

Submitted via regulations.gov on February 13, 2023

Robin Carnahan, Administrator
General Services Administration
1800 F Street, NW
Washington, DC 20405

Re: Comments on Federal Acquisition Regulation: Disclosure of Greenhouse Gas Emissions and Climate-Related Risk (FAR Case 2021-015)

On behalf of our millions of members and supporters, the 87 undersigned environmental, social justice, and food and agriculture organizations are pleased to submit comments in response to Federal Acquisition Regulation (FAR) Council's call for public comments titled: "Disclosure of Greenhouse Gas Emissions and Climate-Related Risk" (FAR Case 2021-015). We recognize the vital importance of this proposed rule across all sectors but will focus our comments on the benefits of applying this proposal to the food and agriculture sector.

We commend the FAR Council for recognizing the potential to leverage the federal government's role as the "largest purchaser in the world" to mitigate climate change by requiring federal suppliers to disclose greenhouse gas (GHG) emissions and climate risk. We appreciate the inclusion of not only Scope 1 and 2 emissions, but also Scope 3 emissions, for major federal suppliers, and the requirement for major federal suppliers to establish a science-based reduction target approved by the Science-Based Targets Initiative (SBTi). If enacted, this proposed rule will have significant benefits to our climate, food system, and the economy.

The federal government's food purchasing has a significant GHG footprint, and there are ample opportunities to achieve reductions.

The food and agriculture sector is responsible for around one-third of all U.S. GHG emissions and thus provides a significant opportunity through which to reduce GHG emissions.¹ Project Drawdown, an initiative led by Paul Hawken, evaluated hundreds of climate mitigation strategies and ranked plant-rich diets and reducing food waste among the most high-impact strategies.² Federal food procurement is a powerful tool that can be used to pursue both strategies, as well as to support ecologically regenerative agricultural practices that remove carbon from the

¹ The Environmental Protection Agency (EPA) estimates that U.S. agricultural activities, including crop and livestock production, accounted for more than 10% of all U.S. GHG emissions. However, this estimate does not include the current climate change impacts of prior land conversion and the lost opportunity of land in cultivation to sequester and store carbon in the soil. Moreover, it does not include on-farm energy, annual land use conversion, agricultural inputs, or other components of the food system. And it does not use relevant timescales when considering the global warming potential of certain GHGs such as methane. When adjusting to take these factors into consideration, food production is responsible for approximately one-third of all U.S. GHG emissions. See Monica Crippa et al., "Food Systems Are Responsible for A Third of Global Anthropogenic GHG Emissions," *Nature Food* 2 (2021): 198-209.; see also Sonja J. Vermeulen, Bruce Campbell, and John Ingram, "Climate Change and Food Systems." *Annual Review of Environment and Resources*, 37 (2012): 195-222

²; See Paul Hawken. "Table of Solutions," Project Drawdown, last modified 2023, <https://drawdown.org/solutions/table-of-solutions>. Plant-rich diets and reduced food waste are among the top five most effective strategies in both scenarios considered.

atmosphere. In the same way that the federal government has catalyzed the transition to clean energy through its own purchasing, it can spur a transition to a more climate-friendly food system by leveraging its roughly \$10+ billion in annual food spending for this purpose.³

Supplier emissions disclosures and reduction targets are key to meeting the federal government’s procurement goals and ensuring transparency and accountability.

In Executive Order 14057, the federal government pledged to achieve “net-zero” emissions from procurement by 2050.⁴ Requiring major federal suppliers to disclose their direct and indirect GHG emissions and to set science-based emissions reduction targets will be key to measuring progress and managing emissions to align with the international warming target of 1.5 degrees Celsius.⁵ The proposal’s requirement that federal suppliers disclose their emissions will help the federal government estimate the emissions associated with its food-related goods and services contracts, identify the most emissions-intensive goods and services that it is procuring, and target effective emissions reductions strategies to those sectors. For example, if the Federal Acquisition Regulation (FAR) is updated to authorize preferences or evaluation criteria that include goods and services with a lower social cost of greenhouse gas emissions,⁶ acquisition managers can use the proposed disclosure information to select the supplier that will have a lower social cost of GHG emissions for a given contract opportunity. Establishing such preferences would incentivize emission reductions, especially for major suppliers, and lower the federal government’s carbon footprint. And because most federal contractors manage similar private sector business operations, the proposed rule could also spur broader GHG reductions across the U.S. economy.

Most food and agriculture corporations lack sufficient disclosure of GHG emissions and climate-related risks, and very few have established science-based targets inclusive of Scope 3 emissions.

