



Carbon farming incentives and the future carbon market – preliminary considerations

Kaj Granholm, Baltic Sea Action Group
Incentivizing carbon farming –conference
9 December 2021

Coordinator:



Partners:



Tyynelän
tila



puro •
earth

NEOT
North European Oil Trade

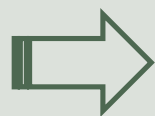
Financed by:



LIFE19 PRE FI001 – SI2.828588
The Life Carbon Farming project has received funding from the LIFE Programme of the European Union

Project overview

Final report and dialogues,
winter-spring 2022 (~)



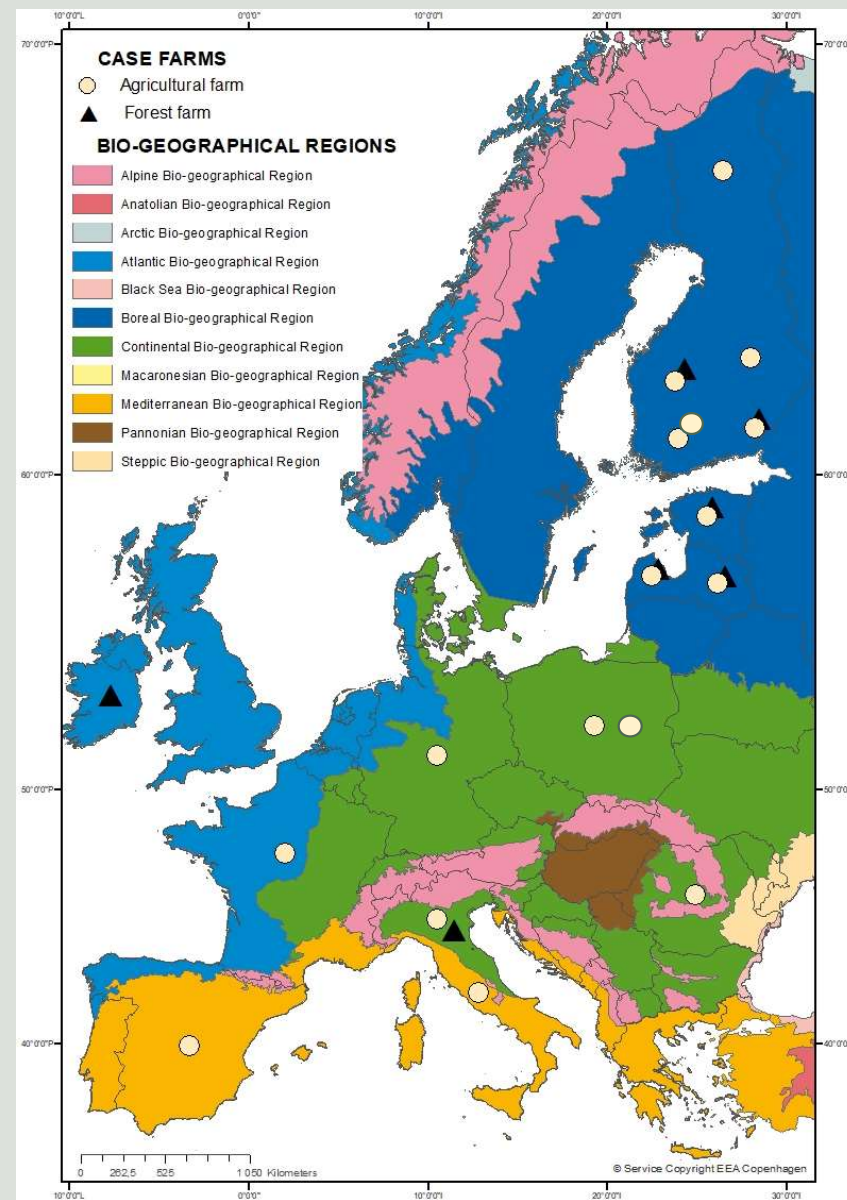
Boundaries and building blocks
for the EU Carbon Market tested
with key stakeholders

Case farm calculations and interviews,
carbon credit market pilot, surveys

Elements of incentive schemes and
market regulations (supply and demand)

Legal and regulatory framework

Scientific basis for measures and MRV



Key questions re carbon market

Agriculture:

- soil improvement fibres
- yield increase
- grasses, cutting height, fallow
- catch crops

Forestry:

- fertilization, increased growth



- How to incentivize farmers and foresters to apply measures to increase soil carbon stock along with overall positive effects?
- What are the regulatory conditions and boundaries and how well they align with potential incentives?
- How to fulfill the fundamental criteria of a carbon credit market (additionality, permanence etc.)?

