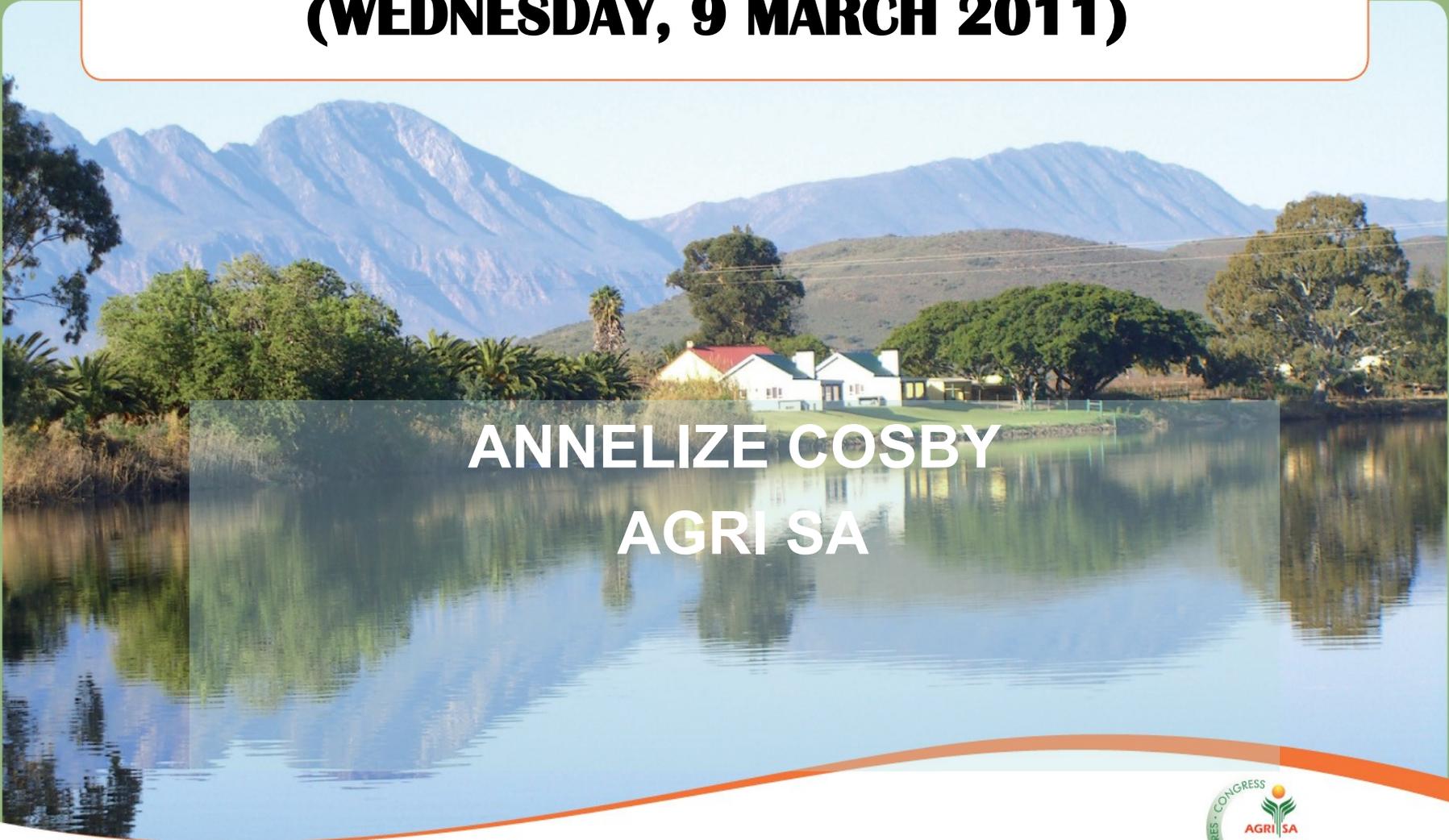


SUBMISSION TO THE PORTFOLIO COMMITTEE ON WATER AND ENVIRONMENTAL AFFAIRS (WEDNESDAY, 9 MARCH 2011)



**ANNELIZE COSBY
AGRI SA**

CLIMATE CHANGE

- **Introduction**
- **Specificity of the Agricultural sector**
- **Agriculture has the potential to mitigate**
- **Optimizing mitigation potential in agriculture**
- **Agriculture needs support to adapt to the effects of climate change**
- **An ambitious financing framework is required**
- **Conclusions**

