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PROPOSAL

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To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2023) 769 final
Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the welfare of dogs and cats and their traceability

Delegations will find attached document COM(2023) 769 final.

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EUROPEAN
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Brussels, 7.12.2023
COM(2023) 769 final

2023/0447 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the welfare of dogs and cats and their traceability

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

According to a Eurobarometer conducted in 2023[1], 44% of Union citizens own companion animals and 74% of Union citizens consider that the welfare of companion animals should be better protected than it is now. 6 out of the 10 European Citizens' Initiatives which have been successful so far relate to animal welfare, reflecting the importance that citizens attach to better protect animals in general.

In 2021, it was estimated that EU citizens owned 72,7 million dogs and 83,6 million cats[2]. There is a substantial trade in dogs and cats[3], through breeding establishments selling puppies and kittens and other establishments, in particular pet shops which sell dogs and cats of all ages. Animal shelters also supply dogs and cats, either by selling, giving in adoption, or re-homing rescued, stray or unwanted dogs and cats. Although part of the demand for dogs and cats is met by licensed breeders that abide by high standard of animal welfare, many dogs and cats have been the subject of illegal trade and transportation, including from third countries.

Evidence of an important volume of document forgeries, misleading information, and indications of disguised movement of dogs for commercial purposes as non-commercial movements to take advantage from less stringent control rules, was collected at the occasion of the EU Coordinated Action on the illegal trade[4] of cats and dogs carried out in 2022 and 2023[5]. During the EU enforcement action, 467 notifications were generated by Member States in iRASFF to seek assistance in cases involving suspicions of fraudulent activities. This EU Coordinated Action enabled the identification of clusters of cases where operators were suspected of engaging in fraudulent activities and at least 47 judicial proceedings have been initiated in several EU Member States during the period of the EU coordinated action. 45% of the notifications in iRASFF concerned suspicion of fraudulent activities in movement of dogs from third countries. The coordinated action allowed to detect forged health certificates and rabies antibody titration reports, falsified pet passports, illegal traffic of dogs and cats from Russia and Belarus.

Such sub-standard breeding and illegal trade results in important problems for the welfare, including the health, for the dogs and cats concerned, and the well-being of the prospective pet owner. This can be illustrated by problems notified in a number of iRASFF notifications: notification of sick puppies, with puppies not arriving at destination as they had to be euthanised due to parvovirus, of dogs tested positive for

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1 European Commission, Special Eurobarometer 533 "Attitudes of Europeans towards Animal Welfare", Fieldwork: March 2023.

2 FEDIAF annual report 2023: https://europeanpetfood.org/about/annual-report/

3 The annual demand across the EU for dogs-only may exceed 8 million animals per year.

4 In the fight against the trafficking of fauna (including the illegal trade of cats and dogs), the European Commission works closely with Europol, including in the context framework of the EMPACT, the European Multidisciplinary Platform Against Criminal Threats, platform which is a gateway to implement, and informed by the 2021 Communication on the EU Strategy on Organised Crime and other relevant EU policies, strategies and action plans.

5 European Commission, Directorate-General for Health and Food Safety, *Illegal trade of cats & dogs, EU enforcement action,* 2023, doi:10.2875/236344.

Brucella Canis, of cases of dogs with extreme stress, of dogs with diarrhoea, respiratory infections, dehydration, cases of neglected care. Some other iRASFF notifications mention investigations due to animal cruelty. Others mentioned cases of mutilations, such as ear cropping and tail docking of puppies.

Additionally, in recent years, the sale of dogs and cats is increasingly growing through online platforms and social media. Many of these platform's listings offer animals that are not from responsible breeders but from suspected illegal breeders or pet shops or are kept in conditions detrimental to their welfare. The possibility for Member States to trace back the origin of dogs and cats is often limited because the system of identification of those animals only applies when animals are being moved between Member States or beyond, and in addition, there is no unified system of registration.

In 2020, the European Parliament adopted a resolution[6] on the illegal trade in companion animals in the EU calling for a harmonised, EU-wide system of mandatory identification and registration of cats and dogs to fight illegal trade. It also asked that companion animals be microchipped by a veterinarian and recorded in a national database, and that the protection of consumers buying companion animals via online listings be improved.

In 2010, the Council called upon the Commission "to study the differences between the measures taken by the Member States regarding the breeding of and EU trade in dogs and cats and, if appropriate, to prepare policy options for the harmonisation of the internal market"[7]. Following this, the Commission published a study[8] which identified divergent national laws on the breeding of dogs and cats in the Union, and a lack of systematic identification, registration and control of the movement of dogs and cats in the Union. It also identified welfare problems arising from the housing conditions both in breeding establishments and sale sites[9]. In 2022, in the Council, 20 Member States[10] called on the Commission to introduce common EU legislation for the commercial keeping and sale of dogs, including harmonised traceability rules[11].

Many Member States have also committed to protect the welfare of cats and dogs as signatories to the European Convention for the Protection of Pet Animals[12].

There is no EU legislation on the welfare of dogs and cats. There is EU legislation on the protection of dogs and cats when they are bred, supplied and used for scientific

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6 European Parliament resolution of 12 February 2020 on protecting the EU's internal market and consumer rights against the negative implications of the illegal trade in companion animals (2019/2814(RSP))

7 Council Conclusions on the welfare of dogs and cats, 29 November 2010: https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/agricult/118076.pdf

8 "Study on the welfare of dogs and cats involved in commercial practices", European Commission, 2015: https://food.ec.europa.eu/system/files/2016-10/aw_eu-strategy_study_dogs-cats-commercial-practices_en.pdf

9 The risks for animal welfare can be numerous: mutilations, inbreeding, irreversible behavioural problems, abuse, mistreatment, parasites or bacterial and viral infections, physical exploitation, genetic defects, conformation-associated diseases.

10 DK, DE, LT, SE, BG, LV, CY, BE, CZ, LU, IE, PT, FI, NL, SK, EE, MT, SI, ES, HR.

11 Agrifish Council meeting of 21 February 2022.

12 Council of Europe, European Convention for the Protection of Pet Animals, CETS 125 - European Convention for the Protection of Pet Animals (coe.int).

purposes[13]. There are also some specific EU requirements for the transport of dogs and cats[14], imposing a minimum age for their transport[15]. EU legislation also covers the movements of dogs and cats in the context of animal diseases, most notably rabies, either when they are subject to these animal health requirements in the context of movement, between Member States and from third countries[16], or when they are moved in a so-called "non-commercial" movement when they are accompanying their owners[17].

There are no specific EU obligations related to sales of dogs and cats via online platforms, however the horizontal provisions of the Regulation (EU) 2022/2065 ("the Digital Service Act")[18] apply. The Digital Service Act regulates the responsibilities of providers of intermediary services online, including online platforms such as social media and online marketplaces, with regard to illegal content and goods or services offered by the recipient of their services. The Digital Service Act sets out, in particular, a number of due diligence obligations for online platforms relevant for the proposed Regulation, including the introduction of the "traceability of traders" principle, and the obligation for online marketplaces to adapt their online interface to enable traders to comply with applicable Union law. Moreover, the Digital Service Act covers all types of illegal content, as defined by national or EU law, and therefore any content that would be considered illegal under a national or Union legislation will be considered illegal under this Regulation, and its obligations will apply.

The trade in dogs and cats is very lucrative, with the estimated annual value of dogs and cats' sales in the EU amounting to EUR 1.3 billion[19], and therefore attractive to operators willing to engage in unfair or even unlawful business practices. Some establishments are keeping dogs or cats under poor welfare conditions, exhausting females to have many litters per year, neglecting animals on their food, housing, health and hygiene conditions and selling them too young (because it is easier to sell and cheaper to produce). Consequently, many animals present physical defects or are sick, and not treated against parasites. These animals also often present behavioural disorders due to early weaning or mistreatments. They may also be falsely identified in order to prevent tracing back their origin.

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13 Directive 2010/63/EU of the European Parliament and of the Council of 22 September 2010 on the protection of animals used for scientific purposes (OJ L 276, 20.10.2010, p. 33).

14 Council Regulation (EC) No 1/2005 of 22 December 2004 on the protection of animals during transport and related operations and amending Directives 64/432/EEC and 93/119/EC and Regulation (EC) No 1255/97(OJ L 3, 5.1.2005, p. 1).

15 The Commission has adopted a proposal to revise and complement these rules on the welfare animals, in particular dogs and cats, during transport.

16 Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law') (OJ L 84, 31.3.2016, p. 1).

17 Regulation (EU) No 576/2013 of the European Parliament and of the Council of 12 June 2013 on the non-commercial movement of pet animals and repealing Regulation (EC) No 998/2003 (OJ L 178, 28.6.2013, p. 1).

18 Regulation (EU) 2022/2065 of the European Parliament and of the Council of 19 October 2022 on a Single Market For Digital Services and amending Directive 2000/31/EC, OJ L 277, 27.10.2022, p. 1

19 IBF International Consulting, VetEffecT, Wageningen University & Research Centre (WUR), Istituto Zooprofilattico Sperimentale dell'Abruzzo e del Molise "G. Caporale" (IZSAM), Study on the welfare of dogs and cats involved in commercial practices, 2015, p. 6 (https://food.ec.europa.eu/system/files_ro?file=2016-10/aw_eu-strategy_study_dogs-cats-commercial-practices_en.pdf)

This situation also generates unexpected and unfair costs for buyers. They have to pay to treat some diseases or mitigate genetic defects. It provokes also emotional distress for buyers when they discover that their animals can no longer be treated. Buyers may also face dogs or cats with serious behavioural problems that make them difficult to keep in the family. In both cases, buyers may have to end up requiring euthanasia. Moreover, this situation generates serious animal suffering because animals are misfed, kept under uncomfortable and unhealthy conditions, sometimes subject to mistreatment due to lack of knowledge of animal caretakers.

There are also wide differences between the legislation of different Member States, such as on rules regarding the threshold between professional and non-professional breeders, minimum and maximum age of breeding, and identification and registration of dogs and cats, and also linked to the difficulties to implement national rules in an internal market where animals circulate freely. These disparities, which are likely to increase as national provisions are being revised and reinforced in some Member States at an accelerated pace due to public pressure, while other Member States have very limited legal provisions in the area, are likely to create barriers to trade in cats and dogs. This will be to the detriment of high standard commercial breeders and will prevent them from drawing a benefit from investments in improving the welfare of cats and dogs.

Each year, high numbers of cats and dogs are admitted to shelters across the EU, either governmental or owned by non-profit organisations[20]. For instance, in Belgium 7 642 dogs and 25 926 cats were admitted in 2021[21], while Spanish yearly numbers are even higher, estimated at an annual 100 000 dogs and 30 000 cats[22]. The above-mentioned EU coordinated action on dogs and cats reported suspicions of illegal trafficking of dogs through some of these shelters, with shelters advertising imported dogs online for sale, without the necessary permits, and with incorrect data in the health certificates of passports.

It is necessary to include animal shelters in the scope of this Regulation, even if their activity is carried out in a different environment from commercial breeders, and to apply certain requirements, regardless of whether or not they conduct an economic activity when they give in adoption or re-home cats and dogs, in order to ensure the effectiveness of the rules and their enforceability, in particular to prevent that the market is distorted by practices that may constitute unfair competition or mislead consumers, and to prevent illegal trade in cats and dogs.

This proposal aims to address these issues by proposing a common framework with the following objectives:

– Ensuring minimum common animal welfare standards for the breeding, keeping and placing on the market of dogs and cats bred or kept in establishments,

– Improving the traceability of dogs and cats placed on the Union market or supplied, including when offered for sale or adoption online,

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20 Magnus, J., *A Starter Guide to Understanding and Working with Animal Shelters for Animal Sanctuaries*, Open Sanctuary, accessed in November 2023.

21 Government of Flanders, Department of Animal Welfare, *Opgevangen dieren in Vlaamse dierenasielen 2021*, 2021, Cijfers opgevangen dieren asielen 2021 - website.xlsx (vlaanderen.be)

22 Fatjó, J. et al, 'Epidemiology of Dog and Cat Abandonment in Spain (2008–2013)', *Animals*, Vol. 5, 2, MDPI, pp. 426–441, https://doi.org/10.3390%2Fani5020364.

– Ensuring a level playing field between operators keeping and placing on the market dogs and cats across the Union

– Promoting competence for animal caretakers,

– Supplementing existing rules for the import of dogs and cats.

- **Consistency with existing policy provisions in the policy area**

This proposal is consistent with the current EU legislation on animal transport and on transmissible animal diseases. It is also consistent with the legislative proposal to revise the Regulation on the protection of animals during transport, adopted on the same date as this proposal.

The requirement for approval of breeding establishments included in this proposal builds on the existing requirement for registering establishments under the Animal Health Law[23]. Member States will be able to rely on the list of establishments registered under the Animal Health Law to identify those which need to be inspected and approved under this proposal.

Similarly, the traceability requirements of this proposal build on the requirements for the identification of dogs and cats subjected to cross-border movements set out in the Animal Health Law by expanding the identification requirement to all dogs and cats placed on the market or supplied in the Union, and adding a requirement for the registration of those dogs and cats in national databases.

The Animal Health Law and the Union rules on the non-commercial movement of pet animals[24] include certain requirements concerning the entry into the Union of dogs and cats. In particular, as a regular rule for the movement into the Union, dogs and cats must come from a third country listed by the Union based on animal health guarantees, and the establishment of origin in the third country must be registered. This proposal builds on these requirements, by requiring that the third countries also provide guarantees on their controls for the animal welfare rules on establishments laid down in this proposal, and by requiring that the breeding establishments are not only registered but also approved. Concerning traceability, animal health rules require that, both for commercial and non-commercial movement of dogs and cats entering into the Union, the animals must be identified with a microchip. To reinforce these traceability provisions, this proposal requires that, for dogs and cats entering into the Union the owner at the place of destination ensures their registration into one of the Member States' databases. This will provide more tools for controls on those animals.

- **Consistency with other Union policies**

This proposal is consistent with the Union policy on a single market for digital services. For instance, the provisions regarding online services have been drafted in a way that makes them compatible with the Digital Services Act (Regulation (EU) 2022/2065).

This proposal maintains intact the exemption of liability that applies to online platforms under the conditions set out under Article 6 of Regulation (EU) 2022/2065.

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23 Under the Animal Health Law, only shelters moving animals to other Member States and assembly centres are submitted to an approval requirement.

