PRESS CONFERENCES

# TAPP Coalition: Meat/dairy taxes in high income countries can reduce 40% food related GHG-emissions



COP27 Press Conference 12th November 2022 Speaker: Jeroom Remmers, Director TAPP Coalition





True Animal Protein Price Coalition

# Agenda

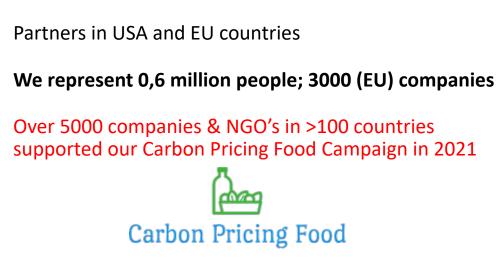
		Time			
1. Why?	The need for a reducing meat/dairy consumption and taxes	13.30			
2. How?	Who will pay GHG-emission taxes on meat/dairy? Farmers, supermarkets or the consumers?	13.40			
3. Who is starting? Which countries consider meat/dairy taxation?					
4. Other options: Climate Agreement on Food and Farming – 30% reduction 2030					

- 4. Questions
- 5. End: 14h



#### My background: True Animal Protein Price Coalition (TAPP)

Ca. 60 Partners TAPP Coalition: companies, farmer organizations, health organizations, animal welfare-, environmental-, youth- and food organizations



Mission: making healthy, sustainble food the cheapest option; True Pricing meat/dairy including external environmental costs

https://tappcoalition.eu

https://futurefoodprice.org



## What do we do?

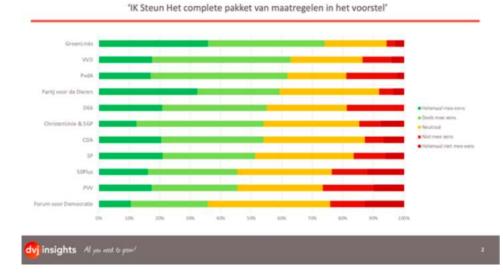
- Commission reports on true pricing / fiscal incentives
- Policy advocacy in EU Commission/ Parliament and EU countries
- Global campaigns (UN) and consumer campaigns (petitions)
- Launch projects with 40% higher meat prices (eg catering at Universities)



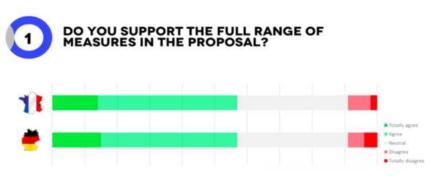
#### Who do we represent?

#### A majority of Dutch (52-63%) consumers & 57% of German/French consumers

62% of Dutch liberal party VVD voters support TAPPC fair meat price plan 61% of Social democrats, 54% Christian Democrats and 73% of Dutch Greens



A poll amongst 1000 consumers : do you support a meat tax, if revenues used for cheaper vegetables/fruits, low income compensations and payments for farmers?



#### Consumer survey France, Germany, NL Okt 2020

#### MAJORITY WEST-EUROPEAN Consumers support Intelligent meat tax

70% of German, French, Dutch consumers support 0% VAT rate on vegetables and fruits and a higher VAT rate on meat



WE WANT A HIGHER MEAT PRICE

https://www.dvj-insights.com/support-for-meat-tax-study-dvj-insights-tapp-coalition/ -Survey-Results-1606202904.pdf

## Why reduce meat/dairy ? Why taxes?

Global GHG-emissions from food systems are responsible for 33 percent (19,6 Gton CO2 eq), (range : 23 - 42 percent).

Reducing food system related GHG-emissions by 30% by 2030 compared to 2018-2020 levels means a reduction of 5.9 Gton CO2 eq.