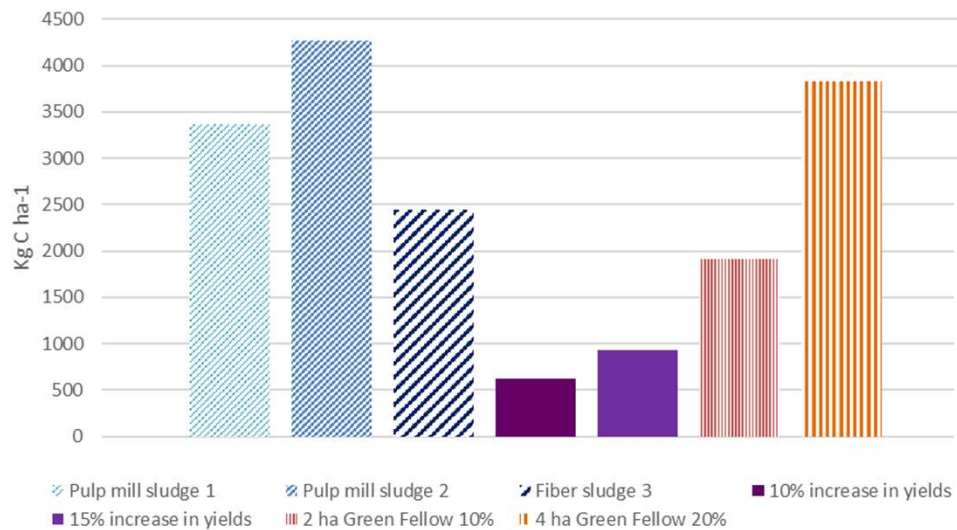
Carbon measures in arable farming



All photos: BSAG

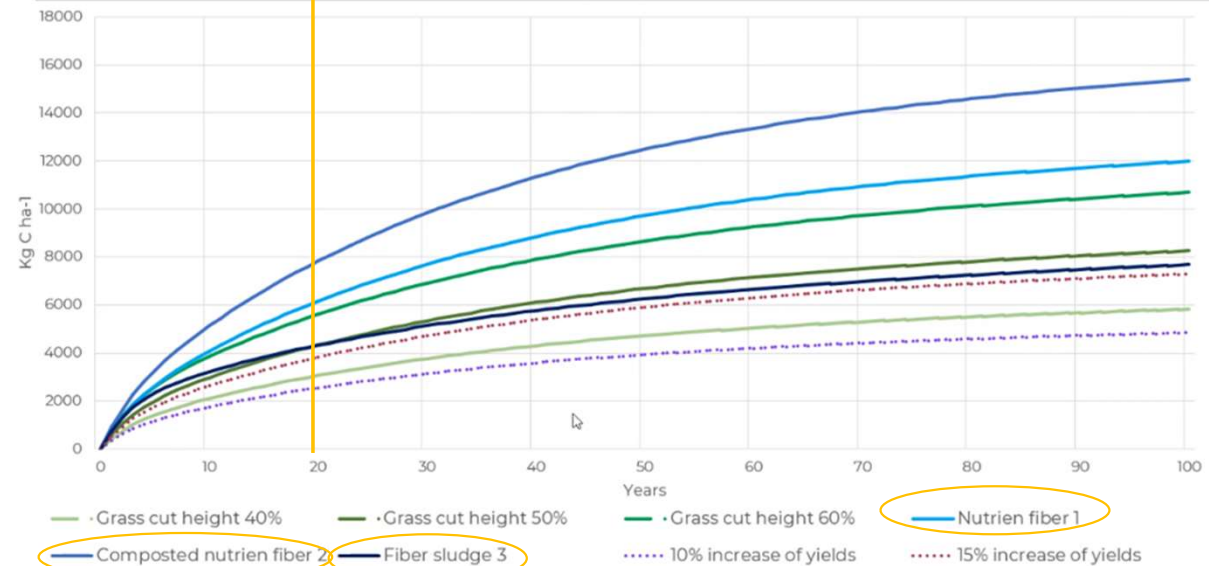
Carbon calculations (Yasso07)

