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# **Round Table on Sustainable Development**

# **CHAIR'S SUMMARY**

Livestock and Climate Policy: Less Meat or Less Carbon?

25th Round Table on Sustainable Development Paris 24 February 2010

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#### LIVESTOCK AND CLIMATE POLICY: LESS MEAT OR LESS CARBON

The following is a summary of the discussion on 24 February 2010, issued under the Chairman's authority. Please note that, in keeping with Round Table procedures, this summary in no way represents an agreed outcome.

Leading figures in the international climate change community argue that reducing meat consumption would be a valuable contribution to efforts to control greenhouse gas (GHG) emissions. What could or should be done with this advice? What other measures could be taken to reduce the impact of livestock agriculture on the environment, and what might they imply for policy makers, producers and consumers? This was the basis for the 25<sup>th</sup> meeting of the Round Table on Sustainable Development in Paris.

# Should governments constrain consumption?

Much of the discussion focussed on whether governments should seek to reduce consumption of animal products as a means of combating climate change. There was a distinct split between those who thought government should not seek to constrain consumption and those who thought per capita consumption would inevitably need to be curtailed, due to global emissions constraints, and that therefore government must facilitate the transition.

Many who were in favour of government action expressed a preference for soft measures such as information and education campaigns to make consumers aware of the emissions footprint of food they buy - "we can't push but we can assist".

Others noted that, in line with the discussion in the background paper to the meeting, attempts to change demand are unlikely to be very effective. The point was also made that in many countries it is hard to see who, politically, would be willing to sell the idea of "less meat" at least in as strong a way as is necessary to create real change.

## Will the future of food labels include carbon footprinting?

There was considerable debate over whether carbon labels are inevitable as producers seek to differentiate their products in ways that reflect the concerns of consumers. The impacts of labelling could run well beyond developed country markets as demand for information on the emissions footprint of food works its way through international supply chains.

Much of the discussion revolved around whether governments should mandate, harmonise or otherwise regulate labelling schemes. There were very divergent views. Some were concerned that emissions footprints for food, unlike many other products, are inherently complicated e.g. it is unclear whether emissions information should be expressed relative to nutrients, to weight, to calories, or to the value of the product in question. For some this made labelling all too hard and especially suggested that governments should not discriminate by mandating one approach over another. The sheer overload of information to consumers could also render such labels useless. This information may be warranted in some countries or markets but not all. Its usefulness should be evaluated on a case by case basis and it may be best to leave firms to decide; we should be careful not to over regulate the commercial space where new

information ideas and measurement systems might be conceived. Mandatory labelling is of particular concern for the impact it could have on compliance costs which, it was argued, are already very high in the agricultural sector.

At the same time, there are concerns that consumers need to be protected from spurious claims about the emissions footprints of products. Furthermore, if labelling is inevitable then some form of coordination, through government policy, is important. Many overlapping systems could be costly and confusing for consumers.

Despite divergent views on whether government coordinated or mandated standards are needed, there did seem a fairly common preference around the table for what to do if standards were pursued. The preference was clearly for standardisation of methods for producing label or footprint information and not for a standardisation of emissions values for particular products or production methods.

There was also some agreement that such standards should be coordinated internationally. Questions remained over which institutions would have the right mix of skills to provide such advice. Amongst those mentioned included ISO, FAO, OECD, IPCC. It was also suggested that a new multi- organisational body might provide the best mix of skills and that an organisation such as the OECD would provide a good home for standards development across different organisations.

# Focussing on the supply side is at least as important as consumption and demand

There is a difference between consumption and demand. The former being the remainder after wastage is taken into account. There is considerable scope for reducing wastage and thus reducing the emissions footprint from food production. In addition, other supply-side technical solutions offer opportunities to reduce emissions including ones that can increase the overall efficiency of food production and improve food security. These are the options that should be pursued before demand-side measures are seriously considered.