24 Regulation (EU) No 576/2013 of the European Parliament and of the Council of 12 June 2013 on the non-commercial movement of pet animals, OJ L 178, 28.6.2013, p. 1

Furthermore, it does not impose any general obligation to monitor the information stored, nor actively to seek facts or circumstances indicating illegal activity, as prohibited under Article 8 of the same Regulation. Finally, its obligations complement, but do not replace nor contradict the obligations imposed under the Digital Services Act to online platforms, including those allowing consumers to conclude distance contracts with traders. The Digital Services Act imposes a common set of responsibilities on online businesses providing services in the EU, including on online platforms intermediating the sale of products and services. The Digital Services Act establishes 'compliance by design' obligations that require platforms to design and organise their online interfaces in a way that enables certain information to be displayed (but only as regards service providers that qualify as 'traders') and illegal listings to be taken down.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal bases of the proposal are Article 43(2) and Article 114 of the Treaty of the Functioning of the European Union, since this proposal concerns the breeding, keeping and trade in dogs and cats, which are live animals covered by Annex I to the Treaty, and its objective is to ensure a smooth functioning of the internal market for dogs and cats, for which common animal welfare requirements are lacking, avoid distortions and barriers to trade in those animals due to diverging national rules on animal welfare, while ensuring a high level of animal welfare and a high level of consumer protection, including from illegal trade.

- Subsidiarity (for non-exclusive competence)

The objective of this proposal is to regulate the trade in dogs and cats in the internal market, including imports from third countries, to ensure the rational development of the sector and avoid barriers to trade and combat illegal trade in cats and dogs while ensuring a high level of protection of animal welfare. These objectives cannot be achieved by Member States acting on their own and need to be addressed by the Union. Action solely by Member States would risk causing a further fragmentation of the internal market. Such differences in the level of protection of animal welfare are likely to persist and be exacerbated in response to citizen's demands, therefore leading to a partitioning of the internal market in cats and dogs.

For example, the prohibition of a certain type of painful practices (ear cropping, tail docking) in some Member States but not in others acts to the detriment of traders who maintain high levels of animal welfare as they cannot draw a benefit from their investments in high welfare standards when they trade cross-border. This may lead to the relocation of production to Member States where no such prohibition applies.

The activity of animal shelters is often carried out cross-border, given the accessibility of online services to advertise the transfer of animals in those situations. Some animal shelters may also be offering cats and dogs for sale. Given that shelters supply numbers of animals to the market that can be considered substantial, there is a need to include them in the scope of this Regulation, regardless of whether the activity carried out can be considered an economic activity, because at least the reasonable costs are reimbursed. Therefore, animal shelters should be included in the scope and subject to some of the requirements of this Regulation, concerning the five domains of animal welfare, the competence of animal caretakers, visits by veterinarians, and identification and registration of animals.

Traceability of dogs and cats is essential to fight illegal trade in these animals. It is difficult at present to ensure traceability of dogs and cats supplied on the Union market. As dogs and cats can be traded across borders within the Union and existing national databases are not interoperable, initiatives taken at national level by individual Member States cannot address the existing gaps and Union level intervention is necessary. In order to be effective, the traceability provisions should apply to all dogs supplied in the Union, whatever the intended purpose.

- **Proportionality**

This proposal lays down minimum animal welfare requirements for the breeding, keeping and placing on the Union market of dogs and cats. These rules are essential to protect the functioning of the internal market, and do not go beyond what is necessary for that purpose.

In particular, to ensure proportionality, the provisions of this proposal on the breeding and keeping in establishments do not apply to very small establishments. Breeders of less than a certain number of litters per year are not subjected to rules on how the dogs and cats must be bred and kept, and are only required to identify and register the dogs or cats before placing them in the Union. A similar approach is taken for shelters and pet shops keeping a small number of dogs or cats, which are only required to identify and register the dogs or cats before supplying them in the Union. Given that shelters generally do not operate for profits, a number of the provisions required for breeding establishments and pet shops are not required for shelters – for example the detailed requirements on housing (temperature, space allowance, lighting) – in order to ensure proportionality of Union rules for shelters.

Furthermore, while natural and legal persons supplying dogs or cats in the Union are required to ensure that the animals are microchipped and are registered, this is necessary to ensure the effectiveness of this Regulation in achieving its objectives, in particular to combat illegal trade, and is proportionate given the limited impact of this requirement on natural persons supplying dogs or cats on the Union market (see section “impact assessment” below). The proposal does not impose such obligation for natural persons supplying dogs or cats occasionally on the Union market other than through online services.

This proposal allows Member States to maintain or adopt stricter national rules on housing conditions, mutilations, enrichment, selection and breeding programmes as long as they do not prohibit or impede the placing on the market within their territory of dogs and cats kept in another Member State on the grounds that the dogs and cats concerned have not been kept in accordance with those stricter national rules.

- **Choice of the instrument**

Proposed instrument: Regulation.

Regulating the breeding, keeping, and placing on the market of dogs and cats, as well as the traceability of dogs and cats placed on the market and supplied, requires technical operations and rules which should be precise to ensure a proper level playing field of operators within the internal market. The required level of precision and harmonisation can be better achieved in a directly binding Regulation, rather than by the use of Directives.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Not applicable since there is presently no existing legislation on the welfare of dogs and cats.

Nevertheless, the Fitness Check on the EU animal welfare legislation discusses this gap in the existing legislation in relation to the protection of dogs and cats placed on the Union market. In the Public Consultation performed in support of the Fitness Check, a vast majority of the respondents considered that species-specific animal welfare requirements are missing for cats (79%, 47 064 of 59 286) and dogs (80%, 47 272 of 59 286). This was also reflected in stakeholder interviews. For instance, one professional organisation (representing veterinarians) expressed that companion animals are extremely important for consumers, and that there are a lot of welfare problems with those animals.

- **Stakeholder consultations**

Stakeholders' consultations took place through the activities of the voluntary initiative on the welfare of dogs and cats[25] as well as a series of bilateral meetings with organisations of dog breeders, pet food industry, online services, pharmaceutical industry and animal welfare organisations.

Stakeholders agreed on the problems identified (absence of level playing field, fraudulent practices detrimental for consumers as well as animals, the role of the online services and social media) and on the need for the EU to establish a set of common rules to regulate this market. In particular, online platforms supported a harmonised regime for pet animals at EU level, and considered this should be an opportunity to improve the trust and reliability of online sales channels.

- **Collection and use of expertise**

The European Food Safety Authority adopted a scientific and technical assistance report on welfare aspects related to breeding, feeding, housing and health of cats and dogs in breeding establishments[26]. The EFSA report contains recommendations on the type of housing and exercise, on housing temperature and light, on health and painful surgical interventions.

The Commission also took into consideration the conclusions of the EU Animal Welfare Platform voluntary initiatives on the welfare of pets (dogs and cats) in trade which contains a series of guidelines on responsible dog breeding, cat breeding, commercial movements of dogs and cats, socialisation of puppies and kittens, online platforms selling of dogs and guidelines for buyers of dogs. Both the EFSA opinion and the conclusion of the EU animal welfare platform are publicly available on the Internet. It also took into account the two reports produced for that purpose by that voluntary initiative: a report on recommendations on possible elements for EU legislation on marketing and sales of dogs and cats[27] and a report on

[25] https://food.ec.europa.eu/animals/animal-welfare/eu-platform-animal-welfare/platform-conclusions_en#pets

[26] EFSA (European Food Safety Authority), 2023, Scientific and technical assistance on welfare aspects related to housing and health of cats and dogs in commercial breeding establishments. EFSA Journal, 21(9), 1–105. https://doi.org/10.2903/j.efsa.2023.8213

[27] https://food.ec.europa.eu/system/files/2023-07/aw_platform_plat-conc_recom_dog-cat_sales.pdf

recommendations on possible elements for EU legislation on breeding of dogs and cats[28].

- **Impact assessment**

The analysis and all supporting evidence will be set out in a Commission Staff Working Document published at the latest within three months of the publication of the proposal.

Available Evidence of impacts can be summarised as follows:

The proposal is estimated to apply to around between 24 000 and 30 000 commercial dog breeders, and between 8 000 and 10 000 commercial cat breeders[29] of which 20% are commercial pedigree breeders[30]. It is estimated that about 4.4 million puppies and 1 million kittens of the yearly EU production of dogs and cats are produced by commercial non-pedigree breeders (corresponding to about 50% of the dogs and cats born and bred in the EU every year).

Housing requirements

The welfare of dogs and cats bred in the EU would be improved with the new requirements by providing more freedom of movement in an environment without cages, with thermal comfort zones where they can meet their physiological needs, as well as with more space for activity and complex environment thanks to outdoor/indoor access[31].

Commercial breeders of pedigree dogs and cats are not expected to bear any additional costs since they usually already respect equal or stricter welfare requirements as those imposed by the pedigree organisations of which they are members[32].

The causes of dog and cat intake in shelters vary but include strays and abandoned animals, owner surrenders, returned adoptions and shelter born kittens and puppies[33]. The number of strays and animals in shelters is especially high in Southern and Eastern European countries[34]. European provisions on animal shelters are currently lacking, and despite many Member States having certain national measures in place, animal welfare conditions in many European shelters are alarming[35]. Especially overcrowding in shelters forms a large risk for poor animal welfare conditions[36].

Requirements for breeding

Introducing a minimum age for breeding for bitches and queens, a restriction on the reproductive rhythm and a requirement to monitor the health and welfare of bitches

28 https://food.ec.europa.eu/system/files/2023-07/aw_platform_plat-conc_recom_dog-cat_breeding.pdf

29 Stakeholder consultation with pedigree breeders' representatives, association and NGO for the protection of animal welfare.

30 IBF international Consulting, Study on the Welfare of Dogs and Cats involved in Commercial Practices, final report, SANCO, EU COM, 2015.

31 Stakeholder consultation.

32 Stakeholder consultation with dog/cat pedigree breeders' representatives.

33 Van der Leij, W. J. L. et al, 'Quantification of a shelter cat population: trends in intake, length of stay and outcome data of cats in seven Dutch shelters between 2006 and 2021', *PLOS ONE*, Vol. 18, 5, PLOS ONE, 2023, https://doi.org/10.1371/journal.pone.0285938.

34 Veto Tierschutz, *Wo wir helfen*, accessed in November 2023.

35 Veto Tierschutz, *Wo wir helfen*, accessed in November 2023.

36 McCobb, E. and Dowling-Guyer, S., 'Welfare assessments for long-term housing in animal shelters,' *Veterinary record*, Vol. 178, 1, pp. 17-18, https://doi.org/10.1136/vr.h6936.

and queens over a certain age, would allow to respect the physical and physiological maturity of the animals, thereby improving their welfare[37,38]. Some EU Member States already have a legal framework that sets a minimum/maximum age of breeding. Others have no such requirements at all[39]. The proposal would therefore contribute to a more level playing field for all types of breeders. Disruptions in the production cycles will be avoided by an appropriate transition period that ensures operators have time to adapt to the new rules and thus avoid disruptions in the supply of dogs and cats to consumers.

Approval of breeding establishments

Breeding establishments must already be registered, in accordance with Regulation (EU) 2016/429 ("Animal Health Law")[40]. However, registration is done without an inspection by the competent authority to verify that the establishment complies with animal welfare rules. Additionally, certain Member States (such as Austria, Belgium, France, Germany and Portugal) regulate breeding establishments in their national legislation. Some Member States approve breeding establishments based on animal welfare criteria, but not all Member States, and those having such requirements use different thresholds to consider breeding establishments as professional establishments subjected to approval requirements, which reinforces the uneven playing field for the sector[41].

The existing requirement to register breeding establishment allows the competent authorities to build on the existing registries and will facilitate the identification of the establishments that require approval. For pedigree breeders, the approval would likely be easy to obtain (as they usually follow higher animal welfare requirements already).

Identification and registration of dogs and cats and national databases

Mandatory identification (by electronically-read transponders) and registration in a national database of all dogs and cats before they are placed on the market or supplied would improve the traceability of dogs and cats (in particular in combination with specific conditions when the dogs or cats are sold or adopted through online platforms[42]). As a result, competent authorities will be better able to control the identity and origin of dogs and cats traded and circulating on the internal market, discouraging fraud, and thus better controlling the animal welfare conditions in the establishment of origin.

In 24 Member States, such registration of dogs is already mandatory. In two of the three remaining Member States, it is regulated in a few of their regions, while only one Member State has no such requirements at all. Therefore, the cost of the measure

37 Voluntary Initiative on the Health and Welfare of Pets (Dogs and Cats) in Trade, *Welfare in Pet Trade, Responsible dog breeding guidelines*, DOC/2020/11972 Rev1, 2020.

38 Voluntary Initiative on the Health and Welfare of Pets (Dogs and Cats) in Trade, *Welfare in Pet Trade, Responsible cat breeding guidelines*, DOC/2020/11982 Rev1, 2020.

39 EU Dog & Cat Alliance, *The welfare of dogs and cats involved in commercial practices: a review of the legislation across EU countries*; EU Dog and Cat Alliance, *National Legislation – EU Dog & Cat Alliance (dogandcatwelfare.eu)*.

40 Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law'), OJ L 84, 31.3.2016, p. 1–208.

41 EU Dog and Cat Alliance, *National Legislation – EU Dog & Cat Alliance (dogandcatwelfare.eu)*.

42 Eurogroup for Animals, *The illegal pet trade: game over*, 2020, chapter 3.

would in practice be limited (albeit somewhat less limited for cats, for whom identification and registration is mandatory only in seven Member States)[43].

The measure will not impact breeders of pedigree puppies and kittens, since these breeders are part of associations that have similar requirements in terms of identification and registration[44]. For other actors placing dogs and cats on the Union market, the proposal would have a limited economic impact: the cost for the operator or supplier for implanting a transponder and registration by a veterinarian is estimated to be around EUR 50 (disparities however exist across Member States)[45]. In the Member States where the registration of dogs (24) and cats (7) is already mandatory[46], there would be no additional costs.

All Member States will be impacted by the requirement to ensure interoperability of national databases. This is crucial to ensure proper traceability and for verification systems to become fully functional. Experience in some Member States and third countries shows that interoperability can be achieved by developing application programming interfaces. A transition period is foreseen for Member States to be able to make these adaptations. Currently, a private initiative, called Europetnet, already links national and regional databases of 17 Member States (albeit on a voluntary basis)[47]. Hence, the impact of such a requirement would be relatively limited.

