



European consumers support higher meat prices

True Price Consumer Research Survey Results: France, Germany, The Netherlands

17th November 2020

Executive Summary

A representative consumer survey amongst 1558 German, French and Dutch consumers run in week 44/45, showed that a majority of 55% consumers accept a higher meat price, implemented by governments, to pay for the real cost of meat, including environmental costs like greenhouse gas emissions. The condition is that revenues of a levy would be used to 1) reduce prices of vegetables and fruit 2) pay farmers to increase standards for sustainability and animal welfare and 3) compensate low income groups. One third (34%) of German, French and Dutch consumers is neutral about the proposal. This can be explained because of the price increase. Only 12% of consumers in the three countries oppose a fair, higher price on meat. So, 88% of the consumers is not against a higher meat price (agrees or neutral).

- In the Netherlands 63% of consumers like to pay for a meat tax of at least 1 euro per kg meat, in Germany this is 80% of consumers, in France this is 67%, if the tax is called an animal welfare tax on meat which enables farmers to improve animal welfare and it would also improve environmental standards (CO₂-reduction) and enables workers in slaughterhouses and farms to have a better income.
- Right wing voters in general support this meat price increase of at least 1€ per kg even more than left wing voters. In the Netherlands, for instance voters of conservative political parties like VVD (71%) and CDA (67%) agree with a meat price increase of 1€ per kg. In France, 70% of people voting for Macron's political party La Republic en Marche support a meat tax of 1 €/kg. Also 70% of people voting for the conservative party Les Republicains support this tax, while "only" 64% of the voters of the Parti Socialiste support this meat tax proposal. In Germany, 82% of Angela Merkel's CDU/CSU electorate supports a meat tax of at least 1 €/kg, and 68% of voters of FDP, a right wing party.
- 70% of French, German and Dutch consumers support 0% VAT rate on vegetables and fruits and a high VAT rate on meat (or excise duties on meat, using revenues for farmers/consumers).

Results of the consumer enquiry

The TAPP Coalition is a European non-profit organization made up of health, environmental, animal welfare, and youth organizations as well as food companies that advocates for the "true" price of meat and dairy which reflects the associated environmental and health costs. In February 2020 the TAPP Coalition published a report, "Aligning food prices with the European Green Deal", which outlines policy proposals for how to implement the "true" price of meat across Europe. The revenues of this "true price" can be used to make agriculture more sustainable, improve animal welfare, compensate low incomes, and reduce the price of vegetables, fruits and meat alternatives (with lower VAT tariffs or consumer subsidies). Implementation of this type of "true meat price" will reduce GHG-emissions with 120 Mton per year in the EU and will reduce health care costs with at least 9 million euro annually, as meat consumption will go down. Over the past year political support has been garnered on a country level, specifically in The Netherlands and Germany, as well as at an EU level after a presentation to the European Parliament, resulting in global media coverage.

To determine whether consumers were interested in the policy proposals of the TAPP Coalition for paying the "true price" of meat including environmental costs and using revenues for farmers and consumers, a consumer research survey (DVJ Insights) was launched by TAPP Coalition, with support Vier Pfoten (Germany/Austria). The survey ran in September/October 2020, surveying 1558 consumers across France (n=531), Germany (n=514), and the Netherlands (n=513) with an appropriate distribution across gender, age, income and political background. Consumers in the three countries represent nearly 40% of the EU-27 population (without UK). The survey results demonstrate that Europeans are ready for a meat tax if revenues are used in a clever way.

Jeroom Remmers, director TAPP Coalition shares: "The results show a political reality: a majority of European consumers expect their political leaders to tax meat products to use revenues to reduce VAT taxes

on vegetables, fruits and meat alternatives and pay farmers to increase animal welfare and green standards. We expect EU Ministers of Finance, Agri and Environment to start the legislative processes both at national and EU level. So, they can show the world how to reduce GHG-emissions and biodiversity loss from food, while protecting EU farmers, improving public health and reducing health care costs for consumers.”

Key insights on TAPP proposal

- A majority of consumers (88%) across all three countries support or are not against the TAPP Coalition policy proposals. Only 12% disagree, while 34% of consumers are neutral. Overall, 57% of both the German and French population agrees. In a similar study last year, 52% of the Dutch population agreed with the full TAPP Coalition policy package.
- In Germany and the Netherlands, the TAPP proposals are mostly supported by young and old people (18-34 and 66+), in France it is the opposite (35-65 year old people support it the most).

Key insights on implementation of a “fair meat price”

- A majority of consumers (54%) believe: “The environmental and health impact of meat, costs for animal welfare and a decent living for workers have to be incorporated in the cost for meat, even if this results in an increase in the price of meat.” (France: 50%, Germany: 64%, Netherlands: 51%).
- When asked how the proceeds (revenues) of the “fair meat price” should be used, consumers say: to pay farmers to improve standards for environment, climate, nature (70%), to reduce prices of vegetables, fruits and meat substitutes - eg reduced VAT tariff as close to 0% as possible (75%), to increase the income of low-income households to pay for higher food prices (66%). In total, 65% of consumers in France, Germany and The Netherlands agree that part of meat tax revenues will be used to decrease the number of slaughtered animals and improve animal welfare at farms to give them more space to move. Lots of consumers also like to use meat tax revenues to support developing countries in their climate and biodiversity policies because our meat consumption harms their biodiversity and increases CO2 emissions.

Key insights on the relationship between consumption, health and food prices

- 45% of consumers in Germany, France and The Netherlands are not aware that average meat consumption exceeds the dietary health guidelines with a factor of 2 and that it is causing new patients of cardiovascular disease, cancer, diabetes 2 and obesity and leads to higher health care costs. They did not know that the World Bank advised governments to tax meat (and sugar). Large scale government information campaigns and taxes are needed to inform and protect people.
- Nearly 50% of consumers in the three countries are willing to reduce meat consumption if they are paid for it (e.g., via consumer subsidies for healthy lunches (without meat)); 30% will maybe do so.
- 50% of consumers in the three countries want supermarkets to increase prices on meat (25-35%), charging a lower price for fruit, vegetables and other healthy / sustainable foods (25-35% cheaper).
- The policy proposal from the German CDU Agriculture Minister Julia Klockner to introduce an animal welfare levy on meat of 4 eurocents per 100 gram is supported by a wide majority of consumers (68%) across the three countries (Germany and France: 70%, Netherlands: 64%). However, most consumers think this meat tax is too low: 80% of the Germans, 63% of the Dutch and 67% of the French are willing to pay at least 10 eurocent per 100 gram meat if revenues are used to pay farmers for improved animal welfare and CO2-reduction and higher salaries for workers in slaughterhouses. 53% of the Germans also are willing to pay even more: at least 25 eurocents per 100 gram meat. The same holds for 39% of the French and 32% of the Dutch consumers.
- In the three countries, the right wing party electorate is more enthusiastic about a meat tax, using revenues for farmers and lower prices for vegetables and fruits, compared to voters on left parties.

- In France, 70% of people voting for Macron’s political party La Republic en Marche support a meat tax of 1 €/kg. Also 70% of people voting for the conservative party Les Republicains support this tax, while “only” 64% of the voters of the Parti Socialiste support this meat tax proposal.
- In Germany, 82% of Angela Merkel’s CDU/CSU electorate supports a meat tax of at least 1 €/kg, and while “only” 80% of voters of Die Linke, a left wing party, supports this proposal.
- In the Netherlands, 72% of voters of the largest, liberal party VVD of prime minister Mark Rutte support a meat tax of at least 1 €/kg, and 67% of voters on Christian conservative parties (CDA/CU/SGP), while “only” 60% of voters on the socialist party SP support this meat tax plan. In the Netherlands 72% of the voters of government parties (VVD, CDA, CU and D66) support the meat tax of at least 1 €/kg, while extreme right wing voters (Forum, PVV) oppose this plan (40% agree, 60% disagree). In France and Germany, in all political parties electorate there is a majority for a meat tax of 1 €/kg.

Key insights on the acceptance of EU fiscal incentives to increase meat prices

- The EU Commission proposal to introduce a carbon border adjustment mechanism (import taxes for products coming from countries with lower carbon standards compared to the EU) that is widely supported if applied to meat products from South and North America or Asia: 67% of Germans, 54% of Dutch and 72% of French consumers support it, which protects EU farmers and the climate.
- Another EU commission proposal also has the support of a wide majority of consumers in France (75%), Germany (72%), and The Netherlands (64%): to reduce VAT tariffs on (organic) fruits, vegetables and other plant based protein products to 0%, as well as a shift of meat products and unhealthy sugary drinks from the reduced VAT tariff to the normal ‘high’ VAT tariff.
- The consumer survey shows that the new EU Green Deal for Food (Farm to Fork Strategy) has wide support in the two largest EU countries and The Netherlands, if political leaders in Europe finally decide a greening of the VAT system at EU level. However, the TAPP Coalition is not promoting a VAT increase on meat (“just a first step”), preferring an excise duty per kg meat (differentiated for environmental costs for beef, pork and chicken meat).

For more information or access to the survey data, please each out to:

TAPP Coalition: Jeroom Remmers, Director. Email: info@tappcoalitie.nl, +31 6 22407712

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Vier Pforten/ Four Paws International: Linda Exenberger, Farm Animal Policy Advisor, Email: linda.exenberger@vier-pforten.org +43 664 885 332 58

Detailed Survey Results

Section 1: TAPP proposal

Introduction

The TAPP Coalition, a new European organization, consists of various sustainable businesses and agricultural, health, environmental, and animal welfare organizations. The TAPP Coalition made a proposal to adjust food prices in Europe, so that all environmental costs are included in the price, starting with meat and plant-based food. The TAPP Coalition proposal consists of various measures.

1. VAT on fruit and vegetables.

Fruit and vegetables have become more expensive since 2000. The proposal entails that the VAT on fruit and vegetables be reduced to the lowest category permitted by each EU Member State (between 0-6%). Ten EU countries have already done this. Germany and the Netherlands can do this too and reduce their VAT rate to 5%. This rate will also apply to potatoes, meat substitutes, nuts and other vegetable products and possibly to food with a sustainable certification. The rate will be zero percent when allowed by the EU.

