



# Verra Agricultural Land Management (ALM) Working Group (WG) Terms of Reference

## Driving Finance to Scale Agricultural Land Management (ALM) Activities

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### 1 Background

Verra develops and manages standards that help countries, the private sector and civil society achieve their sustainable development and climate goals. Verra's flagship program - the Verified Carbon Standard (VCS) - allows independently assessed projects to turn their greenhouse gas emissions reductions into tradable carbon credits. Since its launch in 2006, the VCS has grown into the world's largest voluntary carbon credit program, registering over 1,400 carbon reduction projects worldwide that have reduced or removed more than 260 million tonnes of CO<sub>2</sub> equivalent from the atmosphere. Verra is also the global leader in Agriculture, Forestry and Other Land Use (AFOLU) standards with almost 170 AFOLU projects, across more than 35 countries, registered or in its pipeline. Verra also manages the [Climate, Community & Biodiversity \(CCB\) Standards](#), the [Sustainable Development Verified Impact Standard \(SD VISta\)](#) and [LandScale](#) for incentivizing the sustainable production of agricultural commodities at scale.

In the [IPCC's 2018 Special Report on Global Warming of 1.5°C](#) and the [IPCC's 2019 Special Report on Climate Change and Land](#), soil carbon sequestration was highlighted as a nature-based solution with high potential for removing carbon from the atmosphere at low cost, while simultaneously delivering a host of co-benefits. Despite the enormous potential, sufficient finance to drive the scaling of soil carbon sequestration activities has been slow to materialize. The sale of carbon credits in voluntary or compliance markets could help connect these activities to additional sources of finance and help drive their implementation at scale. Several Agricultural Land management (ALM) carbon methodologies are available, however, their uptake has been limited and the supply of carbon credits from the implementation of soil carbon sequestration projects has not reached its full potential.

The ability to achieve large scale is perhaps the biggest challenge for soil carbon projects, especially as monitoring, reporting and verification (MRV) can be labor-intensive and costly. Upfront investment is also needed to transition farms to agricultural land management practices that mitigate GHG emissions, such as regenerative agriculture (e.g., after 3 to 5 years projects can often be financially sustainable as farmers realize higher productivity on their land). To get around these challenges, a number of initiatives have been taking a "softer accounting" approach to soil carbon, measuring things like soil health or focusing on generalized climate or other ecosystem service benefits. While these approaches may open up some forms of funding they are unlikely to provide sufficient resources and attention to spur the necessary changes in land management.



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Given our proximity to 2020 (when countries will be required to account for emission reductions and removals across multiple sectors under the Paris Agreement), the emergence of various new and emerging markets with an interest in soil carbon sequestration, and the urgent need for private-sector investment in regenerative agricultural land management to achieve drawdown and Nationally Determined Contributions (NDC) targets, it is critical to find ways to ensure high-quality emission reductions and removals are incentivized and scaled up in this sector. As the world's leading and investor-trusted land-based project crediting standard, Verra's VCS is uniquely positioned to help advance soil carbon sequestration in a way that is scalable and attracts private investment. However, Verra needs the insights of experts with experience in agricultural land management and soil carbon project development to help identify the main barriers to implementation of these activities at scale, and how they could be addressed.

### 2 Objective

Verra seeks to establish an Agricultural Land Management Working Group (WG) to explore the key barriers and opportunities for agricultural land management activities that generate GHG mitigation benefits, and identify and prioritize ways the application of standards and their supporting methodologies and tools could drive finance to regenerative agricultural land management, including through cost-effective, high-quality carbon credits.

### 3 Scope of ALM WG

The WG should identify and prioritize the top 4-5 most impactful actions that Verra and/or partners can advance over the next 12-18 months to enable and catalyze the scaling of regenerative agricultural land management activities. The WG should also identify key funding and/or partnership opportunities that may be needed to achieve these priorities. To begin its work, the WG will help define the most important topics, issues and opportunities to assess, as a means of identifying and prioritizing the most impactful actions and crediting opportunities for driving finance to agricultural land management activities that generate GHG mitigation benefits.

