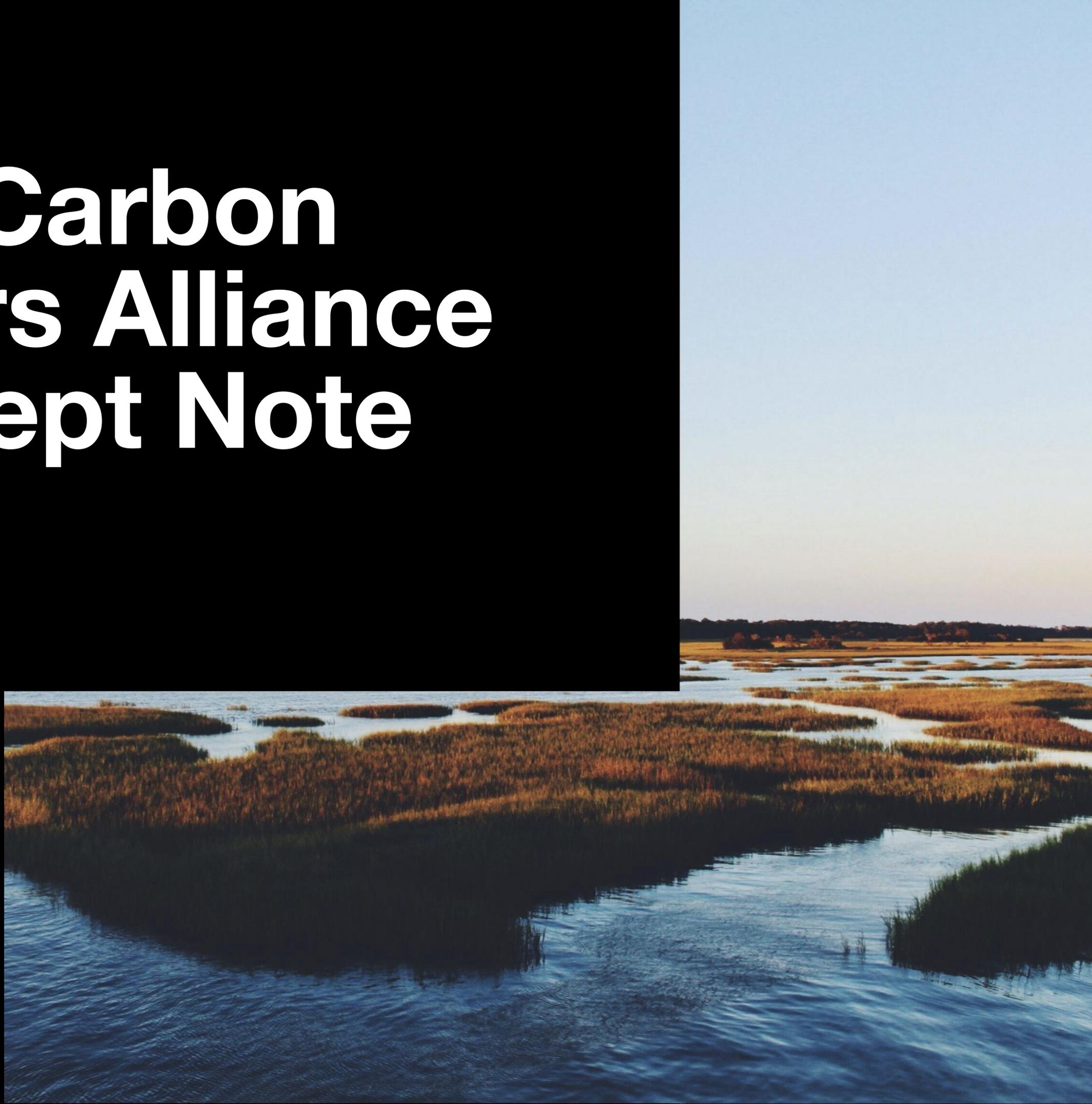


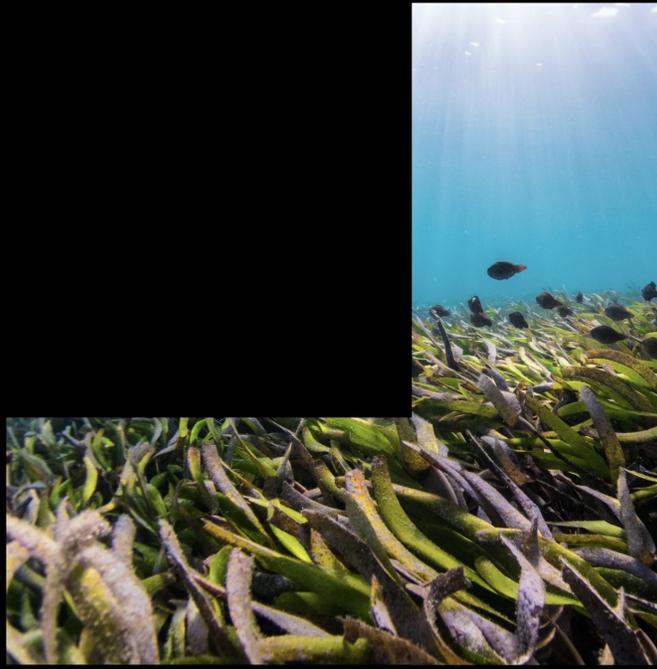
Blue Carbon Buyers Alliance Concept Note

Summer 2021



Confidential Subject to Change





Blue carbon ecosystems¹ are essential to realizing our collective goal of limiting temperature rise to no more than 1.5C. These ecosystems mitigate and build resilience to global climate change, protect and restore biodiversity, and support livelihoods and food security for local communities. They are also being destroyed at an alarming rate. Action is needed now. The voluntary carbon market can help.

