**Arvind Kale** Dt:-29.10.2005 Nagpur (INDIA)

Sub:-Why no Agro-forestry plantation C.D.M.proposal so far cleared? **Injustice to Farmers & Gain of polluter Industries?** 

DEAR SIR /MADAM,

How surprising that Kyoto-Protocol & Clean Development Mechanism (CDM), which is aimed at restoring Eco-natural balance, prevent pollution and reduce CO2 output in air has not considered a single Agro-forestry (Afforestration or Reforestration A/R) proposal in India.

- 2. It is a fundamental fact that only Forestry or Agriculture practices have the capability and ability to fix CO2 from air and actually convert CO2 into pure Oxygen, whereas all other Industries/ Projects talk about change of technology to **reduce Emissions**, but not converting CO2 to O2. It is a common sense taught in the school that only plants have the natural capability to convert CO2 to O2, and no other Industry or Technology on the Earth can do this Chemical / Biological **change**.
- 3. Then is it not surprising & shocking that most of the current CDM **projects** speak of **Reduction** of CO2 (that too by polluting industries), which have been either cleared or are under consideration. And why talk about the "bad effects" of large scale plantations or MONOCULTURES, if that is so then, entire Agriculture/Horticulture is nothing but Monoculture, as similar crops are grown on very large tracts of lands in particular geographical regions, due to obvious reasons of climate, soil and practices. **The biggest monoculture is Human population!**
- 4. We urge all the concerned, in this field, NOT TO FORGET KATRINA and similar calamities, which are on way to reach us all, and only Agriculture / Forestry Green- water & soil conservation practices can save this earth, both from CO2/Ozone and other pollution problems /Disasters.
- 5. Further we must ensure that **Agro-forestry proposals** are helped, assisted, guided and expedited, as unlike Giant Industrial or Commercial Houses or Tycoons, the Farmers can not understand the **complexities** / **Technical** languages in project preparation for CDM projects.
- 6. Once again we appeal that only AGRO-FORESTRY Green projects (Plantations) can save this Planet, and NOT the Polluting Industries. In fact the situation should have been otherwise. How sad that again the Rich Industries are becoming richer and the poor farmers are becoming poorer, and committing SUICIDES. Tell me which profession in the world is poorest? Farmers serve their country best and love MOTHER NATURE in real sense. And still this profession has the highest poverty and allied miseries / problems .
- 7. The Farmers need to be helped by all in their efforts as they care for Nature and not these polluting Industries, whether in Developed countries or Undeveloped nations. The Industries in all nations have created pollution problems and made money, not the farmers. How SAD the pollutants (Industries) in one country are being rewarded because the pollutants (Industries) in other countries created **Pollution**.
- 8.Sustainable Agriculture is not political. Everyone needs good healthy food and it has no requirements other than an interest in being able to care for the land and the people you love. As Hurricane **Katrina** promises to be the new textbook case for **urban "natural" disasters**, it is important to begin to examine the social dimension of the failed policies that contributed to such a massive disaster. These plantations will really save & protect the depleting **WILD-LIFE,flora,fauna & the BIRDS,** which are on the verge of exinction.

Would someone like Government ,UNO,World-Bank or NGO's, do something about this(policy) insulting Farmers & Travesty of Nature?

Thank you.

# **Yours Truely**

(Arvind Kale) Nagpur, M.S. INDIA

Dt.3/09/2005

NAGPUR (INDIA)

To,
The Designeted National Authority
C.D.M. INDIA
New Delhi.

Sub.:- How Certified Tradable Carbon Offsets (CTO's) generated in our plantations can be sold to international investors (CER's & CDM's).

Sir /Madam,

We are farmer Family registered for National Medicinal Plant Board in Nagpur District INDIA. We have planted Teak & Subabool Trees in our 150 Acres "Nature -Farm", since last 15 yrs.(1990). We would like to know details of how Certified Tradable Carbon Offsets (CTO's) generated from the plantations in INDIA can be sold to international investors (CER's & CDM's).

# Key questions in this regard for carbon offset credits include:-

- 1. How to prepare the requisite Project Report ? Since this involve Highly technical & coplicated procedure/calculations.
- 2. Are there any Consultants / Agengies / N.G.O.'s to help in preparing the PCN (Project concept note) & PDD (Project Design Document) etc required as per guidelines of our National C.D.M.Authority.
- 3. The approx.economic as well as environmental benefits that will be available to the Agro-Forestry Farmers to support sustainable development objectives.

An article in T.O.I. Pune edition(Dt.25/07/2005) on this may kindly be seen below.

I will be highly obliged for your guidance on this issue.

Thanks .

Yours Truely (Arvind Kale) Nagpur, M.S.