On-line sales

It is estimated that around 60% of dog and cat owners purchase their pet through the internet. That represents around 4,8 million dogs and 1,2 million cats[48]. There are at least 75 online platforms across the EU that intermediate the sale or donation of dogs and cats[49]. Offering dogs online is currently regulated in eight Member States, and offering cats online is currently regulated in at least seven Member States[50]. There are a number of divergences in these national regulatory approaches. For example, in Austria, only registered breeders can advertise online. In Brussels and Franders, advertisement online must include the approval number of the dog or cat breeders when the advertiser is the manager of an approved establishment (breeder/seller/shelter). The microchip number must be amongst the information provided in the advertisement.

The proposal would allow acquirers of dogs and cats to verify the authenticity of the identification and registration of dogs and cats via a website connected to national databases. Online platforms would be required to adapt their interface so that the suppliers provide the necessary information for buyers to use the website to verify the authenticity of the identification and registration of dogs and cats.

Based on private initiatives, systems have been developed and are already used voluntarily by certain online platforms whereby the verification of the authenticity of the identification and registration of the dogs and cats is made before the offer is

43 EU Dog and Cat Alliance, *National legislation.*

44 See for example Fédération Internationale Féline, *FIFe Breeding & Registration Rules*, 2023 or Fédération Cynologique Internationale, *International Breeding Rules of the FCI*.

45 Based on costs comparisons of different Member States and Europetnet, *Microchipping.*

46 EU Dog and Cat Alliance, *National legislation.*

47 Europetnet, *Member organizations*.

48 Estimation based on EU Dog & Cat Alliance and Blue Cross, *Online pet sales in the EU What's the cost?*

49 EU Dog and Cat Alliance and Blue Cross, *Online pet sales in the EU What's the cost?*

50 EU Dog and Cat Alliance, N*ational legislation.*

published on an online platform. In addition, certain Member States have started to require the use of such verification systems. In France, since 1 July 2023, platforms must verify that advertisements for the sale of dogs or cats provide all mandatory information before any publication (including the breeder's identity and the animal's identification) which is to be verified in an automated manner against the national database. At the end of this process, the published advertisement mentions "verified advertisement". In Germany, in 2021, the government announced an intention to develop similar requirements in order to introduce mandatory identity verification for online pet trade.

Such a system would greatly improve traceability – hence empowering sellers, online platforms, acquirers and competent authorities to easily check the identification and registration of a dog or a cat.

Entry into the Union

There is a considerable entry of dogs and cats into the Union, with several thousands of animals being imported every year. In addition to the legal importation, the illegal trade from outside the EU has been increasing in later years, with 45% of non-compliance and suspected cases of fraud detected within the EU or at its borders during the EU coordinated action involving dogs and cats directly originating from third countries such as Serbia, Belarus, Russia and Türkiye[51]. Current EU rules on the movements of dogs and cats, such as the provisions of Regulation 576/2013 and of the Animal Health Law, necessitate to be complemented by additional tools to limit opportunities for such illegal trade.

Some Member States that are points of entry of dogs and cats into the Union, such as Latvia, have observed repetitive non-compliances and suspected cases of fraud with consignments and the misuse of the non-commercial movement documents for trade purposes, and an increase in the volume of dogs and cats entering from Russia and Belarus. As a result, some of those Member States are considering national measures – for example Latvia has introduced additional control measures at import. However, if no action is taken at EU level, this would likely lead to diverting such movements to entering the Union via other Member States.

In addition, there is strong evidence of a very high level of Union citizens' concerns about the welfare, including health, of dogs and cats bred and kept in establishments and supplied on the Union market. This can be seen in the above-mentioned Eurobarometer on animal welfare and European Parliament resolution, as well as the very high number of petitions, parliamentary questions, complaints and letters on this topic received by the European Commission from citizens, civil society organisations and parliamentarians. It can also be illustrated by the number of signatures received by campaigns organised by animal welfare NGOs in certain Member States.

Introducing animal welfare requirements on breeding establishments, pet shops and shelters in the EU, without requiring equivalent requirements for imports of dogs and cats from third countries, would lead to an increase in such imports from third countries' establishments applying poor standards of welfare. This, because of attractive prices and a lack of information of Union consumers about the welfare conditions in the establishment of origin. Therefore, the animal welfare policy

[51] European Commission, Directorate-General for Health and Food Safety, *Illegal trade of cats & dogs, EU enforcement action,* 2023, doi:10.2875/236344. .

objective of this proposal would not be properly achieved, and Union citizens' concerns would not be addressed.

Furthermore, the measures foreseen to be required also for import of dogs and cats (veterinary visits in establishments, establishments to comply with requirements regarding feeding, housing, health, behavioural needs and mutilations), are necessary to protect the health of dogs and cats, as well as public health.

The suboptimal circumstances of breeding cats and dogs in intense commercial breeding facilities (so-called "puppy mills") lead to an excessive use of female animals for breeding. This very often leads to exhaustion, cachexia, and susceptibility to infectious diseases, in addition to reduced longevity.

Lack of traceability and proper vaccination represent a serious risk for transmission of zoonoses, such as rabies and echinococcosis, and therefore public health risks in the Union. Poor, feeding and housing conditions including low levels of hygiene, as well as use of painful practices such as mutilations, weaken the immune systems of the animals and are associated with an increased use of antimicrobials, which has an effect on the development of antibiotic-resistant infections in humans. Insufficient measures to address behavioural needs of the animals and proper socialization of the pups and kittens, cause behavioural issues in the pups and kittens, which later in life can cause serious public safety concerns due to the development of aggressive behaviour.

- **Regulatory fitness and simplification**

The proposal excludes small breeders of dogs and cats and small pet shops and shelters from the requirements applicable to establishments as such rules would be disproportionate. In addition, the proposal relies on digital tools (in particular the inter-operability of national databases of dogs and cats) to achieve the policy objective of limiting fraud.

- **Fundamental rights**

The empowerment for the Commission to adopt implementing acts for technical requirements concerning the national databases on dogs and cats, and the verification system for online platforms, include obligations for the Commission to specify in those implementing acts provisions on data protection in compliance with the General Data Protection Regulation.

4. BUDGETARY IMPLICATIONS

The impact on the Union budget is detailed in the financial statement and can be summarised as follows:

The proposal will require additional human resources for managing the implementation of the legislation and the development of interoperable databases for the identification and registration of dogs and cats (3 FTE).

In parallel, an operational budget of EUR 1,5 million is estimated to be needed for the development and initial operation of the system of verification of the authenticity of this identification and registration for offerings via online Platforms and ensuring the interoperability of national databases and then, EUR 300,000 per year for its maintenance and operation.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

  This proposal introduces a list of policy indicators, which may be reviewed and completed, and a requirement for Member States to report on them regularly to the Commission, as this is necessary to monitor and evaluate the success of this Regulation. On this basis, the Commission will publish a regularly updated dashboard showing data on the welfare of dogs and cats put on the Union market.

  In order to be able to gather robust evidence after the 7 years transition periods, an evaluation report should be presented 15 years after the entry into force.

- **Explanatory documents (for directives)**

  Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

  Chapter I - Subject matter, scope and definitions

  This scope covers the breeding and keeping of dogs and cats in establishments (including pet shops and animal shelters) and their placing on the market or their offer for adoption at no cost. The proposal also covers the traceability of dogs and cats placed on the market or supplied in the Union. It excludes dogs and cats kept for scientific purposes.

  Chapter II – Obligation of operators of establishments

  This chapter does not apply to small establishments.

  It introduces the principles of animal welfare based on the concept of the "five domains", i.e. the needs of animals in terms of nutrition, environment, health, behavior and mental state.

  This chapter also establishes an obligation for operators to notify their activities to the competent authorities as well as to inform customers on responsible ownership.

  This chapter sets out requirements for the competence of animal caretakers and requires establishments to have veterinary visits.

  The chapter then defines technical requirements on feeding and watering, housing, health, behavioural needs and painful practices, for breeding establishments, pet shops and shelters (however a number of provisions are not required for shelters). In addition, it requires breeding establishments to be approved by the competent authorities. Provisions on housing, health and the approval of breeding establishment have a deferred application of 5 years.

  Chapter III- Identification and registration of dogs and cats

  This chapter obliges establishments keeping dogs and cats and suppliers of dogs and cats in the Union to identify the concerned animals by microchip and to register them in a database.

  It also requires suppliers of dogs or cats to provide evidence of identification and registration. In addition, online platforms where dogs or cats are offered for supply are required to enable suppliers to provide proof of the identification and the registration of dogs or cats offered on those platforms. It requires the Commission to ensure the development of a system publicly available free of charge verifying the authenticity of the identification and registration of a dog or cat.

Chapter IV - Competent authorities

This chapter requires competent authorities to offer training for animal caretakers on animal welfare and to approve training programmes on animal welfare.

The chapter requires Member States to establish a database for dogs and cats identified by microchip.

The chapter also contains an obligation for competent authorities to collect, analyse and publish data on animal welfare, and to report these to the Commission every 3 years.

Chapter V – Entry into the Union of dogs and cats

This chapter contains rules on the entry into the Union of dogs and cats bred and kept in compliance with or equivalent conditions to the ones of this proposal.

Chapter VI - Procedural provisions

This chapter contains the provisions for the empowerments for the Commission to supplement and amend the non-essential elements of the annexes to the Regulation by delegated acts, in order to take account of new scientific evidence or technical progress relevant to animal welfare.

Chapter VII - Other provisions

This chapter contains rules on stricter national measures. Member States are allowed to maintain such rules that apply when the Regulation enters into force. Furthermore, Member States are allowed to adopt new legislation which establishes stricter national provisions as regards housing conditions, enrichment, mutilations and breeding strategies, provided that they are consistent with the Union's respective rules and that they do not restrict the free movement and placing on the market of products not complying with the stricter national requirements.

The chapter also requires the Commission to publish a monitoring report every 5 years on the welfare of dogs and cats placed on the market. The chapter requires the Member States to put in place effective, proportionate and dissuasive penalties, and to notify these to the Commission.

2023/0447 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the welfare of dogs and cats and their traceability

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(2) and Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[1],

Having regard to the opinion of the Committee of the Regions[2],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) Live animals, including cats and dogs are covered by Annex I to the Treaty on the Functioning of the European Union and form part of the common agricultural policy of the Union. There is a market for these animals in the Union, including substantial cross-border trade. Many Member States are signatories to the European Convention for the Protection of Pet Animals. There is a wide range of evidence of sub-optimal functioning of the internal market for dogs and cats in the Union as well as of illegal trade in these animals within the Union and at import into the Union. Therefore, it is necessary to establish minimum requirements for the welfare of dogs and cats bred and kept in establishments, as well as strengthened requirements regarding the traceability of dogs and cats supplied in the Union.

(2) The absence of Union welfare provisions on breeding, keeping and placing on the market of dogs and cats, as well as divergent national rules where they exist, have very often led to those animals being born, bred and sold or adopted at no cost, in circumstances detrimental to their welfare. Competition between commercial breeders of dogs and cats in different Member States is not conducted on a level playing field because animal welfare conditions are one of the main elements of the competitiveness of these operators and they differ considerably between Member States. As a consequence, competition is distorted, especially for high standards breeders and keepers, which are unable to monetise their investments into animal welfare when they trade cross border because they are confronted with operators that profit from sub-standard animal welfare conditions to exert competition and drive prices and standards down.

[1] OJ C , , p. .
[2] OJ C , , p. .

(3) Also, consumers are insufficiently protected as they are often confronted, when acquiring a dog or a cat, with the negative consequences of the poor welfare conditions in which the animals have been bred and kept in the establishments, such as health problems, behavioural problems or genetic defects of the dog or cat purchased or acquired.

(4) Therefore, minimum animal welfare requirements should be laid down for establishments that engage in breeding, keeping and placing on the market of dogs and cats. This will ensure the rational development of the sector, uniform conditions of competition, and consumer protection, while ensuring a high level of animal welfare.

(5) Over the past decade, the demand for dogs and cats to be kept as pet animals in households has increased significantly. As a result, there has been a substantial increase in breeding and trade on the Union market of dogs and cats, including sales, adoptions, and imports from third countries. The lack of requirements on the welfare of these animals in the Union, and the disparities between requirements applicable in different Member States have given rise to a significant amount of illegal trade in dogs and cats in conditions that are highly detrimental to their welfare.

(6) Illegal trade of dogs and cats has developed in part due to lack of traceability of these animals to the original litter. In turn, illegal trade practices are associated with suffering of dogs and cats subject to uncontrolled breeding practices. It is not possible to ensure that operators abide by the same standards of animal welfare, and to ensure uniform conditions of competition in the internal market in relation to the supplying of dogs and cats without reliable means to trace the animals to their origin. It is therefore crucial to ensure the traceability of dogs and cats by a system that identifies and registers dogs and cats before their first supplying in the Union as well as each time there is a change of ownership of the animals.

(7) Illegal trade in cats and dogs from outside the EU has been increasing. Current EU rules on the movements of dogs and cats into the EU, such as the provisions of Regulation 576/2013 and of the Animal Health Law, do not contain sufficient tools to prevent this illegal trade. This means that additional rules to fight illegal trade in dogs and cats are required. Existing animal health rules require that, both for commercial and non-commercial movement of dogs and cats entering into the Union, the animals must be identified with a microchip. To reinforce these traceability provisions, the owners of dogs and cats entering into the Union should ensure their registration in one of the Member States' databases at the place of destination. This will provide for greater control on the movements of those animals.

(8) The traceability provisions of this proposal also contribute to the protection of public health via better animal welfare, better animal health, and better controls on the possible transmission of animal diseases (some of which being of zoonotic nature), this following a One Health approach.

(9) Regulation (EU) 2016/429 of the European Parliament and of the Council[3] regulates transmissible animal diseases for the purpose of avoiding the spread of such diseases in the Union. The health of animals is one of the five domains of animal welfare, and thus addressed in this Regulation. However, this Regulation does not address the diseases listed in Regulation (EU) 2016/429, but rather the state of health of dogs and

[3] Regulation (EU) 2016/429 of the European Parliament and of the Council of 9 March 2016 on transmissible animal diseases and amending and repealing certain acts in the area of animal health ('Animal Health Law'), *OJ L 84, 31.3.2016, p. 1.*

cats as shaped by non-communicable diseases (for example injuries) or non-listed diseases (for example certain parasites). The rules laid down in this Regulation are therefore complementary to Regulation (EU) 2016/429 and do not duplicate or overlap with the rules laid down in that Regulation.

