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Legislators, CARB's chair, and other California policymakers have recognized that California's climate policy as established by AB32/AB398 is not producing sufficient emission reductions. Analysts including the LAO have warned that low prices and a glut of allowances are undermining our chance of meeting our climate 2030 target. Offsetting and allowance trading, which are playing a much larger role than the policy's designers originally intended, are contributing to this failure by reducing the need for polluters to buy and use allowances. These circumstances – an excess of opportunities for entities to avoid emissions reductions – have become more apparent since AB398 was passed.

It is bewildering, then, that this draft advisory report recommends more of the same approach that is already weakening our climate progress, and at a time when our entire climate policy is about to be reviewed and probably restructured.

It is further baffling that these proposals to increase offsetting are rationalized in terms of the needs of Native Californians and other "disadvantaged" communities. These needs are cited to justify expansion of the offsetting program, but without evaluating the actual effects that offsetting is having on those same communities. Nor does the proposal address the fact that the majority of environmental justice grassroots organizations and professional EJ advocates in California are opposed to offsets and have become more strongly opposed as detrimental social and environmental effects of the current use of offsets, internationally as well as in California, have come to light.

Under the current cap-and-trade plus offsets program, the state's largest producers of greenhouse gasses have been the main users of offsets. Partly as a result, emissions from industrial facilities, such as petroleum refineries, have increased since the program began. These major sources of GHGs are disproportionately located in low-income areas. The toxic gasses and particles that they release alongside GHGs are damaging health and shortening lives in the "disadvantaged" frontline communities. Additional options for offsets, however and wherever they are obtained, may well worsen this well-documented environmental injustice.

It is even more astonishing that the Task Force majority is proposing to add new offset protocols absent any honest and transparent analysis of the existing offsetting program. The effects of our current offset protocols on emissions, and their effects on environmental injustice, are not even mentioned in the draft report, much less analyzed. Yet there is substantial evidence that current forest-based and mine-methane offsets, and probably others, are based on selective science and on partial and overly optimistic interpretations of the data.

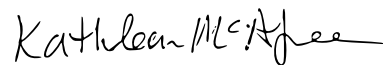
Instead of scientifically-founded observations of the actual effects of offsetting, the draft is based on a series of general claims about how, according to one popular version of environmental economic theory, offsetting *ought to* contribute to some unspecified amount of emissions reductions or avoidance. The draft goes on to build its proposals on such unsupported claims, along with statements such as “Offsets expand the opportunities for emission reductions”. It states that offsets currently are “providing jobs and lowering pollution loads for neighboring residents”, a dubious assertion backed only by a reference to personal communication with an agency involved in offsetting.

There are indeed many reasons to promote conservation of forests and climate-wise of natural and working lands more broadly. There are many reasons, too, to promote environmental justice and to provide special support to indigenous, non-white, and low-income communities, and to support and require efforts by landowners to transition to sustainable management practices. There are several ways in which these objectives can be mutually supportive. If we are serious about environmental justice and sustainable landscape management these goals, daunting though they are, must be addressed directly.

But instead, this set of proposals puts forward a very problematic, convoluted, and highly uncertain process as the indirect means, and the only means, of achieving these vitally important goals. It is taken for granted – again, absence evidence, and without even a mention of the principle of Free, Prior, Informed Consent (FPIC) – that “participation” in carbon-credit is what Native and frontline communities need and want. The proposal dangles vague promises of employment and potential revenues as a means to persuade Native peoples and peoples-of-color to support the expansion of offsetting, or to convince policymakers that this will take care of our legislated commitment to prioritize “disadvantaged” communities.

The most central goal of these proposals seems to be “support the market” for offset trading, as if that goal were a central and uncontroversial purpose of our state’s climate policy. There appears to be a predetermined commitment to finding “market solutions”, and to doing so by means of emissions-credit trading, but without actual evidence that credit trading has been achieving or can produce the desired environmental and social outcomes.

For the sake of our urgent climate goals, and for reasons of environmental justice, any consideration of whether to retain, enlarge, or eliminate offsetting must be postponed at least until the full climate program Scoping Plan is reevaluated in 2021 as stipulated by the California Environmental Protection Agency.



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