

NEWS RELEASE

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Ecosystem Services Market Consortium and The Fertilizer Institute Launch Pilot

The Fertilizer Institute (TFI) and the Ecosystem Services Market Consortium (ESMC) announced today at Commodity Classic plans to test improved nutrient stewardship as a means of increasing farmer profitability through the ecosystem services market being developed by the ESMC. This pilot project will test the ESMC's protocols and data intake procedures and other program aspects while TFI will identify potential buyers for the ecosystem service impact credits generated.

The Fertilizer Institute will work with farmers enrolled in their 4R Advocate Program in Illinois, Indiana, Iowa, Minnesota, Missouri, Ohio and South Dakota. TFI's 4R Advocate Program links nutrient stewardship, including precision agriculture and variable rate application, to farm profitability and has collected production data, including fertilizer applications, from participating producers for four years.

4R Nutrient Stewardship principles incorporate the right source, right rate, right time, and right placement of fertilizer and are a proven framework that helps American farmers increase production and profitability while enhancing environmental protection and improving sustainability.

ESMC's science-based, outcomes-based protocols and program generates credits for soil carbon (C), net GHG, water quality and water use efficiency. The collaborative effort with TFI will enable ESMC to secure producer intake data information to establish baseline attributes and to quantify impact changes over time; to capture, store and manage data required for ESMC asset generation; and to evaluate strengths and gaps in meeting corporate reporting needs and requirements for GHG and water risk, water quality, and water use efficiency.

"This pilot presents TFI and its members with an opportunity to prove the financial cost-effectiveness and environmental benefits of 4R Nutrient Stewardship principles," said Corey Rosenbusch, TFI President and CEO. By overlaying the ESMC platform currently under development to generate ecosystem services impact credits with TFI's existing 4R tracking of nutrient stewardship and profitability, the pilot is intended to show a significant correlation between these goals.

"This landmark-setting pilot is an example of industry collaboration coming together to resolve our thorniest environmental challenges with common sense market-based solutions to reward producers," said Debbie Reed, Executive Director of the ESMC. ESMC is

launching several more pilots this winter and spring in the Midwestern corn and soy region, focusing on row crop and grain production systems. The ESMC is building a national-scale ecosystem services market designed and conceived for the agricultural sector. It plans a 2022 full market launch of its Ecosystem Services Market. ESMC seeks to enroll 30 percent of available working lands in the top four crop regions and top four pasture regions to impact 250 million acres by 2030.

About the Ecosystem Services Market Consortium

The Ecosystem Services Market Consortium LLC was formed in May 2019 and is a subsidiary of the Soil Health Institute. ESMC's mission is to advance ecosystem service markets that incentivize farmers and ranchers to improve soil health systems that benefit society. ESMC LLC is a member-based organization launching a national scale ecosystem services market for agriculture to recognize and 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, and improved water quality and water use conservation. (www.ecosystemservicesmarket.org)

ESMC Founding Circle members include: ADM; Bunge; Cargill; Corteva Agriscience; Danone North America; General Mills; Land O'Lakes Inc.; McDonald's USA; National Fish and Wildlife Foundation; Nestle; Noble Research Institute, LLC; Nutrien; The Nature Conservancy; the Soil Health Institute; and Syngenta. ESMC Legacy Partner members include: Almond Board of California; American Farm Bureau Federation; American Farmland Trust; American Soybean Association; Anuvia Plant Nutrients; Arizona State University; Arva Intelligence; Bayer; the Conservation Technology Information Center; Farm Foundation; Field to Market: The Alliance for Sustainable Agriculture; Impact Ag Partners; K-Coe Isom; Mars, Inc.; National Association of Conservation Districts; National Cattlemen's Beef Association; National Corn Growers Association; National Farmers Union; NativeEnergy; Newtrient, LLC; OpenTEAM; Pivot Bio; Sand County Foundation; Soil Health Partnership; The Fertilizer Institute; Tatanka Resources; the Tri-Societies; Tyson Foods and World Wildlife Fund. Partners pledge financial support and active participation to establish private ecosystem service markets for agriculture and to improve ways to measure, verify and monetize increases in soil carbon, reductions in greenhouse gas emissions, improved water quality and increased water conservation. ESMC welcomes companies, nonprofit and conservation organizations and agricultural organizations as partners.

About The Fertilizer Institute

The Fertilizer Institute (TFI) is the leading voice of the nation's fertilizer industry. Tracing its roots back to 1883, TFI's membership includes fertilizer producers, wholesalers, retailers, and trading firms. TFI's full-time staff, based in Washington, D.C., serves its members through legislative, educational, technical, economic information and public communication programs. Find more information about TFI online at TFI.org.

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