Manual Agriculture for Cattle Farming

Terms and Conditions for Participation in the Initiative Tierwohl Cattle

1 Introduction

In the Initiative Tierwohl (ITW), companies and associations from the agriculture, meat industry, and food retail sectors have joined forces to promote more animal-friendly and sustainable meat production.

To this end, the initiators—in collaboration with industry, academia, and stakeholder groups—have developed a comprehensive programme to promote animal welfare at the farm level and have defined scientifically sound, measurable, and verifiable requirements for livestock farming.

The ITW is operated and supported by *Initiative Tierwohl GmbH* (the operating company).

This manual sets forth the participation requirements for the ITW Cattle program for livestock owners.

2 Participation Requirements for Livestock Owners

2.1 Participants, Participation

ITW Cattle is open to all cattle farmers. Initially, only livestock owners who engage in cattle farming in Germany and participate in the QS scheme (status "authorized to supply" in the QS database) or in a comparable quality assurance scheme recognized by the ITW may participate in ITW Rind. The operating company of the ITW decides on recognition of quality assurance schemes and the eligibility of foreign livestock owners to participate.

Participation is only possible for an entire farm location. The company (= location) is defined location number (e.g., in Germany by location number) and, if applicable, shed ID, as well as the production scope. Within a single location number, sub-units (defined as shed ID) with different shed IDs may be registered and participate in different ITW programmes. This is only possible if uniform husbandry conditions are maintained within a single shed or building (under one roof).

Livestock owners who are required by applicable laws or regulations to comply with higher requirements must also ensure compliance with these requirements for participation in the ITW.

Participation in the ITW is voluntary.

cattle production and suckling cow production:

The Initiative Tierwohl is offered for cattle production in three programmes with increasing levels of animal welfare:

- *Stall plus Platz*
- *Frischluftstall*
- *Auslauf\ Weide*

The programmes correspond to Levels 2, 3, and 4 of the *scheme for the uniform labelling of Haltungsformen*.

The programmes build on one another, so that the eligibility of delivery under a higher-level programme includes the eligibility of delivery under all lower-level programmes. The same general requirements must be met in every programme.

Dairy and calf production farmers may only participate in the *Stall plus Platz* programme.

2.2 Registration and Approval Procedure

Livestock owners who decide to participate in the ITW do so through an agricultural coordinator. The following procedure applies for registration:

a) Livestock owners commission an agricultural coordinator of their choice to register them for participation in the ITW Cattle program. When commissioning the coordinator, they provide the following data

   - Master data for the company (including VVVO number, production scope, address, farm manager).
   - Cattle production: Programme (*Stall plus Platz, Frischluftstall*, *Auslauf/Weide*) in which participation is desired.
   - Date from which the animal welfare requirements will be met (implementation date).
     As of the specified date, livestock owners must have implemented the ITW requirements and be able to demonstrate this at any time during the audit.
   - In addition, livestock owners report how many animals are sent for slaughter each year.

   The information regarding the number of animals sent for slaughter is verified using data available from QS or a comparable quality assurance system. If the data reported by the coordinator upon registration does not match the available data, the livestock owner's registration will be rejected or the data must be corrected by the livestock owner.
   The implementation date can be chosen freely.

b) The agricultural coordinator registers the livestock owner in the animal welfare database. Companies can register at any time.

c) Livestock owners receive ITW approval only after successfully passing a programme audit. For the implementation of ITW requirements, participants receive a price surcharge from their respective recipients only if they have agreed with them on the payment and the amount of the price surcharge. (⇒ Section 2.5.1)

2.3 Term, Termination of Agreement

Participation in the ITW Cattle program is open-ended. Participation may be terminated with three months' notice to the end of the month. The right to terminate the agreement for cause remains unaffected.

2.4 Implementation of requirements, monitoring, inspection

2.4.1 Implementation of Requirements/Programme Manual

By signing the declaration of participation, the livestock owner recognizes the ITW programme manual, including the terms of participation in the "Manual Agriculture: Cattle" for livestock owners, in its currently valid version.

