



February 23, 2021

Chair Liane Randolph
California Air Resources Board
1001 I St.
Sacramento, CA 95814

Submitted electronically via

https://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=ab398offsetreports&comm_period=2

Re: Compliance Offsets Protocol Task Force - Draft Final Recommendations

Honorable Chair Randolph:

This letter is offered by our organization Biofuelwatch¹ as comment on the Compliance Offsets Protocol Task Force – Draft Final Recommendations² (hereafter referred to as “Task Force” and “Recommendations”) process managed by the California Air Resources Board (CARB). Biofuelwatch is an international organization that works to increase public understanding and civic engagement on the land use implications of climate policy. Though we have a particular focus on the environmental harms and social inequities of large-scale industrial bioenergy projects, we also work extensively on addressing the negative ecological and social outcomes of markets-based mechanisms, including but not limited to the California cap-and-trade program, otherwise known as Western Climate Initiative, Inc.

As you must very well be aware, the problems with this Task Force are increasingly public, which is to the benefit of all. The flawed science and inequities of carbon offsetting schemes need to be transparently addressed as soon as possible. Our organization is eager to engage with you and your staff because we believe that the arrival of fresh leadership at CARB creates a unique opportunity to engage in a serious and evidence based evaluation of current programs. This would include a rigorous independent third party evaluation of the promotion, management and utilization of offset schemes in California climate and energy, transportation, and land use policy.

¹ <http://www.biofuelwatch.org.uk/>

² <https://ww2.arb.ca.gov/our-work/programs/compliance-offset-program/compliance-offset-protocol-task-force>

We believe that this independent third party review of offsets is necessary because it is our assessment, based on evidence collected from working extensively throughout the state, the nation, and the world, over many years, that pollution trading is failing both communities and the climate.

Chair Randolph, your arrival to a leadership position at CARB is welcomed by many organizations because of the imperative of addressing the long history at CARB of, for lack of a better term, 'meaningless participation.' This insidious problem is present in the current process with the Task Force, as expressed in the resignation letters. This dynamic where empty public processes result in the dismissal of informed and evidence-based comment on policy questions is anti-democratic, and is indicative of a pattern that was normalized over the last decade.

We are optimistic at this point in time that your fresh leadership of this important state agency will address these politics in a serious and responsible manner. Authorizing and supporting a rigorous independent third party review of offsets would be an important signal that your leadership is going to break with the established custom of CARB ignoring grassroots environmental and social justice organizations on critical issues such as pollution trading.

To assist in illuminating the importance of this demand for an independent review of offsets in California climate policy we would like to offer a series of specific points of feedback on the Task Force, the Recommendations and the real world context of these policy devices.

Final Draft Recommendations Perpetuate Unsubstantiated Assumptions

There are many erroneous assumptions contained in the Recommendations that go against the best available climate science, as well as the information available from CARB itself.

For instance, the assertion is made in the Recommendations that “a ton is a ton” – but this fully ignores the evidence from CARB itself that when it comes to carbon accounting in the land sector, regardless of advances in methodologies for carbon accounting, at the very core of all methodologies for carbon accounting in the land sector is a “statistical estimation” – and that the margin of error can be as much as +/-60%³. This goes to the root of the scientific fallacies normalized in the offset approach intrinsic to California climate policy.

In fact, what climate science and land carbon science unequivocally demonstrate, biocarbon and geological carbon are not the same⁴ – and to suggest that they are the same is a misrepresentation of how humans are disturbing global carbon cycles.

³ https://resources.ca.gov/CNRALegacyFiles/wp-content/uploads/2017/01/CALAND-Technical-Description_9.22.17.pdf

⁴ <https://www.climatechangenews.com/2020/12/11/10-myths-net-zero-targets-carbon-offsetting-busted/>

Fundamental to land carbon science is that carbon sequestration in the land sector must be understood in the context of past land use change⁵. There is no physical manner for the land sector to literally scrub the atmosphere of the emissions from extracting and burning fossil fuels. Though it is a popular idea with extensive common currency, and one that is central to California's markets-based approach to supposedly managing greenhouse gas emissions from stationary sources such as refineries, it is an erroneous assumption that the land sector can 'neutralize' emissions from the extraction and burning of fossil fuels.

Narrative of Forest Offsets Distracts From Ongoing Forest Degradation

Over the course of many years and on repeated occasions organizations and California residents experienced with the realities on the ground have tried in good faith to engage with state agencies on matters regarding our forests – to no avail. There is at this juncture an undeniable crisis of forest governance in our state⁶.

The false narrative regarding the climate benefits of carbon trading, including but not limited to the forest-based carbon offset mechanisms, has contributed significantly to this crisis in forest governance. The ongoing forest degradation resulting from timber extraction and aggressive forest management are visible from space, but these impacts have been ignored by California state agencies.