2. Price of meat.

Meat will be made slightly more expensive, an average of 10-euro cents per 100 grams of meat in the first year of implementation. This "fair meat price" will rise a little further until in 2030 all environmental costs have been incorporated into the meat price. As a result, in 2030 chicken will become 17 eurocents more expensive per 100 gram and beef and pork will become 47 and 36 eurocents per 100 gram more expensive. This generates more than 32.2 billion euros per year at EU level to finance the reduction of the VAT on fruit and vegetables, financial compensation for low-income households, subsidies for farmers and more.

3. Financial compensation.

6 billion euro annually can be paid for compensation of 50 million European low-income households (10% lowest income groups), to make sure all consumers, poor or rich, can still afford to buy meat, even if prices go up. This equals to 120 euro per year per capita (or 60 euro per year for the 20% lowest income groups). 7-12 billion euro is used to reduce VAT rates on vegetables and fruits (or apply consumer subsidies).

4. Subsidies for farmers.

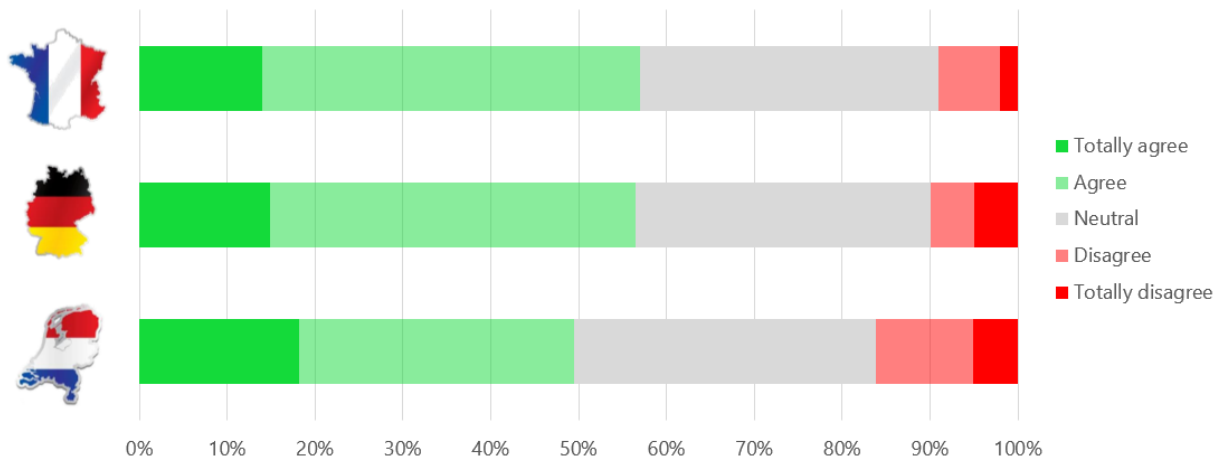
EU farmers receive an extra 10-15 billion euros per year (that is at least 1,500 euros per farmer per year or 6000 euro for all EU livestock specialist farmers). This amount compensates for the increasingly higher costs they must incur to produce in a more environmentally and animal friendly way (e.g., reduce CO₂ emissions).

5. Support for developing countries.

Developing countries receive an additional 4 billion euros per year in funds to support them in their climate and biodiversity policies, such as doubling nature reserves/forests. and reducing greenhouse gasses.

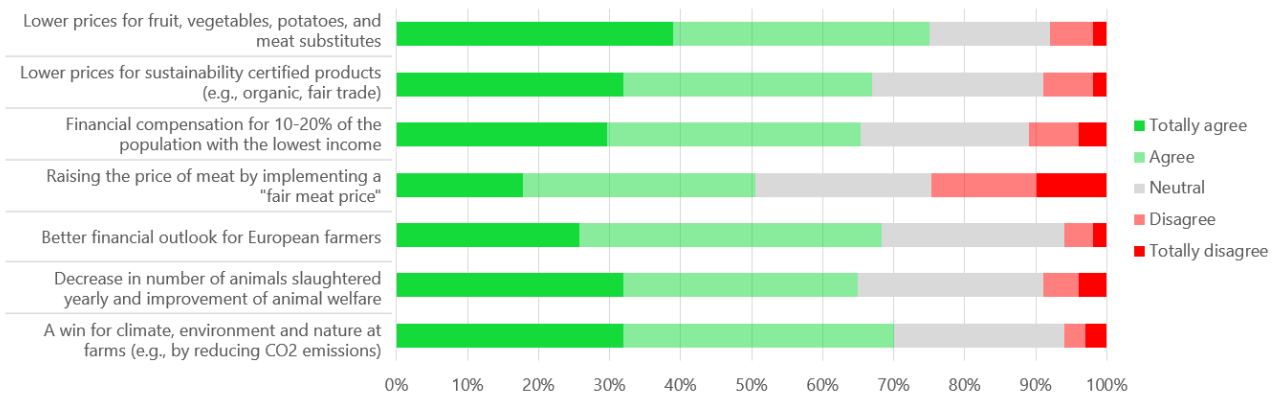
According to researchers (CE Delft, 2020), the proposal is net positive for the economy and, moreover, good for consumers. Overall, people with a low to middle income will be slightly better off. Anyone who eats less meat and more vegetables or meat substitutes will also benefit. Consumers will eat healthier, which will improve or maintain their health. As a result, the rising healthcare costs will begin to decrease. This proposal will also reduce CO₂ emissions, animal feed, related deforestation and the number of animals slaughtered. It will increase farm income and animal welfare and helps farmers to make a shift to sustainable or organic farming.

Question 1. Do you support the full range of measures in the proposal?



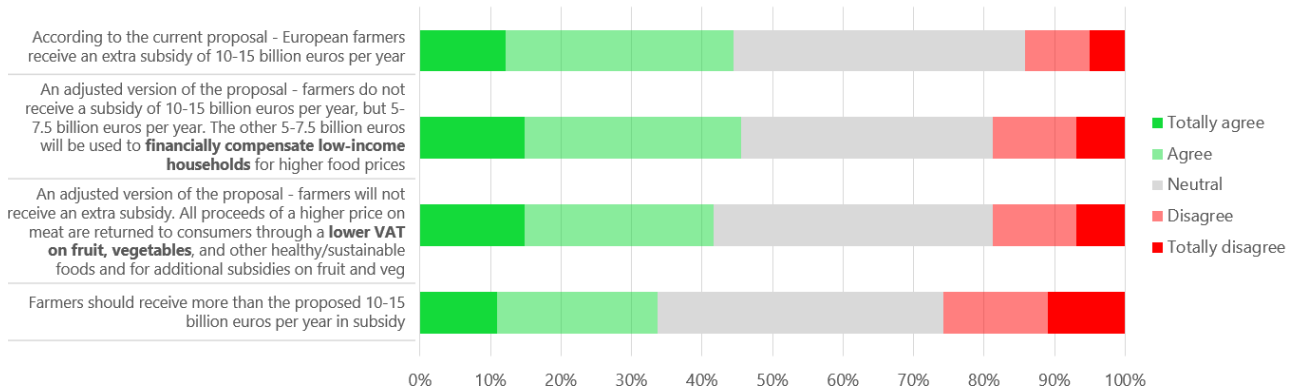
See appendix for breakdown of results per political party (per country) and per demographics for this survey question.

Question 2. To what extent do you agree with each of the measures in the proposal?



See appendix for a breakdown of results per country for this survey question.

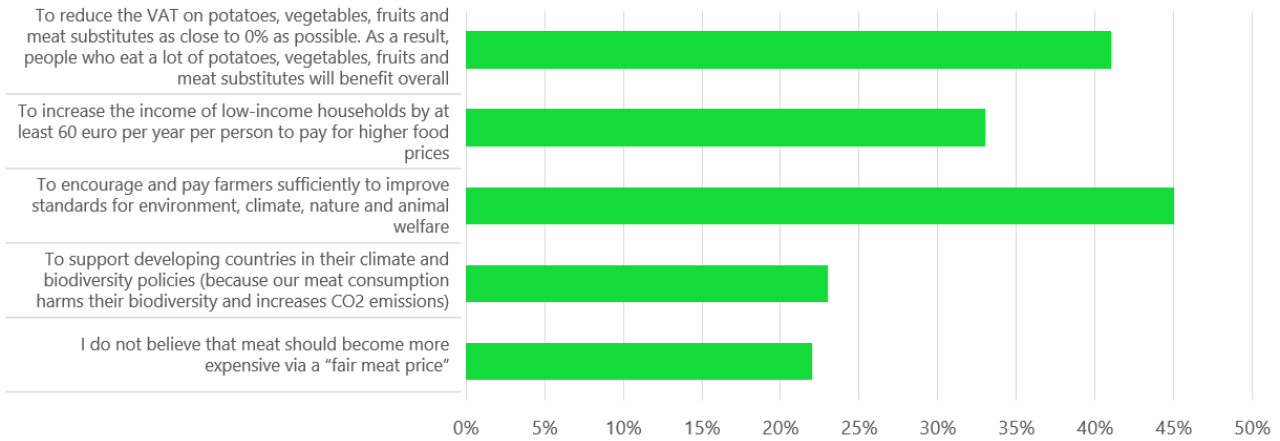
Question 3. Which of the following options do you agree with the most?



See appendix for a breakdown of results per country for this survey question.