The ITW requirements, the terms and conditions of participation in the "Manual Agriculture for Livestock Owners," the criteria lists, the explanatory notes, the inspection system, and all other documents relevant to the implementation of the programme are published in their current versions on the ITW website at **https://www.initiative-tierwohl.de/tierhalter/downloads/**. Together, they constitute the ITW programme manual and apply to livestock owners.

This programme manual may be continuously developed and amended by the bodies of the operating company. This applies in particular if circumstances arise that make an adjustment of the programme manual and the requirements of the Initiative Tierwohl urgently necessary (e.g., an incident or crisis affecting the public image and reputation of the Initiative Tierwohl, a change in the legal situation).

Notwithstanding any other provisions, the advisory board of the Initiative Tierwohl is authorized to make these adjustments during the term of the contract for which the livestock owner has obtained approval. In this case, the livestock owner is obligated to implement the adjustments. If the livestock owner does not wish to do so, they may request the termination of their agreement with the Initiative Tierwohl for cause.

The livestock owner is obligated to regularly inform themselves about the currently valid requirements. Changes will be communicated in a timely manner.

All cattle (including those purchased) must be kept continuously on an ITW-authorized company for at least the last six months prior to slaughter. As of January 1, 2027, all cattle (including those purchased) must be kept continuously on an ITW-authorized company for at least the last eight months prior to slaughter. Fattening calves must be kept on a company authorized to supply ITW continuously from weaning from the dam, or in the case of milk-fed fattening from the time of transfer from the birth company, and in the case of rosé fattening from the time of transfer from the rearing company, until slaughter (max. eight months of age).

2.4.2 Auditing and Inspection

A certification body approved by the operating company and commissioned by the coordinator regularly monitors compliance with the requirements.

The livestock owner is obligated to demonstrate compliance with ITW requirements in an audit conducted according to the ITW inspection system, starting from the implementation date specified by the owner. A certification body commissioned by the coordinator conducts the audits.

Its auditors are authorized to

a) conditions found at the livestock owner's location regarding the implementation of the ITW requirements in the programme audit and in all subsequent audits by taking photographs or making copies of the relevant documents.

   Certification bodies and auditors are authorized to forward the documents to the relevant departments within the ITW. Notwithstanding this, certification bodies and auditors must be required by the coordinator to treat documents and data from this company confidentially.

b) To review audit reports of the quality assurance scheme(s) (QS scheme or comparable quality assurance scheme recognized by the operating company) in which the livestock owner participates at the location.

c) Review audit reports for certification under the EU Organic Regulation (or organic programs based on it) at the location where the livestock owner participates.

Refusal to allow access to documents, to make copies, or to document via photographs may result in a general K.O., loss of eligibility of delivery in the ITW, and sanctions.

Following a successful programme audit, the certification body confirms to the livestock owner that the requirements have been met. Following the release of the audit report in the database, the livestock owner is approved for participation in the ITW Cattle programme. The certification body may issue a certificate to the livestock

owner in accordance with the ITW inspection system. The approval or certificate issued following a successful programme audit is valid until the end of the calendar year following the programme audit.

If a livestock owner terminates a location's participation, a programme audit must be conducted for final verification within three months prior to or up to two weeks after termination (= termination date) .

The livestock owner must fully implement the requirements documented and certified by the certification body throughout the entire term of the certificate and demonstrate compliance during the audits provided for in the inspection system outlined in the programme manual. The operating company is entitled to have additional audits conducted at the participating companies. No legal consequences in the sense of grandfathering may be derived from the findings/non-findings of an audit for follow-up audits and all other inspections.

The livestock owner must provide the ITW, via their coordinator, with the names of the contact persons responsible for the audit at the location, their contact information, optionally the times when they are most easily reachable, and the address details of the locations to be inspected.

