# Indianizing Common Practice Standards

## Why in news?

Recent research suggests for indianzing common practice standards in carbon markets so that the agroforestry sector could contribute an additional carbon sink of over 2.5 billion tons of CO2 equivalent by 2030.

## What is Common Practice?

- **Common Practice** – It refer to the established guidelines and benchmarks used to measure, report, and verify carbon emissions reductions and other related activities
- It is a key criterion used to assess whether a project is contributing any additional environmental benefits beyond what is typically done for the region.
- **Role** – It plays a vital role in climate finance realm.
- According to carbon standards such as Verra's Verified Carbon Standard (VCS) or the Gold Standard
    - If an activity is deemed "common practice", it may not qualify for carbon credits, as it is not seen as contributing additional environmental benefits beyond the norm.
- It ensures that carbon credits are issued only for emissions reductions that does additional benefits beyond usual targets.

*The **Verified Carbon Standard (VCS)** Program is the world's most widely used greenhouse gas (GHG) crediting program. It drives finance toward activities that reduce and remove emissions, improve livelihoods, and protect nature.*

***Carbon credits** is a carbon trading mechanism, which allows the owner to emit a certain amount of carbon dioxide or other greenhouse gases (GHGs).*

- **Global practices –** It often *reflects the realities of large-scale agricultural practices* found in regions such as Latin America, Africa, or US, where landholdings are extensive and contiguous.
- **Significance –** It helps to *ensure transparency, accountability, and credibility* in carbon markets and climate initiatives.

## What are the challenges of common practice in India?

- **Small and fragmented landholdings** - Recent data indicate that **86.1% of Indian farmers** are small and marginal, with landholdings of less than two hectares.
- **Non-systematic agroforestry practices** – These farmers often engage agroforestry in a non-systematic, scattered manner, planting trees alongside crops or on small

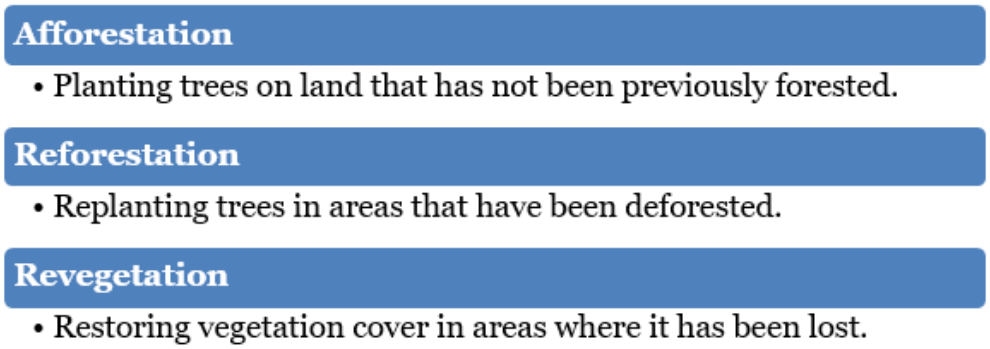
patches of fallow land.

***Agroforestry*** *is the interaction of agriculture and trees, including the agricultural use of trees.*

- **Lacks additionality criteria** – Indian agroforestry practices may not meet this criteria set by current carbon standards because they are perceived as "common" within the Indian context.
- **Exclusion of farmers** – It effectively excludes a large number of Indian farmers from participating in ARR carbon finance projects.
- Thus it denies them the opportunity to earn additional income from carbon credits.

## Why we need India centric approach?

- **Dominance of agroforestry** – India's vast potential in the agroforestry sector is a *unique opportunity to integrate with carbon finance projects.*
- **Scope for integrating with ARR initiatives** – Agroforestry can be linked with Afforestation, Reforestation, and Revegetation (ARR).
  - The Energy and Resources Institute (TERI) has demonstrated the potential of ARR projects in India, spearheading 19 projects across seven States, benefiting over 56,600 farmers.




- **Higher potential** - There is a *possibility to expand the area under agroforestry* from the current 28.4 to 53 million hectares by 2050.
  - Agroforestry accounts for 8.65% of India's total land area and contributes 19.3% of the country's carbon stocks.

## What are the benefits of indianizing common practices?

- **Formalizes agroforestry** – It enables a more systematic and sustained approach to agroforestry.
- **Improves agriculture** – It can help address issues such as low productivity, dependence on monsoons, and environmental degradation.
- **Creates additional income -** Enabling a greater number of farmers to participate in carbon finance projects, provides them with *additional income streams* while contributing to India's climate goals.
- Participating in ARR projects presents a pathway to *income diversification*.

- **Enhances rural livelihoods** – By acknowledging the fragmented nature of Indian agriculture, they enhances *rural livelihoods*.
- **Higher carbon sequestration** - *Accommodate the fragmented, small-holder model* prevalent in India would unlock the vast potential for carbon sequestration.

***Carbon sequestration*** *is the process of capturing and storing atmospheric carbon dioxide.*

- **Environmental benefits** - ARR projects deliver crucial environmental benefits, such as enhancing soil fertility, improving water retention, and mitigating erosion, thereby bolstering agricultural productivity and ensuring long-term sustainability.
- Thus it ***drives sustainable development***.

## What lies ahead?

- International carbon finance platforms should revise the standards to better align with the realities of Indian agriculture.
- International standards should evolve to reflect the specific conditions of the Indian subcontinent.
- Revise the 'Common Practice' guidelines to be more inclusive of Indian agroforestry practices.

## Reference

The Hindu| Indian Outlook for Common Practice Standards

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