NEWS RELEASE
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FFAR Awards $10.3 Million to Support Ecosystem Services Markets for Farmers and Ranchers

In a lead up to the Sustainable Agriculture Summit in Indianapolis, the Ecosystem Services Market Consortium (ESMC) and the Foundation for Food and Agriculture Research (FFAR) jointly announced on November 19 the award of $10.3 million from FFAR to establish the research component of ESMC that supports the development of a national environmental credit marketplace. ESMC and its members will match the grant over three years to fund research and development projects in this public-private partnership for a total investment of $20.6 million.

FFAR-funded research will better quantify, monitor and verify the environmental impacts of agricultural producers' conservation efforts to recognize and pay them through an ecosystem services marketplace. The Ecosystem Services Market Research Consortium (ESMRC), the research arm of the ESMC, will develop tools and technologies to assure the validity of the credits cost-effectively, and at-scale.

"Farmers and agriculture can be a constructive force in reversing climate change and preserving natural resources. Farmers are the largest group of land stewards and when they implementation climate-smart practices, it helps us all," said FFAR's Executive Director Sally Rockey. "I expect this Consortium to be at the center of creating new value for these practices and bringing that value back to the farmers who are so deserving to be compensated for their good work. FFAR is thrilled to be the major funder of this unique effort."

Focusing first and foremost on farmers and ranchers, ESMC is developing a marketplace that encourages sustainable agricultural production systems while creating sound social, economic and environment outcomes that benefit producers, local communities and society at-large. The Consortium's fully operational marketplace will launch in 2022.

Initially, the Ecosystems Services Marketplace will offer credits for soil carbon sequestration, net greenhouse gases (GHG), improved water quality and increased water quantity. ESMC will pilot test its protocols with farmers and ranchers in at least six geographic areas with the support of its partners and FFAR. Pilot testing is underway in the Southern Great Plains on 50,000 acres in Texas and Oklahoma and will soon begin in the Soy and Corn Belt in the Midwest. ESMC's members and Steering Committee will identify additional regions for the next set of pilot projects launching in 2020 and 2021.

"ESMC is building a next-generation ecosystem service market to recognize and pay farmers for their ecological services. The technologically advanced platform we are building through this grant and with our members will enable markets to flourish while increasing scientific rigor and

reducing friction and burden on farmers and ranchers. Corporations are seeking to purchase verified environmental credits to meet their sustainability goals, including increased soil carbon sequestration, reduced net GHG, along with improvements in water quality and quantity," said Debbie Reed, ESMC executive director.

Through the marketplace, ESMC will facilitate the sale of verified credits to pay farmers and ranchers who increase sustainability and productivity on their farms. 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.

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 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; Mars, Inc.; National Association of Conservation Districts; 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.

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About the Foundation for Food and Agriculture Research (FFAR):The Foundation for Food and Agriculture Research (www.foundationfar.org) was established by the 2014 Farm Bill with an initial investment of $200 million dollars under the premise of increasing investment in cutting edge research and development through public-private partnerships. The Foundation was created to support food and agriculture research, foster collaboration, and advance and complement the mission of the U.S. Department of Agriculture.

About the Ecosystem Services Market Consortium (ESMC): The Ecosystem Services Market Consortium LLC (www.ecosystemservicesmarket.org) 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.

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