

AGRICULTURAL OFFSET MARKET

Ginny Brannon, Dept of Public
Health and Environment

Cindy Lair, Dept of Agriculture

Recognize Agriculture as Part of the Solution

- Encourage agricultural emissions reductions by establishing a carbon market
- Encourage emission-intensive industries to buy carbon offset credits from farmers and ranchers in Colorado and the West.

Agricultural Offset Market

Changing farm practices to reduce greenhouse gas emissions:

- **Less frequent tilling limits the release into the atmosphere of carbon and carbon compounds stored in the soil, creating less CO₂.**
- **Converting tilled cropland to a permanent vegetative cover provides long-term storage of carbon in the soil. The U.S. Department of Agriculture Conservation Reserve Program actively works with farmers on this practice.**
- **Proper fertilization, irrigation, and rotational grazing can increase plant productivity on pasture lands, resulting in more absorption of carbon.**



Agricultural Offset Market

Changing farm practices to reduce greenhouse gas emissions:

- **Adjusting the amount and timing of fertilizer application can reduce emissions of nitrous oxide, a fertilizer byproduct.**



Agricultural Offset Market

Changing farm practices to reduce greenhouse gas emissions:

- **Improving the storage and management of livestock manure reduces methane emissions.**
- **Capturing and using livestock-produced methane as a biogas energy source offsets the use of fossil fuels.**



Agricultural Offset Market

Farmers and ranchers interested in participating choose a carbon sequestration or emissions reduction plan suitable for their property.

Emissions reductions are quantified and verified.

A market brings together carbon offset buyers and sellers.

With measurable greenhouse gas reductions in hand, farmers and ranchers offer carbon credits for sale on this offset market.





Establishing Partnerships

HB 1203:

Provides funding for Colorado State University to conduct county-level appraisals of carbon stocks and assess carbon sequestration and GHG mitigation potential



Options for Conservation Reserve Program (CRP) Land

**Impacts on Carbon
Sequestration**

CRP Options

- **High “EBI” (Environmental Benefits Index):**
 - Probably stay in CRP
- **Low “EBI”**
 - Probably not renewed by USDA
 - Effect of high crop prices?
 - What is the transition plan for this land?

BOTTOM LINE

- **Some CRP will be pushed “out of program”**
- **Some CRP will be withdrawn “out of program” by producers**

SOLUTION

- For land pushed out, sell offsets to keep expired CRP in grass
- To enhance revenues for keeping acres in CRP, modify to well managed rangeland
 - Layer grazing plan over existing CRP

Questions?

