

The Institute for Agriculture and Trade Policy (IATP) Comments on Implementation of the Inflation Reduction Act

Docket Number: NRCS-2022-0015

The Institute for Agriculture and Trade Policy believes that the U.S. Department of Agriculture should move swiftly to ensure funds dedicated through the Inflation Reduction Act truly address the climate crisis.

IATP applauds USDA for looking into how best to help farmers mitigate climate change. There must be another leg to this stool to make it sturdier, however – climate resilience. While we too are hopeful that emissions are reduced enough to help solve the climate crisis, we are also preparing for a warming world where farmers will need to cope with increased (and more intense) droughts, floods, wildfires, and declining water quality and quantity. We hope that USDA is able to help farmers pay for practices that are resilient – that help farmers work with nature and adapt to new climate realities. This might mean planting new and more diversified crops, opting for more drought or flood-resilient varieties, or converting some land to wetland, grassland, or forested land. We applaud the inclusion of such systems approaches in your CSAF Mitigation Activities list.

What are key metrics to successful IRA implementation?

In our view, when determining whether IRA money is successful in addressing the climate crisis, the following must be addressed:

- Practices should be available to farms of all sizes and capital flow;
- Climate mitigation priorities should not cause or lead to other environmental harms, such as water or air pollution;
- Prioritization for resilience, maximizing co-benefits of emissions reduction and climate adaptation;
- Long-term benefit, ensuring benefits are not easily reversed by changes in climate.

Without these metrics, any climate benefits will be short-lived and be limited in scope in a time where widespread adoption of climate tools are necessary.

Improving existing tools

COMET-Farm and COMET Planner are good tools to help estimate greenhouse gas emission reduction through various practices. While these are good estimating tools, there is still much we don't understand about carbon sequestration, particularly over the long-term, so they should not be used for precise measurements for uses such as carbon offset markets/credits. As our knowledge of carbon sequestration improves, we encourage USDA to adjust the tool to reflect the latest science, especially as it relates to organic and pasture-based systems.

While the role USDA practices have with GHG reductions is still being studied, USDA should look at emissions in a holistic way – not only focusing on practices, enhancements, and bundles that capture carbon from the atmosphere, but also methods of keeping carbon from reaching the atmosphere in the first place, like conserving existing wetlands, forest lands, peat lands, and grasslands. We need a systems-based approach to help farmers, especially since they are often required to think about their operations at a systems-level.

We also encourage the continued improvement of the Conservation Assessment Ranking Tool (CART) to make ranking criteria transparent for farmers and reward projects with climate mitigation and adaptation at their core. If the process for accessing NRCS conservation programs is fair and simple, farmers will be more likely to want to enroll their land in these programs.

Opening the door for closed out farmers

We encourage USDA to take a look at the applications to CSP and EQIP that were rejected over the past few years, and help connect these growers to the programs listed in USDA's Climate-Smart Agriculture and Forestry Mitigation Activities list (with some exceptions).¹ According to USDA's own data, between 2010 and 2020, just 31% of EQIP applicants and 42% of CSP

¹ Natural Resources Conservation Service. *Climate Smart Agriculture and Forestry (CSAF) Mitigation Activities List FY 2019*. https://www.nrcs.usda.gov/sites/default/files/2022-10/CSAF%20Mitigation%20Activities%202023_1028.pdf.

applicants were awarded contracts, with some states approving much lower percentages.² Turned away farmers can be low-hanging fruit when it comes to connecting climate-friendly practices to eager stewards of the land.

Steering IRA funds away from “false solutions”

While statutory guardrails on funding for the Environmental Quality Incentives Program go a long way to ensuring these funds go toward true conservation, USDA action could go a few steps further. IATP believes these funds should not go toward any practices that could have perverse effects to expand manure production or which increase reliance on synthetic fertilizers, which are associated with harmful greenhouse gas emissions.

IATP believes the following practices should *not* be funded with IRA money:

366: Anaerobic Digester

632: Waste Separation Facility

Anaerobic digesters, when used for digesting methane on large-scale industrial livestock operations, can serve as an incentive to expand highly harmful models of agriculture. Even accounting for the amount of methane “digested” by these technologies, emissions may in fact go up along with the number of farms using liquid manure management systems to match demand for the biogas created this way.

Not only are methane digesters false climate solutions, but they are also expensive, which make them most practical for only the largest operations. Digesters, along with practices like waste storage facilities (i.e. lagoons) and waste separation facilities take up precious EQIP resources that could be better used for less costly and more climate-effective practices like planting seeds for rangeland, or dry manure management such as composting.

² Institute for Agriculture and Trade Policy. *Closed Out: How U.S. Farmers Are Denied Access to Conservation Programs*. <https://www.iatp.org/documents/closed-out-how-us-farmers-are-denied-access-conservation-programs>.

