

Food Policy On Trial: First in the dock – meat tax - 23rd May 2019

Jury's verdict

This paper represents a summary of the Food Ethics Council's first *Food Policy On Trial* event, critically exploring the idea of a meat tax, which took place on 23rd May 2019 at Conway Hall in central London.

1. CONTEXT

- **The role of meat:** Eating meat in moderation may bring benefits (e.g. much-needed micronutrients in many parts of the world), while many livelihoods are dependent on livestock and meat. The role of ruminant livestock can also be helpful in terms of protecting soils, through its role in maintaining grasslands and, in many cases, promoting biodiversity. At the same time, serious concerns remain about some methods of livestock production (e.g. animal welfare concerns relating to intensive farming, greenhouse gas emissions, widescale biodiversity loss from feed and food production) and high consumption of animal products (particularly health issues relating to certain meat products). When addressing the role of meat and livestock, it is important to be clear about which objectives are trying to be achieved.
- **Policy mechanisms:** Education and voluntary action have important roles to play in improving our food systems, but they alone are not sufficient. Hence, it is worth exploring the role of a range of incentives and disincentives to change consumption and production. A meat tax has been proposed by several commentators in recent years as an intervention worth considering.
- **Assessing policy options:** It is important to take an 'all things considered' perspective and to consider likely impacts (including unintended consequences) of particular courses of action for the UK within a global context. There are unlikely to be many interventions that are win-win-win (across environment, human health, animal welfare and social justice dimensions), hence weighing up trade-offs may be necessary. In doing so, it is important to understand who the biggest losers are likely to be from any potential policy intervention and to take mitigating steps.

2. SUMMARY OF KEY EVIDENCE FROM EXPERT WITNESSES

The following is a summary of selected bits of evidence from expert witnesses. *To explore the full evidence presented, please refer to the audio recording of the event, with accompanying slides*

- **Starting point:** The lens you take - and the extent to which you prioritise health, environment, welfare or social justice - will affect whether a meat tax is a potential option or not.
- **Global equity:** Taking a global perspective, the UK is one of the many rich countries where the level of meat consumption is far in excess of what can be deemed an equitable fair share.
- **Nuance:** Not all meat is created equally, so it is preferable not to lump all meat together.
- **Health impacts of processed and ultra-processed meat:** There is strong evidence about negative health impacts of eating processed and ultra-processed meat, no matter what animal. Consumption of processed meats - generally higher in salt and fat - is associated with significantly higher mortality and especially cardiovascular disease. Ultra-processed meats are implicated in the obesity epidemic, cardiovascular disease and some cancers.