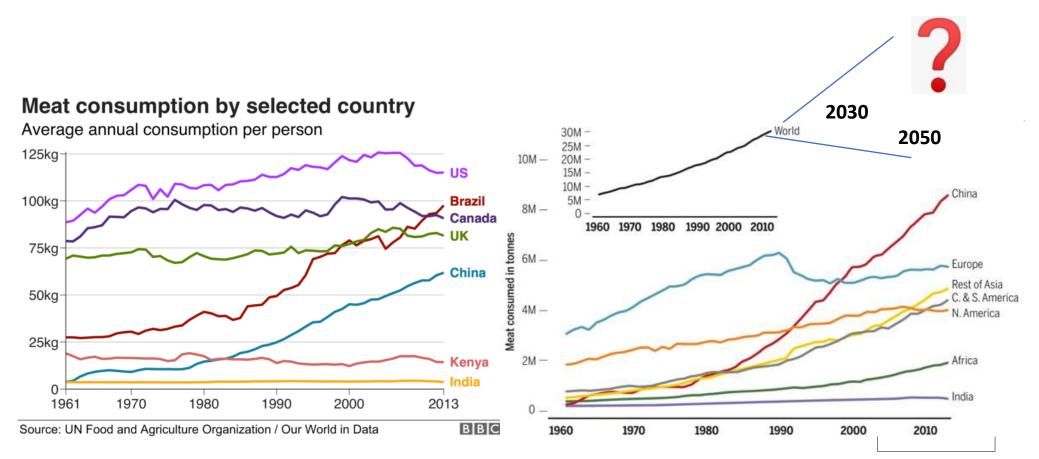
If 100% of global food system emissions are reduced 30% by 2030, this eliminates 0.2°C warming by 2050.

# Additional Benefits

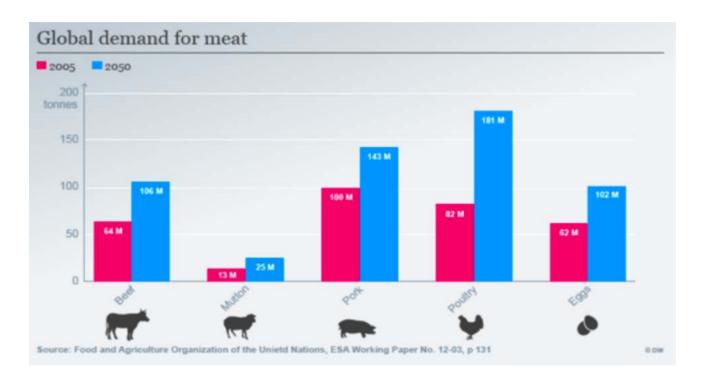


- Signing will also help to reverse biodiversity loss by 2030, realise the Methane Pledge, the Leader's Pledge for Nature and zero deforestation and net zero by 2050 goals.
- Signing will help to improve (meat related) public health, reducing health care costs.
- The Climate Agreement will empower similar initiatives that will be mutually supportive, like The UK led agriculture breakthrough agenda for climate-smart agriculture by 2030 (with goals for cutting GHG-emissions of livestock by 20 % by 2030 and 30 % by 2040), the FACT Dialogue, the FAST initiative, AIM for Climate, the Global Research Alliance (most of them focused at research, governance and investments). Signing will also speed up (research and funding) actions agreed in the AIM for Climate, GRA, FACT and FAST.

