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NGOs Urge EC Not to Label Certain Agriculture and Livestock Practices as Sustainable

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On March 8, 2023, 25 organizations [wrote](#) to the European Commission concerning its treatment of agriculture in the forthcoming Taxonomy Delegated Act, urging them to follow the advice published by their own expert group. The signatories “urge the [EC] to closely follow the advice of its expert group in producing an EU Taxonomy on agriculture particularly as regards the benefits of integrated crop-livestock production that does not lead to agriculture expansion.”

In October 2022, the EC’s expert group, the [Platform on Sustainable Finance \(PSF\)](#) published [technical screening criteria](#), adding to its earlier March 2022 proposals, under the EU taxonomy to decide which animal production practices make substantial contributions to biodiversity and ecosystems. The PSF comprises 35 members and 14 observers and “brings together world leading sustainability experts across all stakeholder groups: private stakeholders from financial, non-financial and business sectors, NGOs and civil society, academia and think tanks, experts in personal capacity, as well as public and international institutions.”

The letter asserts that it “is vital that the taxonomy Delegated Act does not recognize industrial livestock production as an environmentally sustainable economic activity” because it “causes substantial environmental harms both in the vicinity of the farm and through the upstream activities of producing cereals . . . to feed the animals.” The letter goes on to state that certain practices lead to “soil degradation, biodiversity loss, overuse and pollution of water, as well as air pollution.”

The letter highlights the import of soybeans for purposes of animal feed and its connection with deforestation. A [recent study](#) indicates that global food consumption may add almost 1°C of warming by 2100, primarily driven by high methane emissions, particularly from certain products such as beef, lamb and dairy. The letter concludes by stating that if the EC is not prepared to “fully align with the PSF proposal, we would prefer there to be no Delegated Act on agriculture than a greenwashed one.”

Taking the Temperature: Classifications of certain products or industries within sustainability taxonomies remain controversial. For instance, the EC Taxonomy characterizes gas-fired power and nuclear energy as sustainable, and last month, the UK government announced that nuclear power would be classified as environmentally sustainable in the UK's green taxonomy. The UK has also announced, in December 2022, a delay in the implementation of its taxonomy following stakeholder engagement and in light of the complexity inherent in the taxonomy. However, notwithstanding disparities among different countries' taxonomies and controversies over classification decisions, taxonomies are critical to help companies and investors to understand what businesses or products are consistently deemed sustainable among different jurisdictions. As a result, efforts will continue globally to advance sustainability taxonomies and, we anticipate, ultimately to harmonize classifications at least among countries where the world's major business centers are located.