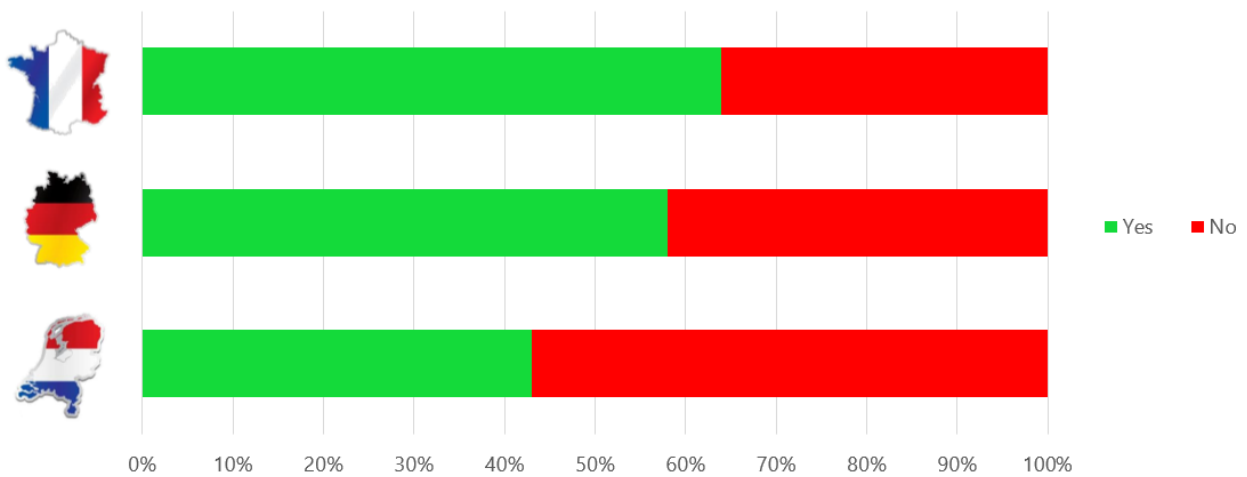
Section 2: Implementation of a “fair meat price”

Question 6. What do you think the proceeds (revenues) of the “fair meat price” should be used for? (multiple answers accepted)

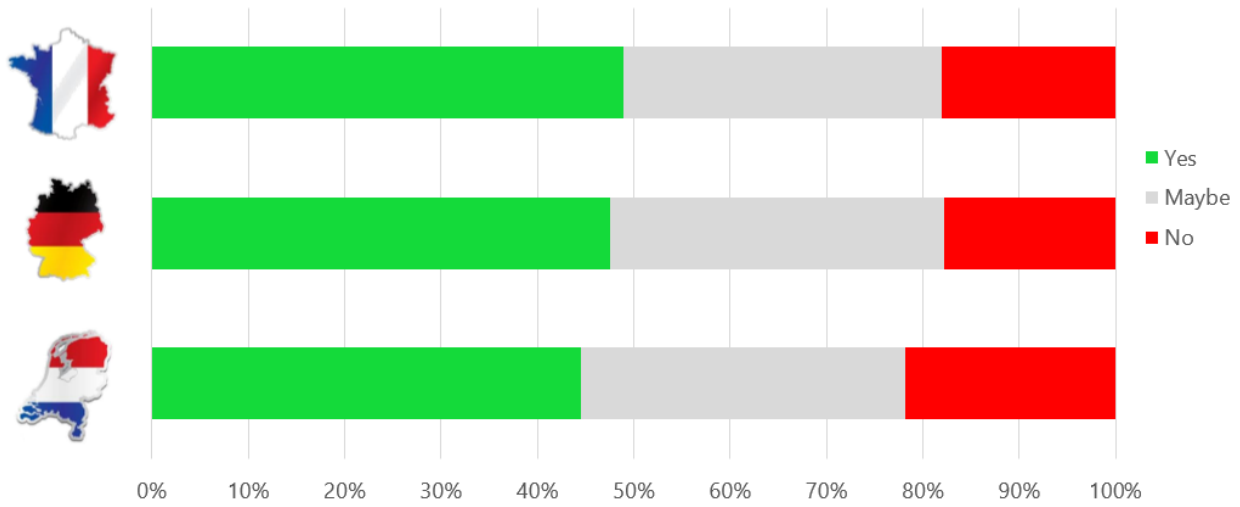


Section 3: Relationship between consumption, health and food prices

Question 7. The risk of cardiovascular disease, diabetes 2, overweight and some cancers are increased in a diet with the average meat consumption in the EU (especially with processed and red meat). Did you know that on average in the EU and in 19 EU Member States, meat consumption is double to the amounts advised in dietary guidelines for health? And that this is one of the reasons that health costs in the EU are increasing so much, that the World Bank advised governments last February 2020 to introduce taxes on meat and other unhealthy products if eaten too much?



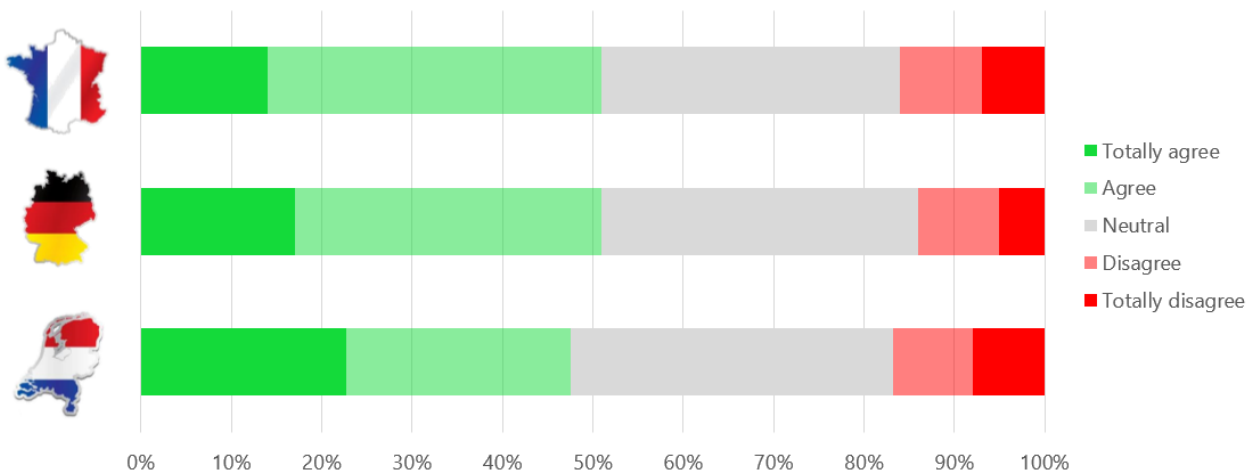
Question 10. Would you be willing to eat less meat if you were financially rewarded for this?



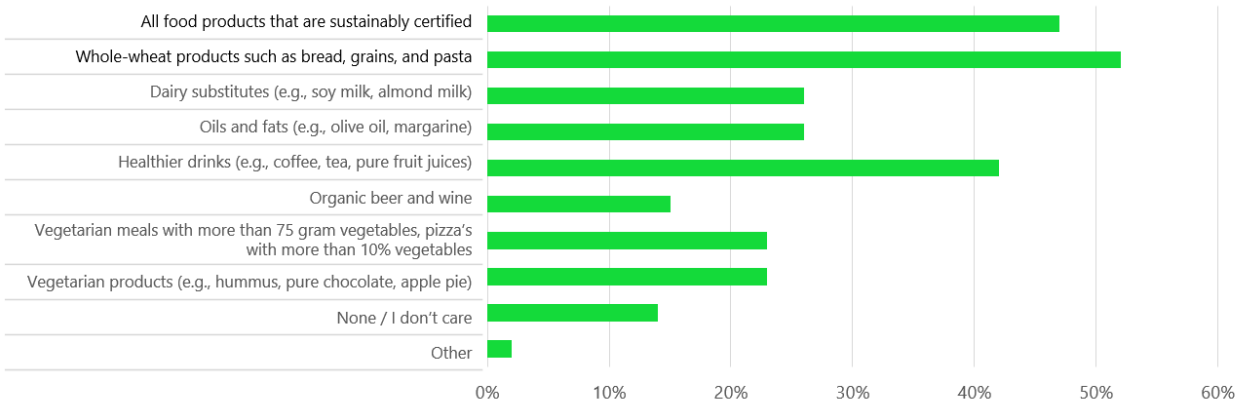
See appendix for a breakdown per country by demographics for this survey question.

Question 11. We are curious about your opinion on the following statement:

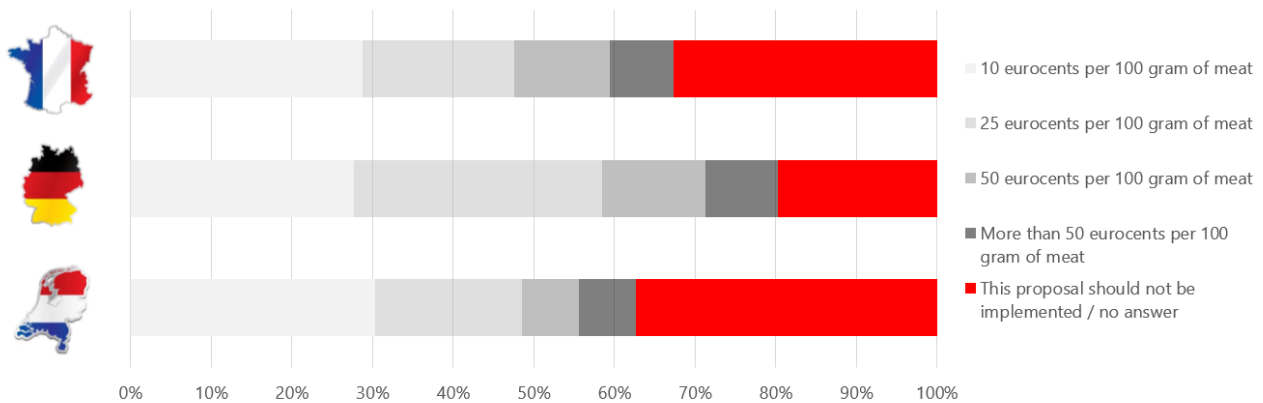
“All the profit made in supermarkets via a higher price on meat (25-35% more expensive) is returned by the supermarket to consumers by charging a lower price (25-35% cheaper) for fruit, vegetables and other healthy / sustainable foods. The price of the average shopping basket remains the same and the supermarket does neither benefit from it financially nor loses money.”



