

Why we should continue to oppose the inclusion of agriculture in the climate negotiations

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Agriculture has not so far featured prominently in the climate negotiations. Agribusiness and their political supporters have long wanted to see a much greater role for agriculture and, in particular, the ability to profit far more from carbon finance than they have so far been allowed. Monsanto for example, was lobbying for large-scale soil carbon offsets when the Kyoto Protocol was first negotiated – unsuccessfully at the time. Until around 2005, the EU in particular insisted on limiting the scope for 'carbon offsets' from so-called land-based carbon sinks, mainly forests, farmlands and soils. This was a key reason why the US and, at the time, Australia, rejected the KP – they wanted to count their forests and farmlands as massive 'carbon sinks' and thus not have to cut their emissions. Since then, the push for 'carbon sinks', including agriculture, to play a major role in a UNFCCC climate agreement and the call for large-scale carbon finance has become ever stronger and less contested by governments.

At Durban, there was a major push for a programme on agriculture to be set up in the Subsidiary Body on Scientific Advice to the Climate Convention. Governments clearly do not want to commit themselves to reducing the energy consumption behind their emissions and so risk their chances of re-election. Thus government and private sector in many countries, together with the World Bank and other UN organisations advocate counting farmlands and forests as 'offsets' for many of their emissions and, furthermore, creating new carbon markets where they can purchase land-based 'offsets' from developing countries. Agribusiness is well positioned to profit from those.

This article offers an analysis of the links between agriculture, forests and land-use in the negotiations, and the push to extend the carbon markets, led by the World Bank. It begins by setting the context in Durban, which marked yet another failed attempt to make any real progress on the core issue: the urgent need to reduce emissions, which should of course be led by the historic polluters.

The context

In Durban all real decisions on tackling climate change were (once again) postponed, with the promise to develop a new instrument in 2015, to be agreed, supposedly, by 2020. The exact form of this future instrument has yet to be agreed, but it is unlikely to involve any science-based binding emissions caps and likely to embrace new market mechanisms. It was hailed as progress because major developing countries may agree to formally commit themselves to emission reduction pledges for the first time – and also because some kind of progress – anything at all – had to be claimed for the purpose of maintaining political image. However, since the end of the conference, India has announced that it will not agree legally binding limits which could impact on economic growth¹. Past experience suggests that once we get close to the proposed deadline in 2015, commitments may prove as elusive as ever. This demonstrates clearly how leaders have betrayed public trust: in a situation where countries should be uniting in the ultimate common interest to protect our planetary life-support systems, we have once again seen no real progress, and repeated failures leave little basis for faith in future success.

As for the Kyoto Protocol, for what it is worth, it was indeed extended for a second phase, but

¹<http://www.climateark.org/shared/reader/welcome.aspx?linkid=261791&keybold=carbon%20AND%20%20emission%20AND%20%20cut>

then Canada withdrew on 12th December, just a few days after the COP², joining the US, while Japan and Russia refused to sign up to a second commitment period. This creates a still more powerful cohort of major historical polluters standing outside the protocol, rendering it less and less relevant. Furthermore, it is clear that many countries both inside and outside Kyoto are more interested in its market mechanisms than in commitments to emission reductions.

Yet it is clearly vital to reduce emissions sharply now, not delay action for nearly another decade.

Spirit of compromise or race to the bottom?

Trust has been steadily eroded in the negotiation process, which is supposed to be based on the ‘common but differentiated responsibilities’ of countries. This rightly places greater demands on those countries responsible for the more than 250 years of industrial activity that began and contributed the bulk to this process of human-induced climate change. However those countries have for the most part refused to assume their historical responsibility, which would require them to make major cuts in their emissions. Instead, led by the US, they are calling on developing countries to make commitments at the same time. The US has never negotiated ‘in good faith’ but has played the role of refusing to take on binding commitments, while undermining the process for others. This attitude has had a deeply corrosive effect. Indeed, some of the historically high emissions countries now seek to divert attention from their responsibility by instead focusing on the pace of emissions increases in developing countries. Yet a major proportion of emission rises in countries such as China are due to rich countries outsourcing industrial production and the resulting pollution.

