

Climate Change and Sustainability Task Force

Report to NGFA Board of Directors

March 2024

I. Key Issues

- A. Addressing Climate Policy Initiatives
- B. Engaging in Relevant Sustainability Forums
- C. Transitioning from a Task Force to Committee Status

II. Task Force Activities

A. Climate Policy

- **SEC Proposed Climate-Related Disclosure Rule:** The U.S. Security and Exchange Commission (SEC) in 2022 issued a [proposed rule](#) that would require SEC-registered companies to provide certain climate-related information in their registration statements and annual reports. In response, NGFA submitted comments to SEC raising significant concerns about how proposed Scope 3 greenhouse gas (GHG) emissions reporting requirements within the proposed rule could affect value chain participants of SEC-registered companies. According to the current Unified Agenda of Regulatory and Deregulatory Actions, SEC is slated to take final action on the proposal by April 2024, however federal agencies often do not meet proposed timelines. The proposed rule has faced significant pushback from industry, Republicans and some Democrats since introduced. It is widely anticipated that if the final rule requires Scope 3 emissions reporting, the regulations will be legally challenged. In addition, Congress could attempt to use the appropriations process to limit application of the regulations if made final.
- **National Strategy to Advance an Integrated U.S. Greenhouse Gas Measurement, Monitoring, and Information System:** The Office of Management and Budget, the White House Office of Science and Technology Policy, and White House Office of Domestic Climate Policy on Nov. 29 released the [National Strategy to Advance an Integrated U.S. Greenhouse Gas Measurement, Monitoring, and Information System](#), intended to enhance coordination and integration of greenhouse gas measurement, monitoring, and information efforts across the Federal government. The Strategy represents collective input received through stakeholder interactions and requests for information, including the solicitation for comment on the U.S. Department of Agriculture's (USDA) draft federal strategy released on July 12 to advance GHG measurement and monitoring for the agriculture and forest sectors. For agriculture sectors, the Strategy focuses on nitrous oxide emissions from the management of agricultural soils and methane emissions from enteric fermentation and manure management, and includes supporting tasks associated with livestock management practices and establishing an agricultural soil carbon monitoring network.
- **USDA Assessment on Agriculture and Forestry in Carbon Markets:** USDA on Oct. 23 released a [comprehensive assessment](#) related to current carbon market activity, barriers to participation, and opportunities to improve access to carbon markets for farmers and forest landowners. The report was the first of USDA's deliverables under the NGFA-supported Growing Climate Solutions Act (GCSA), which was signed into law on Dec. 29, 2022. GCSA required the report to inform USDA's future determination as to whether to establish the Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program, which would facilitate technical assistance to producers interested in participating in carbon markets,

as well as a process to register market verifiers.

- **USDA Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program:** USDA on Feb. 27 issued a [report](#) to justify establishing the Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program. Through the Program, USDA will: 1) recognize protocols related to voluntary carbon markets; 2) provide information on qualified Technical Assistance Providers; and 3) list qualified Third-Party Verifiers, who can assess whether carbon projects correctly follow recognized carbon-related protocols. USDA will work towards formal establishment of the program in 2024.
- **USDA Partnerships for Climate-Smart Commodities:** In 2022, USDA announced it would invest up to \$3.1 billion in 141 selected pilot projects to expand markets for U.S. climate-smart commodities, leverage the GHG benefits of climate-smart commodity production, and provide direct, meaningful benefits to production agriculture. As of March 1, USDA had [approved 133 projects](#) involving 102 commodities in 55 states and territories. Projects are scheduled to last between one to five years.
- **Food and Agriculture Climate Alliance:** NGFA is a general member of the [Food and Agriculture Climate Alliance](#) (FACA). FACA consists of more than 80 organizations representing farmers, ranchers, forest owners, agribusinesses, manufacturers, the food and innovation sector, state governments, and environmental advocates. FACA conducts monthly calls for information sharing and has been engaged in reviewing and providing recommendations related to climate-related policies associated with the Farm Bill, food loss and waste reduction, and the Commodity Futures Trading Commission's draft guidance regarding the listing for trading of voluntary carbon credit derivative contracts.

B. Sustainability Forums

- **Field to Market:** NGFA in April 2023 joined [Field to Market: The Alliance for Sustainable Agriculture](#), an agricultural multi-sector initiative working to support resilient ecosystems and enhance farmer livelihoods. Field to Market activities include: 1) convening stakeholders across the food and agriculture value chain to establish and evaluate sustainability metrics; 2) entering into strategic partnerships with other entities, such as SAI Platform, The Sustainability Consortium, and Ecosystem Services Market Consortium; and 3) hosting, in conjunction with the Innovation Center for U.S. Dairy, an annual Sustainable Agriculture Summit. NGFA participated in Field to Market's Plenary and General Assembly Meeting and Sustainable Agriculture Summit held on Dec. 5-7 in Charlotte, NC.

C. Transition of Task Force to Committee Status

Pursuant to the approval by the Board of Directors of recommendations made by the NGFA Committee Structure Task Force, the Climate Change and Sustainability Task Force has transitioned to become the NGFA Sustainability Committee. Immediate priorities of the new committee will be to formalize its purpose statement, identify the scope of issues to be addressed, and develop a recommended sustainability communication strategy.

III. Issues for Discussion

- Are there other climate-related policy issues in which NGFA should engage?
- What types of sustainability-related information should NGFA consider communicating to its members?