

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:1988  
ANSWERED ON:27.08.2007  
WORLD BANK FUND  
Adsul Shri Anandrao Vithoba

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the World Bank's public/private held Bio-Carbon Fund (Bloc) has signed an Emission Reduction Purchase Agreement with some States to enable small farmers in a contract farming pilot project to earn additional revenues through carbon credits by afforesting their degraded lands;
- (b) if so, the details thereof;
- (c) the component of world bank assistance; and
- (d) the extent to which the additional income likely to be generated by the farmers?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) to (d): The World Bank's Bio Carbon Fund (BioCF) has signed an Emission Reduction Purchase Agreement (ERPA) on 8th May, 2007. The Agreement will enable small and marginal farmers in Orissa and Andhra Pradesh to earn additional revenues through carbon credits by afforesting their severely degraded lands. Under the agreement, the BioCF will purchase 276 thousand tonnes of carbon di oxide equivalent between 2008-2017. The Bio Carbon Fund will purchase Emission Reductions generated by the 'India Improving Rural Livelihoods through Carbon Sequestration Project'. The Project has been developed jointly by JK Paper Ltd., in Rayagada, Orissa and by VEDA MACS Ltd. - Vanitha Empowerment, Development and Advancement (VEDA) Mutually Aided Cooperative Society (MACS), Hyderabad - which addresses issues related to sustainable agro-forestry practices. The Project will cover over 3500 hectares of severely degraded lands in 6 districts of Andhra Pradesh and Orissa.