All this overlooks completely what it would mean for biodiversity, ecosystem resilience and the future of humanity to take no action for ten years, let alone twenty. Many developing countries, especially in Africa, that have contributed almost nothing to human induced climate change, stand to lose most due to sea-level rise and increased extremes of climate, including drought, flood and storms and the disruption of whole climate systems such as the monsoons.

The corrupting power of carbon markets

Carbon markets were inserted into the Kyoto Protocol by the US, which then declined to ratify it. As noted above, many of the countries with high historical climate debts have chosen to adopt a market approach to climate change, through carbon markets and offsets. These effectively allow them to avoid taking immediate action to reduce their own emissions by instead offering to help developing countries to avoid increasing theirs, in theory. Thus the effect of the carbon market has been to transfer the requirement for action from industrialised to developing countries. Perhaps inevitably this has led in turn to countries tending to seek their own immediate national advantages rather than the common good. In fact the entire concept of working towards a common good has been overtaken by the unrelenting focus on market-based approaches. Rather than a high-level commitment to common but differentiated action on climate, we see a lowest common denominator position prevailing, with a few honourable exceptions. Carbon markets have wasted a large amount of public money, good will, and above all precious time, in the pursuit of a market ‘solution’ to climate change.

If instead, the historically high emitters had collectively acknowledged their climate debt, and taken active steps to tackle it, embracing rather than evading the challenges of shifting from the dominant energy-dense model of development, they could have set us on a pathway for alternative and better forms of ‘development’. Climate stabilisation would at least have remained

2 <http://www.reuters.com/article/2011/12/13/us-ar-subbed-climate-canada-idUSTRE7BC1MI20111213>

a possibility. Instead, we are on a path to between 4-6 degrees of temperature increase with very little progress towards the new development models we need.

The deceptive role of agriculture in this scenario

This is the context in which to examine the subject of this article: the part played in the negotiations by issues broadly related to land-use and climate change.

The attempt to include agriculture in the negotiations has been ongoing for several years and became particularly intense in the lead-up to Durban. On one level this might seem to make sense; after all, climate change 'has the potential to irreversibly damage the natural resource base on which agriculture depends. The earlier and stronger the cuts in emissions, the quicker concentrations will approach stabilization.'³ And agriculture, or rather industrial agriculture, is a major contributor to climate change. Furthermore, forests are already included in the climate negotiations in the form of the UN programme on Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD). Since agriculture is one of the major drivers of forest destruction, it might seem sensible to include both. Nevertheless there are many good reasons why there should be no programme on agriculture in the climate talks, which are discussed below

Separate but closely linked discussions under the Kyoto Protocol about land-use, land-use change and forestry (LULUCF) are concerned with how heavily polluting 'Annex 1' countries should report emissions relating to their lands as well as with seeking to allow more offsets from 'carbon sinks' in developing countries. Difficult issues in the debate about LULUCF reporting are instructive because they would also have to be tackled in the case of agriculture. For example, there has been much difficulty with determining how to demonstrate that any carbon sequestration occurring on lands is actually additional to what would have happened anyway. What reference levels or baselines should be used for such comparison purposes? How 'permanent' is carbon sequestration in forests, fields or farms? How can we measure, report and verify (MRV) land-based carbon? Discussions have continued for several years on all these points, without clear resolution, for the simple reason that carbon flux in and out of ecosystems, forests, soils etc is poorly understood, highly variable and dependent on a wide range of factors and thus difficult to assess accurately.

Agriculture - a means to extend the corrupting reach of carbon markets

What really links REDD, LULUCF and agriculture is the push to extend carbon markets and let big polluters continue polluting. As already noted, carbon offsets are meant to involve high emitters contributing to projects in developing countries that supposedly reduce the level of emissions the latter would have produced without those projects. In return, the high emitters are able to claim emission reductions without having to take any action on their own emissions. At best, offsetting is a zero sum game – resulting in no actual reduction, but very often, due to the questionable nature of offset projects, they result in a net increase in emissions.

