

Infosheets overview:

Understanding the opportunities and risks of forestry and bioenergy carbon offset projects for poor rural communities

What is the purpose of these infosheets?

These infosheets have been created to outline what carbon offset projects are, how they work and how their key features influence the potential opportunities and risks for poor rural communities. They contain information on carbon offset projects in general but provide more detail on small-scale bioenergy and forestry projects, as these are more common in rural areas and often try to create opportunities for the rural poor.

The infosheets are based on findings from a research project entitled '[Carbon Offsets: Researching Opportunities for Poor Rural Communities](#)', conducted by the Overseas Development Institute (ODI). The information provided draws on fieldwork in India, which looked at bioenergy carbon offset projects, and in Uganda, which looked at forest-based carbon offset projects. It also draws on the available literature that exists on the social impacts of carbon offset projects. The project was carried out because there is still a lack of readily available information about the different ways in which rural carbon offset projects can be implemented and how different approaches impact on poor rural communities.

What information do the infosheets contain?

There are ten infosheets which focus on different aspects of carbon offset projects. Each sheet contains key points, a discussion of key issues and links to further resources on the particular topic.

Who should use the infosheets?

The infosheets are targeted primarily at those familiar with rural development projects, but with less knowledge and experience of carbon offset projects. They should act as a useful introduction to individuals and organisations wanting to know more about how carbon offset projects work. Primary audiences may include intermediary NGOs working with community groups, local governments, and interested project developers.

Secondary target audiences include donors who want to understand more about the pros and cons of investing in carbon offset projects and the possible benefits that this may bring for developing countries and poor rural communities.

What information does the guidebook contain?

- **INFOSHEET 1:** How does carbon offsetting work and what are carbon offset projects?
- **INFOSHEET 2:** Description and overview of the carbon offset markets.
- **INFOSHEET 3:** Types of forestry and bioenergy carbon offset projects.
- **INFOSHEET 4:** Differences between carbon offset projects and traditional development projects, and what this means for in terms of benefits and risks.
- **INFOSHEET 5:** Overview of how carbon offset project methodologies, standards and monitoring requirements can create benefits, risks and barriers to the project.
- **INFOSHEET 6:** Description of emission reduction purchase agreements (ERPAs) and how they can be structured to enhance opportunities for poor rural communities.
- **INFOSHEET 7:** How carbon finance works and how it is delivered to poor rural communities.
- **INFOSHEET 8:** Overview of potential risks associated with meeting the criteria of additionality, permanence and leakage avoidance.
- **INFOSHEET 9:** Portrayal of relevant national policies that encourage or discourage carbon offset projects and how this can impact opportunities for the rural poor.
- **INFOSHEET 10:** Glossary: a description of common terms surrounding carbon offset projects

Further Resources: Other useful guidebooks/toolkits

UNDP ‘Harnessing Carbon Finance for Forestry and Bioenergy in Eastern and Southern Africa’
http://presa.worldagroforestry.org/files/2009/07/Bio-carbon_in_Africa-harnessing_carbon_finance_for_forestry_and_bio-energy.pdf

This guidebook details bio-carbon opportunities offered by the carbon market and aims to enhance technical understanding of carbon finance.

ENCOFOR A/R CDM Toolkit

http://www.joanneum.at/encofor/tools/tool_demonstration/feasibility.htm

The ENCOFOR project developed and validated a suite of tools for the selection, design and evaluation of afforestation, reforestation and revegetation projects under the CDM in non Annex I countries. Although the tools are based on CDM requirements, some of the manuals, checklists and spreadsheets can be used for the design and pre-feasibility and feasibility analysis of REDD projects.

Natural Resources Institute’s Biomass - Energy Toolbox

<http://www.nri.org/projects/biomass/>

The study considers the technical issues of using wood as a source of energy as well as the growing of fuelwood crops as a farming activity.

Payments for Ecosystem Services: Getting Started. A Primer

http://www.unep.org/pdf/PaymentsForEcosystemServices_en.pdf

The PES primer is designed to provide the reader with a solid understanding of payments ecosystem service (PES) and markets and the mechanisms of PES deals, and based on this aims to provide guidance for developing PES deals.