

"Carbon trading as incentive for conversion to organic agriculture - Pilot project in Tanzania"

Project proposal

Summary

This project proposal is developed by Agro Eco (pilot project component) and IFOAM (advocacy project component) with support from HIVOS. It explains how carbon trading can be used as incentive for conversion to organic agriculture. The long-term objective is to mitigate climate change and adapt to climate change by promoting organic farming. The two short-term objectives are 1) to evaluate the climate effects and to develop a carbon payment mechanism in a pilot project in Tanzania; and 2) to advocate the role organic farming plays in the mitigation and adaptation to climate change, and the role climate change plays in organic farming. The project is described in two complementing project components: a pilot project and an advocacy project.

The pilot project in Tanzania, from October 2005 to September 2009, will have three results: 1) the climate effects of the conversion to organic agriculture are evaluated; 2) a payment mechanism to relay carbon credit money to farmers is developed; and 3) the pilot project results are communicated for lobbying purposes. The pilot project is based on a (SIDA-funded) EPOPA organic groundnut project with 1300 farmers in 10 villages in southwest Tanzania. In 2005, a baseline study of farm practices and carbon stocks will be done. Beginning 2006, a 'carbon project document' will be finalised and externally validated. Then the sale of carbon credits will be negotiated with buyers in Europe. Farmers will receive training and other support to adopt optimum climate-friendly farm practices. These practices include compost use, reduced tillage and crop residue mulching, improved fallow, improved wood stoves and tree planting. A payment mechanism will be set up from which farmers receive credits for investments and annual carbon payments, reimbursed by the sales of carbon credits in 2009. In 2009, the carbon effects will be evaluated in an impact study; the impact study will be verified and carbon credits will be certified, after which carbon credit will be sold. The payment mechanism is self-sustained and a second lot of carbon credits can be sold in 2012. Activities related to the advocacy project, but included in this pilot project, are the presentation of this pilot project to the UNFCCC and the development of an organic certifier methodology for climate effects. With the advance payments of carbon credits and other farmer support, farmers will be motivated to adopt improved practices, while yields will gradually improve. In the after-project phase, from 2009 to 2012, yields benefits outweigh the annual labour costs and farmers are likely to continue the climate-friendly practices. Between 2006 and 2009, about 20.000 t CO₂ will be sequestered.

The advocacy project, from September 2005 to September 2009, will have three results: 1) Organisations and policy makers involved in climate change consider the role organic farming in mitigation and adaptation to climate change; 2) Organisations and policy makers involved in organic

farming consider the climate effects of organic farming; and 3) Research institutes and research funding organisations consider the topic 'organic farming and climate change' in their programmes. The planned activities include: identifying relevant organisations involved in climate change and organic farming; advocating in key organisation and during key events; organise IFOAM events; contribute to third party publications; producing pamphlets and a dossier; distributing of publications during own and other events. A detailed advocacy work plan will be elaborated annually. The specific activities planned for 2005, from September to December 2005, include: identifying relevant organisations, events and publications; drafting a leaflet on organic farming and climate change; participating in an advocacy event at the EU Joint Environment and Agriculture Council on Climate Change, in London on September 11; participating at the COP11 / MOP1, in Montreal from 28 November to 9 December.