(10) Regulation (EU) 2016/429 requires the identification of dogs and cats with a transponder but only if they are subject to movements between Member States entered into the Union. The identification required by that Regulation is not fully harmonised as it does not include precise standards regarding transponders. Furthermore, that Regulation does not require Member States to keep databases of dogs and cats. Therefore, Member States should be required to establish and maintain databases of dogs and cats supplied in the Union market to ensure the traceability of these animals. It is also necessary to ensure the interoperability of these databases. This will facilitate finding information on dogs and cats across the Union, as well as enable competent authorities to carry out official controls to ensure compliance with animal welfare rules.

(11) The supplying of dogs and cats, whether for profit or at no cost, has an impact on the internal market. Therefore, to prevent fraud, traceability of all animals traded in the Union market should be ensured and the keeping of animals in breeding establishments, pet shops or animal shelters should be subject to detailed rules.

(12) Keeping of dogs and cats on behalf of owners, such as pet boarding activities, is a temporary and local activity and does not have a significant impact on the internal market. It is therefore justified to exclude pet boarding activities from the requirements laid down in this Regulation for establishments keeping dogs and cats.

(13) Directive 2010/63/EU of the European Parliament and of the Council[4] regulates the keeping, breeding and supply of animals kept for scientific purposes including dogs and cats. Dogs and cats intended for scientific purposes should therefore be excluded from the scope of application of this Regulation.

(14) A large number of dogs and cats will be covered by detailed welfare rules for the first time, which will allow them to benefit from better living conditions. However, considering the practical difficulties in certain cases to determine whether dogs and cats are kept as pets or for placing on the market or supply, this Regulation should exempt from certain obligations pet owners who keep a number of dogs and cats and produce a number of litters below a certain threshold. Otherwise, those pet owners would be subject to the relevant requirements of this Regulation, which would not be proportionate.

(15) Once the threshold for breeding activities referred to in the previous recital is reached, any premises used for the purpose of breeding animals are subject to the rules for breeding establishments laid down in Chapter II of this Regulation, even if the breeding activities take place in households, as this is often the case for different kinds of commercial breeders. Households where dogs and cats are kept for purposes other than reproduction are not considered as breeding establishments and do not have to comply with Chapter II of this Regulation.

(16) Although some of the breeding establishments are run by licensed breeders following good standard of animal management, an important part of animals placed on the

[4] Directive 2010/63/EU of the European Parliament and of the Council of 22 September 2010 on the protection of animals used for scientific purposes (OJ L 276, 20.10.2010, p. 33).

Union market comes from grey market breeders and sub-standard breeders, that do not ensure sufficient level of animal welfare for the dogs and cats they breed. This creates unfair competition for pedigree breeders as well as non-pedigree breeders following high standards of animal welfare. It is therefore necessary to establish detailed animal welfare rules for the operators of all breeding establishments.

(17) Moreover, in the Union market different types of operators carrying out different types of activities supply dogs and cats. Aside from commercial breeders there are pet shops where dogs and cats, that are typically born and bred in other establishments, are kept for sale. The protection of these animals may be suboptimal, and there are no common welfare standards that need to be observed in these establishments. Given that pet shops are commercial operators that place on the market dogs and cats, it is therefore necessary to apply the requirements of this Regulation to these establishments.

(18) Animal shelters are private or public undertakings or non-for-profit organisations that collect and keep stray dogs and cats, or formerly owned animals that have been lost, confiscated or abandoned. Sometimes, uncontrolled pet reproduction or overbreeding result in the proliferation of stray dogs and cats that end up in shelters. Depending on their background, shelter animals may be purebred or mixed breeds and may include the litter of animals that have reproduced in the shelter. Shelters may keep large numbers of animals and sell them or offer them in adoption or for re-homing, sometimes for free or upon payment of the reasonable costs incurred.

(19) Despite the differences in the activities carried out by commercial breeders and pet shops, on the one hand, and animal shelters, on the other, they all supply dogs and cats in the Union market and there is a certain amount of overlap, especially at the level of the demand. When looking for a dog or cat, consumers make choices between buying an animal from a breeder (either directly or through a pet shop or intermediary), or adopting one from a shelter. The acquisition of dogs or cats directly from pet owners is marginal. One important factor in the choice of a dog or a cat is the possible behavioural or other problems that the animal may exhibit because of having been kept in poor welfare conditions and which may reduce their suitability to be kept as a pet animal, irrespective of whether the animal has been kept in a commercial breeding establishment, in a pet shop or in a shelter. Moreover, given that trade is also conducted by intermediaries and mostly online, consumers may not be aware before they acquire a dog or a cat of whether the animal originates from a shelter, a breeder or a pet shop. There is evidence that the number of animals supplied to the Union market by shelters is significant, in particular for cats. There is also evidence that animals are supplied from shelters in some Member States to prospective pet owners in other Member States, in particular for dogs. In order to ensure the achievement of the objective of this Regulation to ensure the smooth functioning of the internal market in dogs and cats, and the rational development of the sector while ensuring a high level of animal welfare, it is necessary to apply some of the requirements of this Regulation to shelters that keep a certain minimum number of animals, irrespective of whether they sell animals against payment or only supply animals for free or upon reimbursement of reasonable costs. However, for reasons of proportionality and given that the activities of shelters differ from those of other operators and may fulfil a public interest function, only some of the requirements of this Regulation should apply to shelters, concerning, in particular the number and competence of animal caretakers, housing, feeding and watering, behavioural needs and painful practices, and advisory visits by a veterinarian.

(20) In addition, given the significant numbers of animals supplied in the Union by shelters, and the need to ensure the achievement of the objectives of this Regulation regarding traceability and prevention of illegal trade, shelters should also be subject to the requirements of this Regulation concerning identification and registration of dogs and cats, regardless of whether or not their activity can be considered economic in nature.

(21) Since this Regulation set out animal welfare requirements for dogs and cats, it falls within the scope of the Regulation (EU) 2017/625 of the European Parliament and of the Council[5] and the corresponding definitions of competent authorities should apply. The definition of competent authorities laid down in that Regulation should apply, in order to ensure consistency with the applicable rules on official controls concerning animal health and welfare.

(22) The concept of the "five domains" (nutrition, physical environment, health, behavioural interactions and mental state) has been developed through scientific evidence to describe the different dimensions of animal welfare. It does not focus only on the absence of negative experiences for the animal but also encompasses positive experiences. This Regulation should therefore be based on the concept of the "five domains".

(23) In order to ensure proper enforcement of this Regulation, it is essential that competent authorities are able to identify the establishments subject to their official controls. It is therefore necessary that operators keeping dogs and cats in establishments notify their activities to the competent authorities.

(24) Well trained and skilled staff are essential for improving the welfare conditions of animals. Competencies in animal welfare require knowledge of the basic behavioural patterns and needs of the species concerned. Animal caretakers should have the competencies in animal welfare relevant to their tasks and the animals they handle, in order to avoid inflicting pain, distress and suffering on dogs and cats.

(25) Given the fact that animal welfare includes the health of animals, veterinarians are in the best position to provide advice to operators with a view to improving the animal welfare situation in establishments. Veterinarians should play an active role in raising awareness on the interrelationship between the health and welfare of those animals. Establishments keeping dogs and cats should therefore receive a regular animal welfare visit from a veterinarian.

(26) Certain breeding strategies may lead to welfare problems for dogs and cats. By selecting certain genetic traits for aesthetic or other marketing reasons, undesirable traits from an animal welfare perspective may also be created and passed on to future generations. Therefore, operators should take measures to ensure that their breeding

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[5] Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products, amending Regulations (EC) No 999/2001, (EC) No 396/2005, (EC) No 1069/2009, (EC) No 1107/2009, (EU) No 1151/2012, (EU) No 652/2014, (EU) 2016/429 and (EU) 2016/2031 of the European Parliament and of the Council, Council Regulations (EC) No 1/2005 and (EC) No 1099/2009 and Council Directives 98/58/EC, 1999/74/EC, 2007/43/EC, 2008/119/EC and 2008/120/EC, and repealing Regulations (EC) No 854/2004 and (EC) No 882/2004 of the European Parliament and of the Council, Council Directives 89/608/EEC, 89/662/EEC, 90/425/EEC, 91/496/EEC, 96/23/EC, 96/93/EC and 97/78/EC and Council Decision 92/438/EEC (Official Controls Regulation), OJ L 95, 7.4.2017, p. 1–142.

strategies do not lead to such negative consequences for the welfare of the dogs and cats.

(27) Scientific evidence demonstrates that inbreeding has significant negative impacts on animal health and welfare. Therefore, inbreeding of dogs and cats including first-degree and second-degree matings should be prohibited, as this increases the incidence of inherited disorders and compromises immune system function, both of which adversely impact the health and welfare of dogs and cats.

(28) The European Food Safety Authority ('the Authority') provided technical and scientific assistance on several questions regarding housing, health and painful procedures relevant to dogs and cats kept in breeding establishments[6]. This Regulation takes into account the recommendations of the Authority on the type of housing and exercise, on housing temperature and light, on health and painful surgical interventions.

(29) Scientific evidence highlights the importance of feeding, watering, housing, health, behavioural needs and the prevention of painful practices for the welfare of dogs and cats. It is therefore essential that those areas of keeping dogs and cats are regulated in detail.

(30) Scientific evidence is clear about the necessity for dogs and cats of having enough space to express their natural behaviour and having normal social interactions. This is not possible where animals are kept in confinement and in cages. The keeping of dogs and cats in cages should therefore be prohibited.

(31) Tethering for long periods should be prohibited, as it can raise significant animal welfare concerns. It can be associated with an increased prevalence of locomotor disorders, inability to lie or rest comfortably, and to perform normal behaviours.

(32) Providing enough space for dogs and cats to express innate behaviours is of great importance. For the same reason, the use of containers should be limited to exceptional circumstances, such as isolation of aggressive animals or transport to a veterinarian. Accommodation for dogs and cats should also provide unrestricted access to natural light, complemented where needed by artificial lighting, in order to facilitate the appropriate circadian rhythm of the animals. Safe daily access to outdoors should be provided to dogs in order to address their need to exercise, socialise and express other innate behaviours.

(33) To prevent pregnancy complications and compromising their welfare, bitches and queens should only be bred after reaching skeletal as well as sexual maturity. To allow them to physically recuperate from pregnancy and lactation, bitches and queens should only be readmitted to reproduction after a sufficient period of time. However, to prevent certain pathological reproductive conditions in bitches and queens, such as *pyometra*, up to three consecutive pregnancies should be allowed, followed by an adequate recuperation period. Reproduction should gradually cease in bitches and queens coming into older age.

(34) The change of practices regarding the cycle of reproduction required by this Regulation may in some instances, impact the level of revenues of breeders of dogs

[6] EFSA (European Food Safety Authority), Candiani, D., Drewe, J., Forkman, B.,Herskin, M. S., Van Soom, A., Aboagye, G., Ashe, S., Mountricha, M., Van der Stede Y., Fabris, C. 2023.Scientific and technical assistance on welfare aspects related to housing and health of cats and dogs in commercial breeding establishments.EFSA Journal,21(9), 1–105.https://doi.org/10.2903/j.efsa.2023.8213

and cats due to the decreasing number of litters produced per year. It is therefore necessary to provide breeders with additional time to adapt their business model.

(35) Dogs and cats kept as pets should not pose any threat to human safety. To reduce the risk of aggression towards humans, dogs and cats born in breeding establishments should be appropriately socialised with conspecifics, if possible, with other animals, and with humans. They should be kept in a stimulating and non-threatening environment equipped with enrichment providing them opportunities to play and express other innate behaviours. Separation of dogs and cats from their mothers earlier than natural weaning can cause serious separation stress in these animals and should therefore be prohibited.

(36) Procedures with the purpose of altering the appearance of or preventing certain behaviours of cats and dogs, such as ear cropping, tail docking, removal of claws and resection of vocal cords, have a serious negative impact on the welfare of cats and dogs. These procedures cause pain and prevent cats and dogs from expressing innate behaviours. For this reason, they should only be allowed if performed by a veterinarian and only when necessary for medical reasons.

(37) The conditions in breeding establishments are particularly critical to ensure that dogs and cats are properly kept and treated before being placed on the market. It is therefore important that those establishments are approved by the competent authorities and are subject to onsite pre-inspection before their approval. It is also important that a list of those approved establishments is publicly available to allow potential buyers to verify the status of their suppliers. Since all establishments have an extended time for application of requirements on housing and health, it is necessary that the obligation of breeding establishments to obtain an approval should start to apply on the same date as the requirements for housing and health.

(38) Some operators placing on the market dogs and cats, or shelters supplying dogs and cats, encourage potential customers to buy at any cost using emotional arguments, without mentioning to the potential owner the consequences of owning a pet animal. Other operators or shelters insist on the responsibility attached to pet ownership and this has the effect of limiting their ability to sell animals. This discrepancy of attitudes of operators tends to advantage less responsible operators, leading to distortions of competition despite the importance for animal welfare and public order of informing customers about their responsibility when buying a dog or a cat. It is therefore justified to require that all suppliers of dogs and cats in the Union market for use as pets inform future owners on their responsibility. In addition, where the supply of a dog or cat is facilitated by online means, an appropriate warning should accompany the online advertisement to efficiently convey the message of responsible ownership.

(39) Illegal trafficking and fraudulent practices in relation to the sale or transfer of dogs and cats for adoption is facilitated by the absence of traceability given the lack of identification and registration requirements for those animals. Furthermore, fraudulent practices may appear when the systems for the identification and registration of dogs and cats are not harmonised or cannot be easily operated because technical systems are not interoperable. It is therefore essential to harmonize the standards for the means of identification and registration and to ensure that the identification and registration of dogs and cats is completed before the animal is supplied in the Union for the first time. Suppliers of dogs and cats should provide evidence of identification and registration in one of the databases established by Member States for this purpose, before the first placing on the market of the animal in the Union. Subsequently, at every change of

ownership or responsibility for the animal, the supplier must provide proof of identification and registration of the animal in one of the databases. For the sake of proportionality, natural persons supplying dogs and cats occasionally by other means than online platforms should not be subject to this obligation.