¹ **NOAA defines** blue carbon as “the term for carbon captured by the world's ocean and coastal ecosystems...Sea grasses, mangroves, and salt marshes along our coast "capture and hold" carbon, acting as something called a carbon sink. These coastal systems, though much smaller in size than the planet's forests, sequester this carbon at a much faster rate, and can continue to do so for millions of years.”

└ Our Vision

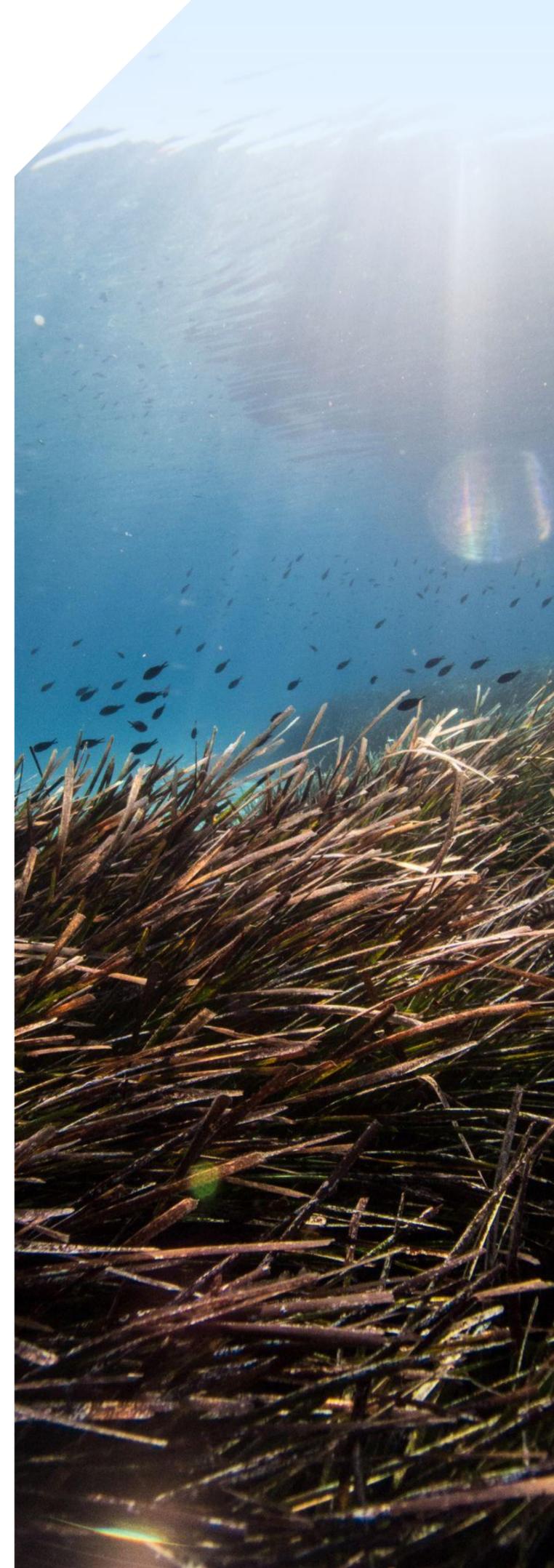
To conserve and restore blue carbon ecosystems through voluntary carbon markets with improved local community engagement and better public private partnership and policy.

Our Commitment

The new “**Blue Carbon Buyers Alliance**” is a group of companies working together to catalyze the voluntary carbon market towards blue carbon ecosystem preservation and restoration. The founding partner companies recognize the vital role that blue carbon ecosystems play in addressing climate change through removing, sequestering and storing carbon, protecting biodiversity and food systems, and increasing community resilience and sustainable livelihoods.

Between 2022 and 2025, the members of the Blue Carbon Buyers Alliance (BCBA) will create a clear demand signal for high quality blue carbon credits.

