



ORGANIC FARMERS ASSOCIATION

November 1, 2021

Commodity Credit Corporation
U.S. Department of Agriculture
1400 Independence Avenue SW
Washington, DC 20250

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Dear Secretary Vilsack,

The Organic Farmers Association appreciates the opportunity to offer comments on the Commodity Credit Corporation's request for information on the "Climate-Smart Agriculture and Forestry Partnership Program," to encourage adoption of Climate-Smart Agriculture and Forestry (CSAF) practices and promote markets for climate-smart commodities.

OFA is a membership organization that represents America's certified organic farmers. Our organization was founded by and is controlled by certified organic farmers, and only domestic certified organic farmers vote on OFA's policies and leadership. Our members are concerned about the climate crisis and have been documenting climate change on their farms for decades through careful recording of changes in planting and harvest dates, frost dates, rainfall and temperature patterns. In recent years, severe weather events have been a more forceful reminder that the climate is changing and that we must quickly make societal changes to achieve a better balance. It is vital that as a nation we reduce or eliminate fossil fuels to reduce the major sources of carbon emissions into the atmosphere. At the same time, we must implement policies that encourage practices that sequester carbon to remove it from the atmosphere as well as practices that support healthy soil that is able to hold water and withstand more extreme weather.

Research comparing the carbon sequestration ability of certified organic soils and conventional soils has consistently shown that organic soils outperform conventional soils' ability to sequester carbon.¹ A meta-analysis of 20 organic/conventional comparison trials around the world showed that organic systems accrued an average of 400 pounds of carbon per acre per year more than conventional systems.² Another meta-analysis of 59 studies found total soil

¹ National Sustainable Agriculture Coalition. 2019. "Agriculture and Climate Change: Policy Imperatives and Opportunities to Help Producers Meet the Challenge." Washington D.C.

² Gattinger, A., A. Muller, M. Haeni, C. Skinner, A. Fliessbach, N. Buchmann, P. Mader, M. Stolze, P. Smith, N. E. Scialabba, and U. Niggli. 2012. "Enhanced topsoil carbon stocks under organic farming." PNAS. 109 (44) 18826-18231.

organic carbon averaging 19 percent higher in organic than conventional systems.³ A 2019 comprehensive meta-analysis looked at 528 studies that had compared at least one organic farm to at least one conventional farm.⁴ This meta-analysis found that on average, organic soils had a 10 percent higher organic carbon content than conventional soils and sequestered 230 more pounds per acre of carbon each year than the conventional soils, and concluded that converting farmland from conventional to organic production would have “a cumulative climate protection performance... of 1,082 kg CO₂ equivalents per hectare per year” equivalent to eliminating 963 pounds of CO₂ emissions per year for each acre converted.⁵

In addition to carbon sequestration, certified organic farms use sequestered carbon to build healthy soils, which are instrumental in productive hydrological cycles. Organic soil management also shows additional climate benefits such as higher aggregate soil stability and reduction of soil erosion and soil loss occurrences.⁶ High soil organic matter (SOM) in healthy soil is essential for holding water, which helps reduce soil loss, erosion and prevents desertification. Soils with high SOM can hold water for longer, sustaining plants through a drought; thus, prolonging soil cover with photosynthesizing plant growth for a longer period.

Organic farming can play a critical role in fighting climate change and helping the agriculture sector adapt to a changing climate. Organic regulations require certified organic farmers to implement beneficial carbon sequestration practices by eliminating chemical soil disturbance through the prohibition of synthetic fertilizers, herbicides, and other crop protection chemicals. The standards require organic farmers to adopt tillage and cultivation practices that “maintain or improve” soil condition. A fundamental principle at the foundation of organic farming is that organic management is a holistic production practice that aims to manage the farm as an ecological system. Therefore, an organic farmer doesn’t merely focus on using best practices on a specific field, or on farming without chemicals, but must also consider soil health, crop diversification, crop rotation, fostering biodiversity in and around fields, and market diversification. A diverse ecological systems approach is the organic farmer’s best insurance program because it not only builds carbon in soil and vegetation, but also builds resilience for the farm and its host ecosystem in the face of climate change and other disruptions.