(40) Suppliers of dogs and cats should not only provide evidence of identification, showing a document referring to the code of the transponder implanted in the animal but also evidence of the registration of that animal into an official database. This allows key information about the animal to be passed on to the new owner and ensures traceability.

(41) As most dogs and cats are currently offered for sale or donation by means of listings placed on online platforms, providers of online platforms should act diligently when intermediating access to dogs and cats. Therefore, without prejudice to Regulation (EU) 2022/2065, online platforms should be required to adapt the modalities of their listings for dogs and cats so that suppliers provide proofs of the identification and registration of the dogs and cats intended for sale or donation. In addition, the Commission should ensure the development of a system publicly available free of charge allowing to verify the authenticity of the identification and registration of a dog or a cat. This measure aims to better combat fraud by improving the traceability of dogs and cats supplied in the Union to their origin, allowing better controls by competent authorities and ultimately improving the welfare of these animals. This should not amount to an obligation for online platforms to generally monitor the listings offered through their platform, nor to a general fact-finding obligation aimed at assessing the accuracy of the identification and registration prior to the publication of the offer.

(42) Since the level of awareness on animal welfare of animal caretakers has a direct impact on the welfare of dogs and cats under their care, Member States should ensure that sufficient training is available both in terms of quantity and quality to enable animal caretakers to meet the training requirements and set out in this Regulation.

(43) To ensure traceability of dogs and cats, animals should not only be marked with a unique identifier in the form of transponder, but their identification should also be registered in a database. Therefore, Member States that do not yet have national databases for dogs and cats should establish such databases so that identification can be reliable and verified. In addition, to ensure traceability within the Union, these national databases should be interoperable, allowing competent authorities and relevant stakeholders to verify the authenticity of the identification.

(44) To evaluate the progress of the animal welfare conditions in which dogs and cats are kept in establishments and of their traceability, it is necessary that Member States collect, report and analyse key policy indicators, which should be harmonised under this Regulation to ensure their comparability at Union level, and enable a Union monitoring of the progress in achieving the policy objectives of this Regulation.

(45) Dogs and cats imported into the Union may have been bred or kept in third countries in conditions that are detrimental to their welfare. In addition, taking into account the particular concerns of Union citizens' for the welfare of dogs and cats, as well as animal health and public health risks associated to poor welfare conditions in the establishment of origin specialised in dogs and cats breeding, it is important that dogs and cats imported from third countries comply with rules as regards their welfare that are equivalent to those laid down in this Regulation, and offer the same guarantees as regards their traceability. Given that this will require changes from third country

operators involved in exports to the Union of dogs and cats, it is necessary to provide for a transitional period of the same duration as that applicable to Union operators.

(46) The provisions mentioned in the previous recital should be enforced through a listing of third countries approved to supply of dogs and cats to the Union based on a Commission assessment of the reliability of their official controls to enforce the animal welfare rules required under this Regulation, or equivalent rules, in establishments on their territory which supply or intend to supply dogs and cats to the Union. In addition, a list of establishments breeding and keeping dogs and cats in those third countries, and which are allowed to export those animals to the Union, should be established to ensure traceability and controls at Union Border Control Posts. The Commission should, following a risk-based approach, carry out audits of the reliability of official control system of third countries approved under this Regulation as well as those requesting to be approved under this Regulation.

(47) Under Regulation (EU) 2016/429, a list of third countries authorised for the purpose of entry into the Union of dogs and cats is established for the purpose of managing the risk of introducing transmissible animal diseases into the Union. The list of third countries mentioned in the previous recital should therefore be limited to third countries authorised under Regulation (EU) 2016/429 and which provide appropriate guarantees of the capacity of their competent authority to control and ensure compliance of the establishments breeding and keeping dogs and cats for export to the Union with the animal welfare requirements set out in this Regulation.

(48) In order to take into account technical progress and scientific developments, and their social, economic and environmental impacts, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission for the purpose of amending Article 6 to this Regulation so that breeding strategies do not result in genotypes that have detrimental effects on the health or welfare of the dogs and cats.

(49) In order to lay down minimum criteria to be assessed during animal welfare visits, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission for the purpose of supplementing Article 10 of this Regulation.

(50) In order to take account of technical progress and scientific developments, and their social, economic and environmental impacts, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission for the purpose of amending the Annexes to this Regulation as regards requirements for the breeding, keeping and identification of dogs and cats as well as indicators to monitor the policy objectives of this Regulation.

(51) It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.[7] In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

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[7] Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making (OJ L 123, 12.5.2016, p. 1).

(52) Implementing powers should be conferred on the Commission in order to ensure uniform conditions for the implementation of the following provisions of this Regulation:

– Article 9(3) to harmonise the content of the education, training or professional experience for animal caretakers;

– Article 17(5) to specify the information to be provided by suppliers as proof of identification and registration of dogs and cats, both in cases where they are offered through online platforms and by other means;

– Article 17(7) to specify certain aspects of the system performing automated checks of the authenticity of the identification and registration of dogs and cats;

– Article 19(3) to establish minimum requirements for the content of the databases referred to in paragraph 1 and the requirements concerning the interoperability of the databases;

– Article 20(3) to establish a harmonised methodology for measuring the data collected in Annex III and the template for the Member States report to the Commission on those data;

– Article 21(5) to establish a procedure for the recognition by the Union of equivalence of the conditions under which dogs and cats are bred and kept in establishments in a third country which intends to export animals to the Union, with the provisions of this Regulation regarding establishments.

Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[8].

(53) There are varying citizens attitudes regarding the welfare of dogs and cats and some Member States have already adopted comprehensive set of rules in this regard. It is therefore necessary that Member States are allowed to maintain stricter national rules aimed at a more extensive protection of the animals than those laid down in this Regulation. Member States should also continue to have the possibility to adopt stricter national rules in certain areas provided that those rules do not affect the proper functioning of the internal market.

(54) Member States should notify the Commission of any such national rules. The Commission should bring them to the attention of other Member States. Where national rules fall within the scope of Directive (EU) 2015/1535 of the European Parliament and of the Council, they should be notified to the Commission in accordance with that Directive.

(55) It is essential that Union legislation is subject to regular monitoring and evaluation so it can be adjusted in order to achieve the expected impacts. Therefore, this Regulation should contain an obligation for the Commission to perform monitoring on the welfare of dogs and cats in the Union and to carry out an evaluation to be presented to other Union institutions.

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[8] Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers; OJ L 55, 28.2.2011, p. 13–18.

(56) To ensure the full application of this Regulation, Member States should lay down rules on penalties applicable to infringements of this Regulation and ensure that they are implemented. Those penalties must be effective, proportionate and dissuasive.

(57) Since the objectives of this Regulation, namely to establish minimum harmonised rules that ensure the proper functioning of the internal market while ensuring a high level of welfare of dogs and cats and their traceability cannot be sufficiently achieved by the Member States, but can rather, by reason of its effects, be better achieved by the Union, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives.

HAVE ADOPTED THIS REGULATION:

CHAPTER I
SUBJECT MATTER, SCOPE AND DEFINITIONS

Article 1
Subject matter

This Regulation lays down minimum requirements for:

(a) the welfare of dogs and cats bred or kept in establishments or placed on the Union market;

(b) the traceability of dogs and cats placed on the Union market or supplied in the Union.

Article 2
Scope

1. This Regulation shall apply to the breeding, keeping and placing on the market of dogs and cats, as well as their supplying in the Union.

2. This Regulation shall not apply to the breeding, keeping, placing on the market or supplying of dogs or cats intended for scientific purposes.

Article 3
Definitions

For the purposes of this Regulation the following definitions apply:

1. ‘dog’ means an animal of the *Canis lupus familiaris* species;

2. ‘cat’ means an animal of the *Felis silvestris catus* species;

3. ‘welfare of dogs and cats’ means the physical and mental state of a dog or a cat in relation to the conditions in which it is born, lives and dies;

4. ‘keeping’ means any activity during which an animal is detained or handled in an establishment;

5. ‘placing on the market’ means the keeping of dogs and cats for the purpose of sale, offering for sale, distribution or any other form of transfer of ownership or responsibility for the animal, that is against consideration or at least reimbursement of the costs incurred, including the advertising of animals for the above purposes;

6. ‘supplying’ means the transferring of ownership or responsibility for dogs or cats through any means or form, whether for a consideration or not, excluding occasional supplies by natural persons of dogs or cats by other means than via the intermediation of an online platform;

7. ‘online platforms’ means an online platform, as defined in Article 3, point (i), of Regulation (EU) 2022/2065, intermediating the placing on the market or the sypplying of dogs and cats;

8. ‘listing’ means the publication, on an online platform, of an advertisement for the supply of a dog or a cat;

9. ‘bitch’ means a female dog from the time she is first mated or inseminated until the weaning of the last litter she produces during her lifetime;

10. ‘queen’ means a female cat from the time she is first mated or inseminated until the weaning of the last litter she produces during her lifetime;

11. ‘establishments’ means breeding establishments, animal shelters and pet shops;

12. ‘breeding establishments’ means any premises or structure, where dogs and cats are kept for reproduction purposes with a view to placing their offspring on the market, including households;

13. ‘pet shops’ means any premises or structure where dogs and cats are kept for sale as pet animals, without having been born there;

14. ‘animal shelters’ means any premises or structure, excluding households, operated by a natural or legal person, where unwanted, abandoned, formal stray, lost or confiscated dogs and cats are kept for the purpose of supply, whether for consideration or at no cost;

15. ‘operator’ means any natural or legal person, excluding those responsible for shelters, who breeds, keeps, trades or places on the market dogs and cats under his/her control, including for a limited period of time;

16. ‘supplier’ means any natural or legal person supplying a dog or a cat, including natural or legal persons responsible for shelters;

17. ‘competent authorities’ means competent authorities as defined in Article 3(3) of Regulation (EU) 2017/625;

18. ‘breeding strategy’ means a set of systematic actions, including recording, selection, breeding, and exchange of breeding dogs and cats and their germinal products, designed and implemented to preserve or enhance desired phenotypic and/or genotypic characteristics in the target breeding population;

19. ‘mutilation’ means an intervention, including a surgical intervention, carried out for reasons other than therapeutic or diagnostic purposes, which results in damage to or the loss of a sensitive part of the body or the alteration of bone structure;

20. ‘suffering’ means an unpleasant, undesired physical or mental state of being, which is the result of an animal being exposed to noxious stimuli or the absence of important positive stimuli;

21. ‘housing’ means buildings or delimited outdoor space in establishments where dogs and cats are kept;

22. ‘kennel’ means a physical structure containing one or more individual enclosures for housing dogs;

23. ‘cattery’ means a physical structure containing one or more individual enclosures for housing cats;

24. ‘animal caretaker’ means a person taking care of the dogs and cats bred or kept in an establishment;

25. ‘enrichment’ means a material or structure in the animal’s environment, with an occupational or nutritional property which is capable of provoking and fulfilling curiosity and appetitive behaviour, or physical motivation;

26. ‘tethering’ means the tying of an animal to an anchor point to keep it in a desired area;

27. ‘container’ means any crate, box, receptacle or other rigid structure used to confine dogs and cats;

28. ‘pet animal’ means a dog or cat intended to be kept in a household for private enjoyment and companionship;

29. ‘responsible ownership’ means the commitment of a dog or cat owner or future dog or cat owner, to perform various duties focused on the satisfaction of the behavioural, environmental and physical needs of the dog or cat, and to prevent risks that the dog or cat may pose to the community, other animals or the environment.

CHAPTER II
OBLIGATIONS FOR OPERATORS OF ESTABLISHMENTS

Article 4
Exemptions from the obligations set out in this Chapter

This chapter shall not apply to:

– breeding establishments keeping up to three bitches or queens and producing in total two litters or less per establishment and calendar year;

– pet shops keeping at any given time three dogs or less or six cats or less;

– shelters keeping at any given time ten dogs or less or twenty cats or less.

Article 5
General principles of welfare

Operators and natural or legal persons responsible for shelters shall apply the following principles with respect to dogs and cats bred or kept in their establishment:

(a) dogs and cats are provided with water and feed of a quality and of a quantity that enables them to have good nutrition and hydration.

(b) dogs and cats are kept in a good physical environment which is comfortable, especially in terms of space, temperature, and ease of movement.

(c) dogs and cats are kept safe, clean and in good health by preventing diseases, functional impairments, injuries, and pain, due in particular to management, handling practices, or mutilations.

(d) dogs and cats are kept in an environment that enables them to express social non-harmful behaviour, species-specific behaviour, as well as positive relationship with human beings.

(e) dogs and cats are kept in such a way as to optimise their mental state by preventing or reducing their negative experiences in time and intensity, as well as by maximizing opportunities for positive experiences in time and intensity in the different domains referred to in paragraphs (a) to (d).

Article 6
General welfare requirements for dogs and cats

1. Operators and natural or legal persons responsible for shelters shall be responsible for the welfare of dogs and cats kept under their control and for minimising any risks to their welfare.

2. Operators and natural or legal persons responsible for shelters shall ensure that dogs and cats are handled by a suitable number of animal caretakers who have the skills and competences required under Article 9.

3. Operators of breeding establishments shall ensure that breeding strategies do not result in genotypes and phenotypes that have detrimental effects on the welfare of the dogs and cats, or of their descendants.

   In the management of the reproduction of dogs and cats by operators, the mating between parents and offspring, or between grandparents and grandchildren, shall be prohibited.

   This paragraph shall not preclude the selection and breeding of brachycephalic dogs and cats provided that the selection or breeding programmes minimise the negative welfare consequences of brachycephalic traits.

4. The Commission is empowered to adopt delegated acts in accordance with Article 23 amending this article as regards the specific criteria that operators shall fulfil when designing breeding strategies to meet the requirements of paragraph 3, taking into account scientific opinions of the European Food Safety Authority as well as social, economic and environmental impacts.

Article 7
Obligation to notify the breeding or keeping of dogs and cats in establishments

Operators and natural or legal persons responsible for shelters shall notify to the competent authorities of their activity, providing the following information:

(a) the identity, name and address of the operator;

(b) the location of the establishment;

(c) the type of establishment: breeding establishment, pet shop or shelter;

(d) the species and breed, where relevant, of the animals kept in the establishment;

(e) the maximum number of animals which can be kept in the establishment;

Article 8
Obligation of informing on responsible ownership

1. When operators and natural or legal persons responsible for shelters place on the market or supply dogs or cats for purposes of keeping them as pet animals, they shall provide to the acquirer of pet the information necessary to enable him or her to ensure the welfare of the animal, including information on responsible ownership.

