



## **National Association of Conservation Districts**

**Presentation to  
2<sup>ND</sup> National Water Quality Trading Conference  
By:  
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I am John Redding from Monroe, Georgia and I am a supervisor for the Walton County Soil and Water Conservation District. I also serve as Secretary-Treasurer of the National Association of Conservation Districts. My wife and I own a cotton and peanut farm in Georgia. As a matter of fact, we occupy the home I was born in on the day mother and father moved into the home. Obviously I have no problem remembering the date that they moved onto that farm.

Conservation districts are subdivisions of state government and number some 3,000 nationwide. There is almost one in every county helping local people protect and conserve the nation's land, water, forest, wildlife and related resources.

Established under state law, conservation districts share a single mission: to work cooperatively with federal, state and other local resource management agencies, as well as private sector interest to provide technical, financial and other assistance to help landowners and operators apply conservation to the landscape.

For nearly 70 years, conservation districts have worked to promote and foster the wise use of natural resources. Our work has provided the American public with significant benefits in the form of more productive soils, cleaner water and air and healthier fish and wildlife habitat.

Conservation districts are structured in a way that allows local supervisors to focus on the resource needs of the local community, stressing locally led conservation.

At NACD we have been talking about environmental credit trading for several years, and as we continue to learn more and explore the potential of trading, our vision of this concept has matured. At our Annual Meeting this year we adopted policy endorsing market-driven approaches to conservation. We recognize that market-driven approaches, such as environmental credit trading, have the potential to offer greater efficiency in achieving natural resource goals on a watershed basis. Finding solutions to complex environmental problems requires innovative approaches that can be integrated with existing natural resource management programs and credit trading allows us pursue market driven approaches.

NACD supports implementation of water quality trading where trading:

- Achieves early reductions and progress toward water quality standards.
- Reduces the cost of achieving water quality results through greater efficiency and flexible approaches.

- Establishes economic incentives for voluntary pollutant reductions from point and nonpoint sources within a watershed.
- Reduces the cost of compliance with water quality-based requirements.
- Achieves additional environmental benefits such as the creation and restoration of wetlands, floodplains and wildlife and/or waterfowl habitat.
- Provides for long-term improvements in water quality through the purchase and retirement of credits by any entity.

Using our locally-led, watershed-based model, conservation districts can help promote water quality trading and help educate stakeholders on its value as a tool to address water quality. Where watershed circumstances favor trading, it can be a useful to achieve pollutant reduction faster and usually at a lower cost than some more traditional approaches.

To be effective and successful, a water quality trading program needs to involve a coalition of leaders in agriculture, conservation, urban planning and management who share common interest in water quality. It's critical that the expertise of the various interest groups be combined in establishing an effective local trading network.

Districts can be the driving force in convincing watershed stakeholders and regulatory and non-regulatory agencies to try innovative approaches and facilitate involvement in credit trading design. Districts can work to encourage broad-based participation from landowners in a watershed helping to meet the region's water quality goals.

Trading can be a controversial approach to resource management because most of the general public has only a limited understanding—if any—of the concept. Districts can play a major role in correcting any misunderstanding by educating both landowners and the general public of the potential benefits of water quality trading. Conservation districts are positioned to use our locally led framework to coordinate and facilitate this outreach effort.

Because of their county level locations, districts have a unique structure to not only facilitate the coordination of interested parties and educate communities on the effectiveness of trading, but also to be involved in the verification of practices. With district representatives on the ground, in the local communities and watersheds, we can focus on the adoption or maintenance of practices and verify that landowners are undertaking the agreed upon action. Our Illinois districts are already pursuing this authority as part of the Chicago Climate Exchange. Local Districts in Illinois can verify that landowners have adopted and are maintaining the conservation practice (no-till, ridge-till, or strip-till) that was a part of their contract to participate in carbon credit trading on the Chicago Climate Exchange.

Districts are ready to be engaged in trading and have the knowledge and structure to be an integral part of a credit trading program. We will be working with these concepts as we explore Farm Bill conservation options for the next farm bill.

We believe that market-driven approaches such as water quality trading provide greater flexibility and have potential to achieve water quality and environmental benefits greater than would otherwise be achieved under more traditional regulatory approaches and we are ready to be an active partner in local and regional trading programs.