



27 June 2025

Please reply to:

Peter Stevenson OBE  
Chief Policy Advisor  
Compassion in World Farming

E. peter@ciwf.org

Dear

**Concerns about the loan to MOLKEREI ALOIS MUELLER GMBH UND CO KG, UNTERNEHMENSGRUPPE THEO MUELLER SECS**

**Reference: 20240746**

We are writing to express concerns about EIB's loan of EUR 100 million to Mueller which includes funding for the replacement of two obsolete dairy production lines at Aretsried (Bavaria, D) and Leppersdorf in order to achieve energy savings.

Presumably Mueller sources large amounts of milk from dairy farms for its dairy production lines.

We would be grateful if you would let us know what measures EIB took to check that Mueller is taking reasonable steps to ensure that the farms from which it sources milk operate in accordance with EU legislation on the welfare of dairy cows. This is important as reports indicate that farms supplying milk to Mueller have in some cases treated their cows inhumanely.

A [report](#) in the UK newspaper *The Independent* on 14 September 2024 states that undercover footage has revealed that workers at dairy farms supplying Mueller hit cows with metal chains and poles, kicked them and yelled abuse at them. The footage also shows a tractor being driven at speed at cows to force them to run away.

*The Independent* report adds: 'At a different farm supplying Muller, the footage, taken between 2022 and this year, appears to show:

- A worker constantly hitting a cow with a long-handled implement and kicking it, trying to get it to move
- A worker slapping a calf in the face hard, saying: "F\*\*\* off"
- A worker hitting a cow with what looks like thick rope
- A man slapping, kneeling and pushing a cow
- At least 10 other instances of workers punching cows, kneeling them or hitting them with chains – including once on the head or in the face

At one point, a worker drags a calf while two cows follow, one thought to be the mother. The worker kicks out at the mother before dragging the calf through a gate while the mother runs to the gate and cries out.'

The concept that major corporations should take responsibility for potential detrimental impacts of their supply chain is gaining increasing acceptance. This principle is reflected in the EU's recently adopted Due Diligence Directive. Recital 19 of this states: "Companies should take appropriate steps to set up and carry out due diligence measures, with respect to their own operations, those of their subsidiaries, **as well as their direct and indirect business partners throughout their chains of activities** in accordance with the provisions of this Directive." (emphasis added)

In our view the principle that large companies must take a measure of responsibility for the impacts of their core supply chain reasonably extends to the impact on animal welfare of farms that supply the principal ingredient of a company's product - in this case milk for Mueller's dairy production.

Moreover, in relation to possible contraventions to the Due Diligence Directive and other European legislation, Mueller is apparently taking advantage of its dominant market position and strong negotiation power to push small farms in its supply chain to increase productivity, threatening to cut ties with them if these requests are not complied with. These measures are likely to have adverse impacts in terms of animal welfare, as well as to lead to adverse environmental and social impacts due to the push to quickly expand industrial cattle farming operations.

The animal welfare implications of increasing milk yield per cow are serious. A report produced in 2017 for the European Parliament by animal welfare expert, Professor Donald Broom, states: "Dairy cows producing large quantities of milk have high levels of leg disorders, mastitis and reproductive disorders. The proportion of cows affected by one or more of these disorders is high and the animals live with the poor welfare for a substantial part of their lives".<sup>[i]</sup>

A Scientific Opinion by the European Food Safety Authority (EFSA) concluded that "genetic selection for high milk yield is the major factor causing poor welfare, in particular health problems, in dairy cows".<sup>[ii]</sup> The review added: "The genetic component underlying milk yield has also been found to be positively correlated with the incidence of lameness, mastitis, reproductive disorders and metabolic disorders".

---

<sup>[i]</sup> Broom D, 2017. Animal welfare in the European Union

<sup>[ii]</sup> Scientific Opinion of the Panel on Animal Health and Welfare on a request from European Commission on welfare of dairy cows. *The EFSA Journal* (2009) 1143, 1-38

Mueller's measures are also damaging for smallholders whose contracts will be shredded if they cannot comply with the high production volumes requested by Mueller, therefore leaving them without a source of income. The EIB should aim to safeguard and improve the conditions of smallholders farmers - who represent the backbone of the European food system and are already suffering from increased costs - instead of promoting practices that are likely to infringe their rights and lead to unfair competition and corporate capture, in violation of Directive 2019/633 of 17 April 2019 on unfair trading practices in business-to-business relationships in the agricultural and food supply chain.