# Forget the forests, the future is Carbon Neutral

# (published on 13-September-2005)

Britain's largest player in the voluntary carbon-offset market, Future Forests, has relaunched this week as *The Carbon Neutral Company* to reflect its broader offering in the voluntary carbon offset market. Jonathan Shopley CEO of the company told *edie* that circumstances had changed considerably since the company began. "Over the last four or five years our offering has evolved quite significantly, as has the market itself."

"When we really got the idea going, about 8 - 10 years ago, climate change wasn't on the agenda as strongly as it is now, the regulated market hadn't begun and the voluntary market was all that there was, with very few incentives to get involved."

"So, our particular proposition - built around the icon of the tree - was very powerful and got things

moving."

Since then, however, the voluntary carbon offset market has grown enormously, with several companies such as 500PPM in Germany, BP Global Choice in Australia, and Climate Care in the UK, all offering specialist offset options.

Indeed, the voluntary market has grown to such an extent that Mark Kenber, policy director of The Climate Group - an organisation set up last year (see <u>related story</u>) to encourage business engagement on climate change - has predicted that, if it takes off in the USA, it could become bigger than the clean development mechanism under the Kyoto Protocol.

To fully capitalise on this market growth, Future Forests has developed a portfolio of options for individuals, companies, and even cities, to offset their emissions and become Carbon Neutral.

Last year the city of Newcastle announced a partnership with Carbon Neutral to reduce emissions by 60% through offsetting followed shortly after by Bristol (see <u>related story</u>) and now the company boasts an impressive client list including Honda, Berkeley Homes, Avis car hire, and Radio Taxis.

To reach this level, Shopley said the company soon had to offer far more than simply selling the carbon stored in trees to offset individual CO2 emissions. Instead, it has branched out into a full blown consultancy, able to conduct an audit of carbon emissions that a company or individual may produce, then offer strategic advice to reduce those emissions, and, of course, a range of options to offset whatever emissions will remain.

This range of options extends beyond investing in forests and includes investments in renewable energy schemes and energy efficiency projects.

"At the start of this year, we spoke to a lot of people - NGOs, government, business - about what our role is," Shopley explained. "We soon found that a lot of people were amazed at the extent of the work we were doing. It gave us a clear signal that our name had to change so that people could see beyond the forests aspects."

After this offsetting, Carbon Neutral also offers a communications role, helping to advertise the carbon programme and allow it to differentiate itself in the market.

Shopley felt that the time was right for the relaunch for a number of reasons. "There is a confluence of forces at work in the market place, meaning demand for carbon offset is huge. Last year our turnover was £1.4 million, and we are on course for £2.5 million this year."

One reason for this has been the advent of Kyoto and the regulated market in emissions, giving a terrific boost to the voluntary offset sector as well.

"As soon as the EU emissions trading scheme came into being, business saw a rapidly maturing market for carbon being traded. It created a sense of credibility and sustained interest which wasn't there before, and made a strong statement that this is definitely part of the future," Shopley said.

A sense of credibility is something that Future Forests has, in the past, been accused of lacking. Critics have questioned the scientific basis of using forests as carbon sinks, and claimed that many of the sponsored projects would have happened anyway, regardless of Future Forests involvement.

As part of the rebranding process, Carbon Neutral has sought to counter these criticisms. Partly, this has been addressed through moving investment away simply from forests and into renewable projects, and also through developing the Carbon Neutral Protocol to create a baseline, or standard, by which

the offsetting can be judged and open it up to third party scrutiny.

This has been developed in consultation with Mark Kenber, who also wrote the Gold Standard for the CDM, and now sits on the advisory board of Carbon Neutral. The Protocol is also subject to an independent assurance review from KPMG.

In addition, it has sought to place more emphasis on the scientific underpinning of its investments by bringing in John Murliss, previously chief scientific advisor to the Environment Agency. He will be helping to develop policy options and chair the carbon neutral advisory board.

"It means we'll have a brand that consumers and clients can know and understand and we can assuage any concern. We need standards and people need to know what's behind them. The Carbon Neutral Protocol should do that."

The need to develop standards that people can trust, and to prove that voluntary offsets can add value to businesses is crucial if Carbon Neutral is to keep building its customer base. A new survey of FTSE 500 companies shows that, while the majority see tackling carbon emissions and climate change as a greater priority than terrorism or competition from the developing world, a shocking 75% of directors said that business would only take climate change seriously if forced to do so by taxes or regulation.

According to the findings, the management of CO2 emissions rated only just above 'gym membership' in the actions of most directors.

"It's interesting that our survey's findings suggest that while businesses are not doing enough to address climate change, there is a growing recognition that tackling carbon emissions has positive benefits to businesses bottom line and the economy," said Shopley. "We believe there has never been a better time for businesses to act and government to incentivise."

The business case for going carbon neutral is certainly strong, with firms such as Radio Taxis in London claiming to have won contracts worth over £1.2 million as a direct result of this action in the past year.

