

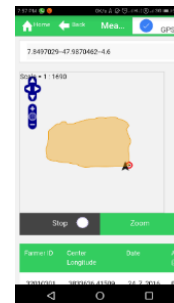


# PROGRAMMATIC SOC CERTIFICATION APPROACHES

Climate-Soil Community of practice meeting on VCM: Insights on market-, and monitoring solutions for common challenges

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# Agenda

- Programmatic SOC certification – An overview
- Burkina Faso case study



# Programmatic SOC certification – An Overview

## Definition:

“Carbon market mechanisms to scale and replicate SOC enhancement practices beyond the project level, related to Nationally Determined Contributions (NDCs)”

### ▪ Programmes of Activities (PoAs)

- Bundling large numbers of small carbon project activities that can earn carbon credits
- Not yet used in SOC project yet, but globally 79 registered PoAs issue credits for 5-10 years related e.g. to biogas and small-scale solar
- Gold Standard and Verra operate PoAs referred to as Voluntary Gold Standard and grouped projects, respectively

### ▪ Sectoral approaches

- Broadly speaking approaches to raise ambition, trigger transformation, support inclusiveness and participation, contributing to multiple Sustainable Development Goals....in WWF language “The NDCs we want”

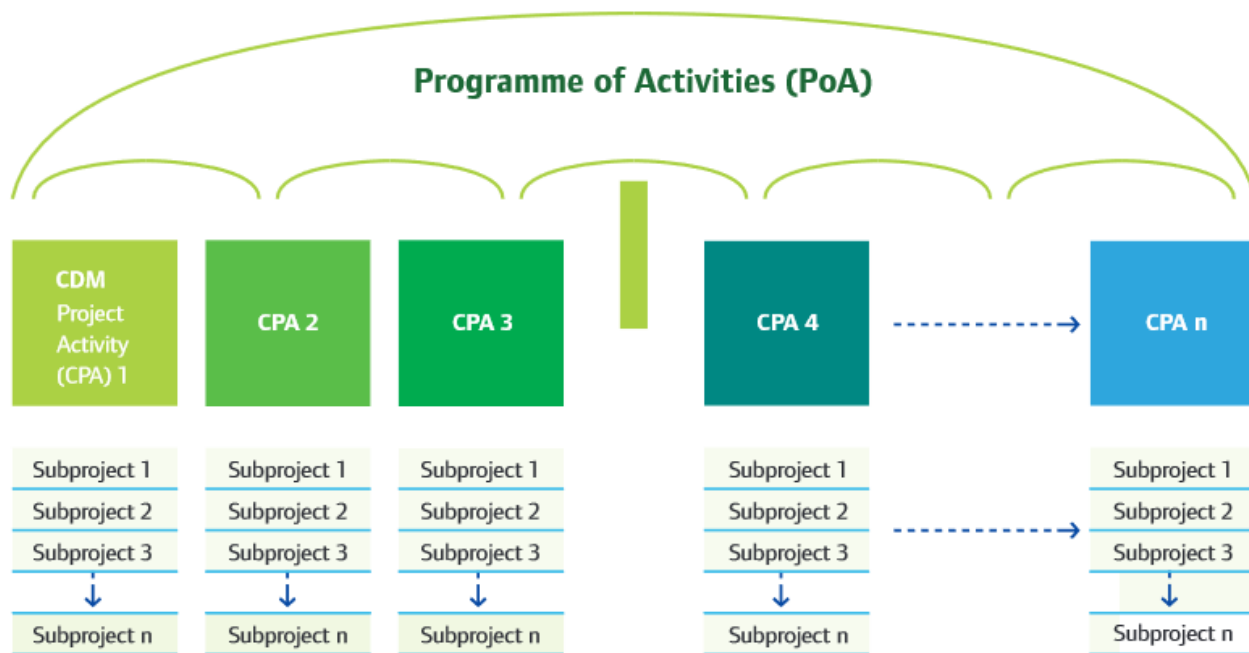
### ▪ Digital solutions e.g. Global Soil Information Systems and carbon project Management Information Systems

- Supporting transparency and efficiency related to collection, analysis, monitoring and reporting of information and climate benefits (mitigation and adaptation)

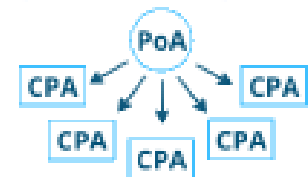
# Programme of Activities (PoAs) – the concept