#### Why? Meat consumption growth 58% in last 20 years

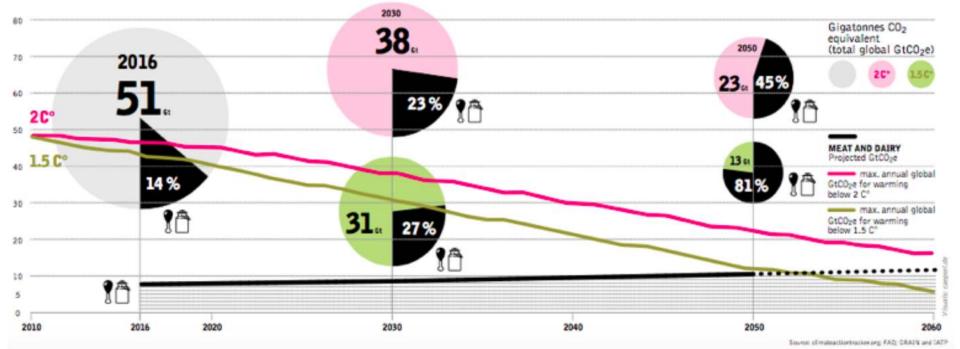


## Growing meat consumption conflicts with Paris Climate Agreement



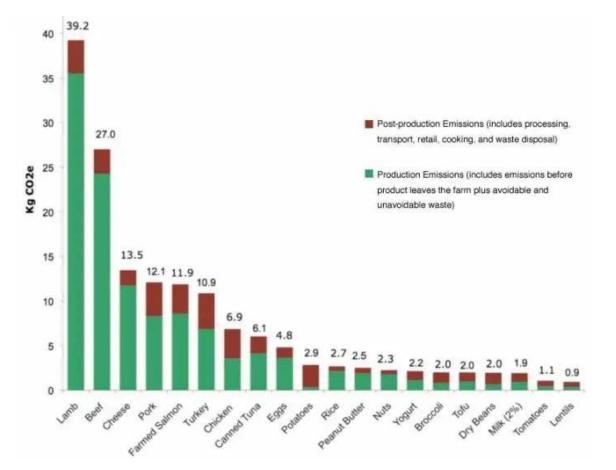
#### BUSINESS AS USUAL (BAU) GROWTH OF MEAT AND DAIRY PRODUCTION MAKES THE PARIS AGREEMENT IMPOSSIBLE AND CLIMATE CATASTROPHE INEVITABLE

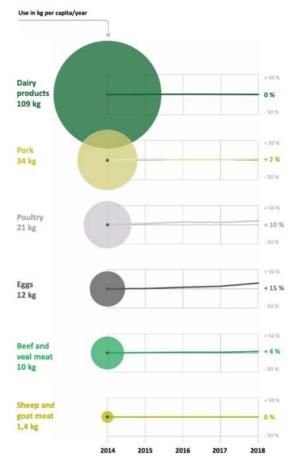
ESTIMATED GHG EMISSIONS SCENARIOS FOR 2 C° AND 1.5 C° COMPARED TO THE BAU GROWTH OF MEAT AND DAIRY EMISSIONS



- Meat and dairy cause 60% of global biodiversity loss (WWF UK); deforestation S-America
- low income farmers environmental costs are not (fully) included in price
- Meat overconsumption in high meat consuming countries lead to negative health impacts

## Meat & cheese: highest CO2 eq emissions/kg food







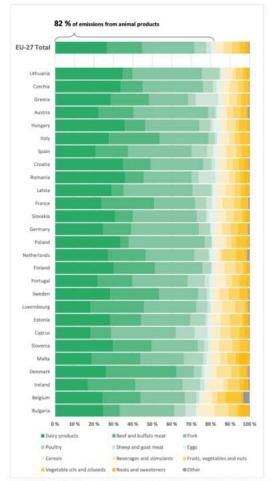


Figure 13 - Carbon footprint of foods in EU diet

EU Court of Auditors (2021):

80% carbon footprint of foods in EU diet are from meat and dairy

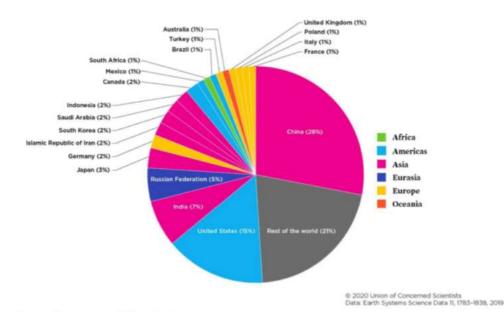
Meat consumption per capita 2014-2018 still increasing

Source: ECA based on data from the Commission Prospects for Agricultural Markets in the EU 2020-2030, 2020.

Source: Sandström, V. et al.: The role of trade in the greenhouse gas footprints of EU diets, 2018, p. 55 (constructed with data received from V. Sandström).

#### Meat, dairy, eggs cause 20% of global GHG-emissions, a study finds. This is equal to GHG emissions from USA and Russia combined!

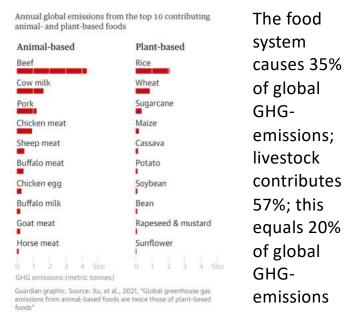
Or: the CO2-emissions combined from UK, France, Germany, Italy, Poland, Turkey, Australia, South Korea, Mexico, Canada, South Africa, Indonesia, Saudi Arabia and Iran!



