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NEW REPORT FINDS DRAMATIC INCREASES IN GLOBAL DAIRY COMPANIES' EMISSIONS AS OVERPRODUCTION FORCES SMALL FARMS OUT OF BUSINESS

Calls on governments to enact comprehensive policies that limit overproduction, raise farm prices and hold corporations accountable to solve the climate and rural crises in four regions of the world

BERLIN/MINNEAPOLIS—A new report released today by the Institute for Agriculture and Trade Policy (IATP) reveals that the total combined greenhouse gas (GHG) emissions of 13 of the largest dairy corporations rose by 11% in just two years (2015-2017), with some increasing their emissions by 30%.

Milking the Planet: How Big Dairy is heating up the planet and hollowing rural communities calls attention to the expansion of the corporate dairy industry and its link to increased GHG emissions and farm loss, a problem further compounded by the COVID-19 crisis. None of these companies have clear commitments to cut their overall emissions from their dairy supply chains. Fewer than half even report their emissions. Only three have climate targets that address their dairy supply chains.

"Two years after we reported our first estimates, our second study shows that the dairy industry remains unaccountable. This means that governments must regulate powerful corporations that control the milk supply and oblige them to foot the bill for environmental and public health impacts, rather than villainizing farmers trapped in the system," says Shefali Sharma, director of IATP Europe and author of the report. "Even as industrialized countries are tasked to raise their climate ambitions, dairy corporations continue to expand in power and production while rural communities suffer. And yet, policies that offer the most promise in stopping over production and ensuring fair prices to producers are the same ones that can help reduce emissions. Governments can and must redirect public funds to enable farmers to dairy in a way that preserves their livelihoods and the planet."

Even as governments signed the Paris Agreement in 2015 to rein in global emissions, these companies' increase of 32.3 million tonnes of GHGs in 2017 equated to the pollution stemming from 6.9 million passenger cars driven in one year (13.6 billion litres or 3.6 billion gallons of gasoline). The combined 2017 emissions exceeded the emissions of carbon majors BHP and ConocoPhillips, two of the top 20 fossil fuel emitters.

As these companies expanded and profited, increasing milk production by 8% from 2015-2017, thousands of small-scale and family farms around the globe went out of business, the report found. Farmers incurred mounting debt, and farm incomes declined in the four major dairy producing regions: Europe, the U.S., New Zealand and India. COVID-19 has further required farmers to bear the risks of production, while corporations continue to profit. Farmers have been forced to dump excess milk, exposing the fragility of a concentrated and failing system. With COVID-19 exacerbating the crisis rural communities face, the calls for supply management that enables fairer prices while curtailing overproduction have grown louder.

The report concluded that as dairying disintegrates into larger operations in the control of a few corporate dairy processors, the solution lies in the creation of concrete public policies to address overproduction of dairy, such as supply management programs with complementary agricultural, trade and competition policies. To read the full report, visit: iatp.org/milking-planet.

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Based in Minneapolis with offices in Washington, D.C., and Berlin, Germany, the Institute for Agriculture and Trade Policy works locally and globally at the intersection of policy and practice to ensure fair and sustainable food, farm and trade systems.