

STOP USDA From Funding Climate Scams

March 31, 2022

The Honorable Patrick Leahy
Senate Committee on Appropriations
S-128 The Capitol
Washington, DC 20510

The Honorable Rosa DeLauro
House Committee on Appropriations
H-307 The Capitol
Washington, DC 20515

Tammy Baldwin
Senate Appropriations Subcommittee on
Agriculture
S-128 The Capitol
Washington, DC 20510

Sanford Bishop Jr.
House Appropriations Subcommittee on
Agriculture
2362-A Rayburn House Office Building
Washington, DC 2051

Dear Chairpersons Leahy, DeLauro, Baldwin, and Bishop:

We have serious concerns about proposals at the US Department of Agriculture to spend \$1 billion from the Commodity Credit Corporation to establish the Partnership for Climate Smart Commodities. Part of this program would fund plans by the fossil fuel industry, large agricultural interests, and Wall Street speculators to develop carbon trading and offset schemes. These schemes will increase land and market consolidation in agriculture, increase liability and risk for small farmers, undermine necessary action on climate change, increase pollution, and harm disadvantaged communities by allowing polluters to purchase specious credits instead of reducing emissions at their source.

This program is brazenly working to lay the groundwork for a national carbon commodity market, a high risk experiment based on existing carbon markets that have repeatedly failed to deliver on promises to reduce greenhouse gasses. These failures result from falsely equating fossil fuel emission carbon cycles to land-based emissions, as well as additionality, leakage, and timeframe flaws. Carbon markets do not meaningfully reduce emissions in practice. It is estimated that approximately [75% of offsets issued under the Kyoto Protocol were 'non-additional.'](#) meaning they would have occurred even without the program in place. Similarly, a [USDA study](#) looking at conservation tillage practices found that only about 50% were additional. An [analysis](#) of the California Air Resources Board's US Forest credits program found that 82% of the credits reviewed "likely do not represent true emissions reductions," resulting in an additional 80 million tons of CO2 emissions from over-crediting. States in the Regional Greenhouse Gas Initiative, a multistate carbon offset program, increased gas generation by 11.2% during the first seven years of the program instead of accomplishing reductions, while renewables only increased by 2.1% over the same time period. Further, previous attempts to build up carbon offsets in a voluntary market have failed to maintain a price high enough to impact polluters.

Promoting Consolidation

Existing market-based carbon credit programs, both in the voluntary and compliance markets, [give additional leverage](#) to already powerful corporations, including agribusinesses, that have long squeezed farm income and drained rural economies. This is because carbon credit programs will be most feasible for larger operations, potentially leaving out Indigenous farmers, Tribal Nations, Black, smaller farms and other farmers of color who are already underserved by USDA programs. In addition, the carbon payments would likely not extend to organic and other operations that have already invested in effective regenerative and/or agroecological practices.

Harming Vulnerable Communities

Carbon commodity schemes allow polluters to justify increasing pollution by simply purchasing credits in carbon commodity markets. Offset programs in the United States are [increasing emissions in vulnerable communities](#) already overburdened with pollution. The White House Environmental Justice Advisory Council's recommendations last year clearly stated that the creation of carbon markets will not benefit environmental justice communities. Internationally, carbon markets have led to human rights abuses, violation of the rights of Indigenous Peoples, forest dwellers, land-grabbing, land rights conflicts, and environmental devastation.

False Climate Solution

Biological sequestration of carbon is not permanent removal of carbon from the atmosphere, but rather a [temporary cycling of carbon through plant life and soil that can be released in a few years or even a matter of hours](#). It also ignores the largest source of anthropogenic emissions from animal agriculture - livestock methane - which continues to grow due to expansion of factory farming in the United States. Furthermore, the published draft of the [US Greenhouse Gas Inventory](#) shows manure management system emissions have grown 62.5 percent over the last 30 years. [Factory farms are also a major source of ammonia, a harmful gas that contributes to fine particulate pollution, causing 12,700 deaths per year.](#)

The USDA does not have Legal Authority to Develop Carbon Markets

The USDA and the Commodity Credit Corporation (CCC) lack the statutory authority under section 5 of the Commodity Credit Corporation Charter Act of 1948, 15 U.S.C. § 714c, to fund or otherwise promote the generation, sale, and marketing of carbon offsets as Climate-Smart Agricultural and Forestry practices. The USDA/CCC only operates with the authority granted by Congress, and in 1948 Congress authorized Section 5 spending to support markets for "agricultural commodities." Offsets created from agricultural production practices and waste streams are not "agricultural commodities" within the meaning of that term as Congress understood it in 1948. In 1996, moreover, Congress amended Section 5 as part of the Federal Agricultural Improvement and Reform Act of 1996 to authorize the CCC to "carry out conservation and environmental programs authorized by law." By amending Section 5 in this manner, Congress has directed that an offset program does not fall within the general marketing power delegated in subsections (a) through (f), 15 U.S.C. § 714c(a)-(f). And Congress has not amended Section 5 to authorize such spending to support offsets or otherwise authorize the USDA to expend funds to support development of offset markets. USDA has also bypassed procedures meant to engage and inform the public by failing to initiate a notice and comment rulemaking and failing to conduct an environmental review as required by the National Environmental Policy Act.

