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BASIC INFORMATION FOR FARMER OR FARMER GROUP ON DEVELOPING A CARBON FARMING PROJECT

Why is Carbon Farming Important?

Earth's carbon is stored in five main pools: soils, ocean, atmosphere, biosphere, and fossils. Carbon flows between these pools in an exchange called the carbon cycle.

Currently, the carbon pools are far from balanced. There is too much carbon in the atmosphere, and not enough in our soils and trees. Even as we replace fossil fuels with renewable energy sources, the excess carbon dioxide remains in the atmosphere.

Using Carbon Farming techniques, farmers can repair this imbalance, assist to lower the effects of climate change and be paid to store carbon back in trees or soils. At the same time, these Farming techniques improve soil health and water retention on farm. These effects are known as 'co-benefits'.

What is 'Carbon Farming'?

Carbon Farming is a new way of farming to sequester carbon in the soil and/or trees. Carbon that otherwise ends up as CO₂ in our atmosphere, causing climate change.



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There are many ways to do this: from small adjustments on farm level - like applying fertilizers rich in carbon, reduced or no-tillage, or planting cover crops and trees- to changes in the entire farming system - like enriched crop rotation or agroforestry.

Carbon farming is successful when carbon gains resulting from enhanced land management and/or conservation practices exceed carbon losses.

Although Carbon farming has been practiced in developed world for a number of years, it's a pretty new avenue for agricultural practitioners in underdeveloped and developing country like Nepal.

Carbon farming provides additional income opportunities based on emissions avoidance or carbon sequestration methodologies. Not only does it provide opportunity for extra income it also helps in climate change mitigation making earth a better place to live.

To be eligible for carbon credits farmers have to follow certain methodologies and the processes to make their claims which are different according to the different Carbon Standards.

Designing and developing a carbon project it takes time and requires some technical expertise.

It may also require financial support for the initial set-up.

A project developer is needed to guide the farmers to go through all the process to successfully design a project.

Such expertise is available from Carbon Farmers of Nepal. Details available below.

The following steps are useful to design and develop a carbon project.

Feasibility study / scope of project

Project developer along with farmers share their interest and carry out meetings regarding the current agricultural practices of the farmer and figure out which project is feasible for the given location which matches the farmers interest.

The project developer then identifies which type of project needs to be developed i.e. afforestation, reforestation, soil carbon, methane reduction etc.

Arrangement of Resources

One needs to be aware that a significant amount of time and money needs to be invested to develop a carbon project. The Project Developer may offer support with these things.

Analyze why it would be attractive to engage in undertaking a carbon sequestration project and what are the driving motivations. Farmers should be informed about the process and the smallholders should be supported in other agriculture-based income generating opportunity so there is more than one win/win.

Ask: What are the co-benefits? – Improved productivity, more resilient farms and more importantly an additional new 'carbon' income for up to 30 years or more. Can assist in Development goals for communities. Relieve poverty.

Project group

Farmers/villagers and/or co-operatives, along with advice from the Project Developer can identify who wants to participate and have land or forest which can qualify for the project type determined by the project developer/ farmer. The project boundary (geographically) has to be established.

The project area needs to be big enough to generate enough emission reductions or carbon storage to qualify for a carbon project. In addition, clear land-use and tenure rights are essential and farmers should be willing to sign a farm contract for at least 30 years giving the rights to project developer for selling the carbon credits.

Barren lands may also be utilized.

Institutional back-up

To organize, aggregate and represent farmers, an institution is required, such as a community-based organization, farmer cooperative, NGO etc., which is trusted by the project participants. It should have a robust and transparent institutional set up, with good governance.

The institute will work on behalf of project developer to implement and monitor the project activities.

Project planning/development

The baseline and methodology need to be selected. Projects must use approved methodologies to calculate emission reductions. The project's chance of being registered and the likelihood of more rapid project preparation increases by using approved methodologies.

Developing new methodologies can be resource- and time-intensive and may not be justified for smaller projects.

Preparing Project Design Documents

In coordination and support with farmers the project developer will carry out the following activities which will lead to project design document (PDD) and registration of project.

Checklist for Preparation of Project design documents

- Determine project duration – 30-50 years!
- Hold stakeholder consultations.
- Define project boundary where new activity can be applied
- Apply additionality tool
- Apply land eligibility tool
- Conduct baseline assessment according to selected approved methodology.
- Estimate project sequestration according to selected approved methodology.
- Develop leakage mitigation plan.
- Carry out environmental impacts study.
- Carry out socio-economic impacts study.
- Analyze risks.
- Plan to mitigate risks.
- Create tree planting plan.

- Write Project design document.
- Agree contract with designated operational entity.
- Obtain host letter of approval from designated national authority

Validation

The project developer determines a third-party certifier (accredited by a specific carbon standard) who will review the Carbon Project Document. It is important for the project to be validated to ensure the transparency of the project design.

Registration

The VERs of the validated project are kept in a Registry on behalf of the owner until they are bought.

To find out more, please contact:

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