- Coordinating Managing Entity (CME) is setting up and managing program, including financing and carbon credit sales and safeguards
- Program can be flexibly scaled over time, space and national boundaries

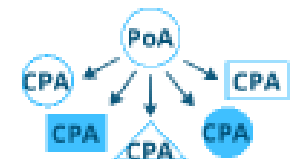
Structure of a PoA with its CPAs and individual projects



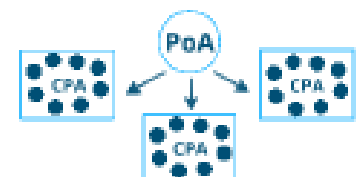
Single Measure - Single Location



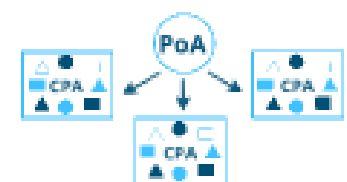
Several Measures - Single Location



Single Measure - Many Locations



Several Measures - Many Locations



# Sectoral SOC certification approaches within NDCs

Approaches improving certification and applications beyond carbon markets

- **Standardized Baselines**
  - Regionalized **emission factors** generated with process based models such as RothC and input data using activity data, research data and global databases
  - Crediting **baseline setting** depending on regionalized land and land use parameter
  - **Additionality** based on e.g. practice penetration rate
- **Certification of digital MRV platforms replacing project by project certification**
  - Project entities upload information and activity data just like digital credit application with a commercial bank
  - Digital platform can perform remote sensing based and physical plausibility-checks
  - Third party is certifying MRV platform
- Project finance and carbon credit sales implemented either by project entities or digital platform considering benefit sharing arrangements and equity issues
- **SOC certification as a proxy for environmental performance based subsidies**
  - SOC performance as the basis for conditional subsidies and concessional loans

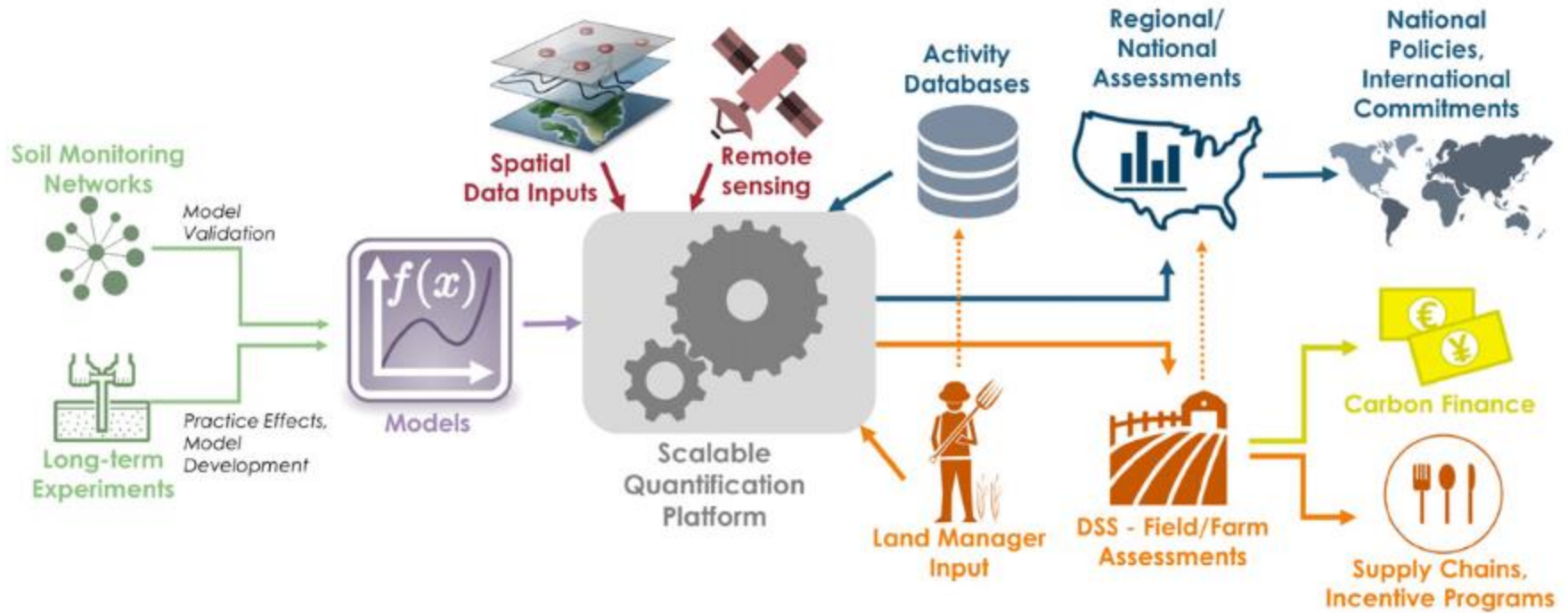
# Sectoral SOC certification approaches within NDCs