Most offsetting currently takes place under the Kyoto Protocol – specifically through the EU Emissions Trading Scheme (EU-ETS) and, secondly, the Clean Development Mechanism (CDM). The EU-ETS allows for no land-based carbon offsets, though it does allow for carbon offsets that claim to reduce emissions from agriculture. Agribusiness lobby groups have criticised the CDM as being ponderous, bureaucratic and slow and offering only limited opportunities for agriculture and forest projects within it. A number of key players, both countries and institutions,

³ From the Executive summary of synthesis report: IAASTD International Assessment of Agricultural Knowledge, Science and Technology for Development

now aim to greatly extend the reach of the carbon markets through including agriculture.

Carbon conjuring tricks

Countries such as the US, Australia and New Zealand recognised that agriculture and forestry – indeed all land-use – could be counted as major carbon sinks and claimed as a counterbalance to their industrial emissions. This could potentially allow them to claim a much lower level of emissions – in accountancy language, net rather than gross emission levels - in their carbon accounting. The fact that such accountancy tricks would not reduce actual emissions by a single tonne, or that measuring, reporting and verifying the sinks is highly contested and full of assumptions and loopholes, is simply overlooked.

At the same time some developing countries hope that their land-based sinks, especially their forests and their grasslands and also their agriculture, could earn them revenue from selling offsets to polluters. They are in fact under pressure to do at a time when other sources such as overseas development aid are dwindling. The overall effect of this focus on carbon markets has been to divert attention from the common issue of human-induced climate change, to discussions about carbon accounting and markets. This mentality is perhaps most vividly embraced by the World Bank, which has introduced a suite of ‘market-based instruments to fight climate change’⁴. The idea that we can address the destructive impact on the planetary ecosystem of a human development model based on market economics by doing more of the same is fundamentally flawed. Yet this flawed logic is the basic reason why many are seeking to establish an agriculture programme within the scientific and technical advice body of UNFCCC, the SBSTA. New market mechanisms applied to agriculture are likely to feature prominently in any SBSTA Agriculture Work Programme.

Before Durban, the push for climate-smart agriculture – but what is this?

In preparing for Durban, the term climate-smart agriculture began to be widely used by the World Bank, FAO and was picked up by other sectors such as the biotech and fertiliser industries⁵. Climate-smart agriculture is often described as the ‘sustainable intensification’ of production, while promoting climate change adaptation and mitigation. Under the same title, the Food and Agriculture Organisation wants to ‘build bridges’ between REDD+ and agriculture in order to address agriculture’s role as a driver of deforestation, using what it calls an ‘integrated landscape approach’. They seek to use this ‘landscape approach’ as the guiding principle for different carbon finance funds, CDM, the new Green Climate Fund and Nationally Appropriate Mitigation Actions (NAMAs).

Sustainable Intensification

This is another ambiguous term, closely linked to ‘climate-smart’. Both can readily be appropriated by opposite sides in the debate over agriculture. Some practitioners of organic agriculture and communities using agro-ecological approaches can be forgiven for thinking that they are the real practitioners of an agriculture that could be both sustainably intensified and climate smart. However, large-scale industrial monoculture interests also claim it and they have the ear of governments plus disproportionate influence at international/UN level. Indeed sustainable intensification has become code for further intensifying the industrial production paradigm that has led to many of our current problems. That model is based on high inputs

⁴http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22929905~pagePK:64257043~piPK:437376~theSitePK:4607,00.html?cid=3001_42

⁵ <http://www.isaaa.org/kc/cropbiotechupdate/article/default.asp?ID=8464> and http://www.yara.com/investor_relations/latest_annual_report/financial_md_a/business_environment/index.aspx

(fertilisers, pesticides and the whole armoury of industrial-technological-chemical agriculture) supposedly to increase yields and avoid further land appropriation – intensification instead of extensification. In addition it signals the further development and spread of genetically modified crops, claimed to be essential to increase yields, even though there is no evidence behind this claim. We are constantly told that food production must be doubled on the same land to respond to population expansion and ‘changing consumption patterns’, and meanwhile protect biodiversity and address climate change.