2. When the supplying of dogs and cats is advertised via online means, the listing shall display, in clearly visible and bold characters, the following warning:

"An animal is not a toy. Buying or adopting an animal is a life-changing decision. As an animal owner, you are obliged to ensure that all the needs for its health and well-being are met at all times."

Article 9
Animal welfare competences of animal caretakers

1. Animal caretakers shall have the following competences as regards the dogs and cats they are handling:

   (a) understanding of their biological behaviour and their physiological and ethological needs;

   (b) ability to recognise their expressions including any sign of suffering and to identify the appropriate mitigating measures to be taken in such cases;

   (c) ability to apply good animal management practices, to use and maintain the equipment used for the species under their care and to minimize any risks to the welfare of the animals;

   (d) knowledge of their obligations under this Regulation.

2. The competences referred to in paragraph 1 may be acquired through education, training or professional experience. Education, training or professional experience shall be documented.

3. The Commission may, by means of implementing acts, lay down minimum requirements concerning the content of the education, training or professional experience referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

Article 10
Animal welfare visits

1. Operators and natural or legal persons responsible for shelters shall:

   (a) ensure that the establishments under their responsibility receive, at least once a year, a visit by a veterinarian, for the purpose of advising the operator or the natural or legal person responsible for the shelter on measures to address any risk factor for animal welfare;

   (b) record the findings of the visit of the veterinarian referred to in point (a) and their follow up actions and keep those records for at least 6 years, making them available to the competent authorities upon request.

2. The Commission is empowered to adopt delegated acts in accordance with Article 23 supplementing this Article to lay down minimum criteria to be assessed during animal welfare visits.

Article 11
Feeding and watering

1. Operators and natural or legal persons responsible for shelters shall ensure that dogs and cats are fed in accordance with the requirements laid down in point 1 of Annex I

and may, based on the written advice of a veterinarian or an animal nutrition expert, adjust the feeding frequencies provided for in point 1 of Annex I.

2. Operators and natural or legal persons responsible for shelters shall ensure that dogs and cats are adequately fed and hydrated by supplying:

(a) potable water, *ad libitum*;

(b) feed in sufficient quantity and quality to meet the physiological, nutritional and metabolic needs and satiety of the dogs and cats, as part of a diet adapted to the age, breed, category, activity level, and health status of the dogs and cats;

(c) feed free of substances which may cause suffering;

(d) feed in such a way as to avoid abrupt changes and ensure a well-functioning gastro-intestinal system, in particular during the weaning phase.

3. Operators and natural or legal persons responsible for shelters shall ensure that feeding and drinking facilities are constructed and installed in such a way as to:

(a) provide equal access to all dogs and cats, thus minimizing competition between them, avoiding agonistic behaviour, in particular where dogs and cats do not have ad libitum access to feed;

(b) minimize spillage and prevent the contamination of feed and water with harmful substances;

(c) prevent injury, drowning or other harm to the dogs and cats;

(d) be easily cleaned and disinfected to prevent diseases.

Article 12
Housing

1. Operators shall ensure that dogs and cats are provided with housing in accordance with point 2 of Annex I.

2. Operators and natural or legal persons responsible for shelters shall ensure that:

(a) the establishments where animals are kept and the equipment used therein are suitable for the types and the number of dogs and cats kept in these establishments, and allow the necessary access and a thorough inspection of all dogs and cats;

(b) all building components of the establishment, including the flooring, roof, and space divisions, as well as the equipment used for dogs and cats, are constructed and maintained properly, and easily cleaned and disinfected to ensure that they do not pose any risks to the welfare of the animals;

(c) where animals are kept in breeding establishments or pet shops, air circulation, dust levels, temperature, relative air humidity and gas concentrations are kept within limits which are not harmful to dogs and cats and that ventilation is sufficient to avoid overheating and, where necessary, in combination with heating systems, to remove excessive moisture;

(d) dogs and cats have enough space to be able to move around freely and to express species-specific behaviour according to their needs, with sufficient space for enrichment material and structures, a possibility for animals to socialise and withdraw, and clean resting places;

(e) dogs and cats kept outdoors are protected from negative climatic conditions, including thermal stress, sunburn and frostbite.

3. Keeping dogs or cats in containers shall be prohibited.

Containers may only be used for the transport and temporary isolation of individual dogs and cats provided that stress due to extreme temperatures is avoided.

4. Keeping dogs exclusively indoors shall be prohibited. Dogs kept indoors shall have daily access to an outdoor area that allows exercise and socialisation. In addition, when dogs are kept in kennels, operators shall design and construct individual enclosures to allow dogs to have free access to a confined outdoor space and an indoor space or an individual hut.

5. When cats are kept in catteries, operators shall design and construct individual enclosures to allow cats to move around freely and to express their natural behaviour.

6. Operators shall ensure that a thermoneutral zone appropriate for cats or dogs is maintained in indoor areas where they are kept.

7. Operators shall ensure that dogs and cats have access to natural light at all times. Where needed, due to the climatic conditions and geographic position of a Member State, operators shall provide artificial lighting.

8. This Article applies from [*5 years from the date of entry into force of this Regulation*].

Article 13
Health

1. Operators shall ensure that measures are taken to safeguard the health of dogs and cats in accordance with point 3 of Annex 1.

2. Operators and natural or legal persons responsible for shelters shall ensure that:

(a) dogs and cats under their responsibility are inspected by animal caretakers at least once a day;

(b) dogs or cats with signs of disease, sickness, injury or otherwise compromised welfare are transferred, where required, without undue delay to a separate area, are treated by a veterinarian, where appropriate, and kept there until they are fully recovered, or alternatively euthanised without undue delay;

(c) the euthanasia of a dog or a cat is only performed by a veterinarian.

(d) measures including veterinary medication are in place to prevent and control external and internal parasites, including preventive veterinary treatments to prevent common diseases to which dogs or cats are likely to be exposed with due regard to the epidemiological situation;

(e) enrichment materials do not present any risk of injury or biological or chemical contamination or any other health risk.

3. Operators shall ensure that:

(a) bitches and queens are only bred if they have a minimum age in accordance with Annex I points 3.1 and 3.2, their skeletal growth is completed, and they are free from disease or physical conditions which could negatively impact their pregnancy and welfare;

(b) litter-giving pregnancies of bitches and queens follows a maximum frequency;

(c) lactating queens are not mated or inseminated;

(d) any bitch aged 8 years or more and any queen aged 6 years or more shall, before being used for breeding, undergo a physical examination by a veterinarian, to confirm in writing that her pregnancy will not pose any risk to her welfare, including her health.

(e) adult female dogs and cats which are no longer used for reproduction, including as a result of the provisions of this Regulation, are not killed or abandoned. Operators shall continue to ensure the welfare of those animals in accordance with Regulation.

The operator shall keep the written confirmation referred to in point (d) for a period of at least 3 years after the death of the bitch or the queen.

4. This Article shall apply from [*5 years from the date of entry into force of this Regulation*].

Article 14
Behavioural needs

1. Operators and natural or legal persons responsible for shelters shall ensure that measures are taken to meet the behavioural needs of cats and dogs in accordance with point 4 of Annex I.

2. Keeping dogs and cats in areas restraining their natural movements shall be prohibited, except for performing the following procedures or treatments:

(a) physical examinations, including identification of the animals;

(b) marking animals for identification purposes;

(c) collection of samples and vaccinations;

(d) procedures for hygienic, health or reproductive purposes;

(e) medical treatment.

3. Tethering within the premises of the establishment for more than 1 hour shall be prohibited, except for the duration of a medical treatment.

4. Operators and natural or legal persons responsible for shelters shall ensure that conditions are in place to allow animals to express social non-harmful behaviours, species-specific behaviours and the possibility to experience positive emotions.

5. Operators of breeding establishments shall ensure that an appropriate strategy is in place to socialise animals with humans, and where possible, with other animals.

Article 15
Painful practices

1. Mutilations, including ear cropping, tail docking, partial or complete digit amputation, and resection of vocal cords or folds, shall be prohibited unless they are performed due to a medical indication with the sole purpose of improving the health of dogs and cats. In such case, the procedure shall only be performed by a veterinarian under anaesthesia and prolonged analgesia.

2. Male and female neutering shall be permitted only if performed by a veterinarian under anaesthesia and prolonged analgesia.

3. The following handling practices shall be prohibited:

(a) tying up body parts continuously;

(b) kicking, hitting, dragging, throwing, squeezing animals;

(c) exposing dogs and cats to an electric current;

(d) prolonged use of muzzles, unless required for health or welfare reasons, in which case the duration shall be limited to the minimum period necessary.

(e) lifting dogs or cats by the limbs, the head, the tail and the hair.

Article 16
Approval of breeding establishments

1. From [*5 years from the date of entry into force of this Regulation*], operators shall obtain approval of their breeding establishment from the competent authority before selling dogs and cats born in their establishment.

2. The competent authority shall grant a certificate of approval for a breeding establishment, provided that, prior on-site inspection has confirmed that the establishment meets the requirements of this Regulation.

3. The competent authorities shall maintain a list of the approved breeding establishments and make it publicly available.

CHAPTER III
IDENTIFICATION AND REGISTRATION OF DOGS AND CATS

Article 17
Identification and registration of dogs and cats

1. From [*3 years from the date of entry into force*], all dogs and cats kept in establishments for supply in the Union, including adult dogs and cats kept in breeding establishments, dogs and cats kept in shelters, and dogs and cats supplied by natural persons, shall be marked for identification by means of a subcutaneous transponder containing a microchip, in accordance with Annex II. Operators of establishments shall ensure that dogs and cats born in their establishments are marked for identification by the date of their supply in the Union or at the latest within 3 months after the birth of the animal. The implantation of the transponder shall be performed by a veterinarian or under the responsibility of a veterinarian.

2. From [*3 years from the date of entry into force*], dogs and cats identified in accordance with paragraph 1 shall be registered by the veterinarian, or an assistant under the responsibility of the veterinarian, in a national database referred to in Article 19. For dogs and cats kept in breeding establishments, the registration shall be made in the name of the owner of the breeding establishment responsible for the dog or the cat. For dogs and cats kept in shelters , the registration shall be made in the name of the person responsible of the shelter. For natural persons intending to supply a dog or a cat in the Union, the registration shall be made in the name of that person. Any subsequent owner of, or responsible for, the dog or the cat, shall ensure

that the change of ownership or responsibility is recorded in the database referred to in Article 19.

3. From [*3 years from the date of entry into force*], before supplying a dog or a cat in the Union, the supplier shall provide to the acquirer of the animal:

   (a) proof of the identification and registration of the animal in compliance with paragraphs 1 and 2;

   (b) the following information on the dog or cat:

      (i) its species,

      (ii) its sex,

      (iii) its date and country of birth, and

      (iv) where relevant, its breed.

   Acquirers shall be able to verify the authenticity of the identification and registration of animals supplied through the system referred to in paragraph 7.

4. From [*5 years from the date of entry into force*], providers of online platforms shall ensure that their online interface is designed and organised in such a way that allows the suppliers of dogs and cats to comply with their obligations under paragraph 3, in line with Article 31 of Regulation (EU) 2022/2065, and shall inform acquirers, in a visible manner, of the possibility to verify the identification and registration of the animal through a weblink to the system referred to in paragraph 6.

   The supplier of dogs and cats shall be the sole responsible for the accuracy of the information provided through the interface of the online platform. Nothing in this paragraph shall be construed as imposing a general monitoring obligation on the provider of the online platform within the meaning of Article 8 of Regulation (EU) 2022/2065.

5. The Commission shall adopt implementing acts specifying the information to be provided by suppliers as proof of identification and registration of the animal in accordance with paragraph 3(a), both in cases where the dogs and cats are offered through online platforms and by other means. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

6. From [*3 years from the date of entry into force*], the Commission shall ensure that a system performing automated checks of the authenticity of the identification and registration of dogs or cats supplied, using the database referred to in Article 19, is publicly available free of charge . The Commission may entrust the development, maintenance and operation of this system to an independent entity. The system shall meet the following criteria:

   – reliable verification of the authenticity of the identification and registration of the dog or cat using the national databases referred to in Article 19;

   – compliance with data protection in accordance with Regulation (EU) 2018/1725[9] and Regulation (EU) 2016/679[10]

[9] Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, OJ L 295, 21.11.2018, p. 39.

7. By the [*3 years from the date of entry into force*], the Commission shall adopt implementing acts specifying the following aspects of the system referred to in paragraph 6:

– the key functionalities of the system;

– the technical, electronic and cryptographic requirements for the system.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

CHAPTER IV
COMPETENT AUTHORITIES

Article 18
Training

For the purposes of Article 9 Member States shall designate the competent authority responsible for:

(a) ensuring that training courses are available for animal caretakers;

(b) approving the content of the courses referred to in point (a).

Article 19
Databases of dogs and cats

1. From [*3 years from the date of entry into force of this Regulation*], competent authorities shall establish and maintain a database for the registration of microchipped dogs and cats.

2. From [*5 years from date of entry into force of this Regulation*], Member States shall ensure that their databases as referred to in paragraph 1 are interoperable with the same databases of other Member States so that the identification of a dog or a cat can be authenticated and traced across the Union.

3. By [*the date of application*], the Commission shall, by means of implementing acts, lay down requirements on the databases as referred to in paragraph 1 concerning:

(a) their content;

(b) their interoperability between Member States;

(c) their functionality for providing proof of the identification and registration of a dog or a cat, as referred to in article 17 (3) point (a).

(d) the registry where Member States will declare their databases, and the necessary parameters for connecting those databases with one another according to the provisions established under point (b);

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[10] Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation); OJ L 119, 4.5.2016, p. 1.

(e) the access to be given to the system referred to in Article 17(6) for the purpose of confirming the authenticity of the identification and registration of the dogs and cats;

(f) provisions on data protection pursuant to the requirements of Regulation (EU) 2018/1725 and Regulation (EU) 2016/679.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

Article 20
Collection of data on animal welfare and reporting

1. The competent authorities shall collect, analyse and publish the data set out in Annex III:

2. The competent authorities shall draw up and transmit to the Commission a report, on machine readable form, on the data referred to in paragraph 1, by 31 August every 3 years from [*6 years from the date of entry into force*], summarising the data gathered the previous year.