## Approaches informing action under Article 6 of the Paris Agreement

- **Alberta carbon offset system** is operating the **conservation cropping protocol** since 2012. In 2022 an economy-wide pricing of CAD\$30/tCO<sub>2</sub>e will be applied.
- **Australia carbon farming initiative** was established in 2012. However, due to the limited incentive there was hardly any uptake. Currently the system is revised.
- World Bank **Transformative Carbon Asset Facility (TCAF)** is piloting results-based carbon market mechanism. The TCAF is linked to **climate-smart agricultural** lending projects.
- Switzerland established the Foundation for Climate Protection and Carbon Offset (KliK) as a pilot purchase program for Article 6.2 to meet NDC target by using **internationally transferred mitigation outcomes (ITMO)**. Currently land use carbon credits are not eligible, but a similar system could be developed specifically for SOC credits.
- World Bank **Burkina Faso Agricultural Carbon Project** part of the Forest Investment Program (see later slides).

# Digital Solutions

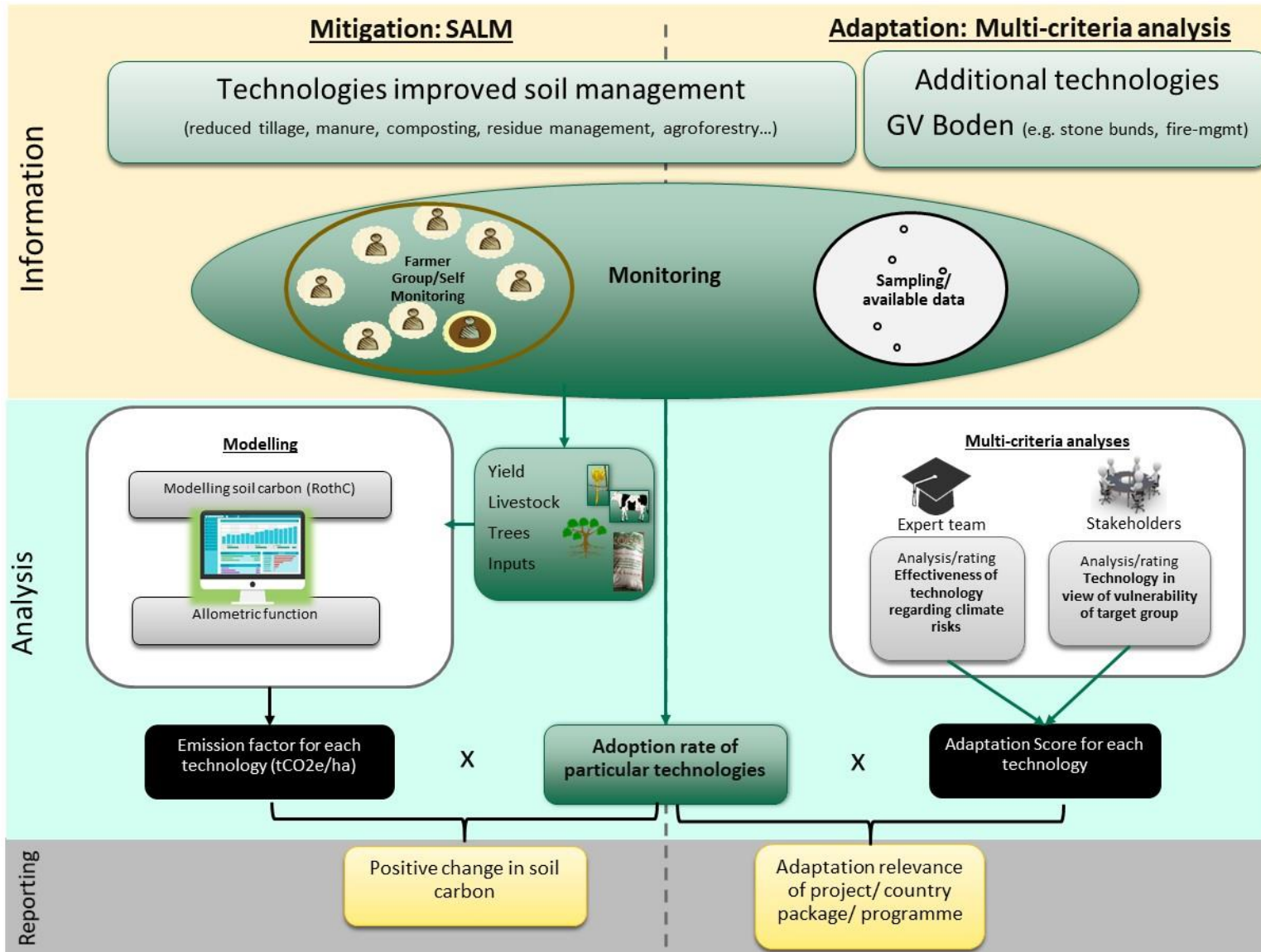
## Global Soil Information System and its crucial elements