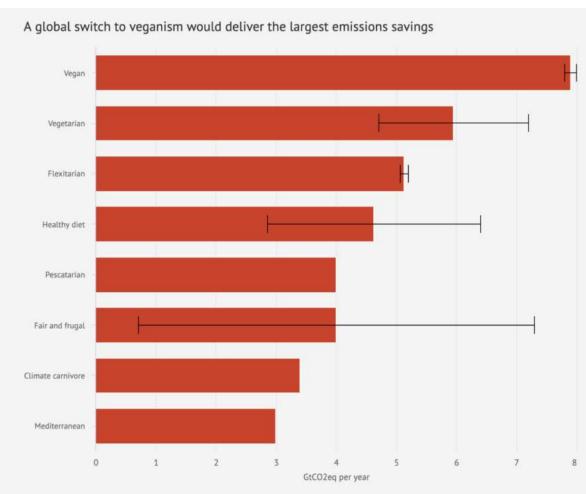
Share of countries CO2 emissions

https://www.ucsusa.org/resources/each-countrys-share-co2-emissions https://www.theguardian.com/environment/2021/sep/13/meat-greenhouses-gases-foodproduction-study

#### Animal-based food production contributes to the most emissions

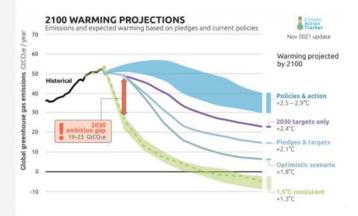


Source: Illinois University, publication in Nature Food, 13 sept 2021 in the Guardian



Eating less meat can reduce global GHG-emissions 3-6 Gton CO2 eq/year

# Emission gap 2030 is 19-23 Gton CO2 eq



Greenhouse gas savings potential from the global adoption of various diets. Error bars show the spread of results from different studies. Data without error bars are from one study only. Adapted from IPCC (2018). Chart by Carbon Brief using Highcharts.

#### We eat too much meat; not enough vegetables

	Food group				Perc	entag	e differ	encel	betwee	en recommen		nded intake ar		nd current in		take				
		Average		Europe		North America		Near East		Asia and Pacific		Latin America		Africa		WHO		EAT		
	Legumes		166		197		90		309		128		279		240				247	
	Whole grains		122		119		-16		194		144		160		113		241		362	
	Milk		60		16		21	1	534		103		53		32				9	
	Fish		36		56		21		0		32		53		55				5	
	Nuts and seeds		22		56		18		1		7		132		29				428	
	Fruits and vegetables		18		17		62	•	-43		14		29		54		-8		15	
	Fruits		34		16		57		-18		43		13		50		7		28	
	<ul> <li>Vegetables</li> </ul>		9		18		67		-60		2		64		58		-17		7	
>	Eggs		17			<	-57		9		25		45		20					
	Sugar		-6		-15		-47		-23		23		-41		-2		9		-33	
	Meat		-28		-36		-48		-5		-29		-1		-19		-9		-49	
	Poultry		-13		-19		-48		-3		-13		29		-18				5	
	Red meat		-34		-38		-46		-8		-39		-4		-15				-68	
	<ul> <li>Processed meat</li> </ul>		-44		51		-50		-11		-13		-73		-46		-56		-10	
	Energy intake		-6		- 1	1	-18		-8		-3		-11		7		-6		~	



Fig 2 | Percentage difference between recommendations from food based dietary guidelines (FBDGs) and current intake by food group and region. Positive values (in black) indicate greater intake in FBDGs and negative ones (in red) indicate lower intake. The comparison is based on recommended mean values. For the global FBDGs, the percentage changes between the guidelines and current intake is the average across all countries with a FBDG. WHO=World Health Organization; EAT=EAT-Lancet Commission on Healthy Diets from Sustainable Food Systems