3. The Commission may, by means of implementing acts, establish a harmonised methodology for collecting the data referred to in paragraph 1 and establish the template for the report referred to in paragraph 2. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

CHAPTER V
ENTRY OF DOGS AND CATS INTO THE UNION

Article 21
Entry of dogs and cats into the Union

1. From [*5 years from the date of entry into force of this Regulation*], dogs and cats may only be entered into the Union for placing on the Union market if they have been kept in compliance with any of the following:

(a) Chapters II of this Regulation;

(b) conditions recognised by the Union to be equivalent to those set out by this Regulation; or

(c) where applicable, requirements contained in a specific agreement between the Union and the exporting country.

2. From [*5 years from date of entry into force of this Regulation*], dogs and cats may only be entered into the Union for placing on the market or supply provided that they come from a third country or territory and an establishment listed in accordance with Articles 126 and 127 of Regulation (EU) 2017/625.

3. From [*date of entry into force of this Regulation + 5 years*], the official certificate accompanying dogs and cats entering into the Union from third countries and territories shall contain an attestation certifying compliance with paragraphs 1 and confirming that the dogs and cats originate from an establishment listed in accordance with paragraph 2.

4. Without prejudice to Article 10(1)(a) of Regulation (EU) No 576/2013 and Article 74(1) of Regulation (EU) 2020/692[11], dogs and cats entering into the Union shall be identified with a microchip as referred to in Article 17(1) and allowing for traceability.

In case the dogs or cats entering into the Union are not yet registered in a Member State database as referred to in Article 19(1), once they arrive at their place of destination, the owner or person responsible for the animal shall ensure their registration into one of the Member States databases within 48 hours of arrival.

5. The Commission is empowered, by means of implementing acts, to establish a procedure for the recognition by the Union of equivalent conditions under point paragraph 1 point (b). Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24.

CHAPTER VI
PROCEDURAL PROVISIONS

Article 22
Amendment to the Annexes

The Commission is empowered to adopt delegated acts in accordance with Article 23 amending the Annexes to this Regulation to take into account of scientific and technical progress, including, when relevant, scientific opinions of EFSA, and of social, economic and environmental impacts, as regards:

(a) feeding frequencies and weaning process;

(b) temperature ranges;

(c) lighting parameters;

(d) kennel and cattery design;

(e) feeding and watering equipment design;

(f) space allowances for different categories of dogs and cats;

(g) frequency of pregnancies;

(h) minimum age of bitches and queens for onset of breeding;

(i) socialisation, enrichment and other measures for meeting behavioural needs of dogs and cats;

(j) requirements for transponders used to mark dogs and cats;

(k) data to be collected for policy monitoring and evaluation.

Any additions of requirements in the Annexes shall be based on updated scientific or technical evidence, in particular regarding the specific conditions needed to ensure the welfare of the dogs and cats covered by the scope of this Regulation. Where relevant, those delegated

[11] Commission Delegated Regulation (EU) 2020/692 of 30 January 2020 supplementing Regulation (EU) 2016/429 of the European Parliament and of the Council as regards rules for entry into the Union, and the movement and handling after entry of consignments of certain animals, germinal products and products of animal origin, OJ L 174, 3.6.2020, p. 379.

acts shall provide for sufficient transition periods to allow for operators impacted to adapt to the new requirements.

Article 23
Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

2. The power to adopt delegated acts referred to in Article 6(4), Article 10(2) and Article 22 shall be conferred on the Commission for an indeterminate period of time from [*the date of entry into force of this Regulation*].

3. The delegation of power referred to in Article 6(4), Article 10(2) and Article 22 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in *the Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to Article 6(4), Article 10(2) and Article 22 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 24
Committee procedure

1. The Commission shall be assisted by the Standing Committee on Plants, Animals, Food and Feed established by Article 58(1) of Regulation (EC) No 178/2002. That Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

   Where the Committee delivers no opinion, the Commission shall not adopt the draft implementing act and Article 5(4), third subparagraph, of Regulation (EU) No 182/2011 shall apply.

CHAPTER VI
STRICTER NATIONAL MEASURES AND FINAL PROVISIONS

Article 25
Stricter national measures

1. This Regulation shall not prevent Member States from maintaining any stricter national rules aimed at a more extensive protection of the welfare of dogs and cats and in force at the time of entry into force of this Regulation, provided that those rules are not inconsistent with this Regulation and do not interfere with the proper functioning of the internal market. Before [*the date of application of this Regulation*], Member States shall inform the Commission about such national rules. The Commission shall bring them to the attention of the other Member States.

2. This Regulation shall not prevent Member States from adopting stricter national measures aimed at ensuring more extensive protection of the welfare of dogs and cats kept in establishments within the territory of a Member State on the following animal welfare issues:

   (a) housing conditions;

   (b) mutilations;

   (c) enrichment;

   (d) selection and breeding programmes, including minimum and maximum age for breeding.

   Member States shall inform the Commission about such national rules before their adoption. The Commission shall bring them to the attention of the other Member States.

3. The measures referred to in paragraph 2 shall only be allowed provided that they are not inconsistent with this Regulation and do not interfere with the proper functioning of the internal market.

4. Member States shall not prohibit or impede the placing on the market within their territory of dogs and cats kept in another Member State on the grounds that the dogs and cats concerned have not been kept in accordance with its stricter national rules on animal welfare.

Article 26
Reporting and evaluation

1. On the basis of the reports received in accordance with Article 20 and additional relevant information, the Commission shall publish, by [*7 years after the date of entry into force of this Regulation*] and thereafter every 5 years, a monitoring report on the welfare of dogs and cats placed on the market in the Union.

2. By [*15 years from the date of entry into force of this Regulation*], the Commission shall carry out an evaluation of this Regulation, including an assessment of a possible maximum age for breeding of dogs and cats, and present a report on the main findings to the European Parliament, the Council, the European Economic and Social Committee, and the Committee of the Regions.

3. For the purposes of the reporting referred to in paragraphs 1 and 2, Member States shall provide the Commission with the information necessary for the preparation of those reports.

Article 27
Penalties

Member States shall lay down the rules on penalties applicable to infringements of this Regulation and shall take all measures necessary to ensure that they are implemented. The penalties provided for shall be effective, proportionate and dissuasive.

Member States shall notify the Commission of those rules and of those measures and shall notify it, without delay, of any subsequent amendment affecting them.

Article 28
Entry into force and application

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from [*2 years from the date of entry into force of this Regulation*], unless otherwise provided for in this Regulation.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

LEGISLATIVE FINANCIAL STATEMENT

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1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

Proposal for a Regulation on the welfare of dogs and cats and their traceability

1.2. Policy area(s) concerned

Heading 1: Single Market, Innovation and Digital

1.3. The proposal/initiative relates to:

X **a new action**

☐ **a new action following a pilot project/preparatory action**[63]

☐ **the extension of an existing action**

☐ **a merger or redirection of one or more actions towards another/a new action**

1.4. Objective(s)

1.4.1. General objective(s)

The proposal aims to create a common framework for the welfare of dogs and cats kept in establishments and supplied in the Union with the view to prevent serious animal suffering, unfair business practices, including fraud, and protect customers.

1.4.2. Specific objective(s)

Specific objective No
1. Ensuring common animal welfare standards for the breeding, keeping and placing on the market or supplying of dogs and cats.
2. Improving the traceability of dogs and cats placed on the Union market or supplied.
3. Promoting competence for animal caretakers.
4. Enhancing consumer protection.
5. Supplementing existing rules for the imports of dogs and cats.

1.4.3. Expected result(s) and impact

Specify the effects which the proposal/initiative should have on the beneficiaries/groups targeted.

Specific objective 1
Better living conditions for dogs and cats kept in establishments.
Specific objective No 2
Decrease risk of illegal trade of dogs and cats.
Specific objective No 3
Better treatment of dogs and cats.
Specific objective No 4

[63] As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

Better awareness of customers when they buy dogs or cats. Specific objective No 5 Decrease the risk of illegal importation of dogs and cats.

1.4.4. Indicators of performance

Specify the indicators for monitoring progress and achievements.

Specific objective 1 Number of dogs and cats registered into approved breeding establishments. Specific objective No 2 Number of dogs and cats registered into national databases that are interoperable at EU level. Specific objectives No 3 Number of animal caretakers subject to national training per year. Specific objectives No 4 Number of automated verifications of identification and registration of dogs and cats when supplied online. Specific objective No 5 Number of cases of illegal trade from third countries reported in iRASFF.

1.5. Grounds for the proposal/initiative

1.5.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The proposal aims at establishing requirements for the nutrition, housing, management and against painful practices for dogs and cats kept in establishments. In addition it will introduce stricter conditions of traceability of dogs and cats and stricter rules on import of those animals. If the Regulation is adopted in 2024, it could be implemented from 2025. The need for financial resources will then start from the date the Regulation comes into force (end of 2024 or 2025).

1.5.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention, which is additional to the value that would have been otherwise created by Member States alone.

Reasons for action at European level (ex-ante) There is today no EU legislation on the welfare of dogs and cats while the situation within Member States is extremely variable and uneven, both in terms of welfare standards or traceability. In absence of common framework, individual action of Member States has limited effect and cannot address key issues while dogs and cats are traded freely in the EU. In addition, in absence of common rules on traceability, illegal trade from third countries is facilitated. Expected generated Union added value (ex-post)

The proposal establishes common requirements on animal welfare standards for keeping dogs and cats and on their traceability. This approach will create a level playing field for all EU operators involved, including in Member States where no animal welfare legislation exists today. In addition, EU customers will be better protected from buying dogs and cats that are unhealthy and mentally and otherwise disturbed due to previous maltreatments.

1.5.3. Lessons learned from similar experiences in the past

The Regulation is based on various experiences from the Member States, stakeholders and scientific information.

The proposal takes into consideration the conclusions of the EU Animal Welfare Platform voluntary initiatives on the health and welfare of pets (dogs and cats) in trade which contains a series of guidelines on responsible dog breeding, cat breeding, commercial movements of dogs and cats, socialisation of puppies and kittens, online platforms selling of dogs and guidelines for buyers of dogs, and recommendations for legislating the welfare of dogs and cats kept in establishments.

In addition, the proposal is based on the European Food Safety Authority scientific and technical assistance on welfare aspects related to housing and health of cats and dogs in commercial breeding establishments. This EFSA report contains recommendations on the type of housing and exercise, on housing temperature and light, on health and against painful surgical interventions.

1.5.4. Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments

The Regulation is to be part of the Food Strand of the Single Market Programme and will work in synergy with the Digital Agenda for Europe that promotes digital solutions to reply to peoples need for a fair and competitive economy.

1.5.5. Assessment of the different available financing options, including scope for redeployment

The costs will be supported from Single Market Programme - Food Strand given that the objectives of this regulation contribute to one of the key objectives of the programme, i.e. contribute to the EU 'Farm to Fork' targets for improving the welfare of animals.

1.6. Duration and financial impact of the proposal/initiative

☐ **limited duration**

– ☐ in effect from [DD/MM]YYYY to [DD/MM]YYYY

– ☐ Financial impact from YYYY to YYYY for commitment appropriations and from YYYY to YYYY for payment appropriations.

✓ **unlimited duration**

– Implementation with a start-up period from 2025 to 2027,

– followed by full-scale operation.

1.7. Method(s) of budget implementation planned[64]

✓ **Direct management** by the Commission

– ✓ by its departments, including by its staff in the Union delegations;

– ✓ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated;

– ☐ international organisations and their agencies (to be specified);

– ☐ the EIB and the European Investment Fund;

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation;

– ☐ public law bodies;

– ☐ bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees;

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees;

– ☐ bodies or persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

– *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

[…]
[…]

[64] Details of budget implementation methods and references to the Financial Regulation may be found on the BUDGpedia site: https://myintracomm.ec.europa.eu/corp/budget/financial-rules/budget-implementation/Pages/implementation-methods.aspx

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

The proposal requires Member States to report data to the Commission every three years for monitoring and evaluation purposes.

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

In accordance with the governance statement of the European Commission, DG Health and Food Safety (SANTE) conducts its operations in compliance with the applicable laws and regulations, working in an open and transparent manner and meeting the expected high level of professional and ethical standards.

The actions aiming to improve the welfare of dogs and cats kept in establishments will be implemented through direct management, using the implementation modes offered by the Financial Regulation, mainly being grants and procurement. Direct management allows to establish grant agreements/contracts with beneficiaries/contractors directly engaged in activities that serve Union policies. The Commission ensures direct monitoring over the outcome of the actions financed. The payment modalities of the actions funded will be adapted to the risks pertaining to the financial transactions.

In order to ensure the effectiveness, efficiency and economy of the Commission controls, the control strategy will be oriented towards a balance of ex-ante and ex-post checks and focus on three key stages of grant/contract implementation, in accordance with the Financial Regulation:

– Selection of proposals/tenders that fit the policy objectives of the Regulation;

– Operational, monitoring and ex-ante controls that cover project implementation, public procurement, pre-financing, interim and final payments, management of guarantees;

– Ex-post controls at the beneficiaries/contractors' sites will also be carried out on a sample of transactions. The selection of these transactions will combine a risk assessment and a random selection.

Directorate General for Health and Food Safety (DG SANTE) is subject to administrative controls including budgetary control, internal audit, annual reports by the European Court of Auditors and the Internal Audit Service, the annual discharge for the execution of the EU budget and possible investigations conducted by OLAF to ensure that the resources allocated are put to proper use.

In accordance with the Commission's Internal Control Framework[65], DG SANTE has elaborated an internal control strategy which focusses on financial management and its compliance with the Financial Regulation, especially with regard to the five

[65] C(2017) 2373 of 19/04/2017

control objectives[66] and the main principles of cost-efficient and effective controls and anti-fraud measures. The strategy is an evolving document which is regularly updated and it is adopted by DG SANTE's Management Board.