Most of the key concepts are expressed in this quote from EmVest, an investment firm based in Pretoria that promises large returns from investing in African agriculture:

‘Such yield enhancement is based on the introduction of modern farming techniques and technologies to increase yields, while agglomerating farms to increase efficiency and generate economies of scale.’⁶

Climate-smart – boost the market and grab the land

Climate-smart agriculture is also aimed at regenerating the flagging carbon markets, with agriculture to be treated as a vast new sink for industrial emissions. Proponents talk as if this would involve the actual creation of new sinks through ‘improved’ agricultural practice, but this is questionable especially in light of issues encountered under LULUCF debates mentioned above (permanence, additionality and accounting). One thing the inclusion of agriculture into carbon markets will undoubtedly stimulate is additional land-grabbing and violation of customary land-use rights in the interests of ‘sustainable intensification’ and ‘improved practice and efficiency’. Increased efficiency also covers proposals to use so-called ‘marginal and degraded’ land for the production of biofuels, supposedly to avoid taking good land from food production and regenerate degraded land, although how this would happen is not made clear.

Further marginalising marginalised communities

Yet much land identified by western eyes as idle, degraded or marginal is being used by indigenous peoples, pastoralists or small-scale food providers and gatherers. They may have been using these lands for generations and have developed collective, customary practices that enable its sustainable ongoing use through (for example) shifting cultivation and grazing, with long recovery periods built in. Often they have no legally recognised title to the land, which, especially in Africa, is frequently held in trust by the national government. Governments and élites may have very different priorities from those of local land-users. Quite apart from the human rights violations involved, removing people from such fragile land and planting it with industrial monocultures can rapidly reduce it to a truly degraded state. A UNEP report on Sudan⁷, for example, notes that the expansion of mechanised agriculture in Sudan has led to major environmental destruction and replacement of traditional forms of agriculture, with serious implications for soil and water, climate resilience and food security. It warns that such practices can rapidly turn fragile land into desert. Meanwhile, people displaced from ‘marginal’ lands must then seek their livelihoods elsewhere, losing the knowledge and practice linked to that particular area that may have been handed down over generations.

Land rights or carbon rights?

Linking agriculture into carbon markets brings additional complications. If agreements are to be made between, crudely, carbon emitters and carbon sinkers, then who owns the carbon in the sinks, the small farmers sequestering the carbon, or the company paying the costs of the project?

6 The African Agricultural Land Fund
<https://www.emergentasset.com/?func=PageAfricanLandFund>

7 Sudan: Post-Conflict Environmental Assessment, UNEP, 2007, chapter 8, pages 166-71

Although some promoters say that secure tenure rights are crucial to making the markets work, there is a distinct possibility that carbon rights and tenure rights could apply to the same land. Companies involved in offsetting will want recompense in the event that the project does not yield as expected, and might claim rights to the land in question as collateral. Agreements and contracts connected with carbon markets will typically involve very unequal partners with completely different priorities and perceptions of what land means as well as different value systems. In this case, as in so many others, women are likely to be particularly disadvantaged, because they frequently have no secure rights, even within their own communities. Furthermore, when it comes to cash crops – and carbon is just another of those – men frequently take over.

Getting some Africans to speak up for climate-smart agriculture

Before the Durban meeting, there were strong efforts to get African governments to promote an agriculture programme at COP17, summed up in the African Union and South African government policy brief, ‘Opportunities and Challenges for Climate-Smart Agriculture in Africa’, produced with The Food and Agriculture Organisation (FAO) and the World Bank, plus United Nations Environment Programme (UNEP), The International Fund for Agricultural Development (IFAD), and the World Food Programme (WFP).⁸ The brief states that climate-smart agriculture is important for Africa, notes that considerable resources will be required and calls for an agriculture work programme to be established. This is however not a unanimous African position. However, in the likely absence of new money, there are well-based concerns that existing funds for development could be diverted to support ‘climate-smart’ agriculture, so helping to compel countries to conform to this model.

