NATIONAL FAMILY FARM COALITION

Washington, D.C., October 7, 2022

Christopher Kirkpatrick
Secretary of the Commission
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st St. NW
Washington, DC 20581

RE: **Climate-Related Financial Risk RFI [87 FR 34856]**

Dear Mr. Kirkpatrick:

The National Family Farm Coalition (NFFC) is thankful for the opportunity to comment on this important matter. NFFC is an alliance of grassroots food producers- and advocate-led groups across 42 states, representing the rights and interests of independent family farmers, ranchers, and fisherfolk in Washington, DC. NFFC's 32 state, national, and regional farm and rural organizations are bound by a common belief that communities have the right to determine how their food is grown and harvested; that everyone in the food system should receive fair prices or wages; that all producers have equitable access to credit, land, seeds, water, markets, and other resources; and, that our food and agriculture policies must support sustainable farming, ranching, and fishing practices.

NFFC's members understand the urgency of climate change and have embraced many techniques for conservation. In this respect we coincide with the Council of Environmental Quality (2022) assessment that "the first priority for addressing climate change must be to avoid emissions" but we question the idea that significant amounts of carbon dioxide should be captured, transported, and permanently sequestered. First, the "growing scientific consensus" cited by the call for comments is limited and excessively optimistic. A recent meta-analysis of 263 CCUS projects undertaken between 1995 and 2018 demonstrated their failure (Wang, et al. 2021); moreover, "the present state-of-the-art numerical models are not able to give a complete quantitative prediction of geochemical evolution of CO2 injection." (Salvi and Jidal, 2019).

Even more concerning to this initiative is the recurrent proposal to create carbon markets. What is the best way to influence farmers' practices on the scale and in the timeframe needed to address the climate crisis? Some influential players find carbon markets tempting—they could create new revenue streams for farmers and ranchers hurting after years of low prices. Carbon markets pay those sequestering carbon or reducing greenhouse gas emissions, thereby generating "credits" which are then sold to buyers, typically large corporations interested in or required to offset their own carbon emissions. However, carbon markets' poor track record

suggests that this approach is unlikely to result in significant net decarbonization. Relying solely on these markets will not provide the support and incentives needed to help farmers transition to a more resilient climate future. Carbon markets should not be a substitute for strong federal programs that bolster the practices and people already in place that have been committed to sustainability and land stewardship for years.

The Commodity Futures Trading Commission (CFTC) should eliminate these markets since, from our point of view, they are a fraud overhaul. Carbon markets are not going to solve our mounting climate crisis; support small farmers, ranchers, and fisherfolk; or have a favorable impact on fenceline communities impacted by big polluters.

The comment period opened by CFTC, is a good step to investigate the integrity of carbon offsets and be consistent with the scientific evidence. If public interest, and not private greed lead the agency interest, you will come to the same conclusion.

Once again thank you for this opportunity, and if you have any question regarding these comments please feel free to contact me at antonio@nffc.net

Sincerely

Antonio Tovar PhD
Senior Policy Associate
National Family Farm Coalition

References

Council for Environmental Quality's "Carbon Capture, Utilization, and Sequestration Guidance," 87 Federal Register 8808 (February 16, 2022), Docket CEQ–2022–0001.

Salvi, B. L., & Jindal, S. (2019). Recent developments and challenges ahead in carbon capture and sequestration technologies. *SN Applied Sciences*, *1*(8), 1-20. https://link.springer.com/article/10.1007/s42452-019-0909-2

Wang, N., Akimoto, K., & Nemet, G. F. (2021). What went wrong? Learning from three decades of carbon capture, utilization and sequestration (CCUS) pilot and demonstration projects. *Energy Policy*, *158*, 112546. https://www.sciencedirect.com/science/article/abs/pii/S030142152100416X