

OUTSIDE INFLUENCES

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Going green for greater profit

THE BIDEN ADMINISTRATION has made a \$3.1 billion bet that a program known as the Partnerships for Climate-Smart Commodities can address two of its biggest challenges in agriculture: convincing American farmers they need to address climate change, and convincing leaders in other countries that such a voluntary, entrepreneurial approach can lead to reductions in greenhouse gases.

The partnerships link farmers, ranchers, and foresters with universities and other agriculture leaders in projects to reduce greenhouse-gas emissions. They promise farmers new streams of income by selling commodities marketed as grown under climate-smart rules and offering credits for the carbon they sequester.

But as President Biden serves out his fourth year, the partnerships' success may depend on whether officials can show progress in coming months and whether the effort will be embedded in the Agriculture Department bureaucracy so as to continue even if Biden loses reelection.

The partnerships' origins lie in the 2015 Paris Agreement on Climate, under which countries agreed to try to hold down temperatures and greenhouse-gas emissions. Agriculture concerns across the globe have since been under pressure to reduce emissions from fertilizer, gas-guzzling farm equipment, and production of meat and dairy products.

President Trump withdrew from the Paris agreement, which thrilled a lot of American farmers who didn't want to change their production methods. After Biden rejoined it on his first day in office, however, Agriculture Secretary Tom Vilsack and Undersecretary for Farm Production and Conservation Robert Bonnie decided to get farmers on board by developing new or higher-paying markets for their products while reducing carbon emissions. The Agriculture Department asked farm groups, state and local governments, universities, and nonprofit groups to join together to apply for partnerships that would encourage farmers to raise climate-smart commodities—those produced using farming practices that reduce greenhouse-gas emissions or sequester carbon—and figure out how to market them.

The response was overwhelming, with 1,050 groups submitting proposals that would have cost \$20 billion if all were accepted. In the fall of 2022, the USDA accepted 141 five-year projects ranging in cost from under \$5 million to \$95 million and involving everyone from the biggest commodity producers to small, minority farmers.

Congress had not appropriated any money for a climate-

smart program. Vilsack and Bonnie solved that problem by taking \$3.1 billion from the Commodity Credit Corporation, USDA's \$30 billion-per-year line of credit at the Treasury, which is used to make regular farm-subsidy and conservation payments but can also be used to help farmers affected by weather, disease, or market troubles.

Republicans in Congress were furious that the administration had used the CCC for a project in which they had no role. Sen. Roger Marshall of Kansas asked the Government Accountability Office to investigate whether funding climate-smart projects complied with CCC rules. The GAO ruled that the administration had not violated the law.

Bonnie and his staff say they are proud that farmers

operating on more than 1 million acres of land have signed up for the partnerships, but their goal is 25 million acres. USDA wants data from the farmers to establish models that can be used for millions of other farmers, but it recently reduced the amount of data required in order to get more signups. "We at USDA try to be humble about this. We have a lot of learning to do," Bonnie told farmers last week at the Commodity Classic in Houston.

The partnerships are less than two years old, but congressional aides and lobbyists say the Biden

team needs to talk more about how the project is going. The partnerships' reputation could become particularly important if Trump is elected. USDA's signature on the agreements means that the department is obligated to spend the \$3.1 billion for the partnerships. But a Trump administration could make changes to program management. At present, the partnerships are run by a team of civil servants drawn from several USDA divisions who have been detailed to Bonnie's office. Katina Hanson, the civil servant in charge of the partnerships, said conversations about how to manage them over their five-year life span are ongoing.

Vilsack and Bonnie obviously hope that bringing farm groups on board will guarantee the partnerships' future, and they may be right. Last week, after the USDA said data requirements from farmers would be reduced, Zippy Duvall, president of the Republican-leaning American Farm Bureau Federation, said the USDA is "on the right track with climate-smart programs that are voluntary, incentive-based, and market-driven." □



Agriculture Undersecretary Robert Bonnie

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