World Bank: at the core of the carbon market push

Carbon markets have not been faring well, with over-generous emission allowances to industry, corruption and fraud all contributing to the falling price of carbon. Carbon permit prices in the European Union Emission Trading Scheme (ETS), the largest multi-national greenhouse gas emissions trading scheme in the world, as well as in the CDM, have been falling dramatically. Yet the World Bank still backs a major expansion of carbon markets in the future, aiming to attract new investor and speculative interest with a vastly increased volume of units to trade. A major coup would be to attract ‘patient capital’ such as pension fund investment; with global assets recently valued at £16.4tn⁹, it is small wonder that carbon marketeers as well as speculative land investors are interested in accessing such funds.

The Bank has several ongoing initiatives with the stated goal of ‘making carbon finance an even more effective tool in climate change mitigation and development.’¹⁰

These include the Carbon Partnership Facility, the Forest Carbon Partnership Facility, the Partnership for Market Readiness (PMR) and the Biocarbon Fund.

What kind of governance? The Carbon Partnership Facility

This seeks to extend ‘low carbon programmes’ across the energy sector, covering generation, distribution and efficiency, plus waste management. It also proposes that governance should be based on a ‘partnership of buyers and sellers of carbon credits’. However, governance should not be left to these players, because sellers (local communities in developing countries) are likely to be far weaker than buyers (large companies seeking to offset high emission levels). Certainly contracts between parties need to be public, given major concerns, as mentioned above, that carbon rights could compete with land rights. Furthermore contracts can easily sidestep existing

8 <http://www.wfp.org/stories/climate-smart-agriculture-csa-highlighted-cop17>

9 <http://www.guardian.co.uk/business/2011/feb/07/pension-funds-assets-liabilities>

10 <http://cpf.wbcarbonfinance.org/cpf/content/what-cpf>

law unless monitored by external bodies without direct interests in the outcome.

Promoting new trading instruments, sectors and countries

Launched at COP 16 in Cancun, Mexico, the Partnership for Market Readiness (PMR) is a grant-based facility, meant to build capacity and provide a platform for what the Bank calls ‘collective innovation on new market instruments’. In June 2011, it announced that Chile, China, Colombia, Costa Rica Indonesia, Mexico, Thailand and Turkey each received an initial grant of \$350,000.¹¹

The aim of PMR is to:

- Explore, pilot and test domestic emissions trading and non-GHG based schemes such as renewable energy & energy efficiency trading
- Explore and test international market instruments such as reformed CDM, sectoral and NAMA crediting – ‘as well as new instruments not yet envisioned’

Carbon markets need public start-up funds

The Biocarbon Fund is designed to demonstrate new projects for afforestation and reforestation, REDD+ and agriculture carbon. The World Bank is interested in developing new methodologies and working at the ‘landscape level’. Apparently they wish to test some new areas of interest in addition to soil carbon sequestration, such as croplands, grasslands, rice paddies, wetlands and biochar. The Fund features projects such as the reforestation of 1600 hectares of degraded public land, working with the Green Belt Movement, Kenya. In Durban, the Green Belt Movement set out some of the problems it has experienced with aspects of the project, and reported that: ‘the investments needed for these projects are more than the financial returns from the carbon credits’.¹² Another project, the Bank’s showcase Kenya Agricultural Carbon Project, has costs of US\$30 per farmer per year, according to the Project Information Note submitted to the WB prior to its approval. Emission trading yields around US\$1 per farmer per year.¹³ Thus, around 97 percent of the project costs will continue to be paid from other sources, in particular with public funds from the Swedish government. Yet there have been no significant offers of new climate finance from northern countries.