- **Health impacts of red meat:** There is good evidence about negative health impacts of eating high levels of red meat. It was argued that consumption of any red meat is associated with an increased risk of death, at any intake level. However, it was also noted that minimally processed meat is high in protein and in vital micronutrients. Some segments of society might be adversely affected by measures to reduce red meat consumption e.g. many teenage girls have a low intake of iron, with 46% of 11-18 year-old girls having intakes below lower reference nutrient intake (National Diet & Nutrition Survey).
- **White meat:** White meat can be a quality source of protein, but concerns exist over intensive poultry (as for intensive pig) production – on both animal welfare and environmental grounds (the latter particularly in relation to animal feed).
- **Diverse diets:** There should be more of an emphasis on how to positively influence good diets. The focus should be on a broadly healthy diet, which is a diverse diet.
- **Role of grazing livestock:** Two-thirds of the UK's farmland is under grass. Evidence was given that pasture-fed ruminants can play an important role in the health of soils, in biodiversity and in locking in carbon in the soils to mitigate global warming.
- **Global warming:** New evidence on GWP* suggests that the impact of methane from ruminants may have been significantly overstated.
- **Adaptability of farmers:** Farmers are adaptive and innovative, but work within a framework. The question is how to set that framework.
- **Range of (policy) options:** Any action on meat must not be taken in isolation, but be part of a suite of measures in the food system (and beyond – not least the rapid transition away from fossil fuels and ensuring everyone can have a good standard of life). Tax should never be thought of as the only solution. It is important always to think of a range of policy options.
- **Why consider taxing?** Price is an important determinant of consumption (an increase in price is likely to lead to a decrease in consumption of unhealthier foods), which is why food and drink taxes are at least worthy of consideration.
- **If taxing, what level of tax?** A recent study [Marcus Springmann et al] argued that price of red meat would need to increase by c. 13% in the UK to cover associated health costs; and price of processed meat would need to increase by 79%, and that doing so would lead to fewer deaths attributed to processed meat consumption.
- **Regressive:** Any food or drink tax will face the issue of being regressive if mitigating measures are not taken.
- **Global reference diet:** The EAT-Lancet Commission report is potentially a useful attempt at a global reference diet – for everyone to eat healthy diets within environmental limits. The key headline for the UK should perhaps have been that we need to increase our consumption of fruit, veg, nuts and legumes in particular. However, the headlines focused on significantly reducing meat consumption (in particular red meat). However, some of EAT-Lancet Commission's findings are hotly disputed.
- **Existing food taxes?** Tax may often be regarded as a blunt instrument, but it is important to note that food taxes already exist in the UK, e.g. VAT. One idea proposed was to refine the existing mechanism of VAT to disincentivise unhealthy and/or unsustainable options.

- **Lessons from UK's Soft Drinks Industry Levy.** There was a long history to get to the sugary drinks tax - the result of the combined efforts of academics, celebrities, NGOs and enlightened politicians. By September 2018, the announcement and implementation of the levy had reduced the percentage of eligible soft drinks above the high-level threshold by 18%, significantly reducing sugar levels in soft drinks. After the implementation of the tax, high sugar drinks have gone up in price by an average of 28%. Around the world, there are c. 50 sugary drinks tax. One expert witness said: "these taxes work in relation to improving our health. However, there is not yet the evidence in relation to planetary health".
- **Nitrogen tax?** A tax on nitrogen fertiliser was also proposed by one expert witness, with external costs to society from the use of nitrogen fertiliser being significantly higher than the profit than farmers make from their use (European Nitrogen Assessment).
- **Efficiency:** There is huge variability in the 'efficiency' of dairy cows in different parts of the world, with a claim that UK is amongst the most efficient [*follow-up note: there are risks of focusing too much on 'efficiency', potentially at the cost of animal welfare*]
- **Urgency:** Given the climate emergency, biodiversity crisis, obesity crisis and more, urgent action is needed to transform our food systems, of which meat and livestock is a major part.
- **The role of trade:** It is vital to consider the role of trade in these debates and not to think of UK meat production in isolation, given that the UK imports lots of feedstuffs and meat, with global impacts often being offshored to other parts of the world.

3. JURY'S ASSESSMENT

Meat is a key focal point where a lot of problems in the food system converge – it is a lightning rod. Arguably many problems are distributed across the whole food system though. At a population level, the UK does need to reduce its overall meat consumption – not least on equity grounds. The UK is currently consuming more than its fair share of meat – and associated resources. Eating 'less and better' meat is important in high-meat-eating countries like the UK – the issue is what 'better' means.

There are (at least) four lenses that can be used to assess interventions in the food system in relation to meat. The starting point, and what people prioritise, will affect decisions on which interventions are more or less sensible.

