



Role and importance of standards for the voluntary carbon market – notes for smallholder farmers' projects

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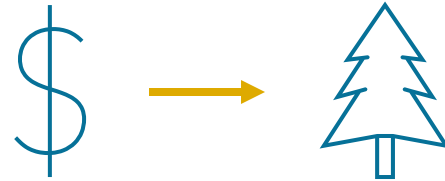
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Voluntary Carbon Market



Photo Credit: Steve Kamenar, Unsplash



Formed with the aim of driving finance to activities that promote climate action

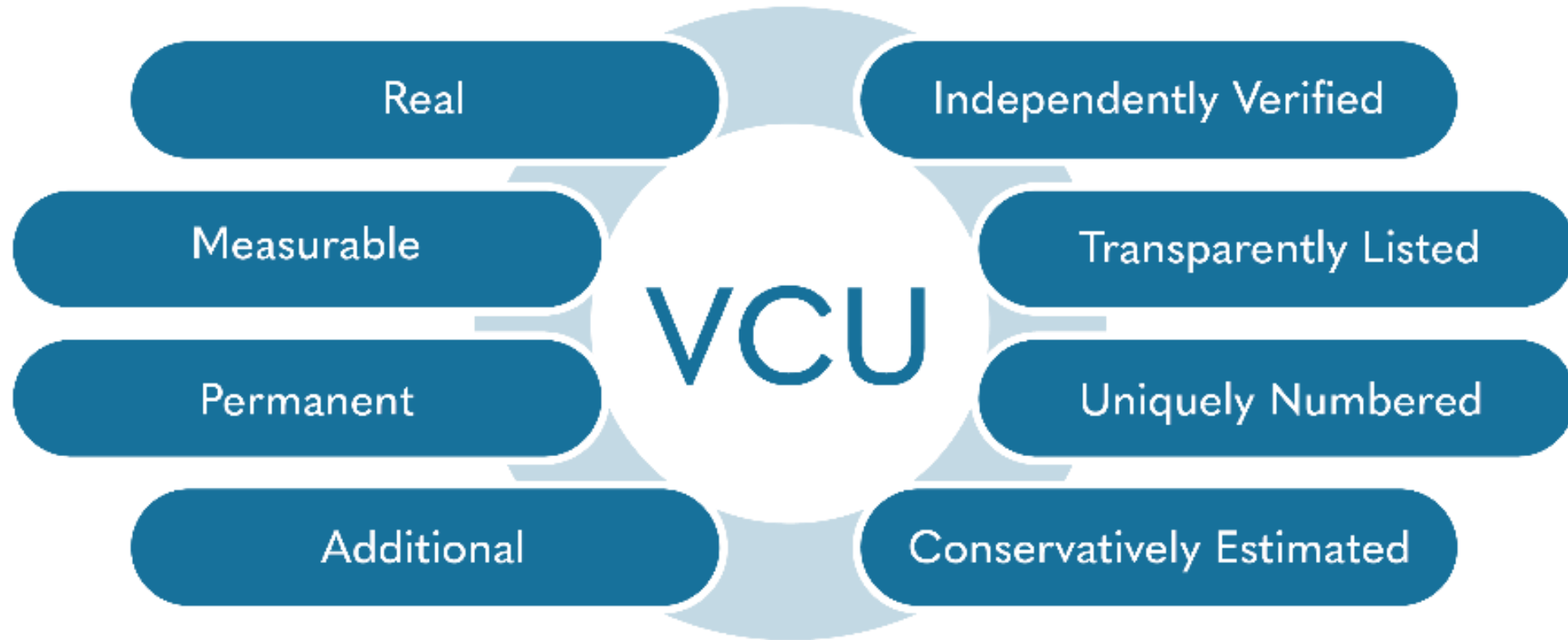


Government action alone falls short given the urgency of climate crisis

C credits and offsets are a **transition tool**

- 1) Towards decarbonized economy
- 2) Part of broader strategy
- 3) Aim to catalyze climate action

What makes a good carbon credit?



Verra Projects issue unique carbon credits known as
Verified Carbon Units = VCUs

Voluntary Carbon Market Stakeholders

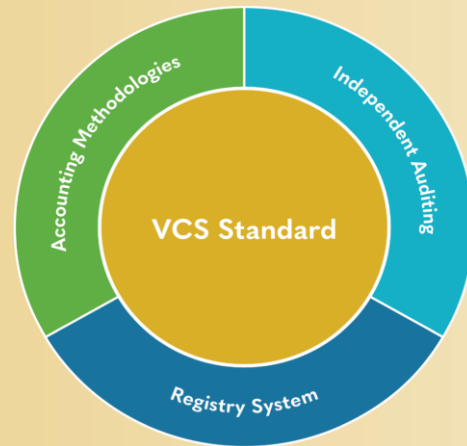
SUPPLY

**GHG CREDITING
PROGRAMS**

INTERMEDIARIES

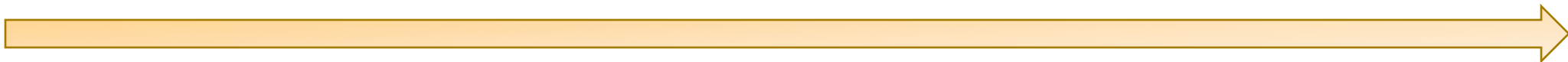
DEMAND

- Project developers
- Communities/Farmers
- NGOs



- Brokers
- Trading platforms

- Corporates
- Philanthropies
- NGOs
- Individuals
- Other buyers



Agriculture methodologies in the VCS Program

- C credits generated through:
 - Increases in C pools (soil, trees, roots, biochar)
 - Reductions in emissions (N_2O , CH_4 , CO_2)

