

Agbiz presents its views on Climate Change Bill to Parliament

On the 9th of May 2023, Agbiz made an oral submission to the portfolio committee on forestry, fisheries and the environment on its views on the Climate Change Bill. The portfolio committee has been conducting public hearings on the Bill since September 2022. A large number of organisations have already presented on the Bill.

In its submission, Agbiz highlights the importance of the agricultural sector in terms of employment, trade and food security. The importance of climate change legislation and the fact that there is a need to find cost-effective ways to address agricultural emissions is acknowledged, but Agbiz cautions against a perception that the sector has an unlimited mitigation potential. Agbiz pointed out that the sector's greenhouse gas emissions must be balanced with the economic and employment opportunities it creates, as well as the lack of viable alternatives. Many of the mitigation options entail additional costs to farmers.

Climate change will have significant impacts on agriculture. These implications include the effect of heat waves, storms, floods, changes to rainfall patterns, water availability, bush encroachment, desertification and soil degradation which will all impact agricultural production and the agricultural value chain. It is not only the primary agricultural producers who are vulnerable to the impact of climate change but also other components of the agricultural value chain.

Agbiz also highlighted the fact that preparing agriculture for adaptation should go hand in hand with proactive mitigation measures. Research is already being carried out to improve seed resistance to drought, heat and higher levels of water and soil salinity, as well as to diseases and pests. Genetically engineered crops, which are designed to make efficient use of scarce resources like water and nutrients, and which contribute to higher yields and better product quality, can lead to savings in the area of water, soil, and energy, thereby contributing to the development of best practices for environmental sustainability.

Agbiz expressed the opinion that it is also critical that the carbon budget and carbon tax instruments should be fully aligned. Carbon budgets should not be used as a punitive measure in the sense that a company remains liable for a carbon tax at the general rate if they stay within their carbon budget but are punished by a punitive rate if they exceed it. A far more constructive approach

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would be to reward companies that stay within their budget by offering preferential rates. A partnership approach is far more conducive to compliance than a punitive culture, and reflective of global best practice to incentivise companies.