The Director in charge of Risk Management and Internal Control (RMIC) of DG SANTE is responsible for co-ordinating the drafting, updating and communication of the control strategy to all staff concerned. To this end, the Director launches each year an annual assessment of the internal control system that feeds into the Annual Activity Report of DG SANTE.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

Risk management is fully integrated into DG SANTE's planning and control cycle. The most important risks are identified in the annual risk assessment exercise. The focus is on the residual risk exposure taking into account all measures already taken to mitigate the risk. The exercise closes with discussions at senior management level chaired by the Director General. The so-called "critical risks" are reported to the Commissioner together with an action plan to reduce them to an acceptable level. To monitor the implementation of the action plans, each year a progress report is prepared and communicated to the Commissioner in the context of the mid-term report.

DG SANTE integrated risk management into its budget implementation processes. Potential risks, issues or problems are identified in each step of the financial management process.

The implementation of the new Regulation focuses on the attribution of public procurement contracts as well as a number of grants for specific activities and organisations.

The public procurement contracts will mainly be concluded in areas such as product development (such as stakeholders consultation) and promotional activities (to support uptake).

Grants will mainly be awarded for support activities to the Commission in product development).

The main risks are the following:

• Risk of not fully achieving the objectives of the Regulation due to insufficient uptake or quality/delays in the implementation of the selected projects or contracts;

• Risk of inefficient or non-economic use of funds awarded, both for grants (complexity of funding rules) and for procurement (limited number of economic providers with the required specialist knowledge entailing insufficient possibilities to compare price offers in some sectors).

• Reputational risk for the Commission, if fraud or criminal activities are discovered; only partial assurance can be drawn from the third parties' internal control systems

[66] According to the COSO model adopted by the Commission Internal Control Framework in its latest version: C(2017) 2373 of 19/04/2017 3 Communication to the Commission on the revision of the Internal Control Framework (C(2017) 2373 of 19/04/2017) which replaces the Internal Control Standards laid down in SEC(2001)2037 and revised by SEC(2007)1341.

due to the rather large number of heterogeneous contractors and beneficiaries, each operating their own control system.

The Commission put in place internal procedures that aim at covering the risks identified above. The internal procedures are in full compliance with the Financial Regulation and include anti-fraud measures and cost-benefit considerations. Within this framework, the Commission continues to explore possibilities to enhance the management and to realise efficiency gains. Main features of the control framework are the following:

Controls before and during the implementation of the projects:

• An appropriate project management system will be put in place focusing on the contributions of projects and contracts to the policy objectives, ensuring a systematic involvement of all actors, establishing a regular project management reporting complemented by on-site-visits on a case-by-case basis, including risk reports to senior management, as well as maintaining appropriate budgetary flexibility.

• Model grant agreements and service contracts used are developed within the Commission. They provide for a number of control provisions such as audit certificates, financial guarantees, on-site audits as well as inspections by OLAF. The rules governing the eligibility of costs are being simplified, for example, by using unit costs, lump sums, contributions not linked to costs and other possibilities offered by the Financial Regulation. This will reduce the cost of controls and put the focus on checks and controls in high-risk areas.

• All staff sign up to the code of good administrative behaviour. Staff who are involved in the selection procedure or in the management of the grant agreements/contracts (also) sign a declaration of absence of a conflict of interest. Staff is regularly trained and uses networks to exchange best practices.

• Technical implementation of a project is checked at regular intervals at the desk on the basis of technical progress reports of the contractors and beneficiaries; in addition, contractors'/beneficiaries' meetings and on-site-visits are foreseen on a case-by-case basis.

Controls at the end of the project: Ex-post audits are performed on a sample of transactions to verify on-the-spot the eligibility of cost claims. The aim of these controls is to prevent, detect and correct material errors related to the legality and regularity of financial transactions. With a view to achieving a high control impact, the selection of beneficiaries to be audited foresees to combine a risk-based selection with a random sampling, and to pay attention to operational aspects whenever possible during the on-site audit.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)

The Commission's and DG SANTE's internal control strategies take into consideration the main cost drivers, and the efforts already taken over several years to reduce the cost of controls, without compromising the effectiveness of controls. The existing control systems proved to be able to prevent and/or to detect errors and/or irregularities, and in case of errors or irregularities, to correct them.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

Article 325 of the Treaty on the functioning of the European Union (TFEU) requires the EU and its Member States to combat fraud and any other illegal activities that may affect the EU's financial interests. According to Article 317 of the TFEU and Article 36 of the Financial Regulation[67], the EU Commission implements the EU budget, in compliance with sound financial management principles, applying effective and efficient internal control[68], which includes preventing, detecting, correcting, and following up on fraud and irregularities.

As for its activities in direct management, the Commission shall take appropriate measures ensuring that the financial interests of the European Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportional and deterrent penalties. To this effect, the Commission adopted an anti-fraud strategy, latest update of April 2019 (COM(2019) 196) with the revised Action Plan of July 2023 (COM(2023) 405). DGs and executive agencies have developed and implemented their own anti-fraud strategies on the basis of the methodology provided by OLAF. In general, these are updated every three years and their implementation is monitored and reported to the management on a regular basis. DG SANTE has developed and implemented its own Anti-fraud strategy since 2013, on the basis of the methodology provided by OLAF. It is updated every three years. The most recent anti-fraud strategy of DG SANTE's, covering the years 2021 to 2024, was adopted by the Management Board on 8 November 2021 after a peer review organised by OLAF. Its implementation is being monitored and reported to the management twice a year.

For budget implementation under direct management, the Commission also implements a series of measures such as:

- decisions, agreements and contracts resulting from the implementation of the Regulation will expressly entitle the Commission, including OLAF, and the Court of Auditors to conduct audits, on-the-spot checks and inspections and to recover amounts unduly paid and, where appropriate, impose administrative sanctions;

- during the evaluation phase of a call for proposals/tender, the applicants and tenderers are checked against the published exclusion criteria based on declarations and the Early Detection and Exclusion System (EDES);

- the rules governing the eligibility of costs will be simplified in accordance with the provisions of the Financial Regulation ;

- regular training and awareness raising on issues related to fraud and irregularities is given to all staff involved in contract management as well as to auditors and controllers who verify the beneficiaries' declarations on the spot.

[67] Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012, O.J. L 193, 30.7.2018, 1.

[68] Communication to the Commission on the Revision of the Internal Control Framework C(2017)2373 adopted on 19/04/2017 (Principle 8, Characteristic 8.2).

The assurance building process of the Authorising Officer by Delegation (AOD) is based on the capacity of the control systems in place to detect significant and/or repetitive deficiencies. The control systems are composed of different elements: supervision and verification of operations, ex-ante verifications, ex-post controls, and audits of the Internal Audit Service and the European Court of Auditors, as well as the health and food audits performed by DG SANTE in EU Member States and third countries. All actors involved play an essential role in fraud prevention and detection.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number	Diff./Non-diff.[69]	from EFTA countries [70]	from candidate countries[71]	from third countries	within the meaning of Article 21(2)(b) of the Financial Regulation
	03.02.06 - Contributing to a high level of health and welfare for humans, animals and plants	Diff.	NO	NO	NO	NO

69 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
70 EFTA: European Free Trade Association.
71 Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated financial impact of the proposal on appropriations

3.2.1. Summary of estimated impact on operational appropriations

– ☐ The proposal/initiative does not require the use of operational appropriations

– ✓ The proposal/initiative requires the use of operational appropriations, as explained below:

EUR million (to three decimal places)

Heading of multiannual financial framework	1	Single Market, Innovation and Digital

DG: SANTE [72]			Year **2025**	Year **2026**	Year **2027 et seqq.**	**TOTAL**
• Operational appropriations			-	-	-	-
03.02 06 Contributing to a high level of health and welfare for humans, animals and plants	Commitments	(1a)	0,500	0,500	0,500	1.500
	Payments	(1b)	0,200	0,400	0,900	1.500
Appropriations of an administrative nature financed from the envelope of specific programmes			-	-	-	-
Budget line	-	3	-	-	-	-
TOTAL appropriations for DG SANTE	Commitments	=1a+3	0,500	0,500	0,500	1.500
	Payments	=1b+3	0,200	0,400	0,900	1.500

TOTAL operational appropriations	Commitments	**(4)**	0,500	0,500	0,500	1,500

[72] Annual maintenance costs of EUR 300.000 are not included as they are applicable as of 2028 and fall under the next MFF.

	Payments	(5)	0,200	0,400	0,900	1,500
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes		(6)	-	-	-	-
TOTAL appropriations under HEADING 1 of the multiannual financial framework	Commitments	=4+ 6	0,500	**0,500**	**0,500**	**1.500**
	Payments	=5+ 6	0,200	**0.400**	**0,900**	**1.500**

○ TOTAL operational appropriations (all operational headings)	Commitments	(4)	-	-	-	-
	Payments	(5)	-	-	-	-
TOTAL appropriations of an administrative nature financed from the envelope for specific programmes (all operational headings)		(6)	-	-	-	-
TOTAL appropriations under HEADINGS 1 to 6 of the multiannual financial framework (Reference amount)	Commitments	=4+ 6	**0,500**	**0,500**	**0,500**	**1,500**
	Payments	=5+ 6	**0,500**	**0,400**	**0,900**	**1,500**

Heading of multiannual financial framework	7	'Administrative expenditure'

This section should be filled in using the 'budget data of an administrative nature' to be firstly introduced in the Annex to the Legislative Financial Statement (Annex 5 to the Commission decision on the internal rules for the implementation of the Commission section of the general budget of the European Union), which is uploaded to DECIDE for interservice consultation purposes.

EUR million (to three decimal places)

- -		Year 2025	Year 2026	Year 2027 et seqq.	TOTAL
DG: <SANTE.>	-				
• Human resources		**0.440**	**0.449**	**0.458**	**1.346**
• Other administrative expenditure		**0.054**	**0.054**	**0.054**	**0.162**
TOTAL DG <SANTE.>	0,494	**0.494**	**0.503**	**0.512**	**1.508**
TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments) -	**0,494**	**0,503**	**0,512**	**1,508**

EUR million (to three decimal places)

		Year 2025	Year 2026	Year 2027 et seqq.	TOTAL
TOTAL appropriations under HEADINGS 1 to 7 of the multiannual financial framework	Commitments	**0,994**	**1,003**	**1,012**	**3,008**
	Payments	**0,694**	**0,903**	**1,412**	**3,008**

EUR million (to three decimal places)

3.2.2. Estimated output funded with operational appropriations

Commitment appropriations in EUR million (to three decimal places)

Indicate objectives and outputs ⇩			Year **2025**		Year **2026**		Year **2027 et seqq.**		**TOTAL**	
	Type[1]	Average cost	No	Cost	No	Cost	No	Cost	Total No	Total cost
SPECIFIC OBJECTIVE No 2. Improving the traceability of dogs and cats placed on the Union market or supplied										
- Output	Development and initial operation of the system of verification of the authenticity of this identification and registration for offerings via online Platforms and ensuring the interoperability of national databases		-	0,500	-	0,500	-	0,500	-	1,500
Subtotal for specific objective No 2			-	0,500	-	0,500	-	0,500	-	1,500
TOTALS			-	0,500	-	0,500	-	0,500	-	1,500

3.2.3. Summary of estimated impact on administrative appropriations

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– ✓ The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

	Year **2025**	Year **2026**	Year **2027 et seqq.**	**TOTAL**
HEADING 7 of the multiannual financial framework		-	-	-
Human resources	0.440	0.449	0.458	1.346
Other administrative expenditure	0.054	0.054	0.054	0.162
Subtotal HEADING 7 of the multiannual financial framework	0.494	0.503	0.512	1.508

Outside HEADING 7[2] of the multiannual financial framework	-	-	-	-
Human resources	-	-	-	-
Other expenditure of an administrative nature	-	-	-	-
Subtotal outside HEADING 7 of the multiannual financial framework	-	-	-	-

TOTAL	**0.494**	**0.503**	**0.512**	**1.508**

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

3.2.3.1. Estimated requirements of human resources

– ☐ The proposal/initiative does not require the use of human resources.

– ✓ The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

		Year **2024**	Year **2025**	Year **2026**	Year **2027 et seqq.**
20 01 02 01 (Headquarters and Commission's Representation Offices)			2	2	2
20 01 02 03 (Delegations)					
01 01 01 01 (Indirect research)					
01 01 01 11 (Direct research)					
Other budget lines (specify)					
20 02 01 (AC, END, INT from the 'global envelope')			1	1	1
20 02 03 (AC, AL, END, INT and JPD in the delegations)					
XX 01 xx **yy zz** [10]	- at Headquarters				
	- in Delegations				
01 01 01 02 (AC, END, INT - Indirect research)					
01 01 01 12 (AC, END, INT - Direct research)					
Other budget lines (specify)					
TOTAL			**3**	**3**	**3**

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	AD will perform all the tasks that involve relationship with Member States, stakeholders as well as any preparation of legislation.
External staff	CA will perform tasks that require specific expertise in digital activities.

3.2.4. Compatibility with the current multiannual financial framework

The proposal/initiative:

– ✓ can be fully financed through redeployment within the relevant heading of the Multiannual Financial Framework (MFF).

The EUR 1.5 million of operational expenses under budget line 03.0206 in years 2025 to 2027 will be covered by internal redeployment within the budget line.

– ☐ requires use of the unallocated margin under the relevant heading of the MFF and/or use of the special instruments as defined in the MFF Regulation.

Explain what is required, specifying the headings and budget lines concerned, the corresponding amounts, and the instruments proposed to be used.

– ☐ requires a revision of the MFF.

Explain what is required, specifying the headings and budget lines concerned and the corresponding amounts.

3.2.5. Third-party contributions

The proposal/initiative:

– ✓ does not provide for co-financing by third parties

– ☐ provides for the co-financing by third parties estimated below:

Appropriations in EUR million (to three decimal places)

	Year **N**[73]	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

[73] Year N is the year in which implementation of the proposal/initiative starts. Please replace "N" by the expected first year of implementation (for instance: 2021). The same for the following years.

3.3. Estimated impact on revenue

– ✓ The proposal/initiative has no financial impact on revenue.

– ☐ The proposal/initiative has the following financial impact:

  – ☐ on own resources

  – ☐ on other revenue

  – please indicate, if the revenue is assigned to expenditure lines ☐

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative[74]						
		Year **N**	Year **N+1**	Year **N+2**	Year **N+3**	Enter as many years as necessary to show the duration of the impact (see point 1.6)		
Article …….								

For assigned revenue, specify the budget expenditure line(s) affected.

[…]

Other remarks (e.g. method/formula used for calculating the impact on revenue or any other information).

[…]

[74] As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 20 % for collection costs.