

NEWS RELEASE

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General Mills, Kansas Department of Health and Environment and Ecosystem Services Market Consortium Launch Farm-Based Ecosystem Services Pilot

General Mills, Kansas Department of Health and Environment (KDHE) and the Ecosystem Services Market Consortium (ESMC) today signed a Memorandum of Understanding to pilot test ESMC's program that rewards farmers for generating environmental assets by improving soil health on their land. This pilot project will test ESMC's protocols and processes to measure and reward the impacts of beneficial agricultural management in an ecosystem services market for agriculture. ESMC's impact-based program will in turn pay farmers for increased soil carbon, reduced greenhouse gases (GHG), and improved water quantity and water use efficiency.

General Mills, KDHE and ESMC will work with farmers growing row crops in Kansas to improve sustainable agriculture outcomes. The pilot opportunity is being made available to producers participating in [General Mill's regenerative agriculture program](#).

"This unprecedented pilot is a leading example of public and private sectors coming together to quantify environmental improvements and compensate farmers for implementing soil health and regenerative practices on their operations," said Mary Jane Melendez, Chief Sustainability and Social Impact Officer at General Mills. "We must demonstrate not only meaningful and measurable environmental benefits to communities at large, but economic benefit to farmers as well."

KDHE officials believe payments to farmers based on quantified and verified soil health and water quality impacts will accelerate progress toward achieving water quality goals. By working collaboratively, all three organizations hope to demonstrate how agricultural solutions can deliver results that reduce costs to taxpayers and public water authorities.

"The goal of the pilot program is to encourage farming practices that improve both soil health and water quality in the Cheney Reservoir region such that agriculture is the solution to a more resilient and clean water supply for Wichita residents," said Leo Henning, Deputy Secretary of the Division of Environment at the Kansas Department of Health and Environment. "We believe regenerative agriculture can improve the quality of this vital water source and if we are successful, it's win-win-win, for farmers, communities and the environment."

General Mills has partnered with consultants from Understanding Ag who will work with participating producers to identify and implement changes to their farming practices that will

improve soil health and store more carbon in agricultural soils. Understanding Ag's farm advisors will also collect the information needed to quantify and verify the environmental assets generated from the practice changes.

ESMC will quantify the impacts and verify them independently, then generate certified credits based on actual impacts to ecosystem services attained. The certified impacts allow the benefits to be assigned to another organization's sustainability obligations. General Mills will utilize greenhouse gas improvements in their sustainability reporting, while KDHE will identify buyers who seek certified water quality benefits that participating farmers achieve.

"This project will result in real, quantified reductions of GHG emissions and nutrient loading to surface water, while also providing key insights to attain efficiency and scale," said Debbie Reed, ESMC Executive Director. "Thorough understanding of how cropland can provide ecosystem services is essential as we strive to offer our programming from coast to coast and ultimately reward producers for services provided across 250 million acres."

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.ecosystems-services-market.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.

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