

Principles of a local carbon platform and reasons for choosing one

UROPERN JNION

Jana Roels (Boerenbond), Luuk van Wezel (ZLTO) and Sophie Flick (ATR Landhandel) <u>9th of December '21</u>



- What do we consider as a local platform?
- What are the benefits of a local platform?
- What are the principles and potential bottlenecks of a local platform?





- Pitch from 3 local platform cases in different Europe member states to inspire you:
 - Claire (Belgium) stands for: 'CLean AIR(E)'
 - Go2Positive (Netherlands)
 - CarboAgrar (Germany)



Hello!



Consultant climate and sustainability

Jana.roels@boerenbond.be +329 243 88 22

My organisation Boerenbond

"Boerenbond is the professional organization for and of **every farmer and horticulturist** in Flanders and East Belgium.

We connect people, in dialogue with society, to strive for a **future-oriented, robust and sustainable** agriculture and horticulture. "





What we do...



We represent the interests of agriculture and horticulture We support our members through training and networking activities We provide high-quality advice to our members We incubate innovation in agriculture and horticulture We create social support for our sector



Boerenbond in numbers...

- Founded in 1890, but young at hart !
- 16.000 farmers and horticulturists
 - Representative for all subsectors
 - Both organic and 'traditional'
 - $\pm 2/3$ of all farmers in Flanders and East-Belgium
 - 200+ local groups
 - 4.000 local board members
- 250 expert employees
- 100 innovation projects per year









Poll 1: What background do you have?





European Regional Development Fund

EUROPEAN UNION

What do we consider as a local carbon platform?





What do we consider as a local carbon platform?

A carbon market can be defined as:

'a trading place where supply and demand for carbon credits can connect with each other'

The concept 'local' is an elastic term:

- Regional level?
- National level?
- European level?



Does only the project supplier needs to be 'local'? Or also the buyer?



What do we consider as a local carbon platform?

A project supplier = a company/NGO/organisation/... that can offer an amount of avoided or stored tons CO_{2} . The final boundaries are set by the platform itself.

A project buyer = a company that wants to compensate for its unavoidable emissions (tons CO_2) by buying carbon credits from a supplier.

The platform = a company/intermediary that is

- 1. In control of the projects that are provided on the platform
- 2. In control of the monetary transfers (buyer > platform > supplier)
- Provides a solid framework, that ensures validated projects and no double counting



European Regional Development Fund

EUROPEAN UNION

What are the benefits of a local carbon platform?







What are the benefits of a local carbon platform?

A platform is an overarching/umbrella body that offers:

- Iong-term guarantees
- credibility
- > a professional approach
- Insurance
- Possibility for tailor made work (the platform can bundle different projects to meet the buyers request)
- ▶ ...
- to both the supplier as buyer!



What are the benefits of a local carbon platform?

It creates a strong support base that ensures recognition:

It gives visibility to local projects, which leads to showing the person and story behind the tons of CO_2 .

Financial feasibility increases:

By creating a platform, you can trade more tons CO₂ for a same fixed cost. The costs are spread over more projects and compensators

Administration:

Less administrational burden for all parties

Easier to automise/digitalise because of bigger scale



Why a local platform for carbon farming?

- It shares the positive impact the agricultural sector can have on the climate change challenges
- It creates a **societal impact** ۲
- Positive story for the sector
- It connects farmers with new companies and creates a closer link with society
- It stimulates local economies and climate **impact**. Especially in regard to carbon farming it stimulates also: soil health, soil resilience, biodiversity, water quality, etc.









<u>Poll 2:</u> *Are you involved in a local platform?*





European Regional Development Fund





<u>Poll 3:</u> What do you consider as 'local' when speaking of a 'local' carbon platform?







European Regional Development Fund

EUROPEAN UNION

What are the potential bottlenecks of a local carbon platform?







Principles of a carbon market and thus a carbon platform



Additionality: the buyer pays for additional carbon storage Permanence: the carbon sequestered remains sequestered Transparency: a voluntary (non-certified) market still requires reporting and proof that measures were applied. Openness and communication are important





Potential bottlenecks of a carbon market and thus a carbon platform

Cost price

Local carbon offset often means a higher price than abroad (e.g.

forest projects in developing countries)

! Marketing and USP's are key

- Monitoring Reporting Verification (MRV): Different levels of audit and certification are important
 - Platform level: Avoid double counting by auditing the platform itself by an independant organisation
 - Methodology level: Need of a certification for the used methodology
 - Project level: Prove that measures were taken on farm-level and/or take soil samples







Poll 4:

How important is a Monitoring Reporting and Verification framework in the future? (5 = very important; 1 = not important)



European Region Ional Development Rind Region ning EUROPEAN UNION **Platform 1:**

Lokaal klimaatneutraal



What is Claire?

Claire wants to accelerate the reduction of CO₂ emissions and the storage of CO₂ to stop global warming. To do this, they believe in the power of the local! They offer a **tailor-made solution** for those who want to offset their emissions or bring their carbon-reducing project into practice.

