

## OECD reveals the Argentine agricultural and livestock policies are the world's most extorted.

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The Organization for Economic Cooperation and Development (OECD) reported that Argentina is the country with the most extorted and distorted agricultural and livestock policies in the world. According to the report, the tax deduction from agriculture and livestock is estimated around 15.3% during the year 2016 – 2018.

The report reveals that Argentina has a high and uncertain rate of export fees. Even though there was a reduction in the end of 2015, which is considered an appropriate measure, but with the macro-economic crisis that Argentina is experiencing, the government decided to increase the export tax again in September 2018.

Such policy has a severe impact on soybean producers the most. Because, the costs of transaction of such products from producers to consumers or distributors in Argentina accounted for 38% of the farmers' net income.

For this reason, the OECD recommends the Argentine government to establish a long-term policy that focuses on the gradual abolition of these taxes, in order to encourage the agricultural and livestock sectors of the country to be more neutral, stable and predictable.

However, the report also states that the measures to promote and develop sustainable agricultural and livestock practices that Argentina has undertaken recently are adequate. Because farming in the future will require the development of monitoring and information systems, especially in terms of reducing the use of agricultural chemicals, crop rotation and conservation of forest areas. It also suggests that the National Institute of Agricultural and Livestock Technology of Argentina (INTA) must have an in-depth assessment of their roles in researching, expanding coverage and rural development.

Source: <https://news.agrofy.com.ar/noticia/181848/argentina-tiene-politicas-agropecuarias-mas-extorsivas-mundo>

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