→ A broad range of improved land and livestock management practices

VCS methodologies:

VM0042

VM0022

VM0017

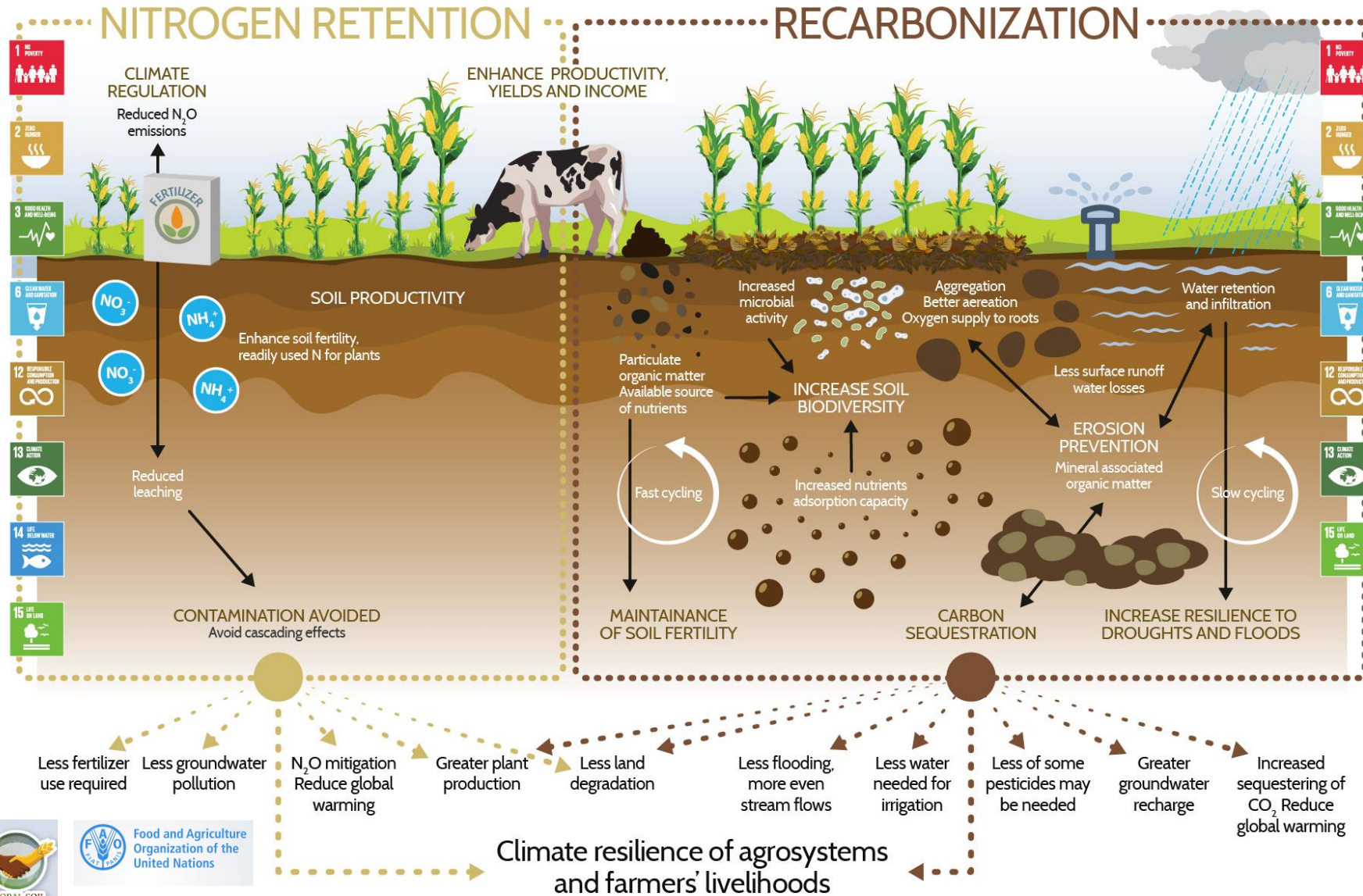
VM0026

VM0041

VM0032

VM0044

Benefits of agricultural carbon projects



→ Higher yield (stability) and resilience

→ Higher (and diversified) income

→ Human health benefits through lower use of agro-chemicals

Smallholders – challenges and opportunities (1)

- High transaction costs and small land sizes
 - Grouped projects aggregating many farmers supported by NGOs and coops
 - Automated management data collection
 - Projected Carbon Units to cover upfront investments
- Subsistence-oriented production (traditional, non-industrial farming) as opposed to commodity-oriented agriculture limits access to supply chains, crop insurance and larger C finance
 - Development aid projects as catalyzers
 - Combination with SDG assets (food security)
 - Safeguards regarding land rights

Smallholders – challenges and opportunities (2)

- Larger impact of soil heterogeneity resulting in high costs for monitoring
 - New tech:
 - Cost-efficient spectroscopic measurement techniques
 - Remote sensing supported stratification and farm activity data monitoring/verification
 - Robotics to lower sampling/laboratory costs
 - Scientific advances in biogeochemical models

Thank You



Photo by FUNDAECO / REDD Conservation Coast Project

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