Promoting and marketing agriculture as a carbon sink

At a side event organised by the World Bank in Durban, Connie Hedegaard, EU Commissioner for Climate Action, stated the need for a ‘seamless international carbon market with a single price’. She also noted that ‘without the EU ETS, we would not be where we are today’, signalling the push for similar trading schemes in other parts of the world, such as the Australian ‘carbon farming initiative’, the New Zealand ETS, plus ongoing attempts in other regions. Some still hope that in the future the US will pass federal climate legislation that would potentially generate billions of offset opportunities, mostly in agriculture and forestry. It is clear therefore that Hedegaard agrees with the World Bank and the International Emissions Trading Association that the answer to current problems with the EU ETS is - more ETS schemes.

The World Bank launched two initiatives in Durban

- The BioCarbon Fund Tranche 3 (BioCF T3) will further extend the life of the BioCarbon Fund in the afforestation/reforestation, project-level REDD+ and soil carbon sectors.

11 <http://www.bloomberg.com/news/2011-06-02/world-bank-approves-carbon-trade-plan-grants-for-eight-nations.html>

12 <http://greenbeltmovement.org/n.php?id=246>: The Green Belt Movement Community Forest Climate Initiatives, 2nd December 2011

13 Shefali Sharma, Steve Suppan, Elusive Promises of the Kenya Agricultural Carbon Project, IATP, September 2011

Apparently its pursuit of the ‘most marketable carbon asset’ is likely to include ‘Voluntary Carbon Units (VCUs) under the Verified Carbon Standard or temporary Certified Emission Reductions (tCERS) under the Clean Development Mechanism of the Kyoto Protocol’.¹⁴

- The Carbon Initiative for Development (Ci-Dev) is supposed to support poor countries in accessing the carbon markets to finance low-carbon investments with a focus in energy access.

These initiatives ‘focused on agriculture and access to energy, will strengthen links to these markets for the world’s poorest communities to these markets’, according to Rachel Kyte, World Bank Vice President for Sustainable Development. This all looks like a bid to keep Bank initiatives going, even though carbon markets are currently in collapse. Perhaps the hope is that the implementation of sectoral approaches as called for under the Bali Action Plan¹⁵ might finally turn the markets around.

Agriculture and Rural Development Day (ARDD)

The third of these days took place in Durban on 3rd December and strongly reinforced the call for an agriculture programme. The event was co-organised by the Global Donor Platform for Rural Development, whose members include government departments from the UK, Germany, Italy, France, the European Commission, and the US; plus the World Bank and other development banks, The Food and Agriculture Organisation (FAO), The International Fund for Agricultural Development (IFAD), The World Food Programme (WFP), The International Food Policy Research Institute (IFPRI), and the Alliance for a Green Revolution in Africa (AGRA)¹⁶ among others. The two people who opened the events of the day were:

- Tina Joemat-Pettersson, Minister of Agriculture, Forestry and Fisheries, Republic of South Africa
- Rachel Kyte, World Bank Vice President for Sustainable Development and CGIAR Fund Council Chair (who also launched the new WB initiatives in Durban)

The intention of these speakers and the event as a whole was to promote the call for a programme on agriculture in the SBSTA – the Subsidiary Body for Scientific and Technological Advice to the Climate Convention. The refrain of the day, led by Dr. Lindiwe Sibanda, CEO and Head of Mission, Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN), was ‘No agriculture, no deal’. Some negotiators were later seen wearing badges with the same message. The organisers of the meeting produced a letter from ARDD to COP17 calling for an agriculture programme in SBSTA¹⁷.

Strong opposition from the people they say they want to help

On 7th December, The World Bank held a high-level Climate Smart Agriculture event with Jacob Zuma, Meles Zenawi, Kofi Annan, and Mary Robinson. This repeated and reinforced the message of the ARDD in calling for an agriculture programme. Yet such a programme is strongly opposed by La Via Campesina, which brings together millions of the people the ARDD consortium claims to want to help: La Via Campesina ‘defends small-scale sustainable agriculture as a way to promote social justice and dignity’ ... and is the world’s largest representation of the interests of

14 BioCF III Program Document: January 2012
<http://wbcarbonfinance.org/Router.cfm?Page=BioCF&FID=9708&ItemID=9708&ft=DocLib&CatalogID=67826>

15 As proposed in Article 1(b)(iv) of the Bali Action Plan

16 <http://www.donorplatform.org/about>.

