the Protection of Animals during Transport (ANIT Committee) of the European Parliament clarified its work on the report it must produce.

On 31 May, the ANIT Committee held a public hearing on the transport of species (poultry, rabbits) not sufficiently covered by the 2005 [Regulation](#) on the protection of animals during transport.

According to the discussions, while some rules exist to protect these vulnerable animals, there are many compliance problems in the EU.

On 16 June 2021, ANIT Committee will discuss for the first time its draft report calling for measures to improve animal welfare during transport. In this context, the research center of the European Parliament has released a [study](#) on animal welfare during transport in third countries.

Some of the main findings of the study are the following:

- In the EU, standard procedures for risk assessment, manuals for transport operators and competent authorities, procedures and criteria catalogues for certification and guides to good transport practice and beyond have been developed in numerous projects to interpret the legal requirements;
- The legal situation, its implementation by operators and its enforcement by competent authorities does not effectively protect animals from pain, suffering and injury and death during long journeys, in particular in third countries;
- Several scientific, administrative and social bodies are calling for more coherent electronic technologies to monitor and register geo-positions, temperature and humidity as well as for an increasing number of uniform and unannounced inspections.

With the support of



info@euralia.eu