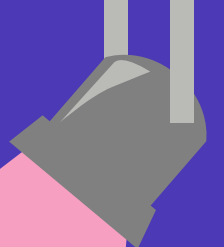




Friends of
the Earth
Europe



CORPORATE SPOTLIGHT

ON THE EUROPEAN MEAT & FEED INDUSTRY

INTRODUCTION

Major agribusiness are pushing smallholder farmers out of business by taking over the whole production process and monopolising the market.

This rise of corporate capture in the livestock farming sector has come hand-in-hand with accelerated environmental destruction, climate chaos and the exploitation of human rights. **The biggest corporations in the agribusiness sector, including Big Meat and Dairy, have been linked to a long list of harms, including unchecked carbon emissions, unfair business practices, exploitation of workers, disregard for animal welfare, air and water pollution, and lobbying against crucial climate policies for the sake of profit.**

The agribusiness market is dominated by a handful of major international corporations. For example, **only four of these companies – ADM, Bunge, Cargill and Louis Dreyfus – control 70% of the world's trade in agricultural commodities in terms of value** [1]. At the same time, global meat production and demand is growing, and the European Union plays a major role in the market. In 2022, the EU produced 37.44 million tonnes of meat, including 20.38 million metric tons of poultry meat - making it the fourth biggest broiler producer in the world - and 29.64 million tons of pork [2].

In 2020, the 5 biggest poultry producers in Europe measured in the numbers of slaughtered animals were LDC (FR), Plukon (NL), Cherkizovo Group (RU), PHW (DE) & Guppo Veronesi (IT). The biggest 5 in the pig sector are Danish Crown (DK), Toennies Group (DE), Vion Food Group (NL), Smithfield Foods (China), Gruppo Cremonini (IT).

This brief lays out some examples of big businesses in the poultry and pig sector capitalising on destructive industrial agriculture, and how the European Union can defend a transition to a fair and sustainable farming sector.

VION FOOD GROUP

Greenwashing and spreading climate misinformation for profit

Vion Food Group is a Dutch pork and beef producer, and **one of the top 10 largest meat companies in the world by volume of production**, with the largest pig slaughterhouse in the Netherlands. Vion held 46% of the pork-producing market share in the Netherlands in 2018. In 2021, it earned 4.6 billion euros in revenue.

But a closer look at Vion reveals a dark side. **The CEO has publicly spoken out on their commitment to reducing greenhouse gas emissions - but doesn't believe that reducing meat production is necessary to achieve this, even arguing that meat is a crucial part of a sustainable food transition.** At the same time, Vion pumped out a colossal 11.6 million tonnes of CO₂ in 2019, and don't even monitor their scope 3 emissions (such as land use change and deforestation), which make up 99% of the company's carbon footprint [3].

Vion has also been criticised for the poor working and living conditions of their workers, which got media attention after a series of Covid-19 outbreaks at their factories [4] [5]. **The reliance on temporary migrant workers, who Vion and other major meat corporations rely on, has been associated with a high risk of exploitation and unfair wages** [6].

Animal Welfare organisation 'Eyes on Animals' did an inspection of Vion's slaughterhouse in Boxtel, The Netherlands in 2016, and concluded that **pigs are left in boiling transport trucks for long periods of time. 80% of the animals found in the analysed trucks were clearly suffering and showing physical forms of stress.**

Between 2016 and 2021, Vion received millions in funding from EU banks. For example, Rabobank, a Dutch financial institution with a pledge to reach net zero GHG emissions by 2050, contributed 61 million euros in funding. It has also invested nearly 10 billion euros in fossil fuel expansion.

TOP

10

Largest meat companies in the world

4.6

billion euros in revenue

11.6

million tonnes of CO₂

LOUIS DREYFUS COMPANY

Financing destruction in the Amazon

The Louis Dreyfus Company B.V. (LDC) is a French corporation working in agriculture, food processing, international shipping and finance. The company **makes up about 10% of agricultural products traded in the world. In 2021, it earned 49.6 billion euros.**

LDC has a long record of environmentally destructive and shady business deals. **The company was ranked among the top five emitters from the European poultry sector**, with approximately 3.7Mt CO₂e, and made up 5.27% of the EU's total poultry sector emissions in 2018 [7]. **One of their suppliers, Ocho Sur Group, is connected to over 12,000 hectares of deforestation in the Amazon rainforest.** They have also been **linked to the illegal appropriation of lands belonging to Indigenous communities in Brazil.**

LDC is one of many agribusiness corporations who have made no visible commitment or effort to improve the working conditions of workers across their supply chains, and **have received multiple penalties for workplace safety violations** [8]. The company was also **accused of profiting from child labour in the Uzbek cotton industry.**

Between 2013 and 2018, Louis Dreyfus Company received over USD 4.8 billion in lending and underwriting from 36 U.S. and EU financial institutions, including French banks BNP Paribas and Crédit Agricole, both of whom have also invested in 'carbon bomb' projects in Mozambique associated with major human rights violations.

