



May 8, 2020

Matthew Lohr

Chief

Natural Resources Conservation Service

U.S. Department of Agriculture

1400 Independence Ave., SW, Room 5105-A

Washington, DC 20250

RE: Interim Rule for the Regional Conservation Partnership Program, Docket Number NRCS-2019-0012-0001

Dear Chief Lohr:

Thank you for the opportunity to comment on the interim final rule for the Regional Conservation Partnership Program (Docket Number: NRCS-2019-0012-0001). The Ecosystem Service Market Consortium's (ESMC) mission is to advance ecosystem service markets that incentivize farmers and ranchers to improve soil health systems that benefit society. ESMC is a member-based organization launching a national scale ecosystem services market for agriculture to recognize and financially reward farmers and ranchers for their environmental services to society. ESMC members represent the spectrum of the agricultural sector supply chain with whom we are scaling sustainable agricultural sector outcomes, including increased soil carbon, reduced net greenhouse gases (GHG), and improved water quality and water use conservation. USDA, and specifically NRCS programs, technical assistance and science-based standards can play an instrumental role in our efforts.

ESMC's program will enable farmers and ranchers to voluntarily adjust crop and livestock production systems in ways that increase soil carbon sequestration and retention, improve water quality, conserve water use, and provide many additional ecosystem service outcomes. ESMC's program allows producers to choose only those changes they desire to undertake, and as few or as many as they select, with the understanding that they will be paid based on outcomes, and the more impact change we can quantify each year, the greater their payments for credits generated. The program is currently operating in full piloting and deployment stages

prior to official market launch in 2022. ESMCs innovative market approach quantifies ecosystem services impacts in a verified and soon-to-be certified program and monetizes the impacts as ecosystem services credits or assets of value to demand side buyers. Our program meets multiple, heterogeneous market needs, rather than just one, and creates stacked benefits allowing multiple payments for multiple credits, including for soil carbon, net GHG, water quality and water quantity. Farmers and ranchers are paid for beneficial outcomes, and the attributes or credits are sold in a national ecosystem services market to entities seeking to reduce their indirect environmental impacts.

ESMC appreciates the provisions included in section 1464.46 regarding environmental credits for conservation improvement. This section states that “NRCS recognizes that environmental benefits will be achieved by implementing eligible activities funded through RCPP, and a participant may obtain environmental credits as a result of implementing additional eligible activities through an environmental service market if one of the purposes of the market is the facilitation of additional conservation benefits that are consistent with the purposes of a program contract or supplemental agreement.” The provision goes on to state, “NRCS asserts no direct or indirect interest on these credits.”

We fully support NRCS recognition of external environmental market opportunities operating in concert with or complimentary to NRCS as a means of supporting and scaling agricultural conservation goals and generating beneficial environmental outcomes. Such recognition allows programs like the one ESMC is developing and the RCPP to work together cooperatively and symbiotically. ESMC foresees opportunities to work together or build upon successful RCPP projects that lay the groundwork to further conservation activities by interested producers. Additionally, due to the greater contract length afforded by ESMC contracts, we expect to provide longevity to practices and programs funded by NRCS.

The foresight of NRCS to continue to recognize the potential of ecosystem markets and the ability of NRCS programs and market activities to work together simultaneously enables producers to continue to increase conservation benefits through their actions. Thank you for the opportunity to comment on this regulation.

Sincerely,



Debbie Reed, Executive Director
Ecosystem Services Market Consortium