TAPPC True Animal Protein Price Coalition

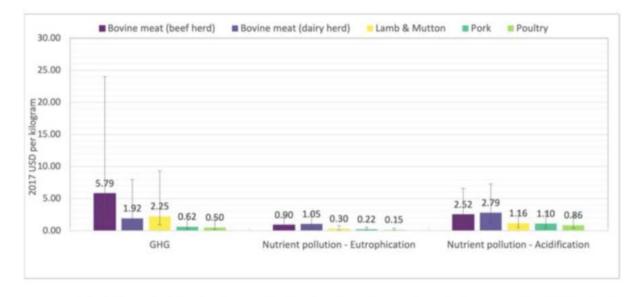
doi: 10.1136/bmj.m2322 | BMJ 2020;370:m2322 | the bmj

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Solution: price corrections to make healthy, sustainable food the most affordable choice

- Tax to increase meat price (excise duty, VAT, import tax, ETS)
- Vat tax reductions and subsidies for healthy food:
  - vegetables, fruit, plant-based proteins, bread

# In high income countries a CO2 tax on meat needed: 5,79 USD/kg beef, 0,62 USD/kg pork



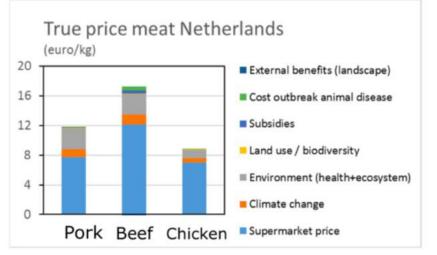
Source: Oxford University Report 2022 "Is meat too cheap? Towards optimal taxation of meat."

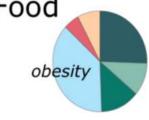
#### CO2? Tax food too!

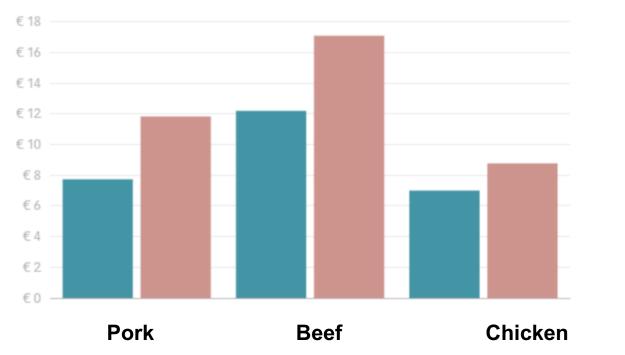
**Figure 2**: Environment-related social costs from climate change and nitrogen pollution for selected meat types, in sum 5.76-9.21 USD/kg for beef, 3.71 USD/kg for lamb and mutton, 1.94 USD/kg for pork

#### Full cost-benefit assessments for agro&food

- > 2017: Sustainable Food Trust: The Hidden cost of UK Food
  - Consumer spending: £120 billion per year
  - Hidden costs: £120 billion per year
- > 2018: CE Delft: The true price of meat
  - Pork +40%
  - Beef +53%
  - Chicken +26%







#### The True Price of Meat: 26%- 53% more expensive ...

Real supermarket prices (blue) versus true meat prices (pink) including environmental costs, like GHG emissions (CE Delft, 2018)



## True prices at supermarket Penny's Germany



#### Implementation of fair meat price: impact on consumption



- 50% meat consumption in 2030







#### Tarifs fair meat prices (in eurocent per 100 gram meat)

TAPP Coalition Dutch meat tax proposal based on CE Delft report 'The true price of meat', 2018 and 'Sustainability charge on meat' 2019

Year	Chicken	Pork <sup>1)</sup>	Beef/veal	Average increase
Supermarketprice in 2018 in eurocent/100 gr. (CE, 2018)	70	77,5	121,7	
2024	9,5	21,3	26,9	16 eurocent
2030	20,4	45	57	34 eurocent
Price increase 2024 - 2018	13,6%	27,5%	22,1%	19%
Price increase 2030 - 2018	29,1%	58,1%	46,8%	41%

