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Via Electronic Submission

Melissa Bailey,
Associate Administrator
Agricultural Marketing Service
United States Department of Agriculture
1400 Independence Avenue SW, Washington, DC 20250

**RE: Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program
(Docket Number: AMSLP-24-0012)**

Dear Associate Administrator Bailey:

These comments are submitted on behalf of the Agricultural Retailers Association (ARA). ARA is the recognized unified national voice and trusted resource for agricultural retailers and distributors. ARA unites its members and their interests to advocate and educate on their behalf, provide services to improve their businesses, and preserve their freedom to operate and innovate, ensuring a safe and plentiful food supply for all. ARA members are scattered throughout all 50 states and range in size from small family-held businesses, farmer cooperatives, and large companies with multiple outlets.

ARA is appreciative of the work being done by the United State Department of Agriculture (USDA) to establish the Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program (the Program), authorized under the provisions of the Growing Climate Solutions Act (GCSA). While the business community, including agricultural retailers, will drive how this market works, we appreciate USDA's outreach and inclusion in the process. While most growers are aware of carbon programs, we do see a lag in adoption and a need for more education in the protocols and processes. Particularly regarding offsets vs. supply chain insets. Education is imperative to adoption. We implore USDA to conduct a series of listening sessions with retailers and other private sector businesses involved in current markets to learn more during the process of establishing the Program. We are willing and available to help conduct these sessions and welcome the opportunity for more engagement.

In the interest of brevity, we have chosen to answer each question in order as listed on the request for information. Please find our answers in bold below:

Question 1: How should USDA define the terms “consistency,” “reliability,” “effectiveness,” “efficiency,” and “transparency” (see [7 U.S.C. 6712\(c\)\(1\)\(A\)](#)) for use in protocol evaluation?

In striving to define these terms, USDA should look towards common definitions in the existing voluntary carbon market (VCM) industry and avoid creating novel definitions.

Consistency – The definition of consistency should allow for improvement and innovation over time. Minimum quality standards are appropriate to ensure VCM programs align with the best interests of participants.

Reliability – VCM programs currently exist that have track records of success and reliability. Assurance and assessment steps taken by these programs should be considered as indicators of reliability.

Effectiveness – Effectiveness should not be intrinsically measured by USDA; however, effectiveness should be judged by a VCM program assessing their credits against external standards and reporting measurable and verifiable outcomes.

Efficiency – Project scope will have an impact on the length of time to issue of carbon credits. Efficiency should consider the level of value driven to the farmer from a VCM project versus what is retained for overhead, etc.

Transparency – VCM programs should publish the information supporting their credits, as indicated under Reliability and Effectiveness. The personal information of farmer and landowner should be protected and shielded from release throughout the process.

When developing definitions to these terms, it is important for USDA to recognize that they are used in the statute solely in relation to the creation of the “list of, and documents relating to, widely accepted protocols” (7 U.S.C. § 6712(c)(1)(A)). USDA should avoid applying definitions to these terms developed strictly to judge protocols to other parts of the VCM system, and any future rulemakings should allow for adjusting these terms to the appropriate situation under consideration.

Question 2: What metrics or standards should USDA use to evaluate a protocol's alignment with each of the five criteria to be defined in Question 1? What should USDA consider as minimum criteria for a protocol to qualify for listing under the Program?

For evaluation of protocols under the Program, USDA should evaluate based on actual existing performance as opposed to promised future performance. This can take into account whether there have been credits actually issued under the protocol, if there are any active projects in the works to lead to credit issuance, and the length of time since the last issuance to ensure that a protocol is still active and relevant.

Question 3: In general, after a new protocol is published, how long does it take for a project to use the protocol and be issued credits (*i.e.*, what is the lag time between protocol publication and first credit generation)?

Protocols are not being published very often. In some instances, it takes years to publish new protocols. One thing we have heard frequently from members is using protocols for forestry businesses and trying to adapt them to agriculture, is not practical. One issue is the need to have a fast track on protocols related to agriculture.

The lag time between protocol publication and first credit generation varies but typically takes between nine to eighteen (9 to 18) months. We do not believe USDA should be mandating new protocols be published, but USDA could recommend that new protocols be published relating to varied cropping systems and non-forestry agricultural uses.

Question 4: Which protocol(s) for generating voluntary carbon credits from agriculture and forestry projects should USDA evaluate for listing through the Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program?

In Canada, the Nitrous Oxide Emission Reduction Protocol (NERP)¹ was approved last fall and we expected this to be an industry standard adopted in the U.S.

