# Denmark Introduces First Agricultural Carbon Tax to Combat Livestock Emissions



**Denmark to Implement World’s First Agricultural Carbon Tax**

The Danish government announced the introduction of an agricultural carbon tax beginning in 2030, following five months of extensive negotiations. This tax will be the first of its kind globally, targeting emissions from livestock such as cows, pigs, and sheep.

Farmers will initially pay 300 Danish krone (€40; US$43) per ton of CO2 equivalent (CO2e) emissions, which will increase to 750 Danish krone (€100; US$107) by 2035. A 60% tax deduction will be granted based on average emissions, reducing the initial rate to 120 Danish krone (€16; US$17) per ton CO2e, rising to 300 Danish krone by 2035.

This initiative is supported by several Danish organizations, including the Danish Agriculture and Food Council and the Danish Society for Nature Conservation. The tax is anticipated to reduce carbon emissions by 1.8 million tonnes in its first year, aiding Denmark’s goal of cutting total emissions by 70% from 1990 levels by 2030.

Denmark, a significant exporter of dairy and pork, has livestock emissions contributing 22.4% to the nation’s total carbon output. The sector encompasses 547,000 dairy cows, 900,000 other cattle, and 11.5 million pigs.

Funds raised from the tax will be reinvested in the agricultural sector to support green initiatives and climate technology. Additional measures include reforestation and peatland restoration to enhance biodiversity and water quality.

The agreement, hailed by some as a significant step in global climate policy, yet met with criticism by others, sets a noteworthy precedent in environmental efforts within the agricultural sector.