Health:

- Consumption: the objective would be for the tax to reduce *consumption* of ultra-processed foods, and the tax would therefore need to be applied on the consumer end.
- Priority areas to consider tax: meat tax or VAT to focus on ultra-processed and processed meat (with potential to expand to other foodstuffs) as it is where most of the evidence points us to. The UK has the most ultra-processed diet in Europe¹ and there is strong evidence that eating too much ultra-processed food contributes to diet-related ill health. A question was raised as to whether to tax ingredients rather than the ultra-processed food itself, but the risk is substitution with more damaging alternative ingredients.
- Supporting mechanisms: it is important that any income from this intervention is fed back into the system, to promote growing of fruits/vegetable/nuts and more sustainable

¹ Monteiro, C., Moubarac, J., Levy, R., Canella, D., Louzada, M., & Cannon, G. (2018). [Household availability of ultra-processed foods and obesity in nineteen European countries](#). *Public Health Nutrition*, 21(1), 18-26. doi:10.1017/S1368980017001379

farming and/or to support those who would find most difficult to have access to healthy humane and sustainable meat.

Environment and Climate Change:

- Production: the objective here would be to tackle impacts from the *production* of meat
- Priority areas to consider tax:
 - Target grain-fed meat
 - Target intensive farming systems
- Supporting mechanisms: For these, a meat tax may not be the most suitable option. However, animal feed imports could be taxed, while unlocking waste streams to use as animal feed could be implemented.

Social Justice:

- Supporting mechanism: if a meat tax is implemented on the end product, this would only be acceptable if it comes alongside welfare support so that those worse off can afford to eat healthily. Any food or drink tax without mitigating measures is likely to be regressive.

Animal Welfare:

- Priority areas to consider tax: grain-fed/ soy-fed, intensively reared – mostly white meat (poultry) but also pork. Note – animal feed also often has significant environmental impacts associated, whilst it also raises questions about command of global resources for the UK's inequitable share.

Other ethical considerations:

- **Inequalities:** The Marmot Review showed clearly that there is a social justice issue around inequalities in health which are linked to poor diets
- **Offshoring or offloading impacts:** it is estimated that 70% of the environmental footprint of the food consumed in the UK falls on overseas countries. From a contemporary distributional justice perspective, the UK is consuming more than its fair share of the world's resources in relation to food, particularly in relation to meat, livestock production and animal feed
- **Intergenerational justice:** decisions taken today about the food we eat and how it is produced will have huge impacts on the food system – and the planet – that our children and grandchildren inherit. Decisions about meat and livestock are likely to have a disproportionately large effect on issues such as climate change, and therefore it is important to consider impacts on future generations
- **Unintended consequences:** including beware of substitution effects, where ingredients or products that are substituted in are less desirable for health, environment and/ or animal welfare.

4. 'IN THE ROUND' JUDGEMENT – FOR THE ATTENTION OF PUBLIC POLICY MAKERS

JURY'S JUDGEMENT

Of the options considered, our jury assessed that:

(a) Simplistic tax on all meat products: FLAWED, as it risks creating more problems than it solves.

For a meat tax to be effective, it would have to balance nuance with pragmatism. A heavily nuanced tax may on paper be more attractive, but in practice risks failing because of complexity – both of implementation and the risk of messaging being too complex

(b) Tax on ultra-processed meat: PROMISING – but only if:

- **Revenue raised ringfenced** and used to support those worst affected in two main areas. Firstly, to help everyone, including those on low incomes, to eat healthier diets in a dignified way. Secondly, to support farmers and food producers to transition towards healthy, sustainable food and farming systems.
- **Benefits of tax clearly communicated** to the general public e.g. learning from the Mexican food tax where revenue earned went towards (highly visible) water fountains in public areas, rather than the Danish fat tax, where it went towards (invisible) tax allowances
- **Clear definition identified of ‘ultra-processed’**
- **The option of expanding this to all ultra-processed food is considered.** It was highlighted that some plant-based food is also ultra-processed. This is perhaps more akin to the idea of a junk food tax or fat tax that have been explored in other countries. We suggest exploring (i) whether it would make more sense to tax the ingredients used e.g. sodium nitrite or to tax ultra-processed meat per se and (ii) whether it would be preferable to apply this to an existing mechanism (e.g. VAT) or introducing it separately (as per Soft Drinks Industry Levy)
- **Poorest in society are supported** and empowered to participate in a fair food system for all
- **Lessons are learnt from other countries** that have introduced food and drink taxes

(c) Using fiscal measures to incentivise climate-friendly livestock production and penalise ones that contribute to global warming. These measures might include e.g. import tariffs on feedstuffs, carbon taxes, nitrogen taxes and subsidies: PROMISING

To achieve the interconnected range of health, environmental and global equity benefits raised by the evidence, the option of a levy on feedstuffs for intensively reared livestock may be a more promising way of reducing the scale and impact of meat consumption in the UK than a simplistic tax on all meats. This would need further detailed consideration in the light of WTO rules.