A Better Way Forward

Transition away from emissions-intensive agricultural systems like factory farm livestock production and large-scale monoculture will reap climate, public health, and environmental benefits. USDA has the necessary tools to build soil health, protect water quality, and avoid greenhouse gas emissions while boosting farm income. For instance, the Environmental Quality Incentives Program (EQIP) pays farmers for practices that can build soil health and make farmland more resilient to a changing climate. Yet up to 85% of farmers vying for EQIP funding are turned away each year. Unfortunately, the USDA allows factory farms to benefit from this and other programs by subsidizing manure management practices such as manure digesters that incentivize more waste production and create more GHG emissions.

As the Appropriations Committee considers the FY 2023 Appropriation, we urge you to prevent USDA from laying the groundwork for agricultural offsets to be used in voluntary and compliance carbon markets or for the purposes of building a national carbon pricing program. Instead, we urge the committee to increase funding for oversubscribed programs by:

- Preventing USDA from utilizing funds to certify carbon credits, certify third parties to certify carbon credits, or funding farm practices that will result in the creation of a carbon offset or credit.
- Preventing USDA from utilizing funds to develop or facilitate carbon markets.
- Increasing funding for the Conservation Stewardship Program, EQIP and other conservation programs; and
- Preventing factory farms from accessing funding from USDA programs.

We appreciate your attention to this matter and stand ready to work with you and the Biden administration to find real solutions to our climate crisis that strengthen communities and build a more sustainable future for everyone.

Sincerely,

Original Signatories

Biofuelwatch
Food & Water Watch
Friends of the Earth
Greenpeace USA

Indigenous Environmental Network
Institute for Agriculture and Trade Policy
National Family Farm Coalition
350 Seattle

Additional Signatories

ACFAN
ActionAid USA
Athens County's Future Action Network,
acfan.org
Benicians for a Safe and Healthy Community
Biofuelwatch
Bomenstichting Achterhoek
Brighter Green
Buffalo River Watershed Alliance
Campaign for Renewable Energy
Center for Environmental Health
Chesapeake Climate Action Network
Climate Justice Alliance
Coalition Against Pilgrim Pipeline - NJ
Coming Clean
CWA Local 1081
Des Moines County Farmers and Neighbors
for Optimal Health
Don't Gas the Meadowlands Coalition
Dryden Resource Awareness Coalition
Earth Action, Inc.
Eco-Justice Collaborative
Factory Farming Awareness Coalition
Fair Start Movement - fairstartmovement.org

Family Farm Defenders
Farm Forward
Farmworker Association of Florida
Food & Water Watch
Food Animal Concerns Trust
Fossil Free Tompkins
Gas Free Seneca
Global Center for Climate Justice
Global Justice Ecology Project
Good Neighbor Steering Committee of Benicia
Grassroots Environmental Education
Grassroots Global Justice Alliance
Green Delaware
Greenpeace USA
Institute for Agriculture and Trade Policy
Institute for Policy Studies Climate Policy
Program
Johns Hopkins University
Locust Point Community Garden
Locust Point Community Garden
National Family Farm Coalition
New Mexico Climate Justice
NHAf, Inc
NJ State Industrial Union Council

Organic Consumers Association
People for a Healthy Environment
Pesticide Action Network
Rainforest Action Network
Reach Out America
Residents Allied for the Future of Tioga
(RAFT)
Seneca Lake Guardian
Slow Food USA
Socially Responsible Agriculture Project
St. Andrew's School
Stop the Algonquin Pipeline Expansion
(SAPE)
StopCricketValley.org
Sunflower Alliance
The Phoenix Group
The Revolving Door Project

Toxic Free NC
Unite North Metro Denver
Wall of Women
Water Climate Trust
Waterkeeper Alliance
Waterspirit
West Berkeley Alliance For Clean Air And
Safe Jobs
Zero Hour
350 Conejo / San Fernando Valley
350 Eugene
350 Eugene
350 New Orleans
350 Seattle
350 Triangle
50by40