Question 12. In addition to fruit, vegetables, potatoes, nuts, mushrooms, and meat substitutes, which products should also fall into the lowest VAT category? (multiple answers accepted)

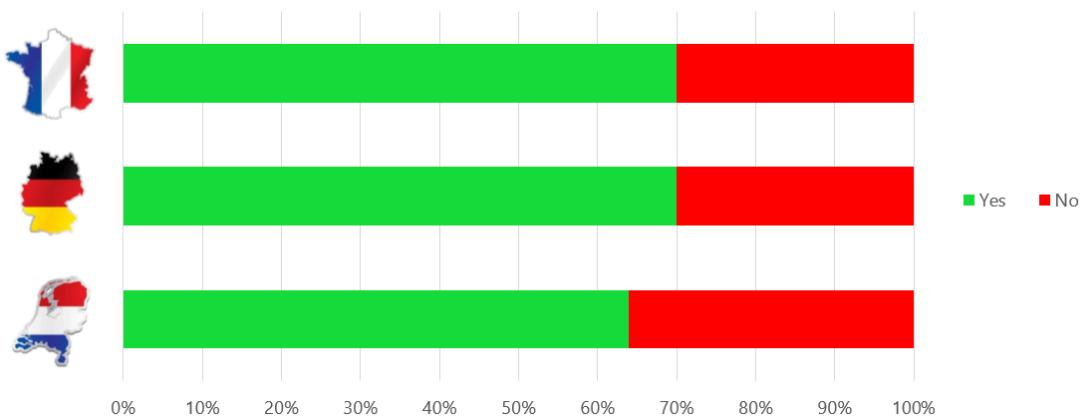


Question 13. Recently, the German Agriculture Minister Julia Klöckner proposed an animal welfare tax on meat which enables farmers to improve animal welfare. It would also improve environmental standards (CO2-reduction) and enables workers in slaughterhouses and farms to have a better income. Would you agree with this proposal in your country or at EU level if the tax would be:

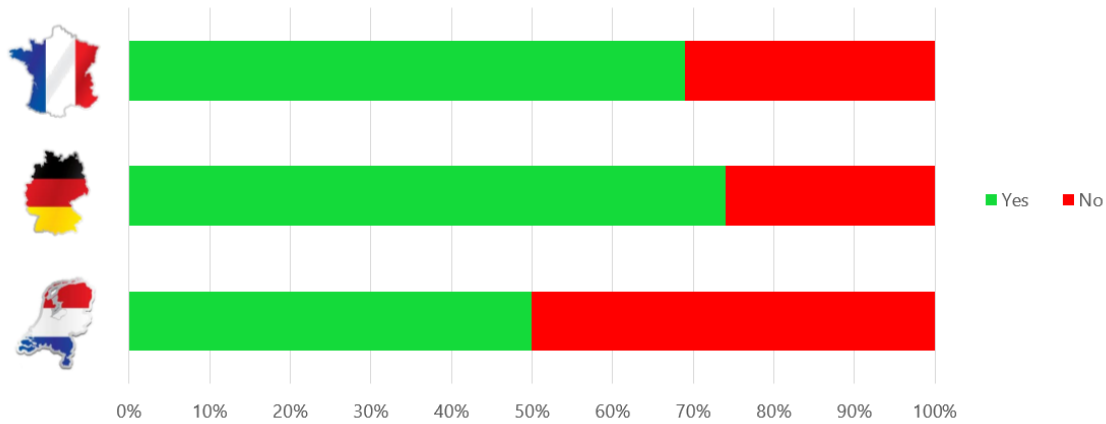


See appendix for a breakdown per political party (per country) for this survey question.

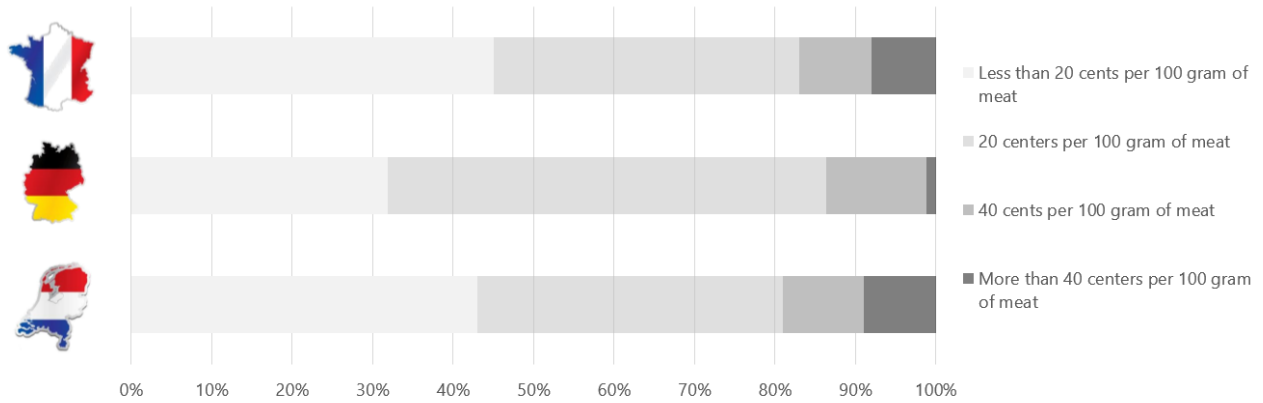
Question 14. Do you support the animal welfare tax on meat proposed by Julia Klockner last June to raise financial support for farmers to increase animal welfare (this was 4 cents per 100 gram meat)?



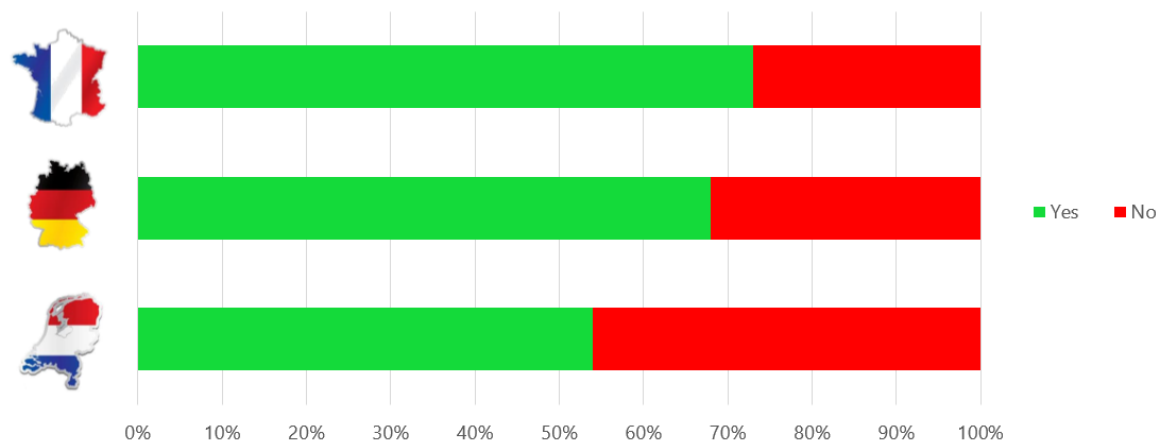
Question 15. Would you also support a higher price for meat if you would also pay for the price of CO2 reduction and for higher salaries for farmers and workers in slaughterhouses?



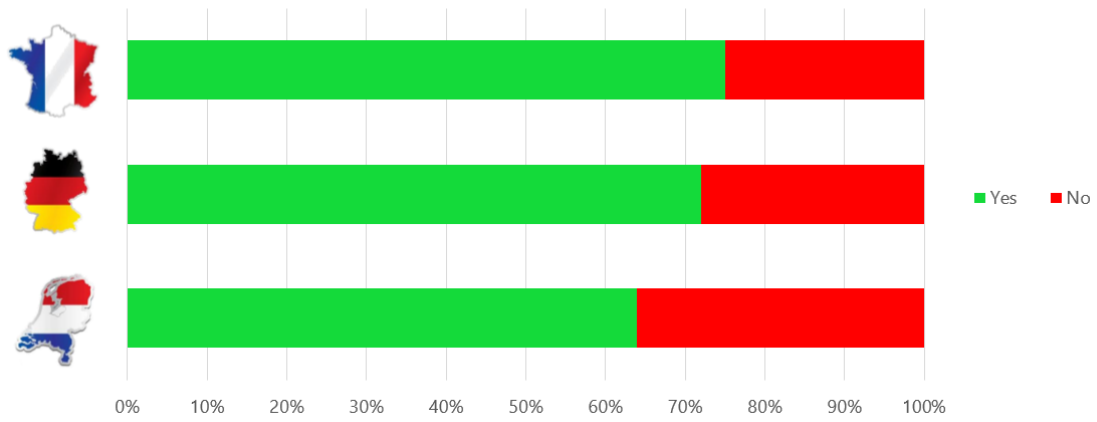
Question 16. How many cents per 100 gram would you be willing to pay to reduce the CO2 emissions and for higher salaries for farmers and workers in slaughterhouses?



Question 17. The EU Commission proposed taxes at products imported to the EU if CO2-standards are lower compared to the EU. Would you support import taxes on meat from countries with low standards for greenhouse gas emissions, or without environmental taxes on meat? For instance, meat from South America, linked to deforestation, or meat from the USA or Asian countries?

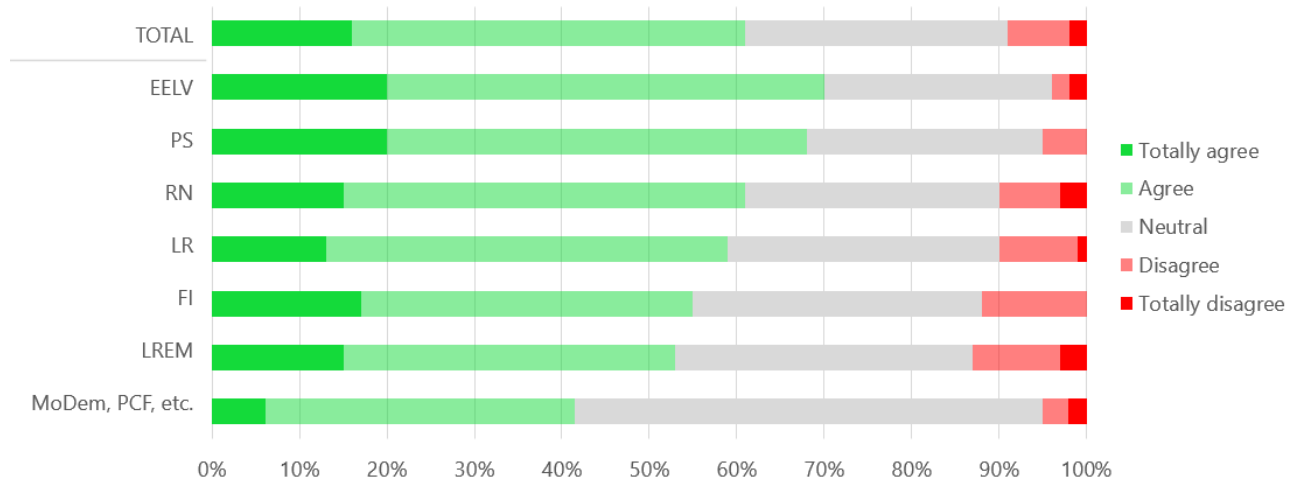


Question 18. Would you support a decision from the EU Commission to have zero VAT tariffs for all European (organic) fruits and vegetables, potatoes and other plantbased protein products, and a shift of meat products and unhealthy sugary drinks from the reduced VAT tariff to the normal 'high' VAT tariff?