OFA encourages the USDA to proceed with a “whole-farm view” as you establish criteria for climate-smart agriculture and determine USDA’s role in supporting climate-smart commodities. The organic farming community already demonstrates hopeful, diverse and feasible strategies for geographically specific climate change mitigation and adaptation. **Therefore, we strongly**

³ Lori, M., S. Symnaczik, P. MaEder, G. De Deyn, A. Gatteringer. 2017. “Organic farming enhances soil microbial abundance and activity – A meta-analysis and meta-regression.” PLOS ONE. <https://doi.org/10.1371/journal.pone.0180442> July 12, 2017, 25 pp.

⁴ Sanders J and J. Hess (Eds), 2019. Leistungen des ökologischen Landbaus für Umwelt und Gesellschaft. Braunschweig: Johann Heinrich von Thünen-Institut, 364 p, Thünen Report 65. Accessed May 2, 2019 at: https://www.thuenen.de/media/publikationen/thuenen-report/Thuenen_Report_65.pdf

⁵ *Ibid*, 186.

⁶ *Ibid*.

urge you to start with the already established infrastructure of the organic standards and organic certification as a foundation for your definitions of what climate-smart agriculture is.

While we feel strongly that the USDA National Organic Program is the correct place to begin a climate-smart program, in order for organic agriculture to provide the maximum benefit in addressing the climate crisis as well as ensuring the economic viability of more farms, improvements must be made to the USDA's National Organic Program (NOP) enforcement activities and oversight of organic certifiers. We also urge the NOP to adhere to the goal of continuous improvement by tightening the organic standards on several issues that would make organic even more meaningful as a climate-smart standard.

Livestock Standards Must Promote Pasture

- **Origin of Livestock Rule:** The NOP's failure to strengthen the standards for organic livestock has allowed large-scale organic dairies to undermine those organic farms that comply with the intent of the organic label. Organic dairy farmers need a level playing field. Years of delay in closing loopholes in the organic standards for livestock have caused ongoing economic harm. The NOP must work to finalize this important rulemaking as quickly as possible with a final rule that can be consistently enforced and that requires that the entire one-time transition happen over a twelve-month period under the supervision of an organic certification agency as part of the producer's Organic System Plan. Cycling dairy animals in and out of organic production must be prohibited, and once a distinct herd is transitioned to organic, all animals must be raised organically from the last third of gestation. The final rule must prohibit the sale of transitioned animals (not raised in organic production from the last third of gestation) from being sold as organic dairy animals that can be used to produce organic milk.

Organic Livestock and Poultry Practices Rule: The Organic Livestock and Poultry Practices (OLPP) rule is another long-overdue measure to strengthen the organic standards, which was delayed and ultimately withdrawn by the Trump Administration. The OLPP final rule would allow the NOP to consistently enforce stronger animal welfare standards on organic farms and close loopholes being taken advantage of by some large operations. The rule was discussed and vetted in the organic community for more than a decade and has widespread support. We urge you to reinstate the final OLPP rule as quickly as possible.

Ensuring that Organic Farming is Soil-Based

Healthy soil is essential to healthy organic food, healthy ecosystems and efforts to address climate change. The Organic Foods Production Act lays out requirements for soil fertility for organic farms and building soil health is a foundational principle of organic agriculture. The NOP's decision to allow hydroponic (soil-less) operations to be certified organic, as well as new controversy over inconsistent interpretation of the NOP's guidance for how container operations transition to organic, could undermine consumer confidence in the organic label overall and reduces the potential for organic agriculture to sequester carbon. The NOP should

clarify that organic farming occurs in the soil and ensure that all organic certifiers are consistently applying this requirement. For organic agriculture to maximize its potential as climate-smart, soil must be required.

Improving Conservation Programs for Organic Operations

Dedicating a certain percentage of the Agricultural Conservation Easement Program (ACEP) for the preservation of certified organic farmland will incentivize carbon sequestration through organic production. The Natural Resources Conservation Service (NRCS) uses ACEP to purchase easements on farms to prevent the ground from being developed. If there was a goal to prioritize preservation of certified organic or transitional acreage, then the NRCS dollars that go towards preserving farmland will be preserving farmland that supports production methods known to sequester carbon. We also urge you to consider provisions in the Agriculture Resilience Act (H.R. 2803) that specify several revisions to the Conservation Security Program that would allow certified organic producers to better utilize this important program and explore if those changes could be made administratively.

