

GOVERNMENT OF INDIA
MINISTRY OF AGRICULTURE AND FARMERS WELFARE
DEPARTMENT OF AGRICULTURE AND FARMERS WELFARE

RAJYA SABHA
UNSTARRED QUESTION NO- 490
TO BE ANSWERED ON- 26/07/2024

CARBON TRADING MECHANISM IN AGRICULTURE SECTOR

490. SHRI SUJEET KUMAR:

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Government is contemplating the implementation of a carbon trading mechanism in the agriculture sector, considering it being the second-largest contributor to the country's overall greenhouse gas emissions;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

ANSWER

THE MINISTER OF AGRICULTURE AND FARMERS WELFARE
(SHRI SHIVRAJ SINGH CHOUHAN)

(a) to (c): The Government notified Carbon Credit Trading Scheme, in December 2023 for implementation of carbon trading mechanism. Under the offset mechanism of carbon trading, one of the selected sectors is the Agriculture sector. Through this scheme, entities /farmers would be able to register GHG mitigation projects for issuance of carbon credit certificates that meet the required parameters as per approved methodologies.

Ministry of Agriculture & Farmers Welfare has developed a framework for promoting Voluntary Carbon Market (VCM) in India for the agricultural sector to encourage small and marginal farmers to get carbon credit benefits. Introducing carbon markets to farmers can accelerate the acceptance of eco-friendly agriculture practices while enhancing their income. Farmers can adopt sustainable agriculture practices and get additional income from carbon credits as well as other agro-ecological benefits in terms of improved natural capital such as soil, water, bio-diversity etc.

The Framework for the voluntary carbon markets in the agriculture sector will help promote carbon market among the farming community incentivize and finance sustainable agricultural practices. The major objective of VCM framework is to create awareness and capacity building of the stakeholders, motivating farmers to adopt sustainable agricultural practices. In the long run this would contribute to sustainable development goals, support rural livelihoods, and promote resilience in agriculture.