Source: Paustian K., et al. 2019 (<https://www.tandfonline.com/doi/full/10.1080/17583004.2019.1633231>)

# Digital Solutions

## SOC Project Management Information Systems (concept GIZ soil protection)



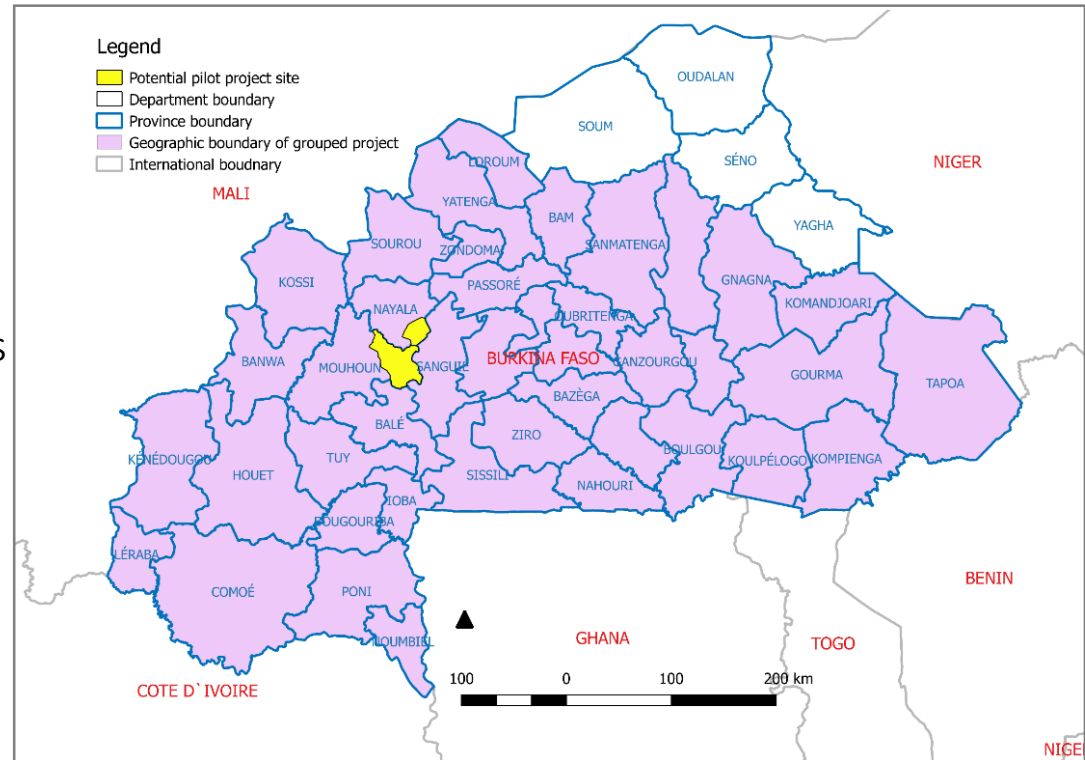


# Conclusions related to Programmatic SOC certification

- Assuming rising demand and price signals programmatic **SOC certification approaches are crucial to scale and reduce transaction costs**
- **Program of Activities (PoA)** are well understood in the carbon market and ready to implement
- **SOC certification for agricultural subsidies**, promising but **lack proof of concept and will face stiff resistance** from those that currently benefit most from agricultural subsidies (pre-dominantly large scale industrial farms)
- **Certification of digital MRV platform** instead of project by project certification is **just a matter of time and market size**, driven by digital disruption