In addition to these general concerns, we offer the following in response to specific questions posed in the request for information.

2. In order to expand markets, what should the scope of the Climate-Smart Agriculture and Forestry Partnership Program be, including in terms of geography, scale, project focus, and project activities supported?

Moving more farms towards organic management is an essential part of a strategy to support climate-smart agriculture. Not only is organic production a proven system to maximize carbon sequestration, but it is also a market-driven solution. Once farms are certified organic, the certification process will continue to require climate-smart agriculture practices.

To move more farms towards organic methods, the USDA should consider the creation of a national organic agriculture transition program. This would entail a federal program with targets for a significant number of U.S. farms to transition significant domestic acreage to certified organic management. Starting with three years of financial incentives during the high-risk transition period, farmers would then need more market-driven support in the form of a fair marketplace and access to federally subsidized insurance and incentive programs equal to that of non-organic farmers. The program would also need to provide technical assistance funding to organic farm organizations to help farmers in transition as well as professional development training to NRCS and other USDA agencies to support farmers using existing programs for their transition.

USDA should also include in its climate plan expanded support for organic education and technical assistance by USDA, state agencies, universities, non-governmental organizations and extension; providing internal staff education on organic; and hiring leadership with demonstrated organic experience throughout the USDA.

We urge the USDA to prioritize research to document how organic practices can maximize carbon sequestration, as well as documenting the multiple benefits created by organic practices. Organic research often addresses challenges or identifies practices that are also relevant to farmers who are not certified organic or who farm conventionally. An increased focus on soil health, alternatives to chemical pest management and cover crops across all sectors of agriculture show that this kind of research can serve an audience that is wider than certified organic.

It is also critical that the USDA does not limit its goals for this program to simply improving the production methods used in the current predominant crop system that is dominated by input-reliant monoculture production of a very limited number of crops. Creating a truly climate-smart agriculture system will require a much bigger transformation that is based on longer crop rotations with more perennial crops and grasses, and which incorporates more pasture-based systems of livestock production.

6. In order to expand markets, which CSAF practices should be eligible for inclusion?

USDA should base its definition of climate-smart agriculture on a foundation of organic certification. But due to existing weaknesses in the organic standards caused by delays by the NOP in strengthening the organic standards, the definition of climate-smart must use additional criteria beyond organic certification, including a requirement that crops be grown in soil and that livestock be produced on pasture. Referencing the past 20 years of National Organic Standards Board (NOSB) recommendations to the NOP would be a starting point for identifying the additional criteria that are needed.

The department must also commit to raise the bar over time by periodically assessing the state of research and scientific understanding of which practices result in soil carbon sequestration for the long term. This research should also assess other benefits provided by different practices, including reduced input use, avoidance of synthetic nitrogen fertilizer, better water retention, resilience to extreme weather, and reduced transportation in local and regional food systems. As our knowledge about the carbon sequestration and other benefits of different production methods increases, the standards for what qualifies as climate-smart must be reassessed and improved as necessary.

8. How can USDA ensure that partnership projects are equitable and strive to include a wide range of landowners and producers?

Any USDA program must be accessible and feasible for all types and sizes of farms – organic, diversified, small-scale, in all regions of the country. Historically, this has not always been the case for USDA programs from crop insurance to research to payment programs like the Coronavirus Food Assistance Program. It is vital that USDA's plan for CSAF does not repeat past mistakes by focusing only on large-scale conventional farms raising commodity crops in a few regions of the country. USDA should prioritize further outreach to all types of farmers and

engage communities of color in particular to find out how to design programs that will work for everyone.

OFA urges USDA to focus its climate efforts, including support for existing or establishing new payment programs, on programs that recognize the multiple benefits of organic practices including building soil organic matter, soil health and other ecosystem services. USDA must also ensure that these programs provide a fair way for farmers who have already adopted these practices, small farms, diversified farms, and farms in all regions of the country to participate without burdensome or expensive validation methods. USDA must explicitly consider:

- Whether market-based programs are accessible for small-scale, diversified, direct-market and organic farms.
- What kinds of contract practices are used in private payment programs and provide education to producers about what to look for in contracts. USDA should also evaluate the need for potential action to rein in any abusive contract terms that might be found in private programs, such as nondisclosure requirements or mandatory arbitration requirements and the potential for private programs to lock farmers into a platform through control of critical farm production data.
- Whether measurement or validation procedures for participants in payment programs are burdensome or so expensive that they wipe out any possible returns from participation.
- Potential privacy concerns for farm production data that is collected by payment programs as part of verification efforts.

