

To: Emma Berntman, Senior Engagement Specialist, FAIRR

29 May 2024

Dear Ms. Berntman,

I am writing about FAIRR's recent report, *From Farms to Forks*, that addresses your continued engagement with the animal health sector. We have reviewed the report and provide feedback on behalf of our included Members. Like our earlier correspondence, this letter is available [on our website](#) for transparency. We ask that you share it with your investor network so they may review our response.

**Previous Feedback:** We recognize that FAIRR has taken on board some of our previous recommendations and feedback for these reports. For instance, the report now acknowledges that animal health companies are engaging without FAIRR staff presence, one-on-one with FAIRR Investor Members. We urge FAIRR to consider the below recommendations in this letter for future reports.

**Production Evolution:** FAIRR states in the report that global animal antibiotic use practices from seven years ago 'still prevail' today. This is not correct. The need for antibiotics in animals has dropped in many countries due to significant increases in prevention. Sales data [shows that](#) from 2015-2022, vaccine sales grew by 33.1%, while antibiotic sales fell 29.9%. This mirror image illustrates that when prevention increases, it reduces the need for antibiotic treatments. Furthermore, data from major markets support these findings, showing reductions in use in diverse range of countries<sup>i</sup>. While more action will be needed in the years ahead, this data demonstrates that there is existing progress and lessons to build upon.

**We recommend** FAIRR acknowledge these reductions in need and prevention increases in future reports.

**Material Risk:** FAIRR states that AMR is a material risk for companies because it 'could render antibiotics ineffective', without providing any evidence. Data from major markets shows that resistance in animals to most critically important antibiotics is low, absent, or declining<sup>ii</sup>, meaning that antibiotics remain effective. See the endnote below for more detail.

**We recommend** FAIRR acknowledge government analyses on resistance level in future reports.

**Global Application of Regulations:** FAIRR's report states that regulations on antibiotics "vary globally" and action is needed until 'global regulation is robust, aligned and enforced'. 'Global regulation' is an inappropriate objective. Countries develop tailored, national regulatory systems to approve products that provide benefit to their country without creating undue risk. 'Global regulatory systems' that align this process for all markets do not exist in medicines and would not support the Global Action Plan on AMR that calls for National Action Plans.

**We recommend** FAIRR recognize the importance of country-specific AMR approaches in future reports.

**'Alternatives to Antibiotics':** FAIRR's report overlooks many of the products brought to market that reduce the need for antibiotics because they are not categorized by the term 'alternatives to antibiotics.' For instance, our recent '[Roadmap to Reducing the Need for Antibiotics Progress Report](#)' notes that 71 vaccines have been brought to market since 2019, while many Members highlight new vaccines and other prevention products in their reporting. Our sector avoids the term 'antibiotic alternatives' as it implies there are other medicines that can treat bacterial disease when there are not; antibiotics are currently the only way to treat bacterial disease in animals.

**We recommend** that FAIRR avoid the term 'alternatives' and recognize vaccines and other products that prevent disease and/or reduce the need for antibiotics in future reports.

FAIRR’s report also states that “two years of investor engagement has seen the following progress,” which suggests that listed changes were a result of the engagement. As part of normal good governance and good business practices, our Members regularly update their disclosures, reporting and practices, and these cannot be attributed to a single campaign, group, or request.

HealthforAnimals remains available to speak with FAIRR directly on this issue and can provide further recommendations where valuable. Our Members will also continue to speak one-on-one with investors.

Thank you



Carel du Marchie Sarvaas  
Executive Director, HealthforAnimals

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<sup>i</sup> Data indicates that antibiotic use has fallen in a diverse set of markets. [USA](#): -36% since 2015 [UK](#): -59% since 2014, [EU](#): -53% since 2011, [Thailand](#): -49% from 2017-19, [South Africa](#): -52% from 2014-20. [China](#): from 69,292 tons in 2024 to 30,903 in 2019, or a -55% decrease.

<sup>ii</sup> **Australia:** The Australia government [states that](#) “food producing animals in Australia have not become resistant to antibiotics important to human medicine” **European Union:** [2024 report](#) from the European Food Safety Authority found “encouraging progress in reducing AMR in food-producing animals,” while a recent [14-year review](#) of *E. Coli* found “resistance to critically important antibiotics for human medicine was absent or low” for most medicines. **United Kingdom:** Most recent [UK-VARSS](#) report found “overall downward trends in resistance” including “decreasing resistance in the indicator bacteria *E. coli*.” Further analysis found ‘full susceptibility in Salmonella increased’, indicating that antibiotics were becoming *more* effective. While ciprofloxacin resistance was present, the UK notes that ‘there has been very low use’ of these drugs in animals. **United States:** The most recent [NARMS report](#) found “overall resistance...has declined’ in salmonella, declined in enterococcus and no colistin resistance has been found in any animal testing.