INTRODUCTION

- **Agri SA is a federation**
 - *Membership base consists of the 9 provincial organizations*
 - *26 commodity organizations*
- **Main representative body** of commercial agriculture
- **Comprehensive share of the agro-complex** to the economy is significantly higher
- Relatively **labour intensive**
- A key sector in **providing essential services** needed for life, including: food, feed, fibre, energy and ecosystem services
- **Farmers interact** daily with the environment; thus well placed to implement sustainable agricultural practices
- The agricultural sector **contributes** to $\pm 6\%$ of **green house gas** (GHG) emissions
- The sector does not only have a significant interest in **mitigation climate change** but it can in own right make a meaningful contribution in this regard



Specificity of the Agricultural sector

- Green Paper is a clear and comprehensive document.
- Agri SA would however like to see a bit more focus on the agricultural sector.
- **Green house gas** (GHG) emissions (Methane CH₄) in agriculture are directly linked to **natural biological cycles**.
- Farmers cannot be held accountable for emissions resulting from **natural biological processes**
- The origin, monitoring and reporting of emissions from agricultural land is inherently different from those associated with **fossil fuels**
- Agriculture should not be **penalized** for natural emissions
- Natural emissions are **due to climate conditions** (variable rainfall, drought, veld fires)
- **Agriculture cannot compete** with other sectors in terms of cost efficiency in reducing GHG emissions



Agriculture has the potential to mitigate

- The **mitigation potential of agriculture** is estimated to reach 5.5-6 Gigatons of CO₂eq. per year by 2030
- Inter Governmental Panel on Climate Change (IPCC) report - agriculture's emissions represent 13.5% of global anthropogenic Green House Gasses
- Despite this the scientific evidence seems to indicate that the **mitigation potential is much larger**
 - *89% of this potential can be accounted for by soil carbon sequestration*
 - *70% of the total mitigation potential can be realized in developing countries*
- Studies acknowledge that **GHG sequestration** by agriculture is a quick and cost-effective means to mitigate emissions
- Significant benefits associated with **soil organic carbon storage** make sustainable land management a solution to the inter-related issues of poverty, resilience and sustainable development



Optimizing mitigation potential in agriculture

- **Improvements in efficiency of agricultural productivity** rather than in absolute reductions in GHG emissions
- **Rewarding farmers** for carbon sequestration will enhance the carbon storage potential
- **Economic incentives** are needed to enable farmers to implement more Conservation Agriculture (CA) practices
- There is a need to establish **voluntary carbon credit systems** to reward farmers
- The development of a **national and global evaluation system** of GHG emissions from agriculture would provide a comprehensive and integrated coverage of all agricultural emissions, and a methodology to handle these emissions
- Securing GHG-savings and energy supply through sustainable bio-energy and other embedded **renewable energy technologies** needs to be investigated.
- Ensuring good governance through **strong and transparent** public institutions



Agriculture needs support to adapt to the effects of climate change

- Even if GHG emissions could be stabilized, **climate change will continue to impact agriculture**
- The result will be **increased water scarcity and animal diseases**, worsened vulnerability of ecosystems already affected by deforestation and more erosion especially in coastal areas
- A shift from **crises management to risk management** is needed
- National risk management **response strategies** are needed to reduce risks and their consequences
- Agri SA would like to see **crop insurance** guarantee fund schemes



An ambitious financing framework is required

There is a need for a step change in the finance mechanisms so as to reward farmers' positive contributions to climate change mitigation and adaptation.

Two types of financing mechanisms should be distinguished:

1. Finance mechanisms to provide positive incentives for the implementation of climate-friendly Conservation Agriculture (CA)-practices and technologies.

1. Funding mechanisms for vulnerable farmers to assist them adapt to climate change.



Conclusions

- The agricultural sector is **adversely affected** by the effects of climate change
- It is also a sector with a **huge potential** to provide solutions to climate change mitigation and adaptation
- Agri SA requests a commitment for a **substantial increase in investments** in and support for agriculture
- The sector must be prioritized in **international and national strategies**
- The sector needs to be prioritized **in budgets** in order to increase agriculture's resilience to climate change while boosting economic growth
- Support for the **full integration** in a future binding agreement in Durban (UNFCCC, COP 17)
- Consideration of a possible **Agricultural Sector Agreement**.
- Recognition of the **specific characteristics and needs** of agriculture in future agreements



Conclusions (cont.)

- Establishment of appropriate financial mechanisms to reward farmers for the carbon sequestration, ecosystem services and permanent reductions that mitigate climate change, providing them with the right financial incentives to adopt the most sustainable practices and to supply low-carbon services (energy and materials) alongside food, and fodder products
- Recognition of Farmers' Organizations as partners, as the link between farming communities and the international carbon market, and as a link to the international institutions
- It is potentially extremely difficult for the agricultural sector to adapt to the effects of a carbon tax.
- The New Growth Path and the Industrial Policy Action Plan (IPAP2) should take the ability of the agricultural sector to contribute to renewable energy and biofuels in particular into account.



Thank you



AGRI SA

Tuiste van die Suid-Afrikaanse boer • Home of the South African farmer