## Revenues fair meat price used (in mln €)

	Subsidies for sustainable farming / husbandry	VAT reduction 9% to 5% for vegetables, fruits, potatoes, nuts, plant based meat alternatives	households -	Compensation loss in revenu, administrative burden for slaughterhouses and others, costs for tax authorities, public information etc	Revenue per year
2022	600	280	270	26	1.176
2025	500	290	470	6	1.266
2030	450	300	600	6	1.356

#### Implementation of fair meat price: impact on climate and health

- 4,2 Mton CO<sub>2 eq.</sub> reduction 2030 (2,7 Mton in Netherlands) 2-3 Mton CO<sub>2 eq.</sub> reduction by climate subsidies for agriculture
- Less risks for heart disease, stroke, cancer, diabetes II •
- € 0,4 1 billion /year lower health care costs •
- 120 Mton CO2 reduction in EU-28 (= 3% all CO2 emissions) •
- € 9 billion /year lower health care costs
- Net benefit for most consumers







True pricing meat in different countries EU, Germany, NL, New Zealand, Spain, Denmark



- EU Farm2Fork Strategy: environmental costs in food prices / EU taxes
- EU: 0% VAT organic vegetables/fruits/shift to plant-based proteins
- EU parliament majority vote: highest VAT rate for products like meat
- German Minister: levy on meat and dairy
- Dutch Agri Minister: supports TAPP Coalition plan true pricing meat
- New Zealand: meat and dairy in ETS system CO2-trade in 2025
- Spain: VAT increase to 10% meat/dairy, VAT vegetables/fruits only 4%
- Denmark: CO2 taxation in all sectors by 2023, including agriculture

## **Recommended reads:**

## 'Reform of VAT rates for animal and plant products'

#### Net benefit of 50 euro per year per person

Analyses for 5 EU countries: Germany, Netherlands, Belgium, Austria, Poland

#### Increased VAT rates for all animal products and reduced VAT rates for plant products

https://www.greenpeace.de/publikationen/Greenpeace\_Analysis\_of\_VAT\_rates\_for\_animal\_and\_plant\_products.pdf



Chatham House report: Changing Climate, Changing Diets: Pathways to lower meat consumption, 2015

## FUTUREFOODPRICE.org

#### Urge 50 countries who eat most meat to start (carbon) pricing of food, starting with meat and dairy Some countries already do or committed to do.

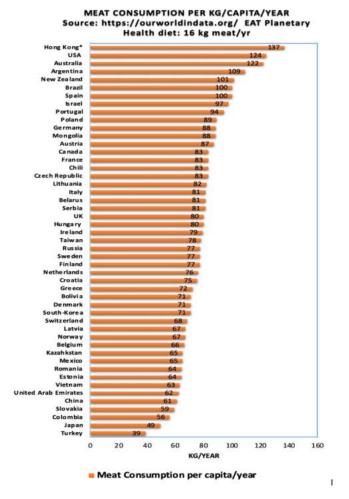
#### Open Letter signed by 5000 ngo's & companies in >100 countries

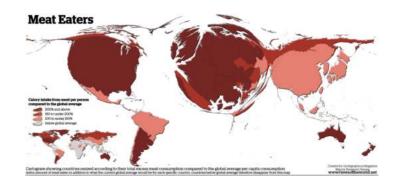




True Animal Protein Price Coalition

#### 50 target countries eating most meat





#### Calory intake from meat per person compared to the global average

200% and above

150 to under 200% 100 to under 150% below global average

countries resized according to their total excess meat consumption

compared to the global average per capita consumption

2011, www.viewsoftheworld.net

# **COP27** Climate Agreement on Food & Farming

A Commitment by countries to reduce GHG-emissions from food and farms 30% by 2030

Food- and retail companies and region/States can sign too, non-state actors can support

https://climateagreementfoodfarming.org



# Goal of the Agreement



Reducing food and farm related greenhouse gas emissions with at least 30 percent by 2030 (compared to 2020 levels) Help realise Paris Climate Agreement goals of 1,5 degrees C.





## Commitments Climate Agreement Food/Farming

Signatories can choose 3 options: reducing agriculture GHG-emissions 30 percent by 2030, or reducing food related (per capita) GHG-emissions 30 percent by 2030 or reducing both.