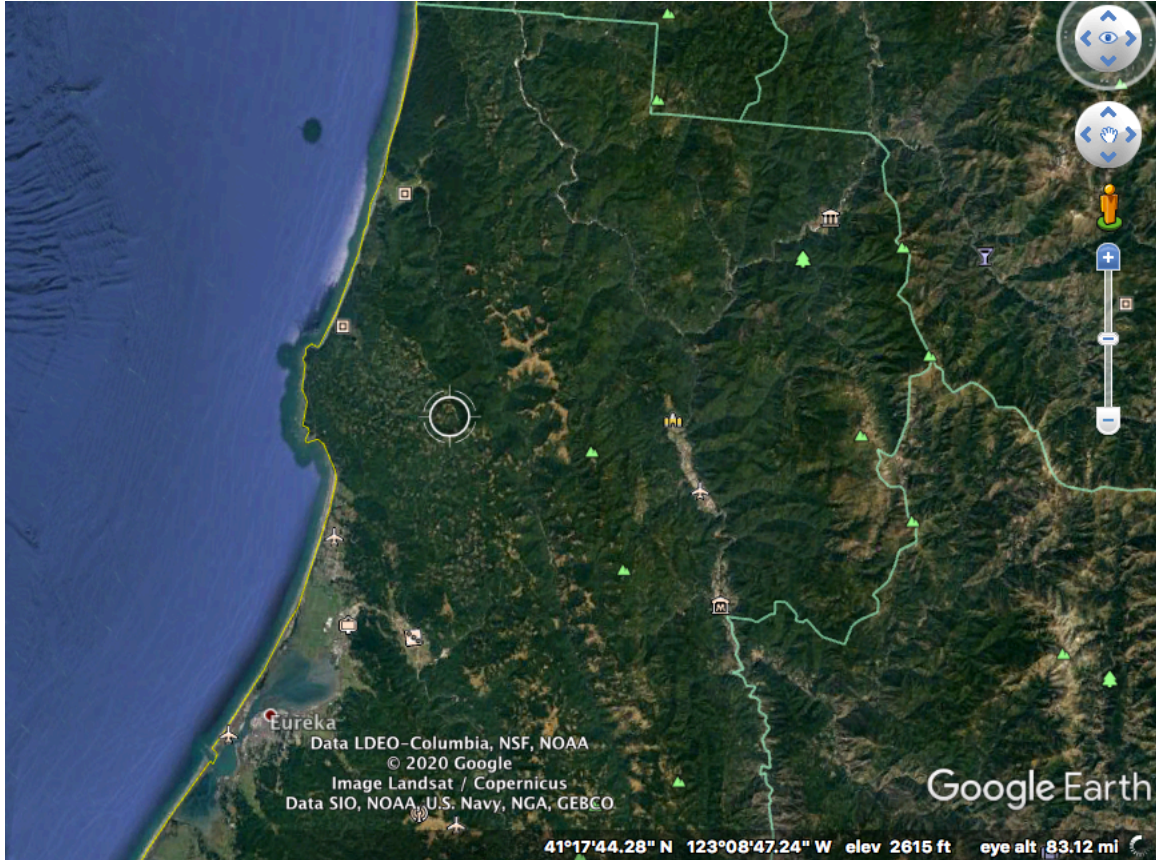


Photo of Green Diamond Resources Company holdings in Humboldt County.

⁵ https://www.researchgate.net/profile/Joanna-House/publication/258807149_Untangling_the_confusion_around_land_carbon_science_and_climate_change_mitigation_policy/links/544a2db7cf2f6388084f8c6/Untangling-the-confusion-around-land-carbon-science-and-climate-change-mitigation-policy.pdf

⁶ <https://digitalcommons.law.ggu.edu/gguelj/vol12/iss1/2/>

Here is a quick and brief example of the mapping data that is publicly available that illustrates the damage occurring on the ground to our forests from intensive industrial timber extraction operations, including from actors who are benefiting enormously from the carbon market.



This Google Earth mapping image of a segment of the Northwest region of the state includes the Trinity, Siskiyou, Del Norte and Humboldt county boundaries, with Humboldt County being the primary subject of the image. Eureka is visible on Humboldt Bay. The target identifies a location that is on the boundary between the holdings of Green Diamond Resources Company⁷ (an offset market participant, and member of the California Forest Carbon Coalition⁸) and the Redwood National Park. The following image is a Google Earth mapping image close up of that targeted location.