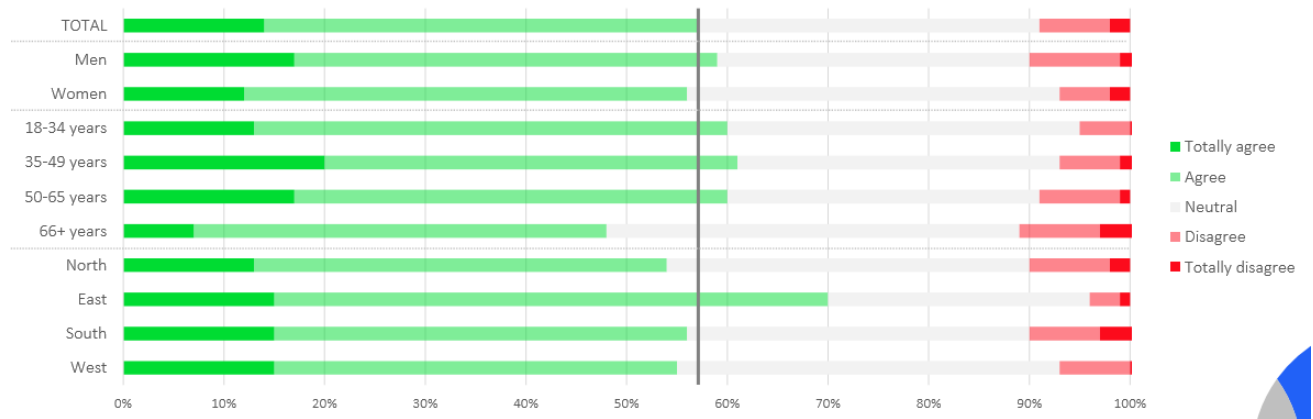


Appendix: Additional survey results

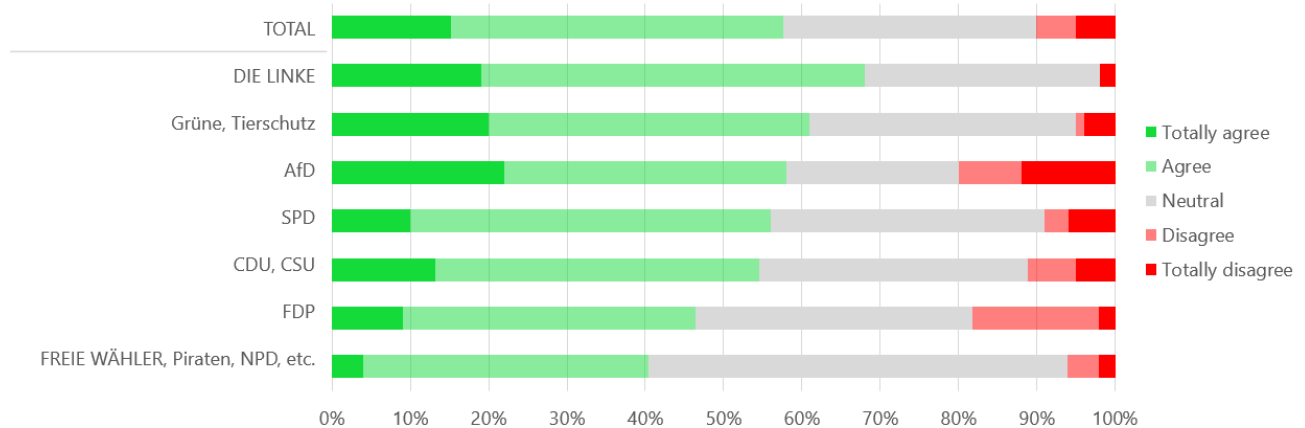
Question 1. Do you support the full range of measures in the proposal? Split per political party in France



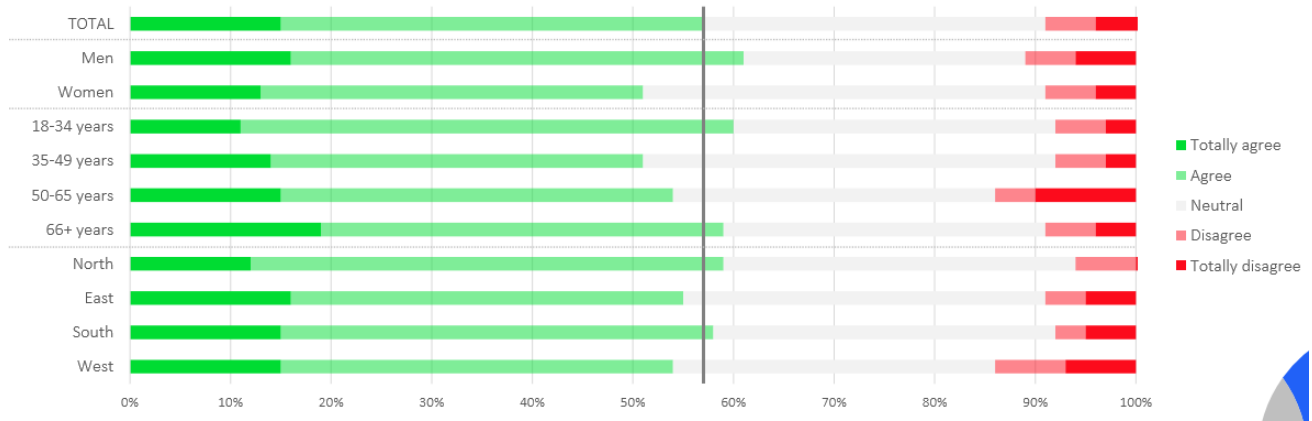
Question 1. Do you support the full range of measures in the proposal? Split per demographics in France



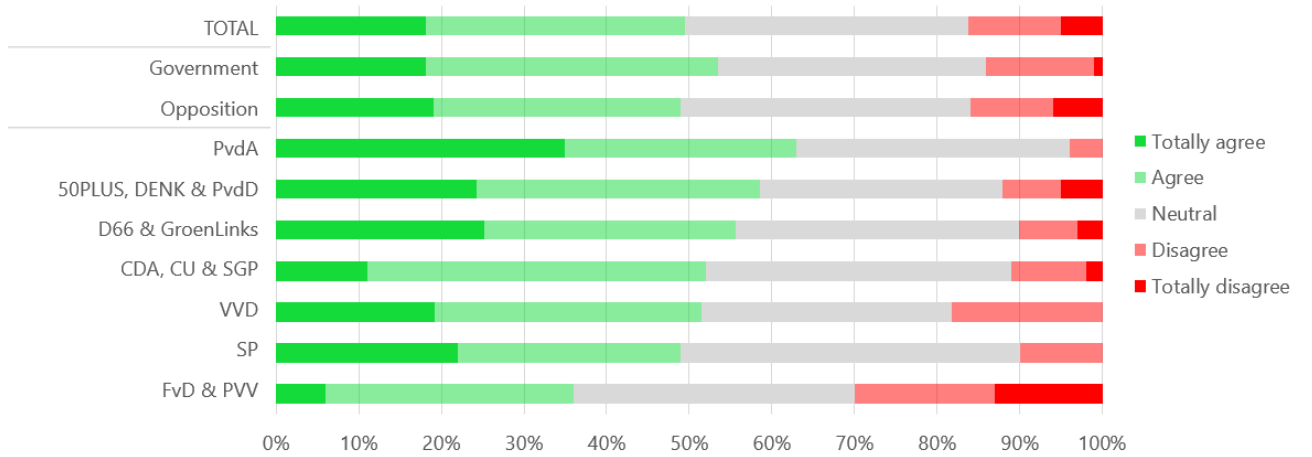
Question 1. Do you support the full range of measures in the proposal? Split per political party in Germany



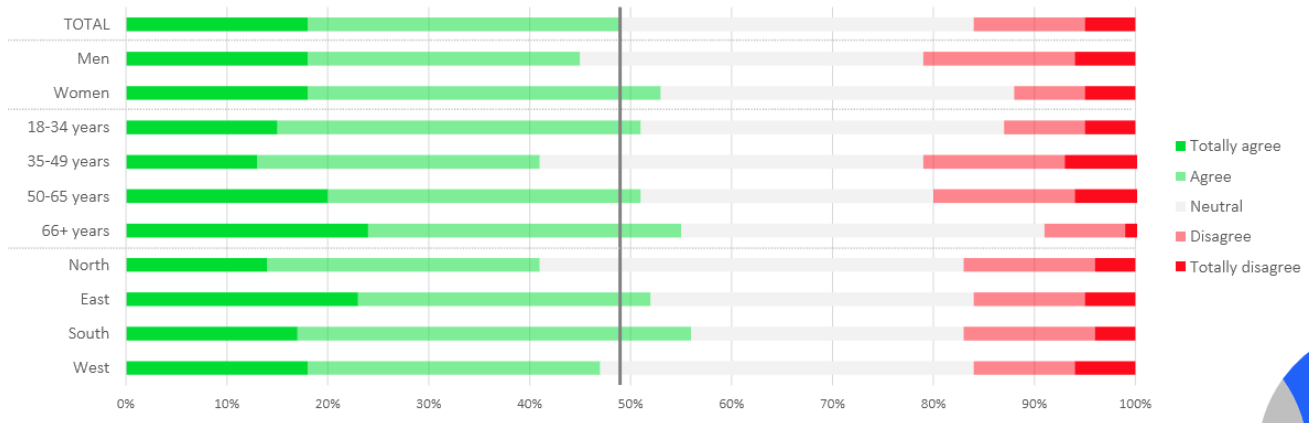
Question 1. Do you support the full range of measures in the proposal? Split per demographics in Germany



