Call for tax on livestock emissions

By Javier Blas in London

Livestock should be taxed to reduce the contribution made by their flatulence to greenhouse gas emissions, the United Nations said yesterday in a report that will give anti-livestock campaigners fresh ammunition.

The novel suggestion by the UN's Food and Agriculture Organisation to use taxation comes as campaigners focus on the impact on climate change of emissions of methane from cattle, sheep and pigs.

"Market-based policies, such as taxes and fees for natural resource use, should cause [livestock] producers to internalise the costs of environmental damages," the FAO said in its annual report, The State of Food and Agriculture.

"The sector is consuming a large share of the world's resources and is contributing a significant portion of global greenhouse gases emissions," the report adds.

The proposal, if supported by governments, could hit companies such as JBS of Brazil, the world's largest meat producer, and large US-based businesses such as Tyson Foods, Cargill or Smithfield. Governments do not necessarily follow the FAO's recommendations, but its views carry some weight, particularly among European policymakers.

The FAO said that without fresh measures – from taxes and fees to cuts in subsidies or a boost in the efficiency of the sector – "continued growth in livestock production will otherwise exert enormous pressures on ecosystems, biodiversity, land and forest resources and water quality, and will contribute to global warming".

Carl Atkin, of UK-based consultancy Bidwells Agribusiness, said that investment in "research and development and technological innovation" could reduce the sector's environmental footprint more effectively than taxation.

Although the FAO is far from advocating a vegetarian diet as some campaigners do – it said livestock was critical for human nutrition – its call for reform will bolster groups seeking to tax the sector.

Farming groups and meat industry associations have vigorously opposed the introduction of livestock taxes. The sector has suffered in the past two years from high feeding costs due to soyabean and corn rising in value combined with a drop in demand.

The FAO's call for reform of the livestock industry comes amid a surge in global meat consumption.

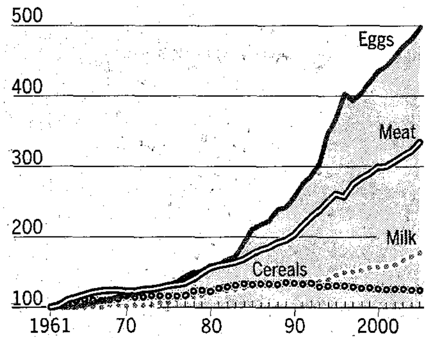
The meat boom is the result of countries such as China adopting a western diet richer in meat, poultry, eggs and dairy products. Meat consumption per capita in China has jumped to 59.5 kilograms per year, up more than threefold from 13.7kg in 1980. In Brazil, it has doubled to 80.8kg.

The world's per capita meat consumption has increased to 41.2kg per year, up 37 per cent from 30kg in 1980. Demand has also jumped for milk and eggs.

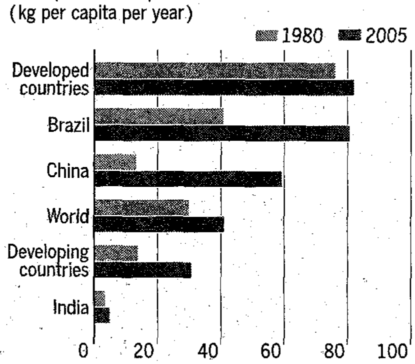
Jacques Diouf, FAO director-general, said the rapid growth of the livestock sector over the last three decades had "been taking place in an institutional void".

Beefing up

Index of per capita consumption in developing countries



Per capita consumption of meat (kg per capita per year)



Source: FAO