

BPC Farm and Forest Carbon Solutions Task Force Policy Recommendations

EXECUTIVE SUMMARY

America's farmers, ranchers, and forest landowners are key partners in the effort to combat climate change—both as business operators who are uniquely exposed to the damaging effects of extreme weather and as stewards of lands that play an important role in the carbon cycle. Studies show that boosting the amount of carbon stored in plants, trees, and soils can make an important contribution to slowing the buildup of carbon dioxide in the atmosphere, and will be needed, along with emission reductions and other strategies, to meet national and international climate goals. In fact, climate-friendly land management practices—often called "natural climate solutions"—are especially attractive, because many of them deliver valuable co-benefits in terms of wildlife habitat, recreation amenities, and air and water quality. Such practices can also make farms, forests, and rangelands more resilient to the damaging effects of climate change.

In this context, emerging markets for carbon credits, new corporate sustainability initiatives, and government incentives for conservation and greenhouse gas reductions present a substantial economic and environmental opportunity—one with the potential to generate billions of dollars of investment in working farm and forest lands. To fully realize this opportunity, however, formidable hurdles will have to be overcome. Markets for carbon credits are still not fully mature, and few farmers, ranchers, and forest landowners are accustomed to viewing carbon sequestration and avoided emissions as a business opportunity. Even those who do may lack the time, expertise, and financial resources to assess their options for carbon markets or incentive programs and then implement changes in their land management practices, particularly if those changes require large upfront investments in expectation of uncertain long-term returns.



BPC's Farm and Forest Carbon Solutions Task Force came together in early 2021 to explore practical ideas for tackling these challenges. Task force members represent a wide range of interests and perspectives, but we share the view that constructive engagement with the agriculture and forestry sectors is crucial to the success of broader U.S. climate policy. Over the course of multiple workshops and meetings, and with input from a panel of scientific and technical experts, we sought to develop proposals that reflect four guiding principles, including the importance of:

- Emphasizing voluntary and incentive-based approaches,
- Finding solutions that are supportive of the needs of farm and forest producers and landowners,
- Promoting partnership and collaboration as the best way to address diverse constraints and priorities, and
- Providing for accountability and transparency in the methods used to track and quantify benefits from natural climate solutions.

To organize our recommendations and ensure that our approach to farm- and forest-based climate solutions is comprehensive, we also identified six distinct policy objectives, or "themes":

- Expand existing Farm Bill programs that deliver climate benefits and offer pathways to new market opportunities for farmers, ranchers, and forest landowners.
- 2. Expand technical assistance for implementing natural climate solutions and address related workforce needs.

- 3. Strengthen the integrity of voluntary carbon markets and increase access to these markets.
- Develop new public and private finance and insurance instruments to help overcome barriers to the broad adoption of natural climate solutions.
- Enhance resilience to wildfire, drought, insects and disease, and invasive species on a landscape scale.
- Foster technology innovation in the agriculture and forestry sectors to make natural climate solutions cheaper and easier to implement and to address measurement and monitoring challenges.

Our recommendations in each of these areas are summarized below and detailed in our full report. Many of these ideas build on legislation already passed by the 117th Congress, including the Infrastructure Investment and Jobs Act, and on policy debates that are informing the development of the 2023 Farm Bill. Together, these 24 recommendations reinforce our view that the federal government has a tremendous opportunity over the next several years to put in place policies and programs that will jump-start the rapid scale-up of farm- and forest-based carbon solutions. Given growing bipartisan support for such solutions—not only as another tool for achieving climate goals, but as a means for spurring investment in rural communities and in the long-term resilience and productivity of America's farms, rangelands, and forests—we are confident that progress is not only possible, but very much within reach.

Theme 1: Expand existing conservation programs





Increase funding for key USDA conservation programs.





Set benchmarks and goals for tracking the adoption of climate-friendly practices and quantifying their benefits.





Issue guidance on how existing USDA programs can assist landowners who are interested in accessing carbon markets.





Streamline the process of setting new standards for conservation practices.





Expand USDA's measurement networks to better integrate climate-related data.

Theme 2: Address technical support and workforce needs





Recruit private-sector partners to work with USDA and Extension offices to provide training and information on climate-smart practices.





Set goals and benchmarks for helping historically underrepresented landowners implement natural climate solutions.





Expand technical assistance on climate issues and opportunities to socially disadvantaged and tribal producers and landowners.





Invest in education and workforce development, including through extension and scholarship programs.





Enhance the collection, sharing, and interoperability of climate-related data by USDA and other agencies.





Strengthen USDA's technical capacities by investing in state-of-the-art datasets, models, and analytical tools.

Theme 3: Strengthen voluntary carbon markets





Improve the integrity of voluntary carbon markets and reduce barriers to entry through targeted legislation.





Use the Commodity Credit Corporation to support climate-smart practices, leveraging carbon markets and supply chain initiatives.





Support public-private efforts to develop infrastructure, insurance, and structured finance products for carbon trading.

Theme 4: Develop new finance and insurance instruments





Adopt a tax credit to incentivize ecologically appropriate agricultureand forest-based sequestration.





Assess impact of conservation practices on crop yields and insurance payouts, and create incentives for reducing climate risk.





Develop new strategies for overcoming barriers related to landownership and succession.





Provide a one-time payment to early adopters of climate-smart agriculture and forestry practices.

Theme 5: Enhance carbon storage and climate resilience of farm and forest lands





Modernize and expand public and private seed collections and tree nurseries to meet reforestation demand and support scale-up of natural climate solutions.





Implement an all-of-government approach to increase wildfire resilience.





Create a new cross-boundary initiative to improve the health and carbon sequestration potential of rangelands.

Theme 6: Foster farm- and forest-based climate innovation





Increase funding for USDA research and expand R&D collaboration across federal agencies, universities, and the private sector.





Expedite FDA approval of safe feed additives that reduce greenhouse gas emissions from livestock operations.





Support emerging markets for innovative wood products through better integration of USDA programs, federal procurement, and manufacturer incentives.





Relating to Farming Inputs



For Congressional Action





Relating to All Topics Listed



For Executive and Agency Action

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Read the report at bipartisanpolicy.org/energy