- A. Taking at least two actions on Food and two actions on Farming (agriculture), put in place by the end of 2025, that substantially help to realise the 2030 reduction goals
- B. Updating the Climate Agreement on Food and Farming website annually with existing and new Food and Farm policies and National Determined Contributions.





All countries can sign + States/regions with > 10 million inhabitants + food/retail companies

- We analyzed policies for 9 countries :
- Germany, Netherlands, China, New Zealand, United Kingdom, Sweden, Denmark, Belgium, Italy) and the European Union
- <u>https://climateagreementfoodfarming.org/existing-country-commitments/</u>
- More countries can comply (to be analysed by themselves)
- At least 2 Food and 2 Farm related climate policy actions needed to comply

## Signing the Climate Agreement Food/Farming

 Signatories (countries, states, regions, food/retail companies can sign here:
 https://form.jotform.com/222742850000260

https://form.jotform.com/222742859990369



- Other companies, civil society, financial institutes, local governments, UN organisations etc. can fill in this form <a href="https://form.jotform.com/222964663419364">https://form.jotform.com/222964663419364</a>
- Signing in person during the COP27 conference can be done during a side event 11th November at 15h EET in Room 9 (Tutankhamun).
- Registration via https://www.eventbrite.com/e/food-system-climate-solutionsunfccc-uncop27-in-personstreaming-tickets-450896161557. Livestream: <u>https://www.youtube.com/c/UnfcccInt/playlists</u>

## Questions?

Please share & support: <u>https://climateagreementfoodfarming.org</u>

Jeroom Remmers Initiator Climate Agreement Food and Farming Director TAPP Coalition / Carbon Pricing Food Coalition <u>https://tappcoalition.eu</u> and <u>https://futurefoodprice.org</u>

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The Climate Agreement on Food and Farming is supported amongst others by:



# **Optional commitments Farms**



- Provide financial incentives and resources (i.e., training, natural fertilizers, supplies etc.) to farmers to reduce GHG-emissions. Many approaches can be deployed, eg agroecological or regenerative methods, like crop rotation, low-tillage, multi-strata planting, organic farming.
- 2. Offer **financial incentives to animal farmers** to reduce their herd sizes.
- 3. Legislate, monitor, and enforce **maximum methane emissions from farms**.
- 4. End importation of products derived from destruction of the Amazon rainforest.

## **Optional commitments Farms**

- **1. Apply the pollution pays principle** on GHG emissions at the farm level or import.
- **2. Reduce agriculture subsidies** that contribute to high greenhouse gas emissions.
- 3. Increase and encourage investments in low-carbon, climate resilient farming.



# Optional commitments Food



- 1. Establish **national and per capita reduction goals** for animal-based food consumption.
- 2. Start education campaigns on the environmental and health benefits of plant-predominant diets. This could include a requirement that supermarkets display sustainability ratings of food purchases, or display carbon footprint data or true pricing data incl. CO2-costs. Similar education projects could be introduced in schools and other institutions.
- **3. Eliminate or reduce consumer taxes on vegetables and fruits** or subsidize healthy plant based food.

## **Optional commitments Food**



**4. Reduce public procurement of animal-based products**, promote institutional plant-forward eating (eg by joining the Cool Food Pledge for public institutions) or serve climate neutral food products in public bodies.

5. Legislation to **restrict marketing and junk pricing** of food products with a very high carbon footprint, eg. bans for selling protein rich food at prices lower than normal retail cost prices.

6. **Create a tax on high carbon footprint food products** to reflect external costs on climate, environment and human health. Tax revenues could be used to finance farmers to reduce GHG-emissions, improve animal welfare or sustainability standards; or transition to plant farming (or re-wild if plant farming is not possible). Or include livestock GHG-emissions into ETS.

# Optional commitments Food



7. Legislation or **pricing policies for supermarkets/retail** to reduce food related GHG-emissions with at least 30% by 2030 (scope 3 emission)

8. Encourage to **prevent food waste from high carbon food** products, e.g. by legislation for smaller portions of meat in catering/restaurants and smaller packaging of meat in retail.

9. Encourage or legislate the **25% uptake of vegetable proteins** as healthy, low carbon substitutes **in all kinds of mixed meat products** like sausages, minced meat, hamburgers etc.