Question 5: For any protocol(s) identified under Question 4:

(a) Has the protocol resulted in the generation and sale of credits? If yes, when was the most recent year and volume of credit generation and retirement? If not, is there evidence that the protocol will generate credits (*e.g.*, projects are under development)?

Yes, 2023 is the most recent year of credit generation. However, the volume of credit generation is different for every farm and every cropping system. The most common protocols used by our members are Verra 0042² and 0028³.

(b) What is the average size (in acres, hectares, or another relevant unit) of projects using the protocol?

This varies greatly by farm and there is difficulty in calculating an average when so few U.S. farm and forestry acres are involved in carbon projects.

¹ <https://open.alberta.ca/dataset/7af3a836-53e9-45d5-80fb-36cadf0cb8b0/resource/d5ea3959-7605-461a-a7f5-cbad7694c18d/download/nerp.pdf>

² <https://verra.org/methodologies/vm0042-methodology-for-improved-agricultural-land-management-v2-0/>

³ <https://verra.org/methodologies/vm0028-methodology-carpooling-v1-0/>

(c) What is the average credit issuance per unit land area (acre or hectare) for projects using the protocol, inclusive of credits that are contributed to a buffer pool?

Again, this is a difficult question to answer given the variance of farm acres and cropping systems involved in carbon projects. Each protocol tends to recommend a different buffer pool, but typically is in the range of 10-20% of the acres (leaning to the lower end of this spectrum).

(d) Does the protocol reduce the cost, paperwork, and/or reporting burden for smaller, diversified, or underserved farmers, ranchers, or private forest landowners, while maintaining reliability of offsets? If yes, how?

On a per acre basis, it is the same cost for large vs. small farms, but if you measure the entire entity, it changes. In terms of economies of scale, the larger farm on a per acre basis changes because of fixed costs. Smaller farms may not have access to staffing levels and funding to meet workload. Larger farms also have more abundant technology adaptations allowing for increased efficiency.

(e) Does the protocol allow multiple entities to aggregate into a single project? If yes, what are the parameters for aggregation and is there evidence that aggregation has successfully occurred?

Yes. Those companies purchasing credits want to buy in large blocks, but even large farms are not creating enough. Aggregating credits from multiple farms in a model to be sold as a single project to the offset buyer is common. Aggregation is happening at all levels today around the voluntary credit market.

(f) Does the registry administering the protocol use a fee structure that allows for aggregated entities to pay a single project fee, or does each entity need to pay a project fee?

There is no “one size fits all” fee structure. Each project is different.

(g) What are the verification requirements in the protocol, including recordkeeping requirements?

Each protocol and project are different which makes this question exceedingly difficult to answer.

(h) Does the protocol require on-site verification? If yes, does the protocol require 100% on-site verification, or does the protocol specify a procedure for determining an on-site verification sample group? What is required as part of the on-site verification? Does the protocol allow remote verification methods/technologies (e.g., remote sensing)?

Most, if not all, protocols require on-site verification and will specify what percentage will be audited by third-party (ie. One in five acres, 10%, 20%, etc.). Remote sensing is very common in terms of the beginning stages of a project.

(i) Does the protocol include a risk management approach for determining which data inputs or project sites are required for third-party verification? If yes, what does the risk management approach require?

N/A

(j) Does the protocol allow for simplified measurement, monitoring, reporting, and verification (MMRV) processes? If yes, are there requirements or restrictions for using the simplified MMRV processes?

Yes. There are several MMRVs available. All use slightly different methodologies.

(k) What quantification methodology(ies) does the protocol require for quantification of emissions reductions and/or removals? What scientific evidence is available to support these methodologies?

This question is too broad given the number of available methodologies. This would be difficult to answer unless there are more specifics given for each.

(l) For protocols where models are required to quantify emissions, is there a process for model review and approval prior to use by prospective projects? Can approved models be used by any project or are they specific to a project developer?

All MMRVs are getting either protocol approved or not approved.

(m) If models are allowed for quantification of emissions reductions, are models required to have gone through scientific review, parameterization, calibration, and validation to demonstrate performance for the practices on the relevant crops and/or species in the geography of the project? Does the protocol provide clear guidance on where eligible models can be applied?

Models are tiered (tier 1, 2, or 3 models) which are based on achievement. When you start to use a model represented by an MMRV, you can ask what tier they have achieved.

(n) What does the protocol require or allow for determining a project baseline?

This varies greatly based on project.

(o) How does the registry administering the protocol restrict the potential double counting of credits?

All are geo-specific. Farmers must either register geo-specifically or farmers have to attest that they have not engaged in counting of credits and knowingly doing so is fraudulent. This testament/acknowledgment is common in all project contracts.

