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JACKSON COUNTY CONSERVATION DISTRICT

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Conservation Organizations Launch the Michigan Conservation and Climate Initiative

Innovative program creates revenue for farmers while attacking global warming

Over the last few years, the debate over global warming has shifted from scientific circles to mainstream America. A confluence of events and images has brought the debate over the impacts of global warming to the homes of many Americans. Of particular interest to the agricultural community in Michigan is how certain conservation practices sequester atmospheric carbon dioxide – the primary greenhouse gas behind global warming – and create revenue for farmers and landowners.

To help Michigan farmers and landowners generate revenue from the emerging carbon market, the Delta Institute and the Michigan Association of Conservation Districts have collaborated to form the Michigan Conservation and Climate Initiative. Known as MCCI, this initiative provides a framework for farmers and landowners to enroll their lands and earn carbon-offset credits for implementing certain conservation practices that improve carbon sequestration on their land. Landowners then sell their carbon-offset credits on the Chicago Climate Exchange, a voluntary, member-based market comprised of large companies, municipalities and institutions, including Ford, Dow and Michigan State University. At current market prices, a landowner can typically earn between \$2 and \$12 per acre, depending on the conservation practice, from the sale of carbon-offset credits.

To earn carbon-offset credits, a landowner must enroll their land with a Chicago Climate Exchange Registered Aggregator, such as the Delta Institute, and implement one or more of the following conservation practices:

- conservation tillage, also known as no-till or strip till agriculture
- grass or tree plantings
- methane capture through the use of an anaerobic manure digester.

The Chicago Climate Exchange assigns pre-determined credits for each practice. For conservation tillage, a landowner earns a carbon-offset credit of 0.5 metric tons per acre

per year. For grass plantings, a landowner earns a credit of 0.75 metric tons per acre per year. Tree planting credits vary by species and age, but average between 2 and 4 metric tons per acre per year. By far, anaerobic manure digesters earn the greatest carbon-offset credits – an 18.25-metric ton credit for every one ton of methane destroyed. There is no cost to enroll, but landowners must sign a contract and commit to maintain the conservation practice through 2010.

“The Michigan Conservation and Climate Initiative rewards farmers and landowners for being good stewards of the land,” says Todd Parker, associate for the Delta Institute and MCCI coordinator. “By practicing conservation tillage or planting grasses and trees, farmers are offsetting greenhouse gas emissions, an ecosystem service for which Chicago Climate Exchange members are willing to pay.”

One of the strengths of this initiative is the partnership with the Michigan Association of Conservation Districts. The 79 conservation districts throughout the state will be the “conservation gateway” for this initiative, providing landowners with project information, enrollment assistance, and verification services, according to Lori Phalen, Executive Director for the Michigan Association of Conservation Districts. Additionally, the Michigan Department of Agriculture has been instrumental in the development of this initiative, convening an advisory committee, comprised of agricultural groups and stakeholders, to discuss this initiative and promoting this opportunity through its field staff. “The Michigan Department of Agriculture supports MCCI because it fits within our mission to ‘protect, promote and preserve the food, agricultural, environmental and economic interests of the people of Michigan,’” says Steve Shine, director of conservation programs.

It is important to emphasize that Michigan Conservation and Climate Initiative is not a government program. Rather, MCCI provides

landowners with the opportunity to participate in the nation’s only private, voluntary market for carbon-offset credits. Thus, landowners can earn revenue from this program while still utilizing government cost share programs such as the Conservation Reserve Program (CRP) and the Conservation Reserve Enhancement Program (CREP).

The Michigan Conservation and Climate Initiative provides a financial incentive for farmers and landowners to use conservation practices. While the primary purpose of MCCI is to sequester carbon dioxide and provide revenue for Michigan farmers and landowners, the program generates secondary environmental benefits, such as creating wildlife habitat, limiting soil and nutrient runoff to streams and lakes, and improving the drought resistance of soil. In addition, the additional revenue may help landowners pay property taxes and preserve family lands. More information is available at www.michiganclimate.org.

The Delta Institute is a 501(c)(3) non-profit organization whose mission is to improve environmental quality while promoting community economic development. With offices in Chicago and Lansing, the Delta Institute is changing the way business, government and community-based partners protect natural resources and create economic opportunity in the Great Lakes Region.

The Michigan Association of Conservation Districts is a non-governmental, non-profit 501(c)(3) organization, established to represent and provide services to Michigan’s 79 Conservation Districts. The Association represents its members at the state level by working with legislators, cooperating agencies, and special interest groups whose programs affect the care and management of Michigan’s natural resources, especially on private lands.

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