

# Plantation Sector Demands Creation of Voluntary Carbon Trading Market

Stakeholders in the plantation sector debated the opportunities for tapping the carbon market potential for the sector at a seminar organized by the Indian Institute of Plantation Management Bengaluru in collaboration with the United Planters Association of South India (UPASI) and The Indian Tea Association.

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Picture of Carbon Emission

The plantation sector, reeling from the effects of changing climatic patterns and volatile price trends, made a pitch to the government on Tuesday for the creation of a voluntary carbon market in the country so that beleaguered growers can monetize the carbon sequestration potentials of their estates growing crops like tea, coffee, rubber, and spice, among others.

Stakeholders in the plantation sector debated the opportunities for tapping the carbon market potential for the sector at a seminar organized by the Indian Institute of Plantation Management Bengaluru in collaboration with the United Planters Association of South India (UPASI) and The [Indian Tea Association](#).

## **Need to have an Institutional Mechanism for Carbon Trade**

UPASI President M P Cherian emphasized the importance of a policy drive that allows Agri-plantations to trade in sequestered carbon. "It is past time for the Indian government to establish a clear framework and procedure for the country's voluntary carbon trading market," Cherian added.

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*"Various studies have shown that [plantation crops](#), which are fast-growing perennial species with a low-tillage system, may sequester a significant amount of carbon. While rubber plantations offer the maximum carbon sequestration per hectare, other plantation crops such as tea, coffee, cardamom, and cocoa also have the ability to sequester carbon. Multi-cropping, inter-cropping, and agroforestry are poly-culture approaches that can improve these qualities," according to Cherian.*

The ITA's Secretary-General, Arijit Raha, emphasized the importance of the plantation sector aligning with the government's goal of becoming net-zero by 2070. When compared to other businesses, the tea industry has an advantage in terms of carbon status, according to Raha.

According to an ITA research from 2013, Raha claims that the tea industry is carbon positive due to its operations. *"Our carbon sequestration outweighs our emissions by a large margin. In some ways, we are ahead of the curve. We have to figure out how to use the status to our advantage,"* Raha remarked.

In addition, when it comes to carbon trading, Raha believes that a vehicle should be established to connect the tea industry to the carbon market. He asked the experts to look at what role industry associations like UPASI and ITA may play in moving this ahead within the context of existing government rules.

In his keynote talk, Santosh Kumar, Executive Director, Harrison's Malayalam Ltd, emphasized the importance of having an institutional structure for carbon trading in the country. *"We need to develop a very strong voluntary carbon trading market in the country,"* Kumar said, adding that such a system would strike a fine balance between development and conservation. *"People will be able to trade carbon credits and get paid for the carbon they are sequestering, and industries will be able to buy these credits and meet their commitments."*

Prof V G Dhanakumar, Director of the IIPMB, stated that his organization will prepare a white paper on the carbon market potential in the agri-plantation sector, which would be presented to the Ministries of New and Renewable Energy and Agriculture and Farmers Welfare for further action.

Anjana Sharma, DGM, Climate Services Division, KBS Certification, spoke about the steps involved in developing, validating, and certifying carbon projects. Kundan Burnwal, Advisor, [Climate Change](#), GIZ Germany, spoke about the monetizing aspects of carbon credits for Agri plantations, while Kundan Burnwal, Advisor, Climate Change, GIZ Germany, spoke about the monetizing aspects of carbon credits for Agri plantations.

T V Ramachandra of IISc's Energy and Wetlands Research Group presented on budgeting in Central Western Ghats plantations, while Ketan Patel of Jalinga Tea Estate shared his experiences with going organic and reducing emissions in the tea value chain.

N Anil Kumar, MSSRF's Senior Director, discussed the benefits and relevance of carbon sequestration in the coffee industry. The carbon credit potential in forestry was discussed by Tulika Biswas, Team Lead, Nature Based Solutions, WeAct Pty Ltd, Australia. Mangalam Timber Plants Consultant Prem Shankar Prasad spoke on the company's techniques for earning carbon credits from plantations. UNCCD Consultant Ishwar Narayanan presented about carbon markets for landscape restoration and biodiversity.