17 <http://www.agricultureday.org/openletter>

peasants, small and medium-size farmers, landless people, women farmers, indigenous people, migrants and agricultural workers from around the world. An agriculture programme is also opposed by many networks and countries in the South.

ARDD 4 at Rio+20

However, it was confirmed in Durban that the next ARDD will take place in Brazil at the Rio+20 meeting in June 2012. Indeed a number of organisations and governments with very different interests are seeking to make agriculture a headline issue at Rio+20.

Anger over the way decisions were made

Quite apart from disappointment over what was – or was not – agreed in Durban, there was anger about how certain decisions were made. For example the proposed final text for the Ad Hoc Working Group on Long-Term Cooperative Action (AWGLCA) was presented to delegates only on the morning of Saturday 10th December, after the COP was scheduled to have ended, when some negotiators had already left and all were exhausted. Several developing countries believe this long text needs more work and should not have been adopted in Durban. However, the chair of the working group, Mr. Daniel Reifsynder from the US, decided to override objections and present the document to the chair of the COP, even though there was no consensus to do so. That document contains text on a possible agriculture programme, possible markets in REDD, other market mechanisms and proposals for work programmes.

Decisions in Durban relating to agriculture

No Agriculture programme agreed in Durban but the push continues

In the end, there was no agreement for an agriculture programme in SBSTA, but parties and observers are invited to give their views on the subject by 5th March 2012¹⁸, with the possibility of agreeing on an agriculture programme at the next COP (COP 18). In sum the decision was postponed.

REDD and markets

In view of the attempts to link agriculture and REDD under an ‘integrated landscape approach’ it is noteworthy that a new coalition, The Global Alliance of Indigenous Peoples and Local Communities against REDD+ and for Life called for a moratorium on REDD in Durban. ‘Berenice Sanchez of the Mesoamerica Indigenous Women’s Biodiversity Network says, “Instead of cutting greenhouse gas emissions 80% like we need, the UN is promoting false solutions to climate change like carbon trading and offsets, through the Clean Development Mechanism and the proposed REDD+ which provide polluters with permits to pollute. The UN climate negotiation is not about saving the climate, it is about privatization of forests, agriculture and the air.”’ This makes it clear that many indigenous peoples consider REDD a serious problem. It has been made still worse by wording in the LCA text saying that market-based approaches could be developed for REDD in future¹⁹.

Market mechanisms

There will be a work programme in the AWGLCA on the use of market mechanisms for mitigation and views are invited on this by 5th March 2012. In addition, workshops are to be held on the issues. Another work programme will be established on a ‘new market mechanism’²⁰ also

18 LCA Durban: Section D, paragraph 75 and 76, see: cop17_lcaoutcome-1.pdf

19 LCA Durban: section C paragraph 66, see: cop17_lcaoutcome-1.pdf

20 LCA Durban: section E, paragraphs 81 and 85, see: cop17_lcaoutcome-1.pdf

with additional workshops.

LULUCF

In connection with LULUCF under the Kyoto Protocol process, three work programmes have been established to examine some of the highly problematic issues referred to earlier: non-permanence, additionality, and accounting²¹. There is also a work programme on possible additional LULUCF and forestry activities. Although LULUCF only applies to countries in Annex 1 at present, and is strongly disputed by many developing country parties on the grounds of false accounting and other loopholes, nevertheless there are major interests seeking to extend the LULUCF approach more widely, especially the ‘integrated landscape approach’ that would include agriculture and forests. For the World Bank this would be equivalent to the full accounting scheme for Agriculture, Forestry and Land Use (AFOLU) for Reducing Emissions from All Land Uses (REALU) that it supports. It could be a means to massively extend the reach of carbon markets to include all soils and above-ground biomass.

