

CFGA Carbon Offset Development Pilot Project

Background and Overview



The Pilot Project

Two year pilot project targeting 5,000 hectares of grassland across Canada

Objectives:

- Test and refine the CAR Canada Grassland Project protocol
- Learn as a group how to effectively develop projects
- Discover options for cost-saving and streamlining:
 - Remote sensing
 - Alignment with other programs (e.g. EcoGift)
 - Discover least-cost ways of meeting the protocol's requirements (e.g. Land Appraisal)
- Develop a framework for **extension across Canada**
- **Proof of concept to help approval of Alberta Grassland Protocol and Environment Canada and Climate Change priority protocol**



Partners



Eligibility and Additionality Assessment

- Grassland for **10 years** with no current legal protection



- Financially viable for crop production:

- (Land Appraisal)

- Minimum total project size: ~ **1**

- Land must be suitable

Requirements

- Signing of a **Qualified Land Conservation Agreement:**
Easement, Agreement,
Servitude or Covenant
 - No breaking of ground
 - **Moderate Grazing** is allowed
 - no confined operations



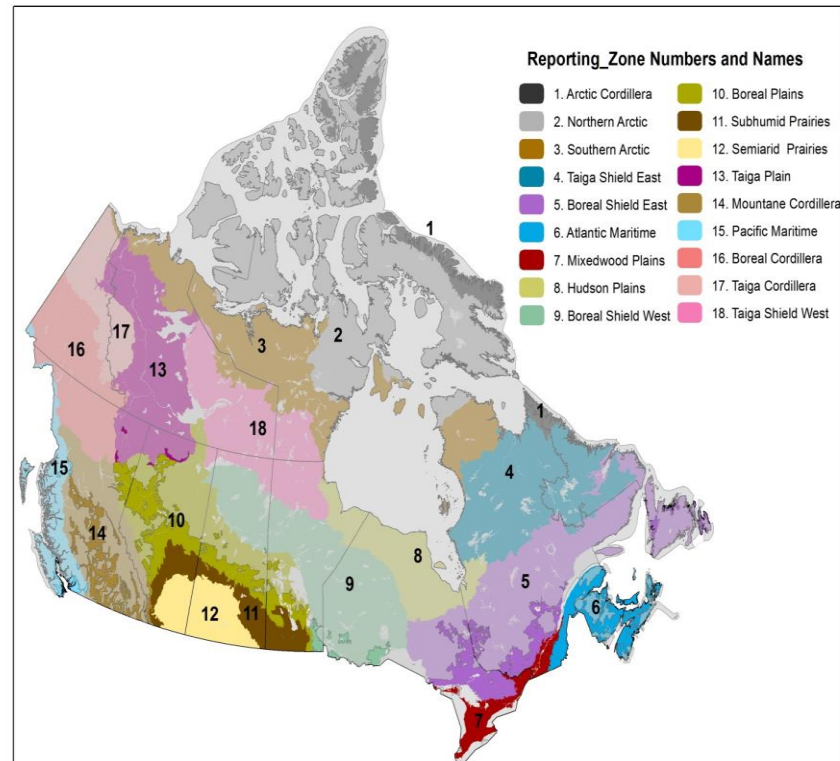
Reporting Zones Map

- Three steps to identify strata:

1. Geography & climate (Reporting Zones)
2. Soil texture (using government soil survey data)
 - Coarse
 - Medium
 - Fine

1. Zone 5: Boreal Shield East
2. Zone 6: Atlantic Maritime
3. Zone 7: Mixedwood
Plains
4. Zone 9: Boreal Shield
West
5. Zone 10: Boreal Plains
6. Zone 11: Subhumid
Prairies
7. Zone 12: Semiarid
Prairies
8. Zone 14: Mountane
Cordillera
9. Zone 15: Pacific Maritime

23



Potential Annual Offset Generation for Reporting Zones 11 and 12

Reporting Zone	Acres Soil Texture	Potential Offset Credits Generated per Year (tCO ₂ e/yr)				
		160	800	1,600	16,000	80,000
11 - Subhumid Prairies	Coarse	49	246	492	4,921	24,605
11 - Subhumid Prairies	Medium	67	337	673	6,734	33,671
11 - Subhumid Prairies	Fine	64	321	641	6,410	32,052
12 - Semi-arid Prairies	Coarse	43	217	434	4,338	21,692
12 - Semi-arid Prairies	Medium	62	311	622	6,216	31,081

CAR Protocol: Testing how to Streamline and Gain Efficiencies

1. Protocol adaptations

1. Legal language
2. Thresholds: Cropland physical and financial suitability, reversal risk

2. Evidence and Contract Requirements

1. Land Appraisals
2. Historical and current land use
3. Qualified Land Conservation Agreement – legal terms and requirements, value, timeframe
4. Project Implementation Agreement – between CAR and Project Owner for ongoing monitoring

3. Monitoring

1. Remote sensing options:
 - i. Rangeland Decisions Support System - Low-cost, low-touch
 - ii. Shell Technologies
2. Alignment with ongoing easement monitoring
3. Rangeland health assessment streamlining



Project Setup and Streamlining

1. Offset Generation Cost/Benefit Analyses

1. The most beneficial/feasible project types for all parties: land trusts, landowners, offset buyers
2. Aggregated/Cooperative projects
3. Verification options: site visit
4. Short vs long-term permanence (tonne-tonne vs. tonne-year)

2. Team and Financial Setup

1. Testing of most efficient roles and responsibilities
2. Responsibilities for project costs
3. Setup of financial systems to enable project development
4. Purchase agreements
5. Ongoing monitoring costs
6. Contractual requirements



Alberta Protocol: Activities and Research

Eligibility and Evidence

First Nations Land Ownership

Public Lands Eligibility

Land use evidence options

Irrigation legal and physical availability

Reduction Modifiers/Coefficients:
Grazing management plans,
grassland burning

Thresholds

Cropland Premium: Land Appraisal
requirements/streamlining

Conversion Risk Thresholds

Permanence and Enforcement

Project Implementation
Agreement

Options/requirements for
permanence

Approval Process

Advocacy

Coordination of TWG

Develop Technical Seed
Document

Technical Review

Public Comments

Draft Protocol



Benefits to Joining the Pilot

- Opportunity to generate (approx.) 0.25-0.5 carbon offsets per acre per year for up to 30 years.
- Help shape how this opportunity is developed
- Significant assistance in developing the project.
- Many upfront costs paid or partly paid.
- Honorarium for participation.
- Learning for all partners.



Next Steps

- Pilot Project:
 - Test Protocol implementation
 - Develop contractual requirements
 - Develop real projects and carbon offsets
- Develop Alberta Protocol:
 - Intent to Develop submitted December 2018
 - Now stalled due to change in government priorities
 - Advocacy to begin this Fall
 - Protocol drafting to begin this Fall with AB NAWMP funding
 - More funding will be required to complete the full approval process