The accounting firm EY reports that “[t]he agriculture, food and forest products sector performed the worst of all nonfinancial sectors,” in terms of the quality of climate change disclosures.⁷ In 2019, Ceres analyzed emissions disclosures from 50 of the top food and beverage companies in the U.S. and Canada and found that only 16 of the companies were reporting on comprehensive

³ This is a conservative estimate based on reports from FPDS.gov.

⁴ Executive Office of the President, *Executive Order 14057: Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability*, 86 FR 70,935, last modified December 13, 2021, <https://www.federalregister.gov/documents/2021/12/13/2021-27114/catalyzing-clean-energy-industries-and-jobs-through-federal-sustainability>.

⁵ “Implementing instructions for Executive Order 14057,” The White House Council on Environmental Quality, last modified August 2022, https://www.sustainability.gov/pdfs/EO_14057_Implementing_Instructions.pdf.

⁶ See “Comments on FAR Case 2021-016,” Friends of the Earth and Earthjustice, last modified January 13, 2021, <http://foe.org/wp-content/uploads/2022/02/11.13.2022-Comments-on-Fed-Procurement-Climate-Strategies-FINAL.pdf>. Friends of the Earth and Earthjustice’s comments in response to FAR Case 2021-16 for how the federal government can amend the FAR to incorporate climate risk into food procurement decisions.

⁷ Mathew Nelson, “How the Agriculture Sector Adopted Climate-Related Disclosures,” EY, last modified Jun. 1, 2020), https://www.ey.com/en_us/climate-change-sustainability-services/how-the-agriculture-sector-adopted-climate-related-disclosures.

Scope 3 emissions.⁸ Of those companies, only nine had explicit targets to reduce Scope 3 emissions, despite the fact that 75-90 percent of a typical food product’s carbon footprint occurs upstream of the point of sale.⁹ There is a clear need to compel food and agricultural companies to disclose GHG emissions and climate-related risk, and specifically to compel more complete and meaningful Scope 3 emissions reporting since Scope 3 emissions constitute the vast majority of emissions in this sector. Procurement provides the federal government a critical tool to compel these disclosures.

The proposed rule would compel the disclosure and reduction of Scope 3 emissions from several major food and agriculture companies that are currently failing to disclose and reduce their emissions.

According to a Friends of the Earth analysis of the 50 largest U.S. food and beverage companies, nine companies (or a major subsidiary owned by one of the companies) were major federal suppliers for at least one of the last five fiscal years (FY2018-FY2022): Tyson Foods Inc., Cargill Inc., Prairie Farms Dairy, JBS USA, Hormel Foods Corp., Dairy Farmers of America, Trident Seafoods Corp., Saputo Inc., and Pilgrim’s Pride.¹⁰ Only two of the nine companies are currently disclosing their Scope 3 GHG emissions and have a science-based target inclusive of Scope 3 emissions that is validated by SBTi.¹¹

By compelling these companies to disclose and set science-based reduction targets inclusive of their Scope 3 emissions, this proposed rule would create the transparency and accountability needed to measure and manage the federal government’s own food procurement-related emissions. It would also reveal crucial climate risk information to and help inform climate mitigation strategies for consumers, state and local governments, investors, regulators, and other businesses.

Climate change severely threatens our food and agriculture system, and mitigating it presents major economic and social benefits to farmers and ranchers, farmworkers, rural communities, food businesses, taxpayers, and all eaters.

Climate change will continue to alter patterns of temperature and precipitation, increase the frequency and severity of storms, floods, droughts, wildfires, and other extreme weather events,

⁸ “Engage the Chain,” Ceres, last modified 2019, <https://engagethechain.org/top-us-food-and-beverage-companies-scope-3-emissions-disclosure-and-reductions>.

⁹ M. Tidy, Xiaojun Wang, and M. Hall, “The Role of Supplier Relationship Management in Reducing Greenhouse Gas Emissions from Food Supply Chains: Supplier Engagement in the UK Supermarket Sector,” *Journal of Cleaner Production*, 112, no. 4 (2016): 3294-3305.

¹⁰ Friends of the Earth conducted an analysis using federal food purchasing spending data on [usaspending.gov](https://www.usaspending.gov), annual reports available through CDP, and science-based targets available on the SBTi corporate database. See “Food Processing’s Top 100 - 2021,” Food Processing, last modified 2023, <https://www.foodprocessing.com/top100/2021>.

¹¹ This includes Hormel Food Corp, which has committed to a science-based target that is not yet validated but in the process of being evaluated.

and raise the risks of pest and disease outbreaks.¹² Climate change poses a grave threat to the health and safety of farmworkers, who are often likely to experience more frequent heat related health consequences, including heat exhaustion, stroke, and even death.¹³ Each of these compounding impacts poses an ongoing threat to food system supply chains.