Following are potential topics the WG could consider:

- **Identify key barriers, challenges and opportunities for scaling agricultural land management activities that generate GHG mitigation benefits**
  - Consider the role of standards in driving finance to these projects and best financing approaches to help de-risk or facilitate early investment in soil carbon projects
  - Consider new and emerging markets/sources of demand and how these could be tapped
  - Consider main development and implementation barriers faced by agricultural land management projects

- Consider most promising regenerative agricultural land management practices for driving supply and demand for carbon crediting
- Consider key existing or emerging consensus science, carbon monitoring technologies and/or modeling approaches that could have significant impact on reducing the costs and increasing the quality of MRV
- **Explore ways to streamline existing VCS Program rules, methodologies or tools, or develop new methodologies or tools, to address identified barriers and challenges.**
  - Consider most impactful changes to streamline VCS rules and facilitate soil carbon projects (e.g., developing standardized approaches to additionality and baseline setting, allowing more use of default values/conservative estimates or other changes to reduce project design, validation or verification costs)
  - Consider most impactful revisions to existing VCS methodologies or tools, and whether new methodologies or tools, including region-specific ones, are needed
  - Consider other existing or emerging standards, methodologies/protocols or tools that could be learned from and/or adapted
  - Consider potential to scale beyond project-level crediting through frameworks similar to Jurisdictional and Nested REDD+ (JNR)
- **Explore how other non-carbon crediting standards could be used to drive finance to soil carbon projects (either together with or separate from carbon finance).**
  - Consider “softer accounting” approaches (e.g., climate claims, insetting) or bundling of soil carbon with non-carbon benefits/assets associated with regenerative agriculture more broadly, to improve project viability (e.g., soil carbon health, resiliency, water). While at present the “softer” carbon accounting and non-carbon demand and market opportunities appear less clear than they are for VCUs, the WG would explore ways to incentivize such activities through standards and mechanisms such as Verra’s SD VISta and/or LS

## 4 Structure of ALM WG

Verra anticipates inviting approximately 10-15 stakeholders to join the WG. The WG intends to represent a balance of experience and interests, and should comprise a diversity of stakeholders including those with scientific expertise, agricultural land management expertise, project development and auditing expertise, and demand/finance expertise. Where possible, a geographic balance will also be sought including members with involvement in Africa, Asia, and Latin America. Participants may meet one or more of the following criteria:



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- Possess strong understanding of challenges/opportunities associated with implementation of regenerative agriculture practices
- Possess strong knowledge of latest soil carbon science, including the latest modeling approaches and technologies
- Possess strong understanding of existing relevant standards and certification approaches and their strengths and weaknesses
- Possess strong knowledge of relevant new or emerging market and demand/finance opportunities and their requirements
- Be a potential user of new VCS Program rules, methodologies or tools
- Be a leading player in a related agricultural land management initiative

Applicants must be able to commit a limited amount of time to contribute to the WG without remuneration. This will include remote participation via email and about six (60-90 minute) conference calls over a 6 month period between approximately November 2019 and April 2020, with the possibility of extension. Total time commitment is estimated at approximately 15 hours. The aim is to make selections by 15 November 2019 and hold a first meeting of the working group before the end of the year.

The WG will be convened by Verra. Verra staff will be responsible for organizing input by the WG, for facilitating communication and consultation with other stakeholders as needed and for advancing the solutions, in partnership with others, identified by the WG. Verra may create smaller ad hoc groups to advance specific topics depending on needs and participant interest, availability and expertise. The WG will provide guidance and advice to Verra but will not have decision-making power. The working language of the WG will be English.

Applications are invited for membership in Verra's Agricultural Land Management WG until **28 October 2019**. Please send applications to [smontacute@verra.org](mailto:smontacute@verra.org) providing name, organization, a resume or C.V., and a brief statement of interest and relevant expertise.