

FARMING

> With the current British soil carbon market not 'fully developed', Hugh Townsend says the establishment of a Soil Carbon Code is 'eagerly anticipated' Matt Cardy / Getty Images

Huge potential for soil carbon trading

THE introduction of the Environmental Land Management (ELM) scheme and its 'public money for public goods' mantra will reward land managers for taking environmentally beneficial actions, including sequestering carbon through soil management. This creates an opportunity for the sequestered carbon to be sold on the open market.

At present the soil carbon market is not fully developed with a lack of standardisation in the measurement of volumes and permanence of carbon sequestered. It can be confusing for the land manager who is interested in trading soil carbon due to the number of suggested trading platforms.

Standards can vary by country and even by trading platform / organisation within a country. Some methods suggest two to three tonnes of CO₂ can be sequestered by soil per hectare per annum, others more than five tonnes. In Europe and the USA there are some trading platforms suggesting they are selling sequestered carbon at £10/tonne, and others reaching figures of £25-30/tonne.

Nevertheless, the market is set to flourish as companies, both small and multi-national, look to offset their carbon footprint and reach net-zero. Whilst they will try to reduce their operational emissions as much as possible, most will not be able to attain net-zero without the use of carbon offsetting to meet their final tar-

The development of a Soil Carbon Code will be key to kick-starting the British soil carbon market, land agent and surveyor expert **Hugh Townsend** reports



get. This creates a demand with huge potential but a desperate need for regulation and consistency.

SOIL CARBON CODE

The UK Government recognises the open market as a means of driving investment in environmentally beneficial practices but must address the issues surrounding measurement and the avoidance of double-counting units. There is no current soil equivalent to the Woodland and Peatland carbon codes, but there are indications that the Government will support trading of carbon sequestered in soil to encourage the practice and create even more environmental benefit.

If a land manager is to be paid to complete environmentally beneficial actions and can then sell the eco-product, then they will be further incentivised to take up these actions.

The establishment of a Soil Carbon Code is eagerly anticipated and should kick-start the UK soil carbon market. This will be the go-to for producers of soil carbon credits in the UK and those seeking to purchase with quality assurance.

Most schemes currently provide rewards for implementing new ways of doing things related to

soil and then comparing this to the old farming practices to estimate the carbon sequestered. This approach based on modelling is not generally considered as good as a sample-taking and measurement-based recording.

Defra (Department for Environment, Food and Rural Affairs) and AHDB (Agriculture and Horticulture Development Board) are working together to develop a carbon footprinting tool for soil carbon to be applied at a UK-wide level by 2023. This would address the issue of the dozens of carbon tools currently available all doing slightly different things.

Defra also intends to bring together public and private sectors to help finance projects under ELMs. If projects may be publicly and privately funded, then the likelihood is that the ecoservice benefit may also be sold in the open market.

■ **Hugh Townsend, FRICS, FIAA, FCI Arb.** is the land agent/surveyor expert of the WMN Farming supplement and he may be contacted on 01392 823935 or htownsend@townsendcharteredurveyors.co.uk.