The livestock owner is obligated to immediately inform the certification body responsible for the company, as well as the responsible coordinator, of all significant operational changes that affect the company's participation and could jeopardize the maintenance of certification (e.g., change of manager, leasing, expansion of the company). The livestock owner's certification approval may be revoked if operational changes are not reported and not coordinated with the certification body and the coordinator.

2.5 Payment of a price surcharge ( )

2.5.1 Amount of the price surcharge

Cattle production

Important: Cattle producers and abattoirs (or recipients) enter into bilateral agreements regarding the delivery of ITW-certified cattle and delivery terms. There is no claim for payment against the operating company, nor is the operating company liable for the payment of a price surcharge by the abattoirs or its actual amount.

Cattle feeders should receive a price surcharge from the participating abattoirs for implementing the ITW requirements in cattle production.

Recommendation on the amount of the price surcharge for *Stall plus Platz*

The ITW bodies recommend a price surcharge of 10.7 cents per kilogram of slaughter weight. Once the "scrubbing device" criterion takes effect on July 1, 2027, this recommendation will increase to 12.83 cents per kilogram of slaughter weight. The operating company and the bodies within the ITW are authorized to adjust or revoke the recommendation regarding the amount of the price surcharge as needed.

Price surcharge for Frischluftstall/Auslauf*/Weide*:

For the *Frischluftstall* and *Auslauf/Weide* programmes, the price surcharge is freely negotiated between market participants. There is no recommendation regarding the amount of the price surcharge.

Suckler cow farmers

Suckler cow farmers are to receive a price surcharge from participating abattoirs for implementing the ITW requirements for suckler cow farming (included in the cattle production criteria catalog). The ITW bodies have not issued a recommendation regarding the amount of the price surcharge. The price surcharge is to be determined by the market. The amount of the price surcharge is freely agreed upon between market participants.

Important: Suckler cow farmers and abattoirs (or recipients) enter into bilateral agreements regarding the delivery of ITW slaughter cows and delivery terms. There is no claim for payment against the operating company, nor is the operating company liable for the payment of a price surcharge by the abattoirs or its actual amount.

calf production

Calf producers are to receive a price surcharge from participating abattoirs for implementing the ITW requirements for calf production. The ITW bodies have not issued a recommendation regarding the amount of the price surcharge. The price surcharge is to be determined by the market. The amount of the price surcharge is freely agreed upon between the market participants.

Important: Calf production operators and abattoirs (or recipients) enter into bilateral agreements regarding the delivery of ITW fattening calves and delivery terms. There is no claim for payment against the operating company, nor is the operating company liable for the payment of a price surcharge by the abattoirs or its actual amount.

Dairy Farmers

Dairy farmers are to receive a price surcharge for ITW slaughter cows (trade class category: cow meat) from participating abattoirs for implementing the ITW requirements for dairy farming. The ITW bodies recommend a price surcharge of 4 cents per kg of slaughter weight for the years 2025 and 2026. For heifers, the price surcharge recommended for cattle production applies. The operating company and the ITW bodies are authorized to adjust or cancel the recommended price surcharge amount as needed.

Important: Dairy farmers and abattoirs (or recipients) enter into bilateral agreements regarding the delivery of ITW slaughter cows and delivery terms. There is no claim for payment against the operating company, nor is the operating company liable for the payment of a price surcharge by the abattoirs or its actual amount.

2.6 Loss of Eligibility of Delivery/Approval, Sanctions

In the event of non-compliance

a) If a livestock owner fails to meet the general requirements and the *"Stall plus Platz"* requirements, they lose their eligibility of delivery for that location under the Initiative Tierwohl and the associated entitlement to receive the price surcharge. Every livestock owner must implement the general requirements in order to participate in the Initiative Tierwohl.

   The loss of eligibility of delivery due to failure to implement the requirements terminates their participation in the ITW. Any entitlements associated with their participation are forfeited for the future. The certification body is entitled to reclaim any certificate issued to the livestock owner for the registered location.