⁷ <https://www.greendiamond.com/>

⁸ <https://caforestcarbon.com/>

Rainforests on the brink



The extensive clearcutting (euphemistically referred to as ‘even-aged management’) implemented by Green Diamond Resources Company (GDRC) visible in the image runs right up to the boundary of the Redwood National and State Parks complex. The Redwood National Park is one of two UNESCO recognized World Heritage sites located in California. This clearcutting occurs directly in what should be considered the ‘buffer zone’ of the globally important temperate rainforest protected area. By definition a ‘buffer zone’ would require at the very least a reduction in intensive human economic activity. By approving of and permitting this extractive industrial activity in the ‘buffer zone’ of the World Heritage site the State of California is not adhering to fundamental conservation science, regardless of the high profile rhetoric in Sacramento regarding ‘nature-based solutions’ and the ‘30 x 30’ initiative.

Indicative of the crisis of forest governance in the state is that all of these intensive logging units are approved by the California Department of Forestry and Fire Protection (CalFIRE) in what is, by all intents and purposes, a tragic ‘rubber stamp’ process. The evidence demonstrates that the greenhouse gas emissions impacts from the logging are inadequately addressed by responsible agencies. In fact, there is no available information regarding the quantification of the greenhouse gas emissions from these silviculture applications, which defies both climate science and common sense. Despite repeated request of the CARB to provide annual data on the greenhouse gas emissions from industrial silviculture activities (i.e. logging),

globally recognized to be a significant source of greenhouse gas emissions, the CARB still does not include any data in the annual emissions inventory report regarding this climate pollution.

Next is an over flight photo of a segment of the GDRC holdings to the west of the holdings illustrated in the above Google Earth images – this photo is from an over flight in June 2020. The Pacific Ocean is visible in the background.



None of these GDRC holdings in Humboldt County illustrated in these map and photographic images are included in a registered carbon offset project, but GDRC, the owner of these intensively managed properties, has other extensive holdings that are indeed registered as ARB carbon offset projects, and from which ARB data shows very significant income is being earned. This is a case study in 'leakage.'

Another very dramatic example of mapping of forest cover loss is available from the California Forest Observatory mapping project⁹. The following image is of GDRC holdings to the north of the Redwood National Park World Heritage site. This first image is from 2016. The red circle highlights a segment that belongs to GDRC. Other properties marginally visible in this image have been integrated into the carbon market, though GDRC is not the current owner of those properties.

⁹ <https://forestobservatory.com/>



The mapping tool provides data regarding Timber Harvest Plan (THP) activity. Below is the image of the same location taken in 2020, in which the evidence of the intensive industrial forestry operations pursued by GDRC is visible from space. The false narrative regarding forest carbon offsetting is obfuscating and distracting from this ongoing forest degradation. CARB cannot continue to turn a blind eye to this climate destruction. The false narrative of the supposed climate benefits of forest carbon offsets gives social license to destructive extractive industry.



Air Resources Board Must Thoroughly Assess Climate Impacts from Aviation

The superficial approach of the Recommendations to the issue of the climate impacts from aviation repeats an ongoing pattern at CARB to fail to fully analyze and address not only the impacts from aviation on climate but to also pursue sufficient due diligence to assess the adequacy of high profile agreements such as the International Civil Aeronautical Organization (ICAO) Carbon Offsetting Reduction Scheme for International Aviation (CORSIA). To the shame of CARB, the Recommendations to expand offsetting to ostensibly meet the emissions trading scheme objectives of the aviation sector repeats the pattern initiated with the California Tropical Forest Standard, in which the CORSIA scheme was elevated as a climate solution without CARB doing any assessment of the scheme nor the science and claims to the purported benefits of offsetting and biofuels for managing climate damage from aviation¹⁰. Such a superficial approach to aviation is irresponsible of CARB. It is long past time for CARB to adequately assess the climate impacts from aviation and to do extensive due diligence challenging the assumptions of offsets and 'sustainable aviation fuels' as effective mechanisms for mitigating aviation pollution.

Offset Task Force Beset By Scandal

In conclusion we beseech the new leadership at CARB to challenge the accepted dynamics that result in the marginalization of grassroots organizations and environmental justice stakeholders on these matters. Clearly the Task Force has been beset by scandal¹¹, and the agency must address the crisis in legitimacy head on, transparently and without deference to actors with wealth and political power.

One important step is to establish an independent third party commission with subpoena powers that is empowered to engage in a robust, rigorous and evidence based review of the science, economics and real world impacts of offset schemes, their financial beneficiaries and how offsets are actually being utilized in California climate policy. As we stated earlier in this comment letter, pollution trading is clearly failing communities and the global climate. We hope that the controversial dynamics that have been publicly exposed in the deliberations of the Task Force are sufficient as a wake up call at CARB to the sober reality that these markets-based mechanisms must be re-evaluated in order that California can make needed course corrections on climate and energy policy, as well as forest and land-use governance, before it is too late. Thank you for your attention to this comment letter.

Sincerely,



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¹⁰ <https://www.biofuelwatch.org.uk/2019/california-letter/>

¹¹ https://caleja.org/wp-content/uploads/2021/02/2.09.21-CEJA_Offsets_Resignation-4.pdf