The need to focus emissions policy on supply-side improvements does not preclude demand-side initiatives for other policy reasons. A number of participants noted that food information remains important for health reasons. In some cases hasty climate policy around dietary changes could run counter to health policy but, in general, health concerns or nutritional information may well continue to be the primary food consumption concern in the future. In this regard, one participant noted that, from a government perspective, public health costs are in many cases already larger than primary sector GDP and as a result health concerns are likely to drive policy change before climate concerns.

Consumption of animal products and the effect this can have on climate change needs to be considered in a much wider policy context. Is growth in meat consumption consistent with sustainable development? How can policy take account of and balance a variety of social concerns such as access to adequate and balanced nutrition, which could be enhanced by landless or intensive production systems, and animal welfare? To single out climate change as the primary policy concern for agriculture could jeopardise the functions or objectives of food production and livestock systems.

# Before looking for new policies, focus on fixing the ones we already have

It was noted that first steps on addressing livestock's contribution to climate change should perhaps include addressing existing policies that may be undermining efficiency in the agricultural sector such as reducing subsidies or removing restrictions on land use in OECD countries.

There was also a call to use land more "intelligently". While land requirements for food production are generally declining (at least in the developed world), getting the right balance on land use, between

extensive and intensive systems, will be crucial for minimising the environmental and climatic impact of agriculture. Discussion on this point revealed some difficult and as yet unresolved issues relating to the dynamics of land use, GHG mitigation and food production.

While most meat is produced in intensive production systems, extensive systems rest on an extremely large land resource. The physical size of extensive systems means that replicable productivity gains or land based sequestration technologies can have extremely large impacts on both productive efficiency and emissions. On the other hand, confined feeding operations have lower per unit emissions and hold many of the technologies for reducing emissions today. Thus, a contemporary shift away from intensification would increase emissions in the short to medium term. At the same time, there are important benefits from promoting quality pastoral systems and mixed cropping – from a balanced food plus emissions perspective.

It is important not to cast the debate as a stark trade off between one kind of food or food production system and another. For example, feeding food crops to animals causes concern in some quarters. Experts argue that there are significant efficiency gains from feed use without compromising human food chains or causing food price spikes. It is a matter of formulating policies which ensure the food production systems that make the best use of available resources to meet growing food demand with a minimum of impact on the environment.

Most people believe that no single policy instrument can deliver the right result but that a carbon price on agricultural emissions would at least be sensitive to the kinds of tradeoffs that need to be made in the agricultural sector. There is also a fairly widely held view that direct or heavy regulatory solutions are likely to be problematic because they are not flexible enough.

## All we need is more information, better measurement

It was recognised that more work needs to be done to accurately measure emissions in the livestock sector before the full extent of mitigation opportunities could be identified and policy instruments chosen. However, uncertainty in some aspects of on-farm emissions should not delay mitigation activities or policies to support them.

Some emissions sources are easily measured and regulated, at least in the OECD, such as emissions from effluent ponds. This might suggest prioritising efforts according to where we have the best information presently. At the same time, priorities need to be matched not just against certainties but against potential pay-offs. For example, enhancing the storage of carbon in agricultural soils offers great promise for reducing GHG emissions. Thus there is good reason to pursue research which enhances measurement of soil carbon and farm practices that promote soil carbon. Even if it cannot be measured especially well at present there is value in "learning by doing".

Discussions around emissions pricing focussed as much on avoiding distortions as on using new instruments, taxes or tradable permits, for pricing emissions in livestock agriculture. The kinds of distortions that were raised included the prospect for domestic policies to either favour or discriminate against the agricultural sector. On one hand, mitigation policies could drive production offshore and particularly into developing countries. Whether or not this is a problematic outcome will depend crucially on whether farmers and food companies throughout the world have incentives to improve the efficiency and the emissions intensity of their production. There was also some concern that agriculture would receive preferential treatment in trading schemes thus providing "subsidies on top of subsidies".

There is some reluctance to price the emissions of the agricultural sector, given the difficulties involved in measuring emissions. This does raise the question: if we can't measure emissions and therefore can't price them, why is agriculture a covered sector in the Kyoto Protocol?