However, as the results of the survey show, there is still a long way to go in persuading all business of the merits of taking action. It would appear that, in the voluntary offset market, many businesses can't see the wood for the (future) forests.

By David Hopkins.

**Outsourcing forests to India** 

ADITI TANDON

#### TIMES NEWS NETWORK[ MONDAY, JULY 25, 2005

PUNE: Farmers in Maharashtra are all set to cash in on opportunities offered by carbon credit trading, a scheme aimed at setting the wheels in motion to reduce green-house gas (GHG) emissions globally, following the signing of the Kyoto Protocol by 141 countries.

A Pune-based non-governmental organisation, 'Friends of Carbon' (FoC), has already brought together 5,000 farmers to exploit the option, which permits a developed country to meet part of its targeted emission cuts by funding tree plantations in developing countries like India, for carbon sequestration.

According to the provisions of the Kyoto Protocol, which came into effect in February 2005, developed nations have to reduce their GHG emissions by an average of 5.2% below their 1990 levels by 2012.

Says Shekhar Kadam, who is in charge of the financial and commercial aspects of FoC, "Plantations are one of the best solutions to curbing damage from GHG emission.

But the expenditure for that in developed countries is high." So, companies there can fund plantations in countries like India, where the costs are low, and in turn take credit for the carbon absorbed by the trees.

Farmers need a minimum of 50,000 acres to begin trade in carbon credits. "This system will be a bonus for old plantation owners. Along with the standard yield from the trees, they will also be able to now earn through carbon-credit trading. Improvement in quality of soil is an additional benefit," he says.

Ninety per cent of the funds FoC earns will go to its farmers. Five per cent will go to its associates around the country and the remaining 5 per cent will be used to pay the International finance corporation, which will act as a mediator and facilitate interaction with developed countries like Japan and others in Europe.

The quantum of funding will be based on the tonnage of carbon absorbed. This is calculated taking into account factors like age and height of trees and canopy cover.

Kadam claims that the mango tree is one of the best variety. The current average rate for a tonne of carbon is around \$4 (Rs 174). "We have started allotting district-wise franchisees all over Maharashtra. We also have added associates from Karnataka, Tamil Nadu and Madhya Pradesh," Kadam adds.

#### Projects seeking to sell carbon credits racing against deadline

unless the CDM Executive Board extends the deadline."

#### **Mamuni Das**

New Delhi, Aug. 31

<u>TIME is running out.</u> Several Indian projects seeking to sell carbon credits may lose out on revenues if they are unable to get their projects registered at the United Nations Framework Convention on Climate Change (UNFCCC) by December this year.

The deadline is applicable to those clean development mechanism (CDM) projects that started activities between January 1, 2000 and November 18, 2004 and could have generated CERs (certified emission reductions) during this four-year period had their projects been registered. Each CER stands for one tonne of carbon dioxide reduction and can be traded globally.

If these projects are registered after December 31, they can trade those CERs that they accumulate in 2006 and later, they cannot liquidate the value of net green house gas emission reduction obtained during the earlier period, Dr Ram Babu, Associate Director, PricewaterhouseCoopers, said.

About 50 Indian projects with a potential to generate 30-million tonnes of CERs over a 10-year period may get affected if the deadline is not extended, he said.

Explaining the logic behind this, Dr Ram Babu told *Business Line* on the sidelines of a seminar, "This is applicable according to the modalities of Marakkesh Accord of Kyoto Protocol. Thus, several projects would get affected if they are unable to be registered at UNFCCC before December 31, 2005,

"According to the UNFCCC guidelines, the projects registered after December 31, 2005 wouldn't be able to register their CERs before the registration period," Mr Sunil Kathuria, Lead Auditor, TUV Suddeutschland India, pointed out.

Mr Dipankar Ghosh, Managing Consultant, Ernst & Young, said "Several projects implemented in India could qualify for CDM once appropriate, approved methodologies are available." If the

project is already implemented, it should have at least obtained the validation and submitted registration fee by December 31, 2005 to obtain CERs, he added.

In order to obtain CERs for projects, companies owning these projects are required to first get a host country approval from the designated national authority, which is the National CDM Authority, Environment Ministry. They are then required to get their projects validated at the UNFCCC, which involves obtaining an approval for the project methodology.

The validation process takes relatively less time if the project is based on a method that has already been approved by the Methodology Panel.

However, validation for each new method as a CDM project would take relatively longer. It is only after validation that projects can be applied for registration at the UNFCCC along with the registration fee.

According to the Marakkesh Accord, a project activity starting as of the year 2000 shall be eligible for validation and registration as a CDM project activity if submitted for registration before December 31. If registered, the crediting period for such project activities may start prior to the date of its registration but not earlier than January 1, 2000.

The begining of the Civilization depended on AGRICULTURE - so does it's FUTURE.