



# 20-07-2024 NEWS

## Carbon Tax for Livestock?

### India Leads

- India is at the forefront of protecting the environment by implementing various measures such as the International Solar Alliance, promoting environmentally friendly lifestyles, increasing the production of nontraditional energy, expanding forest areas, banning single-use plastics, and mixing ethanol in petrol.
- Environmental activists from developed Western countries have raised their voices, stating that these countries are not taking sufficient measures to protect the environment.
- To draw the attention of governments towards issues like global warming and environmental protection, they have adopted protest tactics such as placard demonstrations.
- In this context, it appears that the Western countries' plans announced in the name of 'environmental protection' aim only to limit the protests of activists.

### Western attitude

- Recently, the European Union's announcement of a 'cross-border carbon tax' plan has faced opposition from countries like India, China, and Brazil.
- According to this plan, a carbon tax will be imposed on the carbon emissions produced during the manufacturing of goods imported into the European Union.
- From 2026, the European Union will impose a carbon tax on steel, aluminum, cement, and fertilizers imported from foreign countries.
- As India exports a significant amount of aluminum and steel products to European countries, it will be greatly affected by this tax.
- Historically, Western countries have been the main cause of environmental degradation. Therefore, these countries should take the lead in protecting the environment. However, they are shifting their responsibilities onto developing countries.
- Meanwhile, Denmark, a member of the European Union, has announced a plan to impose a carbon tax on livestock, the first of its kind in the world.
- Methane, which is more significant than carbon dioxide in global warming, is released in large amounts during livestock farming, including cows and pigs. According to a UN report, 32% of methane in the atmosphere is produced by livestock farming.
- Denmark, a leader in dairy and meat exports, will impose a tax on methane emissions from livestock farmers starting in 2030 to control methane emissions due to the high number of livestock there.
- The plan aims to reduce greenhouse gas emissions by 70% compared to 1990 levels by 2030.
- Accordingly, in 2030, a tax of approximately ₹3,600 will be imposed on one ton of methane emitted by livestock.
- This tax will be increased two and a half times by 2035, as announced by the Danish government. However, farmers who pay income tax will be less affected by the methane tax.
- Denmark hopes that other countries will follow this plan. However, this expectation seems unlikely to be realized.

- New Zealand had planned to implement a similar scheme from 2025 but abandoned it due to strong opposition from farmers and a change in government.
- India, the country with the highest number of livestock, relies heavily on livestock for agriculture and the economic development of rural communities.
- We celebrate Mattu Pongal as a way to express gratitude to the livestock that benefit us. The daily lives of most Indians are directly linked to livestock. Since ancient times, cows have been revered as sacred.
- With around 50% of the population dependent on agriculture, there is no tax on agricultural income in India. Agricultural goods and inputs are subject to minimal GST.
- Given this, imposing a carbon tax on livestock in India is impractical and would not apply to all developing countries.
- Even humans emit carbon dioxide when they breathe. Western countries might even start collecting carbon taxes for that in the future. Western countries that have historically polluted the environment significantly should now assist other countries in protecting the environment with a sense of responsibility.

## **2022-23 Revenue of State Parties**

- The Bharat Rashtra Samithi (BRS) ranks first among state parties with a revenue of ₹737.67 crore. The ruling Trinamool Congress in West Bengal ranks second (₹335.45 crore).
- The ruling DMK in Tamil Nadu ranks third (₹214.35 crore).
- Among the state parties that spent the most in that fiscal year, the Trinamool Congress ranks first with an expenditure of ₹181.18 crore.
- The DMK ranks fourth with an expenditure of ₹52.62 crore.
- The Association for Democratic Reforms (ADR) analyzed the financial status of 39 out of 57 state parties in the country (2022-23) and released a report.
- Voluntary donations are cited as a significant source of revenue for the parties.
- It is said that 20 parties spend more than their revenue.

## **Six new bills in the parliament**

### **Finance Bill 2024:**

- A Finance Bill will be introduced and passed to implement the proposed taxes.

### **Disaster Management Amendment Bill 2024:**

- The Disaster Bill 2024 will be amended to clarify the contributions of various organizations involved in disaster management and bring about coordination.

### **Coffee by 2024 (Promotion and Development) Bill:**

- The Bill, which seeks to promote and develop the Indian coffee industry, will bring in matters to modernize the Coffee Board and improve its functioning.

### **Two Laws of British Period:**

- Boilers Bill 2024, Bharatiya Vayuyan Vidhayak-2024 Bill (Indian Aeronautics Bill 2024).
- These Bills are to be introduced and enacted to repeal these pre-independence laws and apply them to the current situation.
- Like the 3 Criminal Bills, the Civil Aviation Bill is being introduced in Hindi as the Bharatiya Vayuyan Vidayak-2024 Bill.
- The bill also seeks to address ambiguity and simplify the Aviation Act of 1934.
- Also, approval of the Union Territory of Jammu and Kashmir's financial statements is also sought in this meeting.