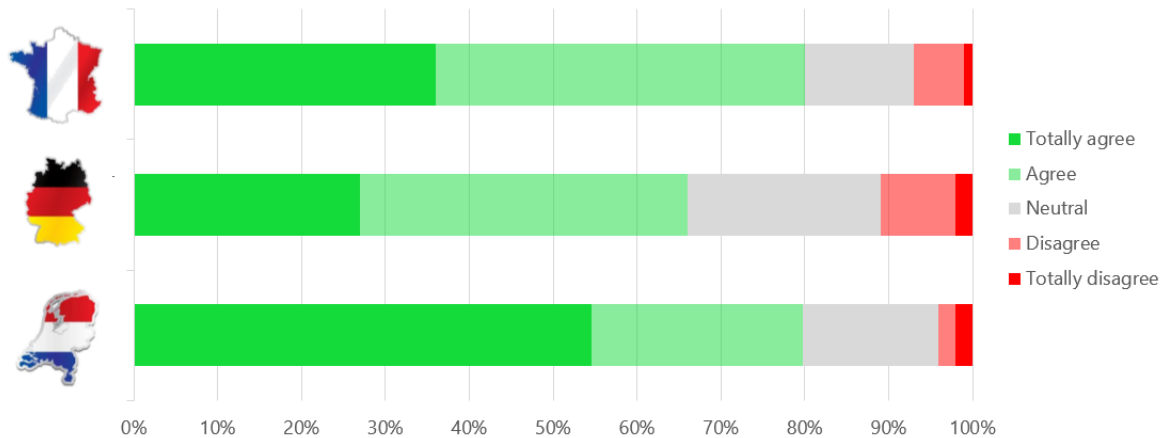
Question 1. Do you support the full range of measures in the proposal? Split per political party in The Netherlands



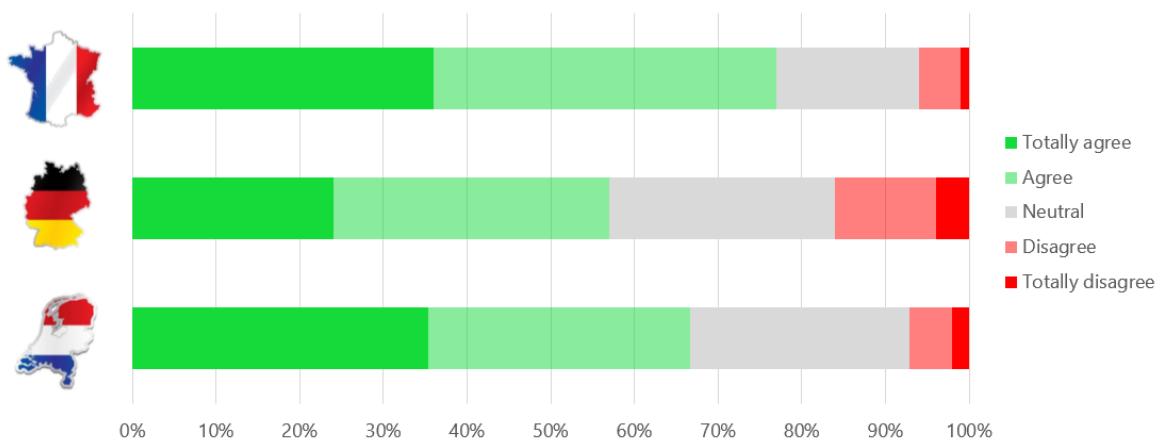
Question 1. Do you support the full range of measures in the proposal? Split per demographics in The Netherlands



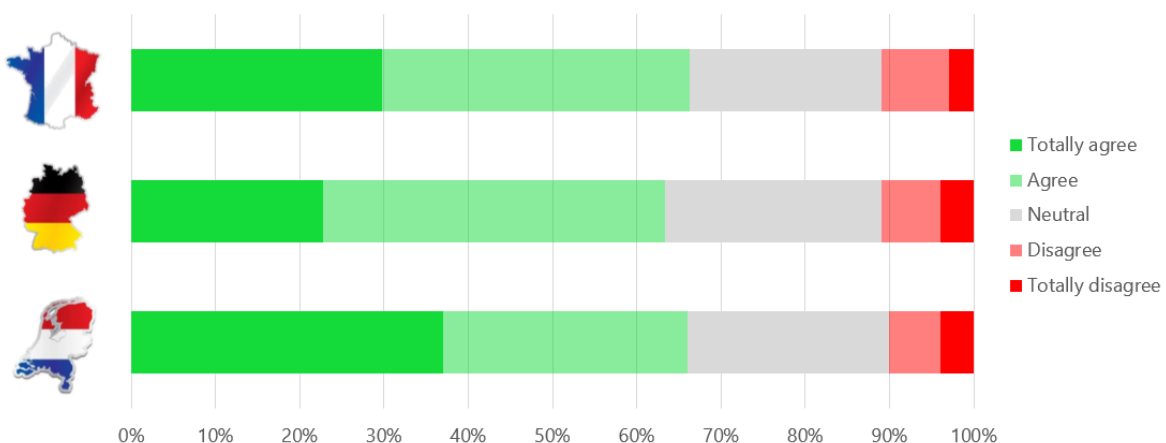
Question 2a. To what extent do you agree with each of the measures in the proposal? Lower prices for fruits, vegetables, potatoes and meat substitutes



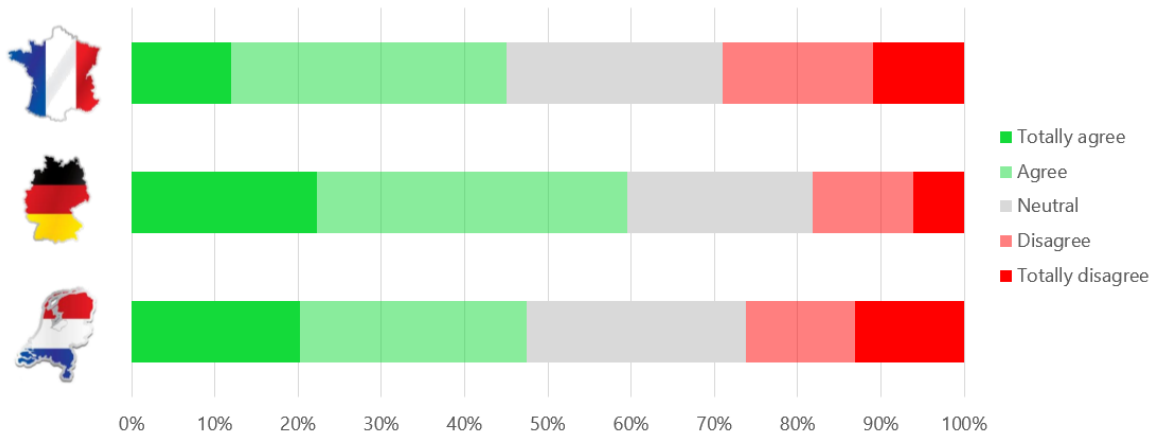
Question 2b. To what extent do you agree with each of the measures in the proposal? Lower prices for sustainably certified products (e.g., organic, fair trade)



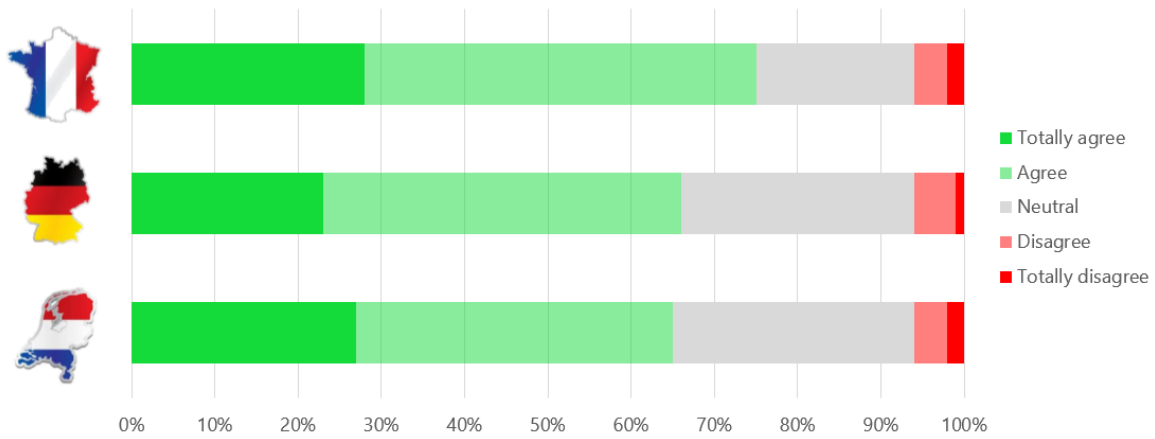
Question 2c. To what extent do you agree with each of the measures in the proposal? Financial compensation for 10-20% of the population with the lowest income



