# GCAW CONSULTATION ON CAGE-FREE EGG PROCUREMENT

## tHE Global Coalition for Animal Welfare

The Global Coalition for Animal Welfare (GCAW) is the world’s first food-industry-led initiative aimed at advancing animal welfare globally. Launched in October 2018, the global platform unites major companies and animal welfare experts in improving animal welfare standards at scale and in meeting consumer demand for food products from animals reared in systems that promote good welfare.

Consisting of thirteen member companies, GCAW represents some of the largest names in global food production and food service: Aramark, Compass Group, Elior Group, Hilton Food Group, IKEA Food Services, Maple Leaf Foods, Nestlé, Sodexo, Tesco, The Cheesecake Factory, The Kroger Co., Tyson Foods and Unilever. With combined revenues of over USD 400 billion (EUR 330 billion) these companies have joined the Coalition to collectively address systemic barriers to improving animal welfare, accelerate the development of standards, and drive progress on key welfare issues.

GCAW’s work is currently centred around three species-specific working groups addressing the welfare of laying hens, broiler chickens and pigs.

## transitioning to cage-free egg supply chains

Since 2016, over 1,000 companies globally have committed to cage-free egg production, including more than 300 in North America and more than 800 across Europe. Most of these commitments are to be achieved by 2025.

In February 2021, the GCAW Laying Hen Welfare Working Group facilitated discussions with procurement colleagues from the member companies, with the aim of identifying barriers to the sourcing of cage-free eggs. The procurement of cage-free processed egg ingredients was identified as a key challenge in meeting global cage-free egg commitments. Specifically, the challenges centre on availability, cost and traceability of cage-free processed egg ingredients.

The Working Group decided to hold a public consultation to seek wider views on the potential for alternative supply chain models to facilitate procurement of cage-free processed egg ingredients. The supply chain models to be considered in the consultation are based on those described by the Roundtable on Sustainable Palm Oil (RSPO): ‘Segregated’, ‘Mass Balance’ and ‘Book and Claim’.

The focus of this consultation is to seek feedback on potential solutions for the procurement of cage-free processed egg ingredients. We are keen to hear from industry associations, egg producers, other food companies, and non-governmental organisations.

All feedback received will be treated in strictest confidence. To avoid individual respondents being identified, any information gathered via the consultation will be aggregated or anonymised by the GCAW Secretariat before being shared publicly or with the GCAW members.

### Dates for feedback

The consultation is open for feedback until **17th September 2021**.

### How should stakeholders provide feedback?

We welcome written and verbal comments in answer to the questions provided in this document. We are happy to convene calls with respondents during the consultation period. All feedback received will be treated in strict confidence.

Please send your comments to, or request a call via the GCAW Senior Programme Manager, Dr Nathan Rhys Williams MRCVS, [secretariat@gc-animalwelfare.org](mailto:secretariat@gc-animalwelfare.org)

### Next steps

At the close of the consultation period, we will prepare a summary report of the responses received. This will be published on the GCAW website. We also plan to present the results in a public webinar, to which respondents will be invited. The information resulting from the consultation will be used to help inform the work of GCAW’s Laying Hen Welfare Working Group, with implications for the Member companies and wider food industry supply chains.

## CONSULTATION questions

This consultation is seeking views on the potential for alternative supply chain models to facilitate procurement of cage-free processed egg ingredients. By processed egg ingredients we mean all egg products other than shell eggs, including liquid, frozen and dried whole egg, yolks and albumen, and further processed or cooked egg products.

The supply chain models proposed for consideration are described below. These descriptions, particularly of the advantages and disadvantages are not intended to be exhaustive. The purpose of this consultation is to better understand the practical challenges and opportunities encountered during sourcing.

##### Segregated:

Cage-free processed egg ingredients from different, traceable sources are kept separate from non-cage-free processed egg ingredients throughout the supply chain.

**Advantages:** A ‘segregated’ supply chain allows companies to confidently claim that their products contain only cage-free eggs.

**Disadvantages:** This is a more costly model when volumes are low (e.g. when cage-free egg demand is small in proportion to the total egg market). Costs associated with cage-free certification need to be borne either by the egg producer or by the purchasing companies (e.g. food manufacturers, retailers, food service companies).

##### Mass Balance:

Cage-free processed egg ingredients from different, traceable sources are mixed with non-cage-free processed egg ingredients throughout the supply chain. Production of cage-free eggs is stimulated as more companies willing to pay for cage-free eggs participate in a ‘mass balance’ supply chain.

**Advantages:** Companies with cage-free egg commitments can directly support the transition to cage-free production by paying a premium for the eggs they buy through a ‘mass balance’ supply chain. A ‘mass balance’ supply chain avoids the costs associated with setting up a ‘segregated’ supply chain and enables support of low-volume producers, until the point where increased volumes result in a ‘segregated’ supply chain becoming economically viable.

**Disadvantages:** It can be challenging for companies with a ‘mass balance’ supply chain to clearly communicate to consumers on their use of cage-free eggs.

##### Book and Claim:

The supply chain is not monitored for the presence of cage-free processed egg ingredients. Manufacturers and retailers can buy ‘credits’ from cage-free egg producers. This model can support development of cage-free egg production in regions where production is limited and where volume or geographic limitations make it uneconomic to incorporate the limited production into supply chains.