The costs associated with these risks are massive and will be borne by the federal government in the forms of increased crop insurance payouts, disaster recovery and payments, and increased food procurement costs including for its sizable public feeding programs.¹⁴ Costs will also be borne by producers in the form of lost profits from lower productivity, increases in input and adaptation costs, and disaster cleanup costs beyond what the federal government covers.¹⁵ All Americans will experience these costs in terms of rising food prices, food scarcity, and lower nutrient content of food.¹⁶ The benefit of this rule to mitigating these risks far outweighs the rule's implementation costs.

We support the purpose and requirements in the proposed rule, and specifically encourage the FAR Council to retain the following provisions:

- 1) Require all major federal suppliers – including food suppliers – to disclose Scope 3 emissions and establish science-based targets inclusive of Scope 3 emissions.** It is of paramount importance that the FAR Council require disclosure and reduction of Scope 3 emissions for major food suppliers, as this is where the bulk of emissions occurs. Specifically, the majority of GHG emissions in food and agriculture industries come from the production of agricultural commodities, including the sourcing, manufacturing,

¹² See IPCC, 2013: Climate Change 2013: The Physical Science Basis. Contribution of Working Group I to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (Cambridge: Cambridge Uni.Press); *see also* IPCC, 2014: Climate Change 2014: Impacts, Adaptation and Vulnerability. Part A: Global and Sectoral Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (Cambridge: Cambridge Uni. Press).

¹³ Pamela Rao, *Heat Related Illnesses: An Occupational Health Concern for Farmworkers* (Farmworker Justice and Migrant Clinicians Network, 2007), https://www.migrantclinician.org/files/resourcebox/heat_monograph.pdf.

¹⁴ Noah Diffenbaugh, Frances Davenport, and Marshall Burke, “Historical warming has increased U.S. crop insurance losses,” *Environmental Research Letters* 16, no. 8 (2021). <https://iopscience.iop.org/article/10.1088/1748-9326/ac1223>; *see also* Anne Schechinger, “Crop Losses from Climate Crisis Cost Billions of Dollars in Insurance Payouts,” Environmental Working Group, last modified January 27, 2022, <https://www.ewg.org/research/crop-losses-climate-crisis-cost-billions-dollars-insurance-payouts>.

¹⁵ See A. J. Challinor et al., “A Meta-analysis of Crop Yield Under Climate Change and Adaptation,” *Nature Climate Change* 4 (2014): 287-291; *see also* A. Ortiz-Bobea et al., “Anthropogenic climate change has slowed global agricultural productivity growth,” *Nature Climate Change* 11 (2021): 306-312, <https://www.nature.com/articles/s41558-021-01000-1>; “USDA Previews Crop and Revenue Loss Assistance for Agricultural Producers,” United States Department of Agriculture Farm Service Agency, last modified November 15, 2022, <https://www.fsa.usda.gov/news-room/news-releases/2022/usda-previews-crop-and-revenue-loss-assistance-for-agricultural-producers#:~:text=ERP%20is%20authorized%20under%20the,calendar%20years%202020%20and%202021>.

¹⁶ See C. Sweeney, “As carbon dioxide levels climb, millions at risk of nutritional deficiencies,” Harvard TH Chan School of Public Health, last modified August 27, 2018, <https://www.hsph.harvard.edu/news/press-releases/climate-change-less-nutritious-food/>.

distributing, and selling of agricultural products throughout the supply chains of major companies.¹⁷

- 2) **Require disclosure of absolute emissions, even when companies have established a science-based target measured by emissions intensity.** Food and agriculture corporations have a history of only reporting on emissions intensity metrics while ignoring the more important metric of absolute emissions. Mandatory reporting on absolute emissions is essential to understand and disclose aggregate and potential increased emissions that can otherwise be camouflaged when only emissions intensity is reported.

To strengthen the proposed rule and ensure it achieves the desired outcomes, we recommend that the FAR Council:

- 1) **Specify that science-based targets established under the agricultural commodity pathway must be expressed as and result in a reduction in *absolute* emissions.** The 2022 Food, Land Use, and Agriculture (FLAG) guidance from the Science-Based Targets Initiative is unique from other sectors in that it enables companies to use a commodity-based approach for 11 commodities where companies can establish emissions *intensity* targets in lieu of *absolute* targets.¹⁸ To ensure these targets are reported consistently and avoid the scenario whereby SBTi approves intensity targets that result in flat or increased absolute emissions, the FAR Council should clarify in the final rule that all science-based targets must be expressed as and result in a reduction in *absolute* emissions.
- 2) **Incorporate a mechanism to require not only the establishment of a science-based target by major federal suppliers but also a mechanism to ensure *progress* toward meeting that science-based target.** The proposed rule does not include a mechanism to ensure that major federal suppliers are on track to meet or have already met their science-based targets. In theory, a company could set a science-based target but drastically increase its emissions by the target year and still be considered a responsible supplier. To remediate this, we recommend amending the FAR to direct acquisition managers to consider major suppliers' progress toward meeting their established science-based targets as part of their past performance evaluation.
- 3) **Require all major federal suppliers – including those classified as small businesses – to disclose their full GHG emissions and establish an approved science-based target.** Any supplier with the capability of providing more than \$50 million annually in goods and services to the federal government should also have the capability to disclose its scope 1, 2, and 3 emissions and establish a science-based target. An Earthjustice analysis found that in FY2022, at least 12 of the 43 major food suppliers could be classified as small businesses under the proposed rule. These companies collectively received \$984 million in FY2022, accounting for 12 percent of total food spending and 23 percent of food spending in contracts with major suppliers.¹⁹

¹⁷ “Food Emissions 50,” Ceres, accessed January 4, 2023, <https://www.ceres.org/climate/ambition2030/food-emissions-50#about-the-initiative>.

¹⁸ Christa Anderson et al., Forest, Land and Agriculture Based Target-Setting Guidance, Science Based Targets Initiative, accessed January 13, 2023, <https://sciencebasedtargets.org/resources/files/SBTiFLAGGuidance.pdf>.

¹⁹ Analysis completed by Earthjustice in January 2023 using data from sam.gov, fpds.gov, and usaspending.gov.

In conclusion, requiring supplier emission disclosure and science-based reduction targets is indispensable to the goal of leveraging federal food purchasing to reduce climate risks and their associated economic and social tolls.

The federal government's current food procurement model is fueling the status quo food system and the grave climate risks that come with it. Procurement provides a tremendous opportunity to catalyze a shift to the climate-friendly and sustainable food system that we desperately need. By requiring major suppliers to disclose their emissions (particularly their Scope 3 emissions) and climate-related risks and to set science-based reduction targets, the federal government can better measure and manage its own procurement-related emissions and create a positive ripple effect throughout the entire economy. Thank you for your consideration, and we urge final adoption of this proposed rule.

Sincerely,

350 Hawaii
350 Humboldt
350 Seattle
7 Directions of Service
A Well-Fed World
Acterra: Action for a Healthy Planet
Animal Legal Defense Fund
Animals Are Sentient Beings Inc
Assateague Coastal Trust
Beyond Extreme Energy
Beyond Pesticides
Big Reuse
Bozeman Birders
Brighter Green
Bronx Eats, Inc.
Carolina Farm Stewardship Association
Center for Biological Diversity
Center for Food Safety
Center for Good Food Purchasing
Center for Science in the Public Interest
Centralas Wine LLC
Chilis on Wheels
Climate Crisis Policy
Climate Hawks Vote
Compassion in World Farming USA
CreatureKind
Earth Ethics, Inc.
Earthjustice
Energy Justice Network
Environmental Justice Ministry Cedar Lane
Unitarian Universalist Church

Equity Transit
Factory Farming Awareness Coalition
Fair Start Movement
Family Farm Defenders
Farm Forward
Farmworker Association of Florida
Food Animal Concerns Trust
Food for Maine's Future
FOUR PAWS USA
Fresh Advantage LLC
Friends of the Earth U.S.
Hawai'i Alliance for Progressive Action
(HAPA)
Health Care Without Harm
Healthy Kids Happy Planet
Hungry Planet
In Defense of Animals
Indian Point Safe Energy Coalition
Indivisible Colorado
Institute for Agriculture and Trade Policy
Lady Freethinker
Locust Point Community Garden
March of Silence NYC
Maryland Legislative Coalition
Natural Resources Defense Council (NRDC)
Non Toxic Communities
North American Climate, Conservation and
Environment (NACCE)
Northeast Organic Dairy Producers Alliance
(NODPA)

Northeast Organic Farming Association-
Interstate Council
Pesticide Action Network
ProVeg US
Public Justice Center
RapidShift
Re:wild
Resource Renewal Institute
Rural Coalition
Santa Cruz Climate Action Network
Science and Environmental Health Network
SEED: Strategies for Ethical and
Environmental Development, Inc.
Sierra Club
Social Eco Education (SEE-LA)
Socially Responsible Agriculture Project
Terra Advocati
The Earth Bill Network
The Raven Corps
Toxic Free NC
U.S. PIRG (Public Interest Research Group)
Unite North Metro Denver
Vegan Activist Alliance
Vitalbeebuds
Voters For Animal Rights
Wall of Women
Waterspirit
Web of Life Products
Workers Center of Central New York
World Animal Protection
Zero Hour