

Senate Committee on Foreign Relations
Senator Richard G. Lugar
Opening Statement for
Hearing on Deforestation and Climate Change
April 22, 2008

I thank the Chairman for holding this important hearing.

A year ago today, I was on my farm in Marion County, Indiana, for a ceremony recognizing the role of agriculture and forestry in mitigating the social, economic, and political threats posed by climate change. I was joined by Richard Sandor, Chairman and CEO of the Chicago Climate Exchange, and Tom Buis, President of the National Farmers Union, to promote how certain no tillage agricultural practices and forestry can sequester carbon dioxide and help offset the environmental threats from excessive carbon emissions.

For a number of years now, we have dedicated about a third of the 604-acre Lugar family farm to growing black walnut and other hardwood trees. As these majestic trees grow, they absorb and store carbon from the air around Indianapolis. To highlight the opportunities of participating in the markets for carbon sequestration, the Lugar Stock Farm has entered into a binding contract with the Chicago Climate Exchange to provide offset credits to entities that may want to use them to mitigate the greenhouse gasses they produce. These markets can be an important tool in our broader climate change policy.

I believe carbon sequestration and many other innovative ideas can change the dynamic of the political debate on climate change, both in the United States and internationally. The debate should be about more than constraints. It should be about how we can use economic incentives and opportunities to change behavior and to influence the personal and societal choices that we make.

Clearly, there are economic opportunities in clean energy sources, solar, wind and biofuels, and carbon sequestration and storage technologies. But improvements in farming and forestry practices may be among the lowest hanging fruit in the quest to deal with climate change.

During the global climate change discussions in the late 1990s in Kyoto, the concept of carbon sinks provided by forestry and agriculture was taken off the table. Last year during the Bali discussions, the topic of carbon sequestration through forestry and agricultural practices was revived. This is an important development, and it should be embraced by the United States.

I have mentioned the celebration at my Indiana farm last year with the Chicago Climate Exchange. More than twenty years ago, we had a similar celebration at my farm when Secretary of Agriculture John Block announced the Conservation Reserve Program.

This program has encouraged thousands of American farmers to grow trees on marginal lands, especially along watersheds. Many American farmers participate in this program, but many more should do so because almost every American farm has a “back 40” of unused land. Native trees should be planted on this land. This practice provides income for farmers and climate change mitigation for the world.

I also want to note that ten years ago, Senator Joe Biden and I passed the Tropical Forest Conservation Act. Since then, more than 47 million acres of tropical forests around the world have been conserved through “debt for nature swaps” in 12 countries. Recently, the Foreign Relations Committee passed a reauthorization of this bill, which I am hopeful will be approved soon by the full Senate. This program has given the United States a cost-effective tool with which to promote the preservation of tropical forests, but much more needs to be done on a global scale.

All these activities could serve as part of the foundation for any cap and trade system that arises out of legislation in this country or international agreements under the United Nations Framework Convention on Climate Change. A critical element of any cap and trade system is the accountability and transparency of the carbon that is being mitigated, sequestered and stored.

The Chicago Climate Exchange requires me to conduct an annual accounting of my trees. That's not difficult for only two hundred acres of hardwood trees. But how do we analyze tens of thousands of acres of trees in remote areas of the world?

This is one of the questions at the heart of Project Vulcan at Purdue University. I am particularly pleased that Professor Kevin Gurney, who leads Project Vulcan, is here to testify today. Last week I sent a Dear Colleague letter to Senators depicting one of a series of maps produced by Purdue -- along with NASA and the Department of Energy -- showing carbon emissions in the United States. This type of mapping technology will be critical to a vibrant carbon trading market in the future, and to efforts to quantify the benefits of preserving forest lands.

I welcome all of our witnesses and look forward to their testimony.

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