Markets fail, yet the push for markets intensifies

All this means that the struggle over agriculture is not resolved and a programme could be established at the next conference of the parties (COP18) in 2012. The pressure for new mechanisms to revive the carbon market is actually intensifying, with proposals not just to extend CDM to ensure less limited access to credits for land based sinks, but to devise completely new mechanisms that could for example extend across whole sectors and be integrated into NAMAs, perhaps in the form of domestic offset programmes. These could end any pretence of transferring resources by rewarding only domestic industries. There are even discussions about putting ‘renewable energy’ forward for special consideration, for example by trading renewable energy certificates such as those that have been developed by countries like the UK²². In view of all the questions around so called renewable energy based on biomass (such as crops and wood), proposals to further reward that sector without discriminating between biomass and other forms of renewables would be a disastrous development, with the potential to do major/terminal and irreversible damage to biodiversity, forests, and ecosystems.

Private sector says it will not invest in poorest; public money should do this

In this context it was instructive to hear industry’s view: a representative from Danone said in Durban that investors are not interested in putting their money into the poorest communities, but expect public funding to be provided, in order to raise them above absolute poverty level, at which point the private sector might be ready to invest in them. The speaker emphasised that the private sector would not wish to share the proceeds from carbon markets with local communities and farmers unless the rates of return were around 10% or more. This is a recurring refrain: public money is required to ‘start-up’ or ‘fast-start’ projects before investors can be enticed to participate. We have already seen vast amounts of public money diverted into shoring up the banking sector. Now private enterprise expects more public money to establish and bolster carbon markets within which they can trade.

Some uncomfortable conclusions

We need to be aware of the serious dangers that would arise from including agriculture more fully in the climate negotiations at this point. As things stand, agriculture, especially as part of the ‘landscape approach’ referred to above, could play a very dangerous role in further delaying real action to find a less energy intensive development path, by allowing high emitting countries to

21 LULUCF Durban paragraphs 1-11, see awgkp_lulucf.pdf

22 IETA: Asia and Beyond: the Roadmap to Global Carbon & Energy Markets - Greenhouse Gas Market Report 2011, 43-46

vastly extend the possibilities of offsetting rather than reducing their emissions. Genuinely sustainable agriculture is multifunctional: it provides food and livelihoods and the dignity of real knowledge and skills, it stimulates development and diversity and promotes the development of society as well as of healthy soil-food networks. 70% of food comes from small-scale food providers. Although there is a lot of talk about smallholders from the promoters of climate-smart agriculture, are they really interested in small-scale food providers and multifunctional agriculture? Reducing agriculture to sources and sinks for emissions trading threatens to reduce it to large-scale monocultures in pursuit of 'efficiency'. This creates a kind of logic where, for example, livestock breeders can claim that shorter lives for livestock between birth and slaughter constitutes a climate advantage that should be rewarded, regardless of all other considerations.

It is clear that our model of development is undermining the comparative environmental stability that has enabled human beings to develop over the last several thousand years.²³ Industrial food systems dominated by corporations are central to this destructive model. They have led us to the point where a billion people are hungry and at the same time more than a billion are obese, because their processed food contains almost no vital nutrients, leading to serious medical complications that could soon cripple public health systems. Reducing the energy density of development in a collaborative way, including the dismantling of industrial food systems, could also improve health and social interaction, provide employment, and restore a much-needed sense of empowerment, exploration and adventure. We can change direction if we collectively challenge the current model of development and its vested interests and power structures. The ecosystems, soils and water sources we are currently polluting and destroying are amazingly resilient and forgiving, if we change our ways and work with them. Do we have the courage and vision to collaborate on this vital project to find a development path that does not destroy the basis of our continued survival? Or are we too fixated on our apparent technological power to look up from the screen into the reality? The right kind of agriculture is fundamental to our future wellbeing and that of the biodiversity and ecosystems on which we depend. There is no time to waste.

By Helena Paul, with thanks to Susanne Gura, Almuth Ernsting and Rachel Smolker

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23 From the Global Biodiversity Outlook, 2010: The action taken over the next two decades will determine whether the relatively stable environmental conditions on which human civilisation has depended for the last 10,000 years will continue beyond this century.