

Monitoring, Compliance and Enforcement

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Verification

- accurate,
 - replicable,
 - enforceable,
 - cost effective.
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Who has verification responsibilities regarding participants meeting contractual obligations?

- Currently, the CCX has a mixture of private businesses and quasi-public agencies, such as state associations of soil and water conservation districts, listed as project verifiers.
 - An alternative would be for a USDA agency to get involved in providing verification services –NRCS, FSA
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Who has verification responsibilities regarding participants meeting contractual obligations?

- Technical Service Providers (TSP)
 - self-certification of compliance with contractual requirements
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Should carbon payments be
coupled to carbon accounting
monitored or verified at the
farm level **or** decoupled and
based on the use of farmer
recommended management
practices (RMPs) which will be
tied through research to
changes in C-levels?

Monitoring and Verification

- Use of remote sensing
 - On-site inspection
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Noncompliance!

- ❑ Experience with USDA “mediation” of program participants who are out of compliance: rules/regs vs. mediation/settlement
 - ❑ Extending long periods to producers to come into compliance, almost a USDA standard practice in the past, will not be acceptable in most markets
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Do we explore “double dipping”
in terms of the environmental
benefits ?

**Compliance monitoring
without sustaining high
transaction costs**