### **EU legislation on the welfare of dairy cows**

EIB's Environmental and Social Policy provides that EIB will only fund projects that comply with EU animal welfare standards.

There is no species-specific EU Directive on the welfare of dairy cows. Accordingly, one must rely on what is referred to as the 'General Farm Animals Directive' i.e. Council Directive 98/58/EC concerning the protection of animals kept for farming purposes.

The Directive is written in very broad language. However, its main provision – Article 3 – is strong. It provides: “Member States shall make provision to ensure that the owners or keepers take all reasonable steps to ensure the welfare of animals under their care and to ensure that those animals are not caused any unnecessary pain, suffering or injury.”

Scientific research helps us understand what are the welfare problems that affect dairy cows, as well as the “all reasonable steps” that must be taken to address these problems in order to “ensure” dairy cows’ welfare. Indeed, the European Commission has stressed, in the context of interpreting and applying Directive 98/58, that “the necessary scientific assessment of dairy cow welfare has been performed by the European Food Safety Authority (EFSA) on request by the Commission and these data have been published in several opinions on dairy cows”.

EFSA's 2023 Scientific Opinion on the welfare of dairy cows provides detailed recommendations; see page 101 onwards. These recommendations address a wide range of issues including the following:

**Lameness** is a major problem in dairy cows; lameness can be extremely painful. Accordingly, the EFSA recommendations state: “A recommended mitigation strategy includes regular gait scoring with early treatment of lame cows”.

In order to minimise lameness and other disorders and to provide comfort, EFSA recommends:

- “Dry, soft and deformable lying surfaces, preferably deep bedding (either in cubicles or a deep bedded pack), should be provided because they are associated with longer lying time and ease of lying down and rising up movements.
- When using bare concrete, bedding of at least 30 cm thickness should be provided.
- Rubber coated floor (or other deformable, non-slip standing and walking surface) at the feed manger and in the alleys should be used because it improves cows’ gait and ease of walking, and increases feeding time.
- Flooring should not be slippery.”

Straw and sand are generally recognised to be good bedding materials.

**Cubicles** are the most common form of housing for dairy cows in the EU. A number of welfare problems can arise in cubicles. The body length of cows has increased over the years; older cubicles are too short for today's large cows. This forces them to lie or stand with their back legs in the passageway. Cubicle length and design influence cow comfort. Cows go through a sequence of movements for lying down and getting up, which may not be possible, or may be difficult and protracted, if the design of the cubicles is poor. In some cases, cows may collide with the housing equipment whilst lying down; this can result in injuries.

Paragraphs 13 & 14 on page 102 of EFSA's Scientific Opinion provide detailed recommendations aimed at addressing cubicle problems. EFSA recommends that “At least one cubicle per cow should be provided”.

### **Tethering/tie stalls**

In some Member States, some cows are tethered i.e., they are tied up with a chain or strap around their neck that is fastened to a hook in the floor or a rail above them. In some cases, they are tethered like this for 24 hours a day, all year round.

In light of these problems, EFSA recommends “Tethering should not be practised because it severely restricts the ability to perform comfort behaviour except for limited time periods for events such as veterinary treatments or milking”.

**Space allowance**

EFSA recommends “A total indoor area – including lying area - of at least 9 m<sup>2</sup>/cow should be provided”.

**Access to pasture**

EFSA recommends: “Access to well-managed pasture (i.e. well-drained, provision of shade) should be provided because it offers opportunity to walk freely, ease of changing posture and a comfortable lying area”.

**Can the EIB explain what due diligence it conducted to ensure that this project will comply with the EU animal welfare standards (Council Directive 98/58) as required by the bank’s Environmental and Social Policy, as the environmental and social data sheet does not include the relevant information.**

Yours sincerely,

Peter Stevenson OBE, Chief Policy Advisor, Compassion in World Farming,  
Alessandro Ramazzotti, Researcher, International Accountability Project  
Merel van der Mark, Head of Animal Welfare and Finance Program, Sinergia Animal  
Michelle Baxter Wickham, Head of Food Systems Strategy, World Animal Protection  
International  
Maya Pardo, Coalition Against Factory Farming (UK)