   The eligibility of delivery for a company may also be temporarily revoked if, although an ITW audit is passed, nonconformities from the basic criteria of the QS scheme or a recognized quality assurance scheme are identified. In this case, the eligibility of delivery will only be reinstated once the implementation of the required corrective actions has been demonstrated to the certification body and these have been labelled as resolved in the ITW database.

b) If the requirements for ***Frischluftstall* or *an Auslauf/Weide*** are not met, the livestock owner loses their eligibility of delivery in the registered programme. Provided they were able to demonstrate compliance with the general requirements (a) above during the audit, they will be downgraded within the Initiative Tierwohl to the programme whose requirements they demonstrated in the audit.

c) Failure to meet the requirements of the Initiative Tierwohl (General requirements, program-specific requirements) may result in the operating company imposing a contractual penalty at its reasonable discretion. The amount of the contractual penalty is determined based on the specific circumstances of the individual case, in particular the significance of the breached obligation and the severity of the violation. The contractual penalty is based on the price surcharge that the livestock owner has received since the last successful audit (programme audit, confirmation audit, or, if applicable, stock check), unless the livestock owner can prove that the requirements were still being met at a later date (reversal of the burden of proof). When calculating the contractual penalty for cattle production and dairy farming under the *"Stall plus Platz"* programme, the operating company assumes that the livestock owner has received the price surcharge recommended by the Initiative Tierwohl. For the *Frischluftstall* and *Auslauf/Weide* programmes for cattle production and suckling cow production and for the *Stall plus Platz* programme for calf production and suckler cow husbandry, the operating company assumes, when calculating the contractual penalty, that the livestock owner has received the market-standard price surcharge determined. If the livestock owner has received a different price surcharge, they may assert and provide evidence of this in the appeal proceedings against the contractual penalty.

d) In the event of non-compliance with the requirements (General requirements, program-specific requirements), the livestock owner may be temporarily or permanently excluded from further participation in the ITW by the operating company. With temporary or permanent exclusion, their eligibility of delivery in the ITW is revoked.

e) In the event of non-compliance with the requirements (general requirements, program-specific requirements), the operating company reserves the right to file a criminal complaint in particularly serious cases.

The operating company and the bodies responsible for standards for certified quality assurance (QS scheme and comparable quality assurance schemes recognized by the operating company) will exchange information relevant to achieving the objectives of this initiative. This applies in particular to information regarding violations of animal welfare that have been identified among participating livestock owners.

2.7 Critical Events

The livestock owner is obligated to immediately inform the coordinator, the operating company, and—where a legal obligation exists—the competent authorities of critical events that are relevant to the ITW. Critical events are occurrences that pose a danger to humans, animals, the environment, assets, or the ITW as a whole, or that could become a danger to them.

These include, in particular

a) any nonconformities with the ITW requirements, if such nonconformities may endanger animal welfare and animal health.

b) any criminal or regulatory investigations initiated against the livestock owner, if these proceedings are directly or indirectly aimed at ensuring or enforcing the relevant animal welfare regulations.

c) All media coverage, critical media reports, and public protests related to the location that directly or indirectly address issues of animal welfare or animal protection.

2.8 requirements

Upon registration, livestock owners commit to implementing all requirements of the respective Initiative Tierwohl programme at all registered locations, effective from the implementation date specified at the time of registration, in the event of their approval. Details regarding the requirements are described in the Manual Agriculture: Criteria Catalog for Cattle Production, Calf Production, and Dairy Cattle Farming, specifically in the respective explanations of the criteria catalog in the current version. The documents are published on the ITW website at www.initiative-tierwohl.de.

If livestock owners cannot fully demonstrate compliance with the requirements during audits, they will lose their ITW approval. To regain ITW approval, a new programme audit must be conducted.

Initiative Tierwohl GmbH
Managing Directors: Dr. Alexander Hinrichs, Robert Römer
Schwertberger Str. 14
53177 Bonn
Tel +49 228 336458-0
info@initiative-tierwohl.de