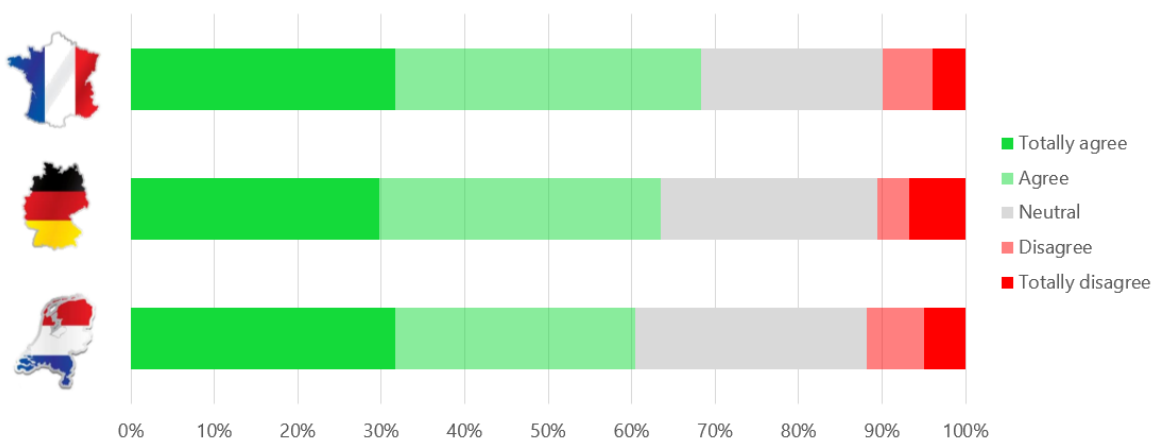
Question 2d. To what extent do you agree with each of the measures in the proposal? Raising the price of meat by implementing a “fair meat price”



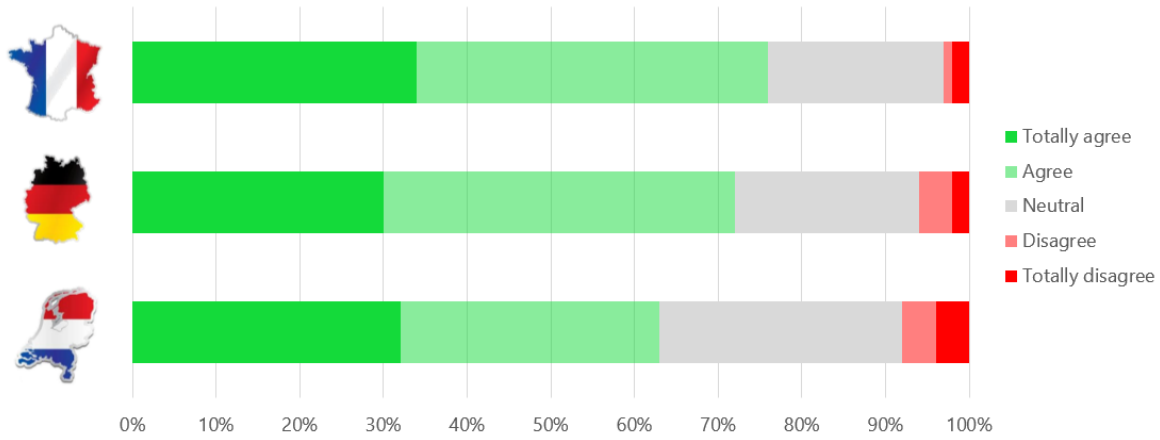
Question 2e. To what extent do you agree with each of the measures in the proposal? Better financial outlook for European farmers via subsidies



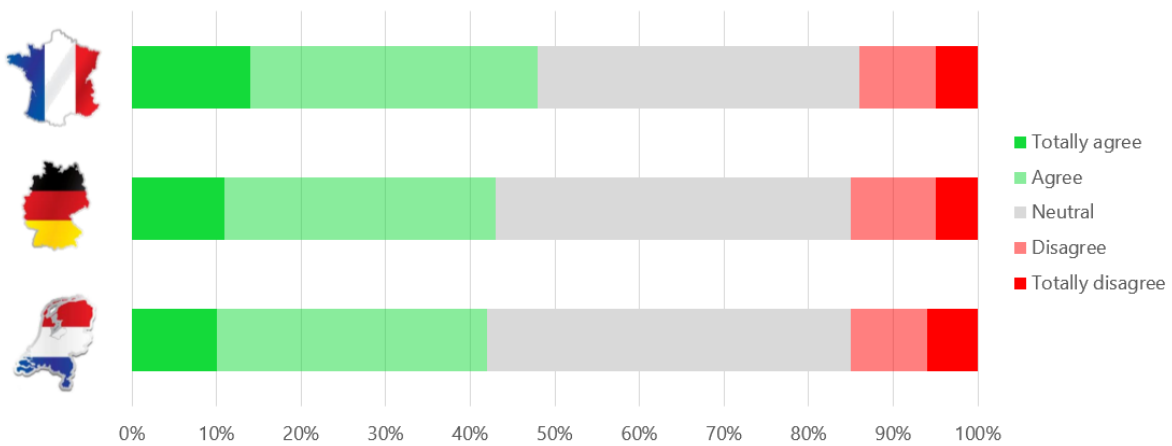
Question 2f. To what extent do you agree with each of the measures in the proposal? Decrease in number of chickens, pigs, and cows slaughtered by millions on a yearly basis and improvement of animal welfare at farm level



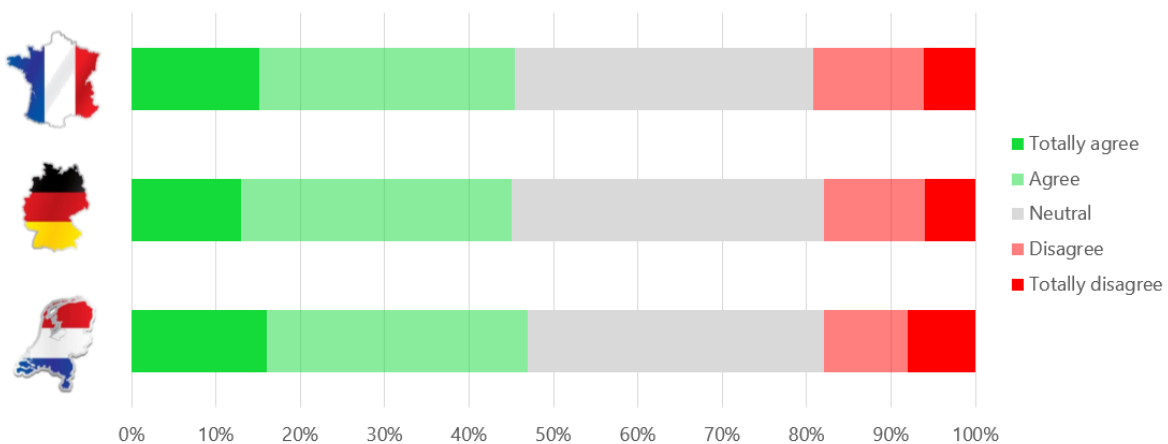
Question 2g. To what extent do you agree with each of the measures in the proposal? A win for the climate, environment and nature at farms (e.g., by reducing CO2 emissions)



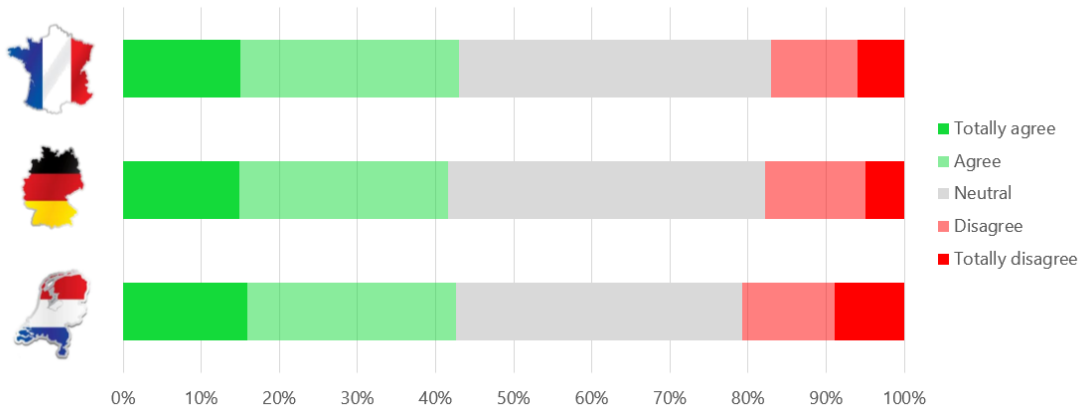
Question 3a. Which of the following options do you agree with the most? According to the current proposal - European farmers receive an extra subsidy of 10-15 billion euros per year



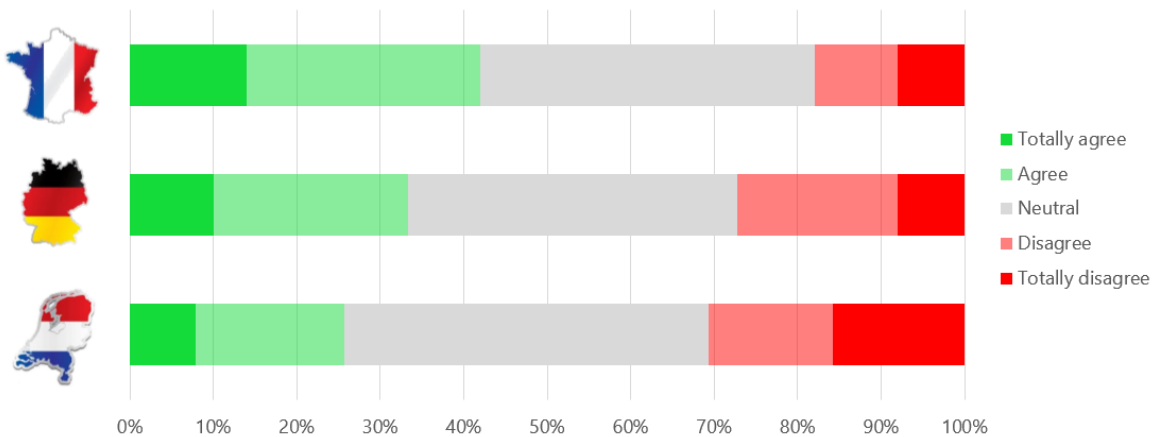
Question 3b. Which of the following options do you agree with the most? An adjusted version of the proposal - farmers do not receive a subsidy of 10-15 billion euros per year, but 5-7.5 billion euros per year. The other 5-7.5 billion euros will be used to financially compensate low-income households for higher food prices