No-till and precision agriculture: be mindful of other environmental harms

IATP recently analyzed popular agricultural practices that claim to provide climate or environmental benefits, including no-till agriculture and precision agriculture. In both cases, we found that, while there can be reductions in emissions or increases in carbon sequestered when paired with agroecological systems, if practiced on their own as they often are within industrial farming systems, they have limited climate benefits.³

IATP urges caution around no-till only practices. While leaving soil undisturbed is great for keeping carbon in the ground, no-till alone is heavily reliant on synthetic fertilizers to kill weeds and provide nitrogen for crops such as corn. Science-based studies that have analyzed no-till agriculture show that the carbon sequestration associated with the practice is not as strong as anticipated, with potential losses of deep soil carbon over the long-term if not paired with more agroecological approaches.⁴

Similar to no-till agriculture, precision agriculture sounds great on the surface – targeting seeds and fertilizer only where they’re needed using precise technology, reducing waste, runoff, and maximizing efficiency. Despite the widespread adoption of precision agriculture, fertilizer use continues to increase, linked to the expansion of corn acres. Because corn needs nitrogen to grow and survive, corn farmers use a lot of nitrogen fertilizer. There are better, less synthetic fertilizer-dependent practices on the Climate Smart Practices list for keeping nitrogen in the soil, such as #328, Conservation Crop Rotation.

Streamlining and improving program delivery

Local NRCS offices should be given the resources to truly reach out to farmers historically left out of USDA programs, including farmers of color. This may require more and better translation of materials, contracting with trusted neighbors fluent in languages other than English, and an expansion of advanced payments for low-income farmers.

³ Institute for Agriculture and Trade Policy. *True or False? Evaluating Solutions for Agriculture and Climate Change*. <https://www.iatp.org/true-or-false-climate-solutions>.

⁴ Cai, Andong et. al. *Geoderma*. *Declines in soil carbon storage under no tillage can be alleviated in the long run*. <https://www.sciencedirect.com/science/article/abs/pii/S0016706122003354?dgcid=coauthor>.

One of the biggest barriers we hear from low-capital farmers accessing USDA programs such as EQIP and CSP is they simply don't have the funds on standby to pay the upfront costs of these practices and bundles and wait to be reimbursed. If USDA wants its programs to be truly equitable, it should reevaluate its current reimbursement structure by expanding advance payment options and making it clear to farmers in materials and in initial conversations with conservationists that this is an option.

With any NRCS-contracted partners, we should ensure that these outside groups are also working hard to engage farmers with small parcels of land, including farmers of color, low-capital farmers, and tenant farmers. While it may be easier to engage with those who own hundreds or thousands of acres for watershed conservation, it will not bring about the needed equity.

Which practices and bundles should NRCS prioritize?

IATP endorses the suggestions for prioritized practices and bundles laid out by the National Sustainable Agriculture Coalition (NSAC) in its comments. We will repeat those suggestions here, while encouraging NRCS to review NSAC's comments in their entirety, as they provide additional specific suggestions that we endorse, but do not include here.

NRCS should prioritize the following:

- CPS 311. Alley cropping
- CPS 379. Forest farming
- CPS 380. Windbreak/shelterbelt
- CPS 386. Field border
- CPS 393. Contour buffer strips
- CPS 391. Riparian forest buffers
- CPS 422. Hedgerow
- CPS 528. Prescribed grazing (emphasizing E528R, advanced rotational grazing)
- CPS 590. Nutrient management (focusing on soil derived nitrogen rather than synthetic nitrogen)
- CPS 612. Tree/shrub establishment

Which practices and bundles should NRCS add to the CSAF list?

While the above list is a good starting point for tackling the climate crisis, we believe the following practices and bundles should be added to the CSAF list:

- CPS 317. Composting facility
- CPS 331. Contour orchard
- CPS 336. Soil carbon amendment
- CPS 555. Rock wall terrace
- CPS 588. Cross wind ridges
- CPS 589C. Cross wind trap strips
- CPS 600. Terrace
- Crop Bundle #21. Crop Bundle (Organic). B000CPL21
- Crop Bundle #22. Erosion Bundle (Organic). B000CPL22
- Pasture Bundle #5. Pasture. B000PST5
- Pasture Bundle #6. Pasture. B000PSTX
- Range Bundle #4. Range. B000RNG4

Conclusion

We thank USDA and NRCS for seeking input on implementation of the Inflation Reduction Act. We are heartened by the seriousness with which leaders and career professionals in the department wish to tackle the climate crisis through the food and farm system. While this crisis will not be solved overnight, funding from the IRA is a step in the right direction for reducing greenhouse gas emissions from agriculture and preparing farmers for new climate realities.

Please do not hesitate to reach out with any questions you may have. IATP wishes to be a productive partner in the ongoing implementation of climate and conservation programs.

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