**Advantages:** ‘Credits’ from a ‘book and claim’ supply chain can help support cage-free egg production whilst increasing volumes, until the point where a ‘segregated’ supply chain becomes viable.

**Disadvantages:** It can be challenging for companies with a ‘book and claim’ supply chain to clearly communicate to consumers on their use of cage-free eggs.

Each of these supply chain models presents different advantages and disadvantages. We are interested in your views on how these models could facilitate the procurement of cage-free processed egg ingredients.

### Respondent details

All feedback received will be treated in strictest confidence. To avoid individual respondents being identified, any information gathered via the consultation will be aggregated or anonymised by the GCAW Secretariat before being shared publicly or with the GCAW Members.

**Respondent job function (e.g. procurement, marketing, CSR, etc.):** Click or tap here to enter text.

**Type of company/organisation** **(e.g. industry association, egg producer, food company, non-governmental organisation, etc.):** Click or tap here to enter text.

**Location** **(country):** Click or tap here to enter text.

**Is your company/organisation a producer of eggs?** Choose an item.

**Is your company/organisation a purchaser of eggs?** Choose an item.

**If possible, please indicate an approximate volume of eggs produced or purchased per year:**

Click or tap here to enter text.

**Which of the supply chain models, ‘segregated’, ‘mass balance’ and ‘book and claim’, does your company/organisation has practical experience of?** If your experience relates to other types of products, please specify these.

Click or tap here to enter text.

### Mass balance

**1a. Are you aware of the use of a ‘mass balance’ supply chain for eggs, or other products? If so, do you know why a ‘mass balance’ supply chain was chosen?**

Click or tap here to enter text.

**1b. What opportunities would a ‘mass balance’ supply chain provide to egg producers and to individual companies in meeting their cage-free processed egg ingredient commitments?**

Click or tap here to enter text.

**1c. Are there disadvantages that would need to be considered in developing a ‘mass balance’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**1d. Are there particular supply chains (e.g. specific egg products or geographies) in which a ‘mass balance’ supply chain model would be more, or less, effective?**

**Specific products:** Click or tap here to enter text.

**Specific geographies:** Click or tap here to enter text.

**1e. What is currently preventing the adoption of a ‘mass balance’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**1f. What would need to happen in your region (geography) to develop a ‘mass balance’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**1g. How could GCAW help to develop a ‘mass balance’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**1h. How could companies communicate to consumers on cage-free processed egg ingredient supply chains based on a ‘mass balance’ model?**

*Companies could, for example, claim that their product “contributes to/supports the production of cage-free eggs” or could have an arrangement with the processor that a proportion of cage-free processed egg ingredients are included in the mix equivalent to that company’s requirements, to enable the company to communicate on a ‘dedicated’ supply chain.*

Click or tap here to enter text.

### BOOK AND CLAIM

**2a. Are you aware of the use of a ‘book and claim’ supply chain for eggs, or other products? If so, do you know why a ‘book and claim’ supply chain was chosen?**

Click or tap here to enter text.

**2b. What opportunities would a ‘book and claim’ supply chain model provide to egg producers and to individual companies in meeting their cage-free processed egg ingredient commitments?**

Click or tap here to enter text.

**2c. Are there disadvantages that would need to be considered in developing a ‘book and claim’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**2d. Are there particular supply chains (e.g. specific egg products or geographies) in which a ‘book and claim’ supply chain model would be more, or less, effective?**

**Specific products:** Click or tap here to enter text.

**Specific geographies:** Click or tap here to enter text.

**2e. What is currently preventing the adoption of a ‘book and claim’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**2f. What would need to happen in your region (geography) to develop a ‘book and claim’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**2g. How could GCAW help to develop a ‘book and claim’ supply chain for cage-free processed egg ingredients?**

Click or tap here to enter text.

**2h. How could companies communicate to consumers on cage-free processed egg ingredient supply chains based on a ‘book and claim’ model?**

*Companies could, for example, claim that their product “contributes to/supports the production of cage-free eggs” or could have an arrangement with the processor that a proportion of cage-free processed egg ingredients are included in the mix equivalent to that company’s requirements, to enable the company to communicate on a ‘dedicated’ supply chain.*

Click or tap here to enter text.

### Further feedback

**3. Are there other potential solutions for facilitating the procurement of cage-free processed egg ingredients that you would like to propose for consideration?** *Please describe how your suggestions could be implemented.*

Click or tap here to enter text.

**4. Are there other comments you would like to add?**

Click or tap here to enter text.

### Closing questions

**5. Are you interested in receiving updates on the outcome of this consultation and an invitation to the results webinar?**

If yes, provide your email address for correspondence: Click or tap here to enter text.

**6. Are you interested in learning more about GCAW membership for your company?**

If yes, provide your email address for correspondence: Click or tap here to enter text.

Please submit your feedback, or request a call to discuss the consultation questions further, via the GCAW Senior Programme Manager, Dr Nathan Rhys Williams MRCVS: [secretariat@gc-animalwelfare.org](mailto:secretariat@gc-animalwelfare.org)