10%

of agricultural products
traded in the world

49.6

billion euros in 2021

3.7

million tonnes of CO₂

12 000

hectares of deforestation
in the Amazon

GROWING ANIMAL FEED MARKET FUELS THE FIRE

Approximately 95% of soy imports into the EU are used as animal feed [9]. **Feed is estimated to contribute 45% of all agricultural emissions. Increased meat production has put pressure on soy production, linked to a spike in rates of deforestation, illegal landgrabbing, and other human rights violations** [10]. Danish Crown, Europe's largest meat processor specialising in pork, has been connected to the forced evictions of Indigenous people and Campesino communities in Paraguay through one of its soy suppliers [11].

A handful of large international corporations hold a large production share in the soybean market, including Dutch feed companies Nutreco, ForFarmers and De Heus. ForFarmers and De Heus get a large part of their soy supplies from Bunge, one of the biggest soy exporters and traders [12]. **Bunge has been accused of contributing to deforestation, forest fires, slave-like labour and land conflicts in their supply chains** [13].

BIG AGRIBUSINESS DELAYS CRUCIAL CLIMATE ACTION FOR PROFIT

As well as pushing smaller businesses out of the market, the **big agribusiness players use their outsized power to lobby against crucial EU legislation designed to protect people and the planet from corporate exploitation.**

Vion is a member of The European Livestock and Meat Trades Union (UECBV), a lobbying association that has disputed the science of climate change and downplayed the role of the agriculture sector [14]. Their lobbying, along with other major meat industry associations, **significantly weakened key areas of the EU's Farm to Fork Strategy, including the Sustainable Food Systems Framework and revision of the Industrial Emissions Directive** [15]. **UECBV also opposes any mandatory due diligence legislation for commodities like soy and meat that carry a risk of deforestation in their supply chains.**

LDC pledged to monitor their soy supply chains in Brazil back in 2019 - but the pledge is based on voluntary corporate commitment alone. Behind the scenes, they've been lobbying in conflict with the Paris Agreement Goals [16]. They even form part of the biggest agribusiness lobby in Brazil, which **pushes against legislation to defend the environment and the rights of Indigenous communities** [17].

These corporations exemplify a wider pattern of interference with key climate legislation. **Between 2016 and 2021, the financial institutions lending money to the animal farming industry spent at least 103 million euros on lobbying the European Union.** This allowed those financial institutions and their lobbyists to have at least 637 meetings with European Commissioners, their cabinets or director generals in that same time frame [18].

RECOMMENDATIONS

The corporate takeover of European agriculture is a relatively recent development, and we do not have to keep going down this path.

The future of the animal farming sector in the EU has been a key part of political discussions during the Strategic Dialogue on the future of EU Agriculture that have taken place throughout 2024 [19]. The outcome report of this dialogue mentions a few next steps ahead for the farming sector [20]. Section 2.3., titled *Creating pathways for sustainable animal farming in the EU*, suggests there should be actions ensuring the sustainable transition in the sector and that the 'European Commission should set up a process for developing a strategy on the key role of animal farming based on robust scientific evidence and the consultation of all stakeholders concerned.'

Friends of the Earth Europe welcomes this process. Below we share our list of essential points for this strategy to address also the corporate takeover of the sector. This means:

- **Strong transposition of the new Corporate Sustainability Due Diligence Directive at the member state level**, to hold companies and financiers accountable for their impacts on human rights and the environment.
- **No more delays or attempts to weaken the EU Deforestation Regulation.**
- **Develop an EU transition fund for workers at factory farms and the meat industry to shift into more sustainable jobs.**
- **Limit the lobby access of big corporations to EU and national policy making.**
- **Renegotiate international trade agreements like EU-Mercosur to eliminate trade of products that contribute to deforestation, degradation of natural ecosystems, or weaken social and labour rights, environmental, animal welfare or food safety standards.**

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Friends of the Earth Europe is the largest grassroots environmental network in Europe, uniting more than 30 national organisations with thousands of local groups. We are the European arm of Friends of the Earth International which unites 74 national member organisations, some 5,000 local activist groups, and over two million supporters around the world. We campaign on today's most urgent environmental and social issues, challenging the current model of economic and corporate globalization, and promoting solutions that will help to create environmentally sustainable and socially just societies. We seek to increase public participation and democratic decision-making. We work towards environmental, social, economic and political justice and equal access to resources and opportunities on the local, national, regional and international levels.



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