2020

Feb

HOW TO HELP BRAZILIAN FARMERS SAVE THE AMAZON

Daniel Nepstad | Executive Director & President

When I moved to the Amazon “Wild West” town of Paragominas in northern Brazil in 1984 as a young scientist studying forest recovery on abandoned pastures, I expected a town filled with bandits and land grabbers. Instead, what I mostly found were courageous, hard-working families from across Brazil who had come to the rugged town of sawmills, cattle ranches and smallholder settlements to improve their lot in life.

But as the global outcry over recent Amazon fires and the rise in deforestation has demonstrated yet again, the stigma surrounding Amazon farmers as accomplices in this destruction remains, making enemies of would-be allies.

Indeed, outrage over the fires and President Jair Bolsonaro’s rhetoric and actions obscures a central question: Can responsible, law-abiding landholders and businesspeople in the Amazon — like those I met in Paragominas — compete with people who break the law, grab land and forest resources and drive much of the deforestation?

The simple answer is no. And until that changes, it will be difficult to stop the cutting and burning of these forests, which worldwide account for about a tenth of the carbon dioxide emissions that are warming the planet. But two recent developments suggested things may be changing for the better.

One turn of events was the decision by the California Air Resources Board in September to endorse — after 10 years of design and debate — a Tropical Forest Standard that could protect the forests of the Amazon and beyond. The standard sets rules for state, provincial and national governments in the Amazon to limit deforestation so that they can qualify to sell credits to companies seeking to offset some of their greenhouse gas emissions.

This standard is designed to make sure that the carbon offsets that companies are buying are actually going to real, verifiable deforestation efforts. What’s significant about the standard is its size — it focuses on recognizing and rewarding successful forest conservation across entire states, provinces or even nations in the Amazon. Moreover, and this is critical, it includes principles for guaranteeing that indigenous groups and other local communities have a voice in the policies and programs that are developed.

California’s endorsement of the standard also sends an important signal to the governors of these Amazonian states and provinces and leaders in other tropical regions that their efforts to protect their forests have been recognized and soon could be rewarded.

The second sign was the recent announcement by Jeff Bezos that Amazon, the online retailing giant, would achieve “climate neutrality” by 2040. That means the company — and many others that have made or plan similar announcements — in all probability will soon be looking to buy carbon credits to offset their emissions.

The California standard could help translate these voluntary corporate commitments into hundreds of millions of dollars or more over the next few years to finance conservation efforts in the Amazon, Borneo and other tropical forest regions.

Image available online: view image

Supporters of the Tropical Forest Standard attend a hearing of the California Air Resources Board on Sept. 19 in Sacramento.

If tropical forests are to be protected, these kinds of financial incentives are imperative. Why? Consider the reality of the land market in the Amazon: An acre of cleared land is worth far more than an acre of forest. This means that farms that are mostly forested, as required by the law, are worth far less than farms that are mostly cleared. Forest-conserving farmers who are helping slow climate change because of the large amount of carbon contained in forest trees receive nothing in return.

This market reality has given an unfair advantage to farmers and land grabbers who succeed in avoiding law enforcement efforts to stop deforestation. They simply cut and burn large tracts of the forest illegally to grow crops or raise cattle, or to make a claim of ownership by showing productive use of the land.

Financial incentives could spur farmers to conserve more forest on their farms and to start reforesting along rivers and streams ahead of a 2040 deadline to do so.

This is where the California Tropical Forest Standard comes in. It offers the potential for changing the incentives. The retailer Amazon, commercial airlines and dozens of other companies that are making similar pledges to climate neutrality could, through their purchase of carbon offsets, inject money into the tropical regions that are building their economies while protecting forests and recognizing the rights of Indigenous peoples.

And if the online retailer is just the beginning of a much larger corporate wave, the demand for these offsets, delivered according to the rules established by the California standard, could grow rapidly. In

addition, other states or nations with carbon cap-and-trade programs, including the Canadian provinces and perhaps even China, should be encouraged to adopt the California standard.

Developing clear rules to govern these financial transactions was one of the goals of a recent United Nations climate summit in Madrid but was not completed. Among the issues unresolved, for instance, was this: If an American company achieves voluntary climate neutrality in part by investing in a Brazilian program that is reducing emissions by curtailing deforestation in the Amazon, is Brazil still able to claim those emission reductions as progress toward its commitment under the Paris climate agreement to reduce greenhouse gas pollution?

But even before this standard is activated, provincial and local governments in Brazil and other countries urgently need investors and technical support now to slow deforestation.

Brazil has succeeded before. In 2004, the country began an effort to slow Amazon deforestation. It expanded the reach of protected forests, it suspended farm credit in counties with high rates of deforestation, and it ramped up law enforcement. Between 2004 and 2012, deforestation declined by 77 percent. But the effectiveness of those efforts began to wane because they were not accompanied by sufficient incentives to encourage governments, farmers and local businesspeople to protect their forests. As a result, deforestation has been rising since 2012, up 29 percent in the 12 months ending in July 2016. That equals more than 3,000 square miles of forest that was cut or burned.

California has been a leader on climate change and alone is one of the world’s largest economies. Now that its Air Resources Board has endorsed this standard, governments elsewhere and the business community should use the standard to reward those in the Amazon serious about protecting its tropical forests.

(This blog originally appeared in the opinion section of the New York Times.)