

Implementation Status & Results
India
Carbon Financing for Improved Rural Livelihoods Project (P095901)

Operation Name: Carbon Financing for Improved Rural Livelihoods Project (P095901) Project Stage: Implementation Seq.No: 1 Status: ARCHIVED Archive Date: 29-Nov-2014

Product Line: Carbon Offset Country: India Approval FY: 2007
 Implementing Agency(ies): Region: SOUTH ASIA Lending Instrument:

Key Dates

Board Approval Date	08-May-2007	Original Closing Date	31-Dec-2018	Planned Mid Term Review Date	Last Archived ISR Date
Effectiveness Date	14-Jul-2010	Revised Closing Date	31-Dec-2018	Actual Mid Term Review Date	

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective is to reduce green house gas emission through small farmers in Orrisa and Andra Pradesh reforesting 1,608 ha of degraded lands with fast growing tree species (mainly eucalyptus and Cassurina).

Has the Project Development Objective been changed since Board Approval of the Project?

Yes No

Component(s)

Component Name	Component Cost
Plantation of 1,608 ha benefits generating emission reductions	0.00

Overall Ratings

	Previous Rating	Current Rating
Progress towards achievement of PDO		Moderately Satisfactory
Overall Implementation Progress (IP)		Satisfactory
Overall Risk Rating		Low

Implementation Status Overview

The project involves 1,590 farmers planting fast growing timber (Eucalyptus and Casuarina) on 1,608 ha of degraded lands in selected parcels of Orissa and Andhra Pradesh states, for paper production by the J.K. Paper Company. The project is jointly implemented by JK paper and Veda private limited. While the Project was officially commissioned in 2007 in conformity with the procedures of the Clean Development Mechanism under the Kyoto Protocol (CDM), most of the plantation was completed during 2004.

For the first verification period from June 2004 to Aug 31, 2011, the project generated 79,811 CERs (certified Emission Reduction). The payment for the generated CERs is made by the Bio-Carbon Fund. By the time of the first verification was completed, the area under plantation had for various reasons dropped to 1,116 ha including the fact that the price of timber had declined and trees were being attacked by an insect / Pest .

In addition, few a farmers also sold the eucalyptus trees that had already matured. Many parcels were also replanted. By 2013, the area under cultivation had reportedly risen to 1,316 ha. However, the actual area under plantation may be found to be more or significantly less by the time of the next verification scheduled in December 2016, depending on the farmer approach to tree harvesting.

In accordance with the emission reduction purchase agreement (ERPA) between the Bank as Trustee of the Bio-carbon Fund and VEDA and JK papers, the income derived from the sale of the carbon credits have been provided to the farmers. While JK Paper has provided CER payments to 1,209 farmers, it has not been possible to provide payments to another 358 farmers for various reasons including the fact that some farmers have said that the amount of money is too small, few others were not traceable or migrated from the project areas. These funds will be retained by JK Paper in a special account until the next payments are made to the small farmers in 2017.

Locations

Country	First Administrative Division	Location	Planned	Actual
India	State of Andhra Pradesh	Vishakhapatnam		
India	State of Andhra Pradesh	Vishakhapatnam		
India	State of Andhra Pradesh	Srikakulam		
India	State of Andhra Pradesh	Salur		
India	State of Andhra Pradesh	Parvatipuram		
India	State of Orissa	State of Orissa		
India	State of Andhra Pradesh	Makkuva		
India	State of Orissa	Lanjigarh		
India	State of Orissa	Koraput		
India	State of Orissa	Kalahandi		
India	State of Andhra Pradesh	Gara		
India	State of Andhra Pradesh	Bobbili		
India	State of Orissa	Bissamcuttack		
India	State of Orissa	Bhawanipatna		
India	State of Andhra Pradesh	State of Andhra Pradesh		
India	State of Andhra Pradesh	Vizianagaram		
India	State of Andhra Pradesh	Vizianagaram		
India	State of Orissa	Rayagada		

Country	First Administrative Division	Location	Planned	Actual
India	State of Orissa	Rayagada		

Results

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Area restored or re/afforested	<input checked="" type="checkbox"/>	Hectare(Ha)	Value	0.00	1316.00	1608.00
			Date	08-May-2007	25-Feb-2014	08-May-2008
			Comments	Prior to this date, there was no trees on the carbon stock was considered as 0	This was reconfirmed during the recent visit in March, 2014	The plantation started in 2004 and were completed during 2007 and 2008
Area re/afforested	<input checked="" type="checkbox"/>	Hectare(Ha) Sub Type Breakdown	Value	0.00	1316.00	1608.00
			Date	08-May-2007	25-Feb-2014	25-Feb-2014
			Comments			
Total carbon emission	<input type="checkbox"/>	Tones/year	Value	0.00	79811.00	182660.00
			Date		31-Aug-2014	31-Dec-2017
			Comments		Carbon credit money for this emission is already paid to the client	

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
This project had only one core indicator	<input type="checkbox"/>	Text	Value			
			Date			
			Comments			

Data on Financial Performance (as of 27-Mar-2014)

Financial Agreement(s) Key Dates

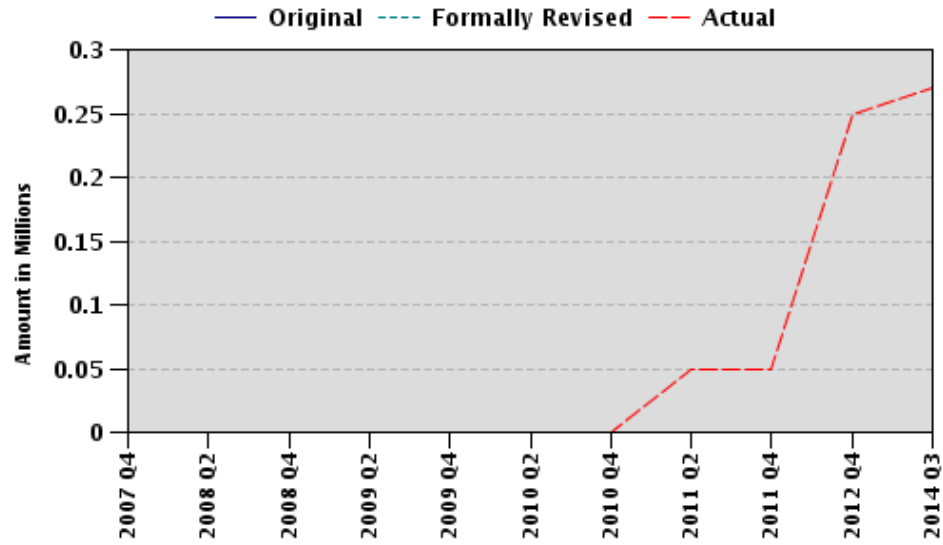
Project	Ln/Cr/Tf	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date
P095901	TF-58308	Effective	08-May-2007	14-Jul-2010	14-Jul-2010	31-Dec-2018	31-Dec-2018

Disbursements (in Millions)

Project	Ln/Cr/Tf	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P095901	TF-58308	Effective	USD	1.12	0.74	0.38	0.27	0.47	36.00

Disbursement Graph

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Key Decisions Regarding Implementation

None

Restructuring History

There has been no restructuring to date.

Related Projects

There are no related projects.

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