

# Leaving Livestock and Feedcrops out of Carbon Markets

## Why the dirty driver of deforestation needs to be addressed outside of markets

The industrial livestock sector is one of the dirtiest global industries. As the FAO details, “total GHG emissions from livestock supply chains are estimated at 7.1 gigatonnes CO<sub>2</sub>-eq per annum for the 2005 reference period. They represent 14.5 percent of all human-induced emissions using the most recent IPCC estimates for total anthropogenic emissions (49 gigatonnes CO<sub>2</sub>-eq for the year 2004; IPCC, 2007).” [1] Not only does it emit greenhouse gases, it also drives deforestation. The 2016 State of the World’s Forests clearly cites pasture for livestock as a leading driver of deforestation in a number of South American countries. Boucher’s publication points at livestock as the lead cause of forest loss in the South American continent with the highest deforestation rates. [2]

However, using carbon markets to deal with the emissions created by the industrial livestock sector is not the solution. We have seen from past examples, that market mechanisms in the land use sector trigger perverse incentives. Payments are made on the basis of the additionality of emission reductions, and since countries set their reference levels themselves, this incentivizes an overestimation of additionality and a tendency to set reference levels disproportionately high. [3]

Of particular concern is the partly market-based approach with weak and non-

binding safeguards against leakage and fraudulent reference levels that was adopted in the framework of the Paris Agreement for forest-related reduction. This approach creates perverse incentives to establish mitigation projects in areas that were not under threat in the first place. The outcome may be increased logging and agriculture activities in more accessible forest areas and thus even more “hot air” (i.e. GHGs). Current carbon accounting methodologies and market mechanisms have even lead to increased financial support for the industrial livestock sector, rather than discouraging it.

An urgent need exists to address industrial livestock and feed production and halt its impacts on forests, biodiversity, Indigenous Peoples and communities through holistic, non-market based approaches that take into account adaptation and mitigation benefits. Numerous proposals for alternatives are on the table: from agroecological ways of farming to supporting more community, small-scale, family farming that supports [or promotes] the health and well-being of the community, the environment and the animals themselves. Most importantly, recognition of and support for peasant and small-scale agriculture is an urgent priority. Fraudulent carbon accounting methodologies must not be allowed to determine food and agricultural policy.

[1] FAO (2013). Tackling Climate Change through Livestock. <http://www.fao.org/docrep/018/i3437e/i3437e.pdf>  
[2] Boucher (2011). [http://www.ucsusa.org/sites/default/files/legacy/assets/documents/global\\_warming/UCS\\_RootoftheProblem\\_DriversofDeforestation\\_FullReport.pdf](http://www.ucsusa.org/sites/default/files/legacy/assets/documents/global_warming/UCS_RootoftheProblem_DriversofDeforestation_FullReport.pdf)  
[3] Karsenty, A. et al. (2012). “Carbon rights”, REDD+ and payments for environmental services. Environmental Science and Policy, 2012. See also Kothke, 2014.



Cattle ranching in the Chaco, Paraguay, has resulted in significant deforestation, ecosystem destruction and conflict with communities. Miguel Lovera/CIC



In contrast, sustainable peasant agriculture sustains communities and benefits the climate, even though it is often threatened by industrial livestock and feedstock production. Oliver Munnion

Cattle grazing on a ranch in southern Brazil. Valerio Pillar/Flickr CC

