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**COP28: opportunities and  
challenges to put on the agenda  
the role of the Southern Cone  
countries in climate change and  
food security**

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## **COP28: OPPORTUNITIES AND CHALLENGES TO PUT ON THE AGENDA THE ROLE OF THE SOUTHERN CONE COUNTRIES IN CLIMATE CHANGE AND FOOD SECURITY**

*Paloma Ochoa, November 30<sup>th</sup> 2023*

### **Some relevant issues around climate negotiations and the objectives of the Paris agreement**

Delegates from around 200 countries, representatives of the world of business and finance and leaders of civil society, are meeting in Dubai, United Arab Emirates, from November 30<sup>th</sup> to December 13<sup>th</sup> for a new edition of the Conference of United Nations on Climate Change (COP28). There, they will discuss an agenda that has food systems as its center and will evaluate the first major global balance sheet regarding the goals established in the 2015 Paris Agreement.

Anticipating the state of global climate action, the UNFCCC already published a report in September 2023 indicating that the world remains far from achieving the Agreement's goals, which call for limiting global warming to 1.5°C or at least "well below" 2 °C in this century.

Climate change is a global problem. Emissions from one country affect all countries; The captures of one country also benefit everyone. But the actions and policies regarding climate change, in general, are adopted at the national or subnational level, with little consensus at the multilateral level. In a globalized world, this generates distortions and spillover effects to other actors, promoting, in the long term, effects contrary to those sought.

There are several issues that appear relevant in relation to this.

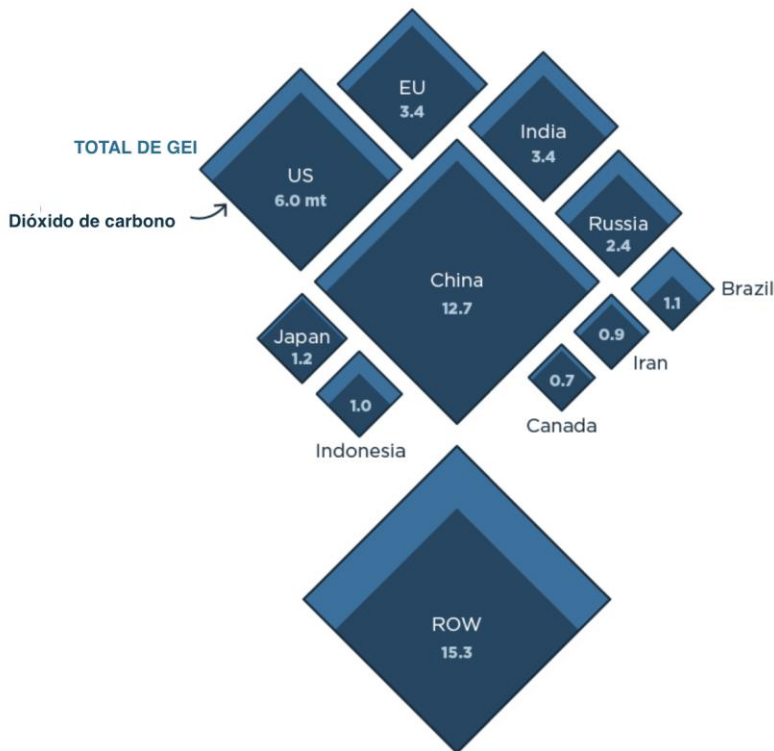
On one hand, it is necessary to clarify the standards regarding emissions and captures (which are not accounted for in national inventories) of the different production systems. And that this is done in a transparent way and with science-based data. Today there are a multiplicity of actors (countries, cities, companies, regions) that have established standards for measuring net zero emissions targets. However, many of these standards have poor reliability (Broekhoff, D, 2022).