Carbon sequestration on Italian farm after 10 years



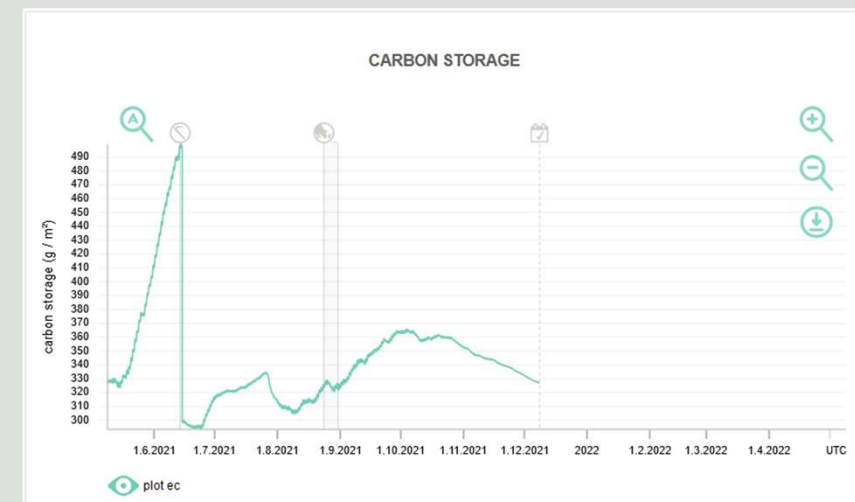
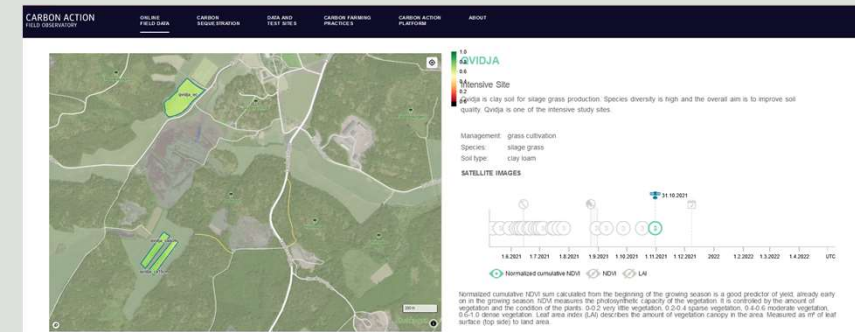
Pilot soil carbon credits for sale at puro.earth

- 20 year CO₂ removal
- 52€/t CO₂ eqv (5 t CO₂ eqv /ha; farmer's share ~80€/ha)



Measurement and MRV

- Reliable data important for carbon market and farmers
- Models needed, to incorporate soil carbon dynamics and impact of farming practises
- Due to high MRV and system transaction costs, pooled schemes need to be developed for CM
- Data also bottleneck for voluntary and public-private incentives (e.g. food supply chain management)
- Common MRV rules



Farmers' perspectives



Photos: BSAG (top left, background), Håkon Fossmark/Pixabay (farmer in front)

- Carbon?!
- Economy, yields
 - Soil fertility, soil structure
 - Preventing overwetting
 - Drought resistance
 - Green fertilization
 - Useful bugs
- Information and advisory for farm management, crops etc.
- Extra income from land parcel market, CE solutions, solar and wind power, or CO₂
- ?Contract conditions?

In summary: support holistic transition, key role for CAP



TRANSPARENCY
=> TRUST

KNOWLEDGE,
ADVISE,
LEARNING

DATA,
DATA SHARING

PROFITABILITY

RESILIENCE,
MANAGING
UNCERTAINTY AND
VARIABILITY

RESPECT, EQUITY
PROPERTY RIGHTS

For further interest

- <https://www.st1.com/st1-life/news-and-updates>
- <https://puro.earth/services/carbon-removals-from-finnish-agriculture-100044>
- <https://www.bsag.fi/en/>
- <https://carbonaction.org/en/front-page/>
- <https://www.fieldobservatory.org/>
- <https://www.uudistavaviljely.fi/briefly-in-english> (**online course** on regenerative farming)
- <https://tyynelantila.fi/#>
- <https://www.neot.fi/en/sustainability/>
- <https://www.luke.fi/en/>
- <https://www.youtube.com/watch?v=439VwfmIfRE> (**video on soil improvement fibres** with optional English subtitles)

Final report and recommendations from the LIFE CarbonFarmingScheme project are coming up in early 2022, let's stay in touch!



CARBON FARMING SCHEME

LIFE Preparatory Project



CARBON
ACTION

Thank you for your attention!



LIFE19 PRE FI001 - SI2.828588
The Life Carbon Farming
project has received funding
from the LIFE Programme
of the European Union