Other considerations:

- **Moving towards a true cost of food model:** Internalising the externalities from the way food is produced seems a sensible way forward. In doing so, it will be vital to ensure that the poorest in society are supported and empowered to participate in a fair food system for all.
- **Avoiding demonising meat:** It is important to note that a meat tax shouldn't be about demonising meat (*sugar tax or tobacco industry examples focus on what can more universally agreed to be bad for health*). On a similar line of thinking, the language and framing used with the general public for any tax to be considered (e.g. Children's Future Fund).
- **Immediacy of impact:** Possible interventions could be framed as having immediate implications (e.g. people now) or future implications (future generations), so it is important to be clear about which objectives they aim to achieve.
- **Systems change:** Policy interventions could in future be rated in terms of their potential to drive systemic change. Interventions such as taxes would be classified by Donella Meadows to be less effective 'places to intervene in a system' than e.g. changing the goals of the system or changing mindsets.

AUDIENCE JUDGMENT:

The invited audience consisted of c. 40 opinion formers, policymakers, NGOs, food business representatives and academics. Around 70% of the audience felt that a suitably nuanced meat tax (which was open to their own interpretation) was either a 'promising' or a 'powerful' idea. 25% of them thought that such a meat tax was either 'flawed' or would even be 'harmful'. The jury felt that it would be difficult to get to a suitably nuanced meat tax whilst keeping the idea simple enough for it to be effective.

5. PROCESS

This *Food Policy On Trial* event adopted a select committee style format. A panel of members of the Food Ethics Council took evidence from, and asked questions of, four eminent expert witnesses on the idea of a meat tax in the UK. This was further enriched by additional insights and questions from an invited audience, before a brief period of deliberation and judgement. To avoid an overly generalised debate, the starting hypothesis was to put 20% VAT on 'worst impact' meat products, which deliberately prompted the question "how would you define 'worst impact' meat?".

List of expert witnesses:

- Jody Harris, Research Fellow, Institute of Development Studies
- Professor Mike Rayner, University of Oxford
- Stuart Roberts, NFU Vice President
- Richard Young, Policy Director, Sustainable Food Trust

Jury of members of the Food Ethics Council:

- [Dr Julian Baggini](#), freelance writer and philosopher
- [Helen Browning](#), organic farmer; Chief Executive, Soil Association
- [Chloe Donovan](#), founder Hundred River Farm
- [Ralph Early](#), Food Scientist, former Professor of Food Industry, Harper Adams University
- [Geoff Tansey](#), curator, Food Systems Academy

Caveats to the process:

- Evidence was limited to just four expert witnesses and comments from audience members.
- It was a very short process, not a fully comprehensive analysis, i.e. it was an event lasting three hours not three years. It was designed to raise important ethical concerns and to encourage 'in the round' deliberative thinking about policy, not to be a detailed critique or necessarily provide a definitive answer.
- Any judgement has to be subject to review in the future, to reflect the latest thinking.
- We did not specifically explore a tax on dairy, not because dairy is not important (it is); simply for reasons of time.

Nevertheless, we believe it is still possible to come to an initial broad-based judgement based on the evidence and viewpoints raised, to help with developing policy in this area. As well as the outcome, the *process* of encouraging 'in the round' consideration of food policies is in itself important.

We strongly encourage people to listen to the evidence from the trial (and other evidence) and to form their own judgements.