- **Sectoral approaches** in the context of Article 6 of the Paris Agreement are evolving, **demonstrating proof of concept in the agricultural sector is crucial.**
- **Community of Practice** can **catalyze respective Article 6 SOC NDC pilots**, to inform UNFCCC negotiations

# Case study: Burkina Faso Agricultural Carbon Project (BUFACAP)

- BUFACAP supported by the World Bank Forest Investment Program
- **Goal:**
  - To reduce pressure on forests caused by agricultural expansion
  - To support soil restoration
- Project region: ca. 85% of the country incl. pilot project sites
- Project area: 150,000 ha → 700.000 tCO<sub>2</sub>e over 10 years



# How to get BUFACAP on the ground?

## Main aspects of the process

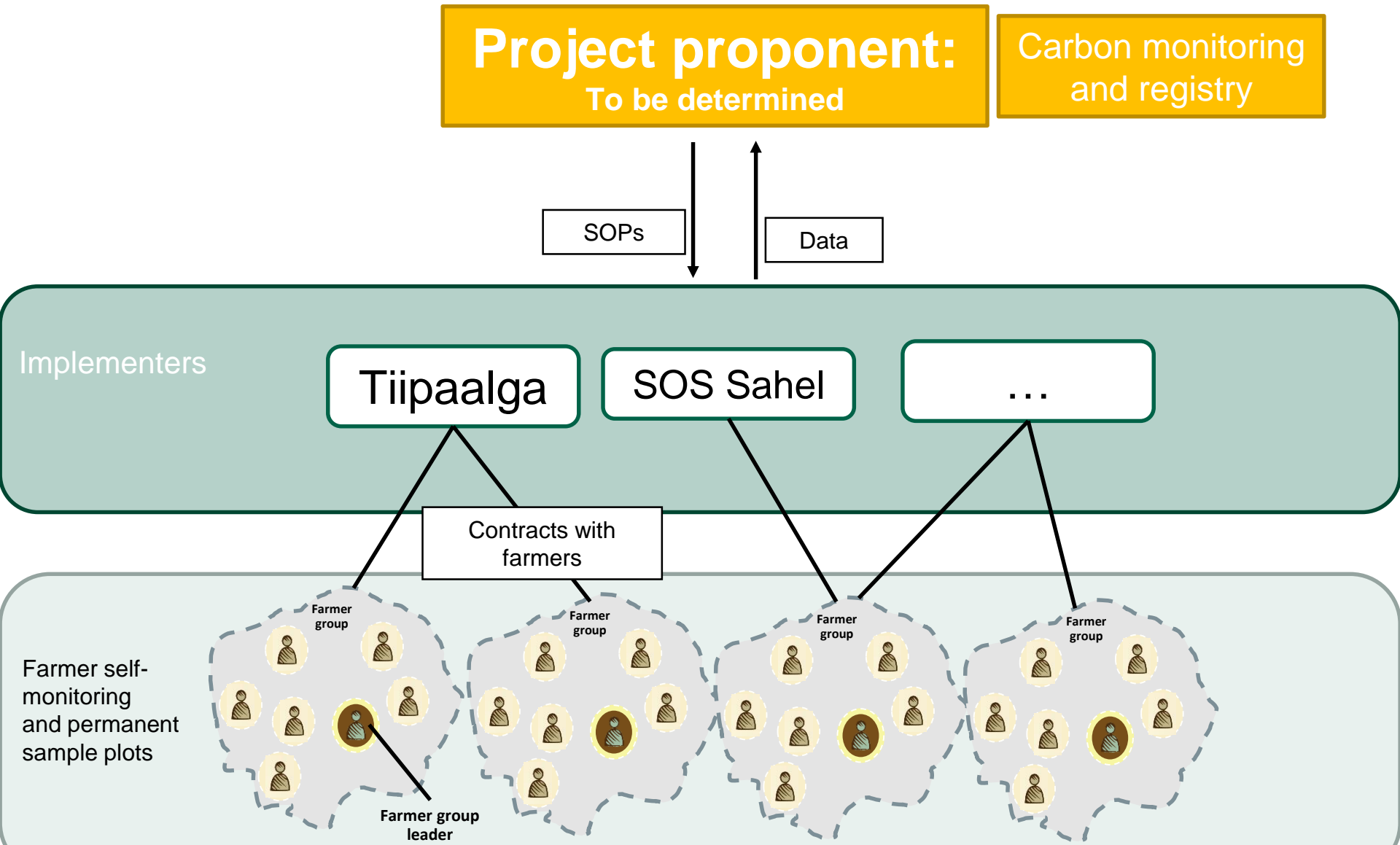
1.) Multi-stakeholder working group (ministries, departments, NGOs) lead by FIP worked out in an inclusive process:

- Institutional set up
- Benefit sharing mechanism based on results delivered by implementers
- Roll out plan

2.) Robust and cost-efficient monitoring system with Standardized Operating Procedures (SOPs)

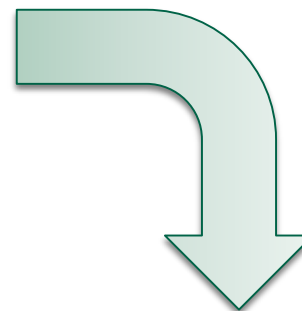
- How to join and register projects under the BUFACAP?
- How to recruit and sensitize farmers?
- How to assess baseline and monitor activities?

# Institutional set up of BUFACAP



# Who implements what and where? → „regional leaders“ were identified

Activity	The project partner in charge	Who is already doing this? On what scale and for what time frame?	Regions where the activity is already implemented ( <i>outside the BUFACAP project</i> )	Scale-up planned by the project (surface area, no. of farmers)	Regions where the activity will be implemented ( <i>by the BUFACAP project</i> )
Composting	1.SOS-Sahel	1.SOS Sahel: regional (10 out of 13 tons; intervenes in 30	11 regions: Central, and South Central not covered	04 regions (North, Central North, Central Plateau and East)	06 regions : Central Plateau; East, North: Central North; Upper



Regions	Regional leader	Partner of* mobilization	Partner for training	Partner for follow-up
Boucle du Mouhoun	SOS Sahel	PIF; CPF; UICN; CRA; STD; PNB-BF	CEAS; PNB-BF; INERA; UICN; STD	INERA; STN/REDD+; UICN; STD; BUNASOLS; BF-GBP
North	SOS Sahel	CPF; UICN; CRA; TREE AID; A2E; STD; PNB-BF	GNP-BF; INERA; UICN; STD	INERA; STN/REDD+; UICN; STD; BUNASOLS; BF-GBP



# Monitoring platform and carbon registry

Management Information System (MIS) serving as carbon monitoring platform with link to national carbon registry

- Nested into national carbon monitoring platform
- Transparency for project implementers

grp_type	no_farmers_com	land_total	land_ag	land_grazing	land_sell	land_other	herd_size	dairy_cows_tot	juvenil
Women	14	23.00	13.25	2.75	7.00	0.00	24	10	3
Youth	25	29.50	14.00	7.00	7.50	1.00	25	15	5
SHG	15	20.70	18.00	4.02	4.08	0.00	32	17	8
SHG	23	39.25	31.00	0.82	8.00	0.25	28	13	8
Women	10	18.00	12.25	2.75	3.00	0.00	32	25	5
SHG	17	21.33	16.50	1.28	3.53	0.00	45	15	3
SHG	20	27.62	19.00	4.00	4.00	0.00	25	14	2

# Summary and lessons learned

- In Burkina Faso there are a number of NGOs and government agencies supporting land rehabilitation to reduce soil erosion and deforestation
- Programmatic SOC certification can support these organizations to quantify their SOC benefits and therefore attract climate finance
- The agricultural carbon project recognized the existing capacity and develops this multi-stakeholder umbrella and a MRV platform to provide access to carbon markets or other result-based climate or environmental finance mechanisms

## Tentative lessons learned

- Defining roles and institutional set up within a multi-stakeholder dialogue is the basis for programmatic SOC certification
- The adoption of new technical and digital solutions requires a common understanding and ownership





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