We understand that the department is interested in harnessing market forces to support climate-smart practices. But we caution that this cannot be the only focus of USDA's efforts. Because of the obstacles identified in the opening section of this request for information, including challenges in knowledge about the sequestration of soil carbon and limited options for validating soil carbon changes over time, it would be a mistake for USDA to rely solely on carbon payment schemes to promote a transition to climate-smart agriculture. The department cannot lose sight of other USDA policy tools to support good practices that have multiple environmental benefits, such as existing conservation programs that support farmers using good practices, as well as research and support for organic production methods.

The USDA should also commit to cross-cutting policy and enforcement activities to ensure that agriculture markets are not distorted by the rise of carbon payment programs. It would be devastating for farm economic viability if buyers of crops and livestock try to push prices down on the assumption that all producers can access carbon payments. As acknowledged in the request for information, these payment programs may not be accessible to all types of farms, especially small farms, so USDA must pay attention to any distortion of agricultural markets

driven by the rise of carbon payment programs or an unfair advantage provided to certain types of farms because they are able to access carbon payments while other farms cannot. We also urge the USDA to examine the likelihood that government support for carbon payment programs can create negative effects in agriculture markets, as has already been observed with the rise of biogas development in the dairy sector due to California's renewable energy market.⁷

There are likely farmers who cannot meet the standard of year over year increases in soil carbon because they have been using climate-smart methods for many years and their soils are saturated to the point that they will not show annual increases. If the need for annual increases to achieve climate goals is driving this program, then USDA will have to take steps to drive more operations to transition to organic methods to create new adopters, such as the transition program mentioned in our answer to question 2. Additionally, the USDA must address the cost of organic certification, which can be a barrier in getting new farms to adopt organic methods. Specifically, organic certification cost share should be expanded to cover a higher percentage of certification costs and reoriented to make the upfront cost of certification lower, rather than be structured as a reimbursement. The federal government has historically reimbursed up to 75 percent of organic certification fees paid by organic farms and businesses, with a maximum reimbursement of \$750 per certification scope (crops, livestock or handling) per operation. In 2020, USDA's Farm Services Agency (FSA) cut reimbursement rates to 50 percent, up to a maximum of \$500 per scope. The cost share program is particularly important to small and mid-sized organic farms, and those who are just starting out with organic certification. USDA must restore and expand the funding levels for this program and ensure this shortfall does not happen again.

For early adopters who have already been farming this way, USDA should consider other ways to support them, such as creating a program to pay organic farmers who are early adopters to provide technical assistance to farms that are new or transitioning to organic methods and to consider strengthening other USDA programs, such as conservation programs, that reward environmentally beneficial practices, as described in our answer to Question 2.

Conclusion

Another key criteria for making sure that new programs to address the climate crisis work for all types of farms and all types of farmers is for the USDA to focus on the core concept that farmers cannot help the climate if they can't afford to keep farming. Economic viability of farms and providing adequate infrastructure for thriving local and regional food economies must be stated goals for USDA's efforts on climate-smart agriculture. For organic, that means that

⁷ "In addition to lower cost of production, the returns from energy generated by large farms may accelerate the growth of the mega-dairy farms.... The net effect will be that dairy farms with methane digesters and other green energy technologies will make decisions based more on returns from energy than returns from milk." McCally, Michael. "Energy Revenue Could Be a Game Changer for Dairy Farms." *Hoard's Dairyman*. September 23, 2021. <https://hoards.com/article-30925-energy-revenue-could-be-a-game-changer-for-dairy-farms.html>

climate policy must include improved organic standards and stepped up enforcement to make sure that organic markets provide a level playing field and a fair price for farmers and a fair wage for workers.

We appreciate the opportunity to comment on this critical subject and USDA's priorities. Please contact our Policy Director, Patty Lovera, patty@organicfarmersassociation.org, for more information or if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kate Mendenhall". The signature is fluid and cursive, with the first name "Kate" being more prominent than the last name "Mendenhall".

Kate Mendenhall
Executive Director