They offer a local (Belgian) platform to **connect supply and demand in regard to carbon offsetting.**

They offer **different types of projects**: avoidance of emissions + storage of carbon through **different sectors**: agriculture (carbon farming), nature, socio cultural, construction, energy, ...

USP's of Claire



- **Responding to the market:** No longer something far away
- **Connecting:** Cooperation between compensator & project provider
- Positive effects: Tangible for the entire society (visible and tangible)

Transparent:

- Certificates imply a one-to-one match every time (no retirement / no trading of certificates)
- o Projects are audited

Methodical:

- Work is done according to standardized quality norms (Vincotte certified
- Conversion models are always based on conservative estimates + are approved by the WAV (Scientific Advisory and Validation Committee), which is composed of scientific authorities
- **Closed balance sheet:** CO₂ balance sheet closed year on year
- **Realistic approach:** The CO₂ savings/storage is only bought for 3 years
- Simplicity for the customer: The customer journey is and remains simple



Some facts and numbers

- Claire is a start-up with 5 partners: Bart Vercoutere, Johanna Huylenbroeck, Joris De Keijser, Noah Janssen and Yvonne van Leuken
- Key partners for agricultural projects: Bodemkundige Dienst van België and Boerenbond
- Launched in July '21
- Current supply of 'carbon farming projects': ~450 ton CO2/year
- Current number of involved farmers: 7 farmers and still growing
- Farmers can choose from **list of 12 techniques**, but this list is still groing!





The Claire principles for carbon farming project suppliers

- I. A carbon storage project at Claire lasts for 6 years. A farmer enters into a contract for 3 years and then again for 3 years. This is because carbon storage requires a continuous effort and commitment.
- II. Signing up today provides a fee of €50/ton of CO2. In the future: a free pricing mechanism.
- III. Farmer makes a commitment of at least 10 years: 'I recognize that it is essential to apply these adapted agricultural techniques for at least 10 years'.
- IV. **Payment** will happen **annually**, after implementation, **based on effort**.
- V. After 6 years, farmers makes a chance to receive a **bonus** refund if carbon analyses indicate more storage than predicted





Next steps and future plans!

- 1. Claire is just getting started! Claire aims to digitalise and automatise their system and grow. The aim is to compensate for at least 5000 ton by year 2.
- 2. Currently 12 CS measures. Farmers are free to come up with additional measures. This list is still groing
- 3. Claire wants to get ISO certified



ent Fun EUROPEAN UNION

Platform 2: GO₂Positive Luuk van Wezel (ZLTO)





Local Farmers – Local Climate Solution!



GO2Positive is a platform for organizations and companies aiming to *reverse* climate change



GO₂Positive

Focus on Carbon Removal projects



Climate Positive: removing CO₂ from our atmosphere and sequester in mineral soils



Local & Tangible: farmers in direct surrounding of buyers realize a compensation that is unique, tangible and transparant



Added Value: additional contribution to biodiversity, landscape and climate adaptation



Platform GO₂Positive





GO₂Positive: initiative by ZLTO Launched January 2021:

- Three Carbon Removal trajects
- 17 farmers ~600 ton CO2/yr
- Hybrid rewarding farmers: €100/tCO2
- Acquisition of new projects in 2022







Interreg North Sea Region Carbon Farming



European Regional Development Fund

EUROPEAN UNION

Thank you

Platform 3: -CarboAgrar-

Build up humus. Protect climate.





What is CarboAgrar?



ATR brings farmers and companies together. Implementing measures that promote humus build-up means an **additional financial outlay** for the farmer. Innovative companies can support **regional climate projects** in agriculture, thus contributing to climate protection and **supporting the farmer's implementation of measures**.



How CarboAgrar works





- analysis status quo --> soil sampling
- planning for the implementation of measures on the farm
- technical monitoring of the measures; further soil tests in years 5 and 10 to determine the amount of humus built up and thus the amount of CO₂ bound
- payments to the farmer are to be made annually

Some facts and numbers

- project start november 2019
- 25 participating farmers = ca.2000 hectares
- development of a potential map
- development of a humus tool
- expert crop management advice is our competence
- network established with key stakeholders in the field
- of carbon farming



potential map for schleswigholstein (northern germany)





Where are the limits?





Lack of certification possibility



Fulfilment of the additional





Agriculture is not yet part of emissions trading



Next steps and future plans

- the next goal should be to integrate
 10.000 ha into the project
- measures need to be further evaluated
- if there is a possibility:
 - generate official certificates





Thank you for the attention!



contact

Sophie Flick (Projectmanagement CarboAgrar)

Sophie.Flick@atr-landhandel.de

+49 (0)4541 806 393

more information:

www.carboagrar.de





European Regional Development Fund

Are their any questions and/or ideas left?



Interreg North Sea Region Carbon Farming



European Regional Development Fund

EUROPEAN UNION

Thank you