(p) Does the protocol require projects to quantify and report uncertainty associated with greenhouse gas calculations?

No. Most protocols require some sort of longevity or permanence.

(q) Has the protocol generated credits which were later cancelled due to issues of credit integrity or validity?

Yes. However, this is less common in U.S. agricultural markets.

(r) For project categories where reversals (*i.e.*, the intentional or unintentional release of sequestered carbon for which credits have been issued) are possible, does the protocol contain procedures to maintain net GHG impact?

Yes. There are procedures to maintain net GHG impact. This is why permanence is important and why lag in development, credit issuance, and payment exists. The buffer pool is necessary because of the reversal consequences. This is managed very well in U.S. agriculture.

(s) Where is information about the protocol made publicly available?

All protocol information is published on company-specific websites of involved parties and information is made public. Almost all MMRVs will assist in protocol process and information sharing.

Question 6: How should USDA evaluate technical assistance providers (TAP)? What should be the minimum qualifications, certifications, and/or expertise for a TAP to qualify for listing under the Program?

Recognizing the voluntary nature of this program, USDA must avoid being prescriptive in requiring specific certifications or unrealistic education/experience levels to qualify for listing under the Program. If USDA were to do so, it would greatly disincentivize participation, undermining the benefit the Program would have to farmers.

It would be appropriate for the USDA to provide a list of certifications that they consider a benefit for a TAP to possess, such as the Certified Crop Adviser (CCA) designation from the American Society of Agronomy. Requiring a specific certification, however, is not reflective of

the diversity of potential projects or the variety of tasks that may qualify as technical assistance—ranging from agronomy services to credit and lending for practice adoption. We would recommend that the USDA adopt the following evaluation process for a TAP:

1. Registration Process. The TAP shall provide the following information when registering;

- a. Selection of technical assistance activities from list contained at 7 U.S.C. § 6712(c)(2).**
- b. Description of the technical assistance tasks they will provide.**
- c. Self-reporting of education, experience, and professional certifications.**

2. Evaluation process. The TAP shall be evaluated by USDA and if they meet one of the following criteria, shall be listed on the registry:

- a. Education – At least an associate degree in a relevant field of study based on the activities selected. For example, agriculture, forestry, grassland management, conservation management, etc.**
- b. Work experience – At least two years of work experience in a relevant field.**
- c. Professional certification – Holding a certification from the list developed by USDA suggested above, such as the CCA designation from the American Society of Agronomy or equivalent for other technical assistance activities.**

Question 7: Should the qualifications and/or registration process be different for entities and individuals that seek to register as a TAP?

For simplicity, qualifications for entities and individuals seeking to register should be consistent and equal. This will streamline the qualification process.

Questions 8: What should be the minimum qualifications and expertise for a third-party verifier to qualify for registration under the Program?

In many instances, third party verifiers for carbon programs come from outside the U.S. In some instances, those verifiers have little to no experience with regional soil types and/or cropping systems. For this reason, we suggest all third-party verifiers and/or auditors should meet minimum qualification standards. E.g. Verifiers should have confirmed experience in what they are auditing in regard to soil type, regional climate, cropping system etc.

We suggest USDA house a list of known third party verifiers and/or auditors that must register with the department. These auditors should be U.S. citizens or permanent residents in the interest of national security, and we do not see a need for re-certification once they are registered with USDA.

Ms. Melissa Bailey
June 28, 2024

Conclusion

Agricultural practices will continue to play a key role in climate policy discussions, and it is essential that the ag retail industry is included in any climate-smart ag sustainability solutions. As the trusted advisor to farmers, the retailer plays a pivotal role in the development and implementation of climate-smart ag practices and conservation methods as part of broader on-farm management plans their farmer customers utilize in their day-to-day operations.

Another key aspect of these discussions related to protecting our climate is the carbon credit market and the role retailers play in that space. As companies seek to offset greenhouse gas emissions, ag retailers can help their customers navigate a cumbersome marketplace that proves beneficial to both the farmer and their land, as well as the environment. The carbon credit marketplace should be voluntary and incentive based.

We believe a clearer framework for how this private sector carbon credit marketplace operates and a decrease in barriers to entry for the ag industry is imperative. By creating a more defined certification process for greenhouse gas technical assistance through USDA's third-party verifier certification program, a role that ag retailers will be involved in, farmers will have a better understanding of the market and benefits it can provide for the industry.

Thank you for the opportunity to submit comments and your continued commitment to supporting America's agriculture industry.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Hunter Carpenter". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Hunter Carpenter
Senior Director of Public Policy
Agricultural Retailers Association