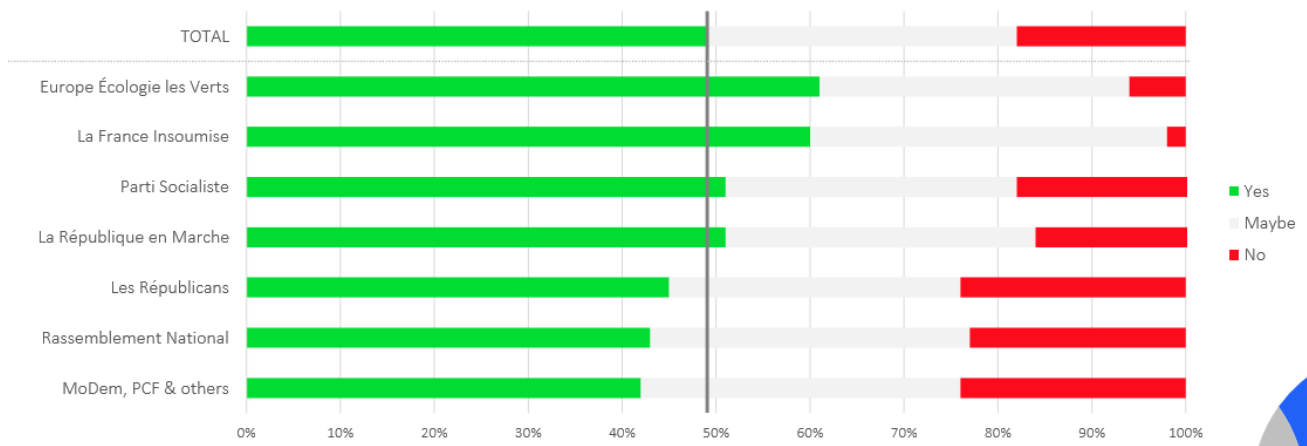
Question 3c. Which of the following options do you agree with the most? An adjusted version of the proposal - farmers will not receive an extra subsidy. All proceeds of a higher price on meat are returned to consumers through a lower VAT on fruit, vegetables, and other healthy/sustainable foods and for additional subsidies on fruit and veg



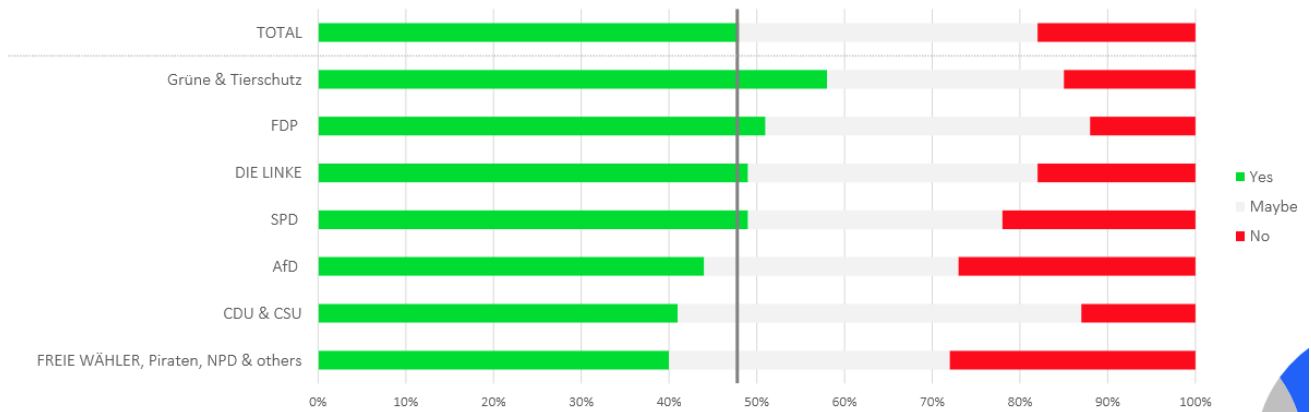
Question 3d. Which of the following options do you agree with the most? Farmers should receive more than the proposed 10-15 billion euros per year in subsidy



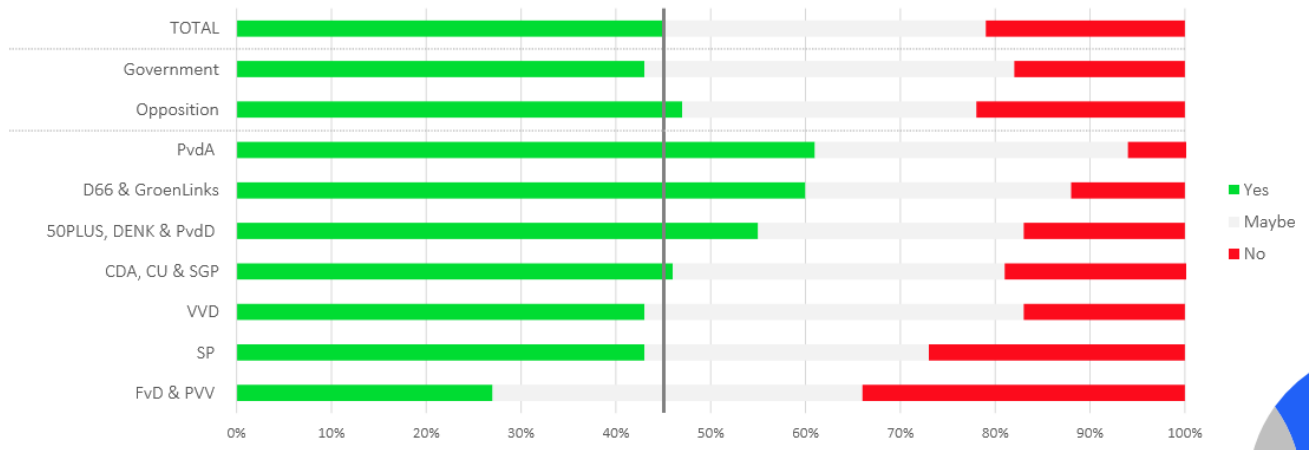
Question 10. Would you be willing to eat less meat if you were financially rewarded for this? Split by demographics in France



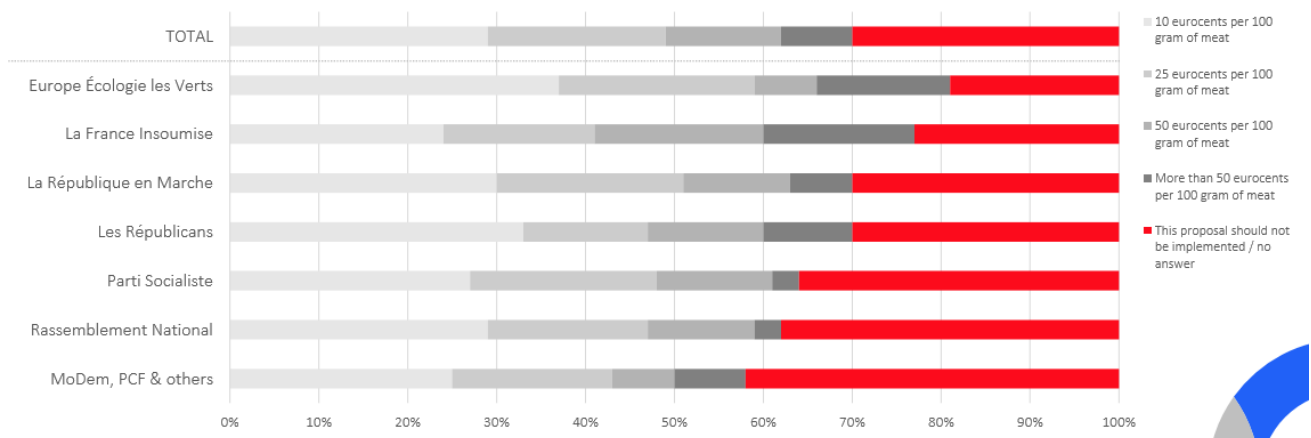
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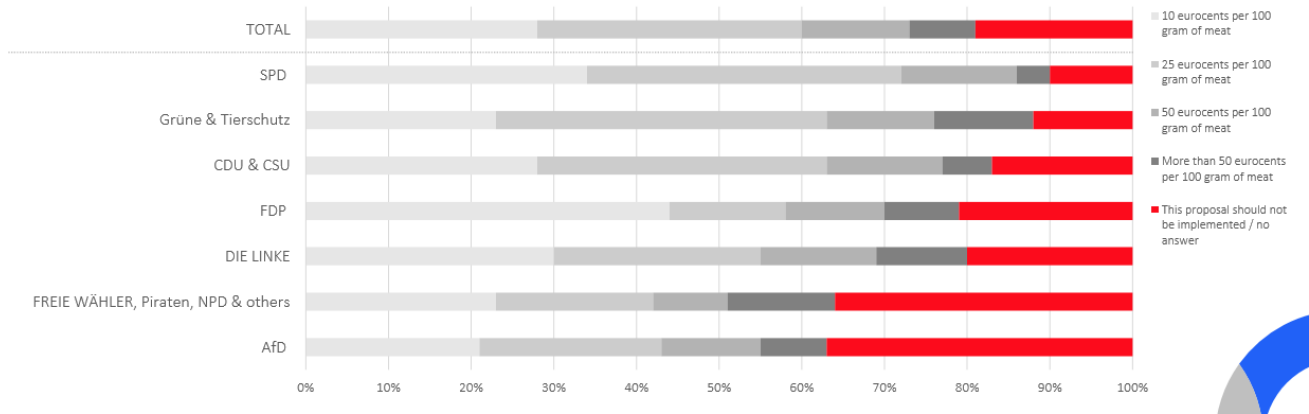
Question 10. Would you be willing to eat less meat if you were financially rewarded for this? Split by demographics in The Netherlands



Question 13. Recently, the German Agriculture Minister Julia Klöckner proposed an animal welfare tax on meat which enables farmers to improve animal welfare. It would also improve environmental standards (CO2-reduction) and enables workers in slaughterhouses and farms to have a better income. Would you agree with this proposal in your country or at EU level if the tax would be: (split per political party in France)



Question 13. Recently, the German Agriculture Minister Julia Klöckner proposed an animal welfare tax on meat which enables farmers to improve animal welfare. It would also improve environmental standards (CO2-reduction) and enables workers in slaughterhouses and farms to have a better income. Would you agree with this proposal in your country or at EU level if the tax would be: (split per political party in Germany)



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