A study conducted in 2021 that reviewed around 4,000 entities (203 countries, including some autonomous territories, 806 states and regions of the 25 largest emitters in the world, 1,170 cities with populations over 500,000 inhabitants and the 2,000 largest publicly traded companies) that account for the bulk of global emissions, found that of these, 769 had zero emissions targets, but that only 152 could be considered robust. This means that, though zero emission targets currently cover two-thirds of the world economy, those with sufficient support only represent 5% (Hale, T. et al., 2021).

On the other hand, several different approaches emerge regarding the measures that countries apply, mostly unilaterally, or in the form of “clubs” regarding climate change.

The large economies that, on the other hand, are the largest global emitters (see fig 1) are approaching efforts to reduce greenhouse gas (GHG) emissions in a different and uncoordinated way: while the United States and China have emphasized subsidy-based approaches, the European Union has gone with carbon pricing (Bown and Clausing, 2023).

**Figure 1. Top 10 GHE emitters, including CO2 (2019) in megatons<sup>1</sup>**



Source: Bown and Clausing, 2023, based on World Bank

Both types of measures generate distortions in markets, disrupt supply chains and modify incentives for investors to allocate capital in different economies. At the same time, although these countries represent 60% of global GDP and almost half of the world's GHG emissions (World Bank), these policies have effects on other countries and industries.

Among other things, exporting countries could be affected by trade barriers (carbon border adjustment measures, for example), while decisions on

<sup>1</sup> Argentina representa 0,005% del total mundial.



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investment allocation can be modified based on the incentives granted (Bown and Clausing, 2023).

Many of these new climate-related regulations have no precedent, do not comply with multilateral rules, and their effect on mitigation is unclear. But they have a high implicit cost for the rest of the countries, many of which are developing countries that, precisely, need to attract investments to carry out reconversions in their productive systems and adapt them to new standards and have difficulties in accessing capital at a competitive cost. In most cases, the countries that suffer from these new regulations are responsible for a tiny percentage of accumulated carbon emissions and their current and future contributions are of little relevance (see fig 1).

On the other hand, trade distorting measures that, in many cases lack scientific support, threaten efficiency and productivity, becoming a new form of protectionism and affecting, in the long run, food security in whose solution trade between net exporting and net importing regions plays (and will do even more in the future) a central role.

## The role and opportunity for the countries of the Southern Cone of the Américas

One of the most important agreements reached within the framework of the Paris Agreement negotiations is that, to achieve the objectives, it is no longer enough to reduce emissions but rather carbon dioxide must be captured and removed from the atmosphere. This reinforces the role of the countries of the South American region.

The countries of the Southern Cone of the Americas (and, particularly, Argentina, Brazil, Paraguay and Uruguay) can position themselves as sustainable suppliers of food, bioenergy and other products, environmental services and



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bio-based technologies required by various regions of the world that do not have the natural resources and productive capacities necessary to meet their current and future needs in a sustainable manner.

In particular, the region has the opportunity to capture value through the differentiation of the environmental attributes of its productive systems and its products and the valorization of its ecosystemic services that can improve adaptation and reduce the carbon footprint without compromising levels of production<sup>2</sup>.

Although the region has implemented a series of productive practices and technologies over the years (no till, crop rotation, silvo-pastoral cattle raising, precision agriculture, cover crops, seed technology that reduces the use of pesticides, etc.), there are still negative biases and a lot of ignorance regarding the production practices used and their contribution to the climate issue.

To communicate this sustainability more effectively, the development of science-based indicators is paramount. In recent years, institutions from the four countries have been developing different instruments that characterize the sustainable attributes of their production systems and value chains. The current work in the region consists of the harmonization and development of reliable, comparable, and joint indicators that allow us to defend on solid bases our position as producers and net exporters of food produced in a sustainable and environmentally friendly manner.

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<sup>2</sup> GPS is currently coordinating a project on the development of carbon footprint indicators in selected chains in Argentina, Brazil, Paraguay, and Uruguay, the first advances of which will be presented at the IICA Agriculture Pavilion of the Americas at COP28.



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