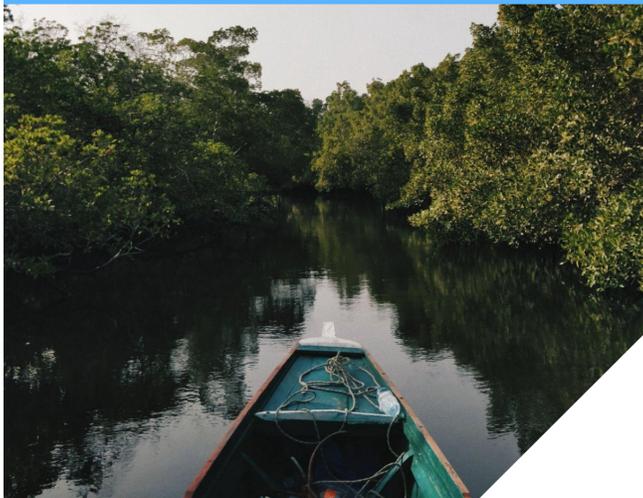
Through partnerships, we aim to mobilize and align with additional funding (such as philanthropic and public finance) for the capacity building and science needed to scale the supply of high quality blue carbon credits to the market



Our Values

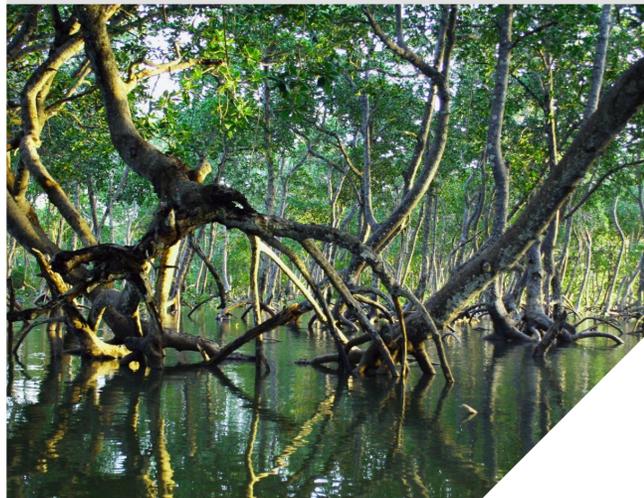
Equality

We take actions guided by and for local communities and the planet.



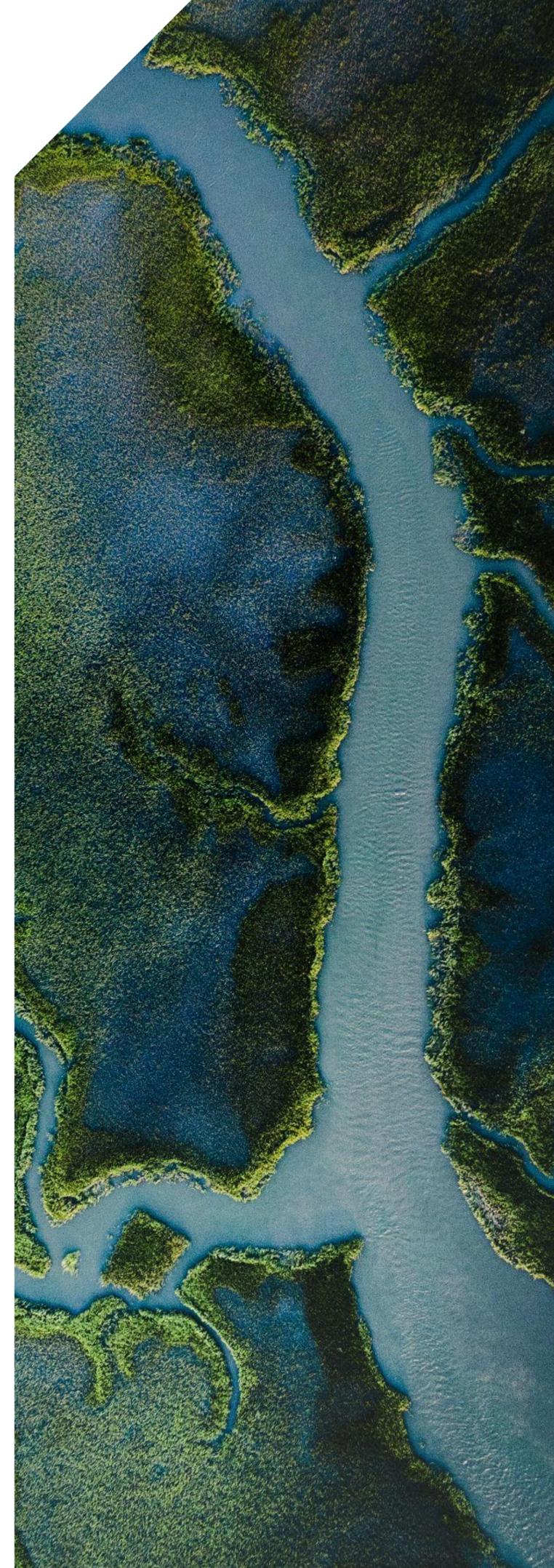
Impact

Our actions are informed by best understanding of the science and evolve over time, as we seek the highest quality environmental and social outcomes.



Collaboration

We don't have all the answers, and we can't succeed alone. We collaborate at all levels of public and private actors to deliver scaled outcomes, faster.



└ Demand Side

Under the Business Alliance to Scale Climate Solutions and in partnership with local communities, nonprofits, philanthropists, and governments, the Blue Carbon Buyers Alliance aims to:

The BCBA will send clear market demand signals for the highest-quality carbon credits and will work to unlock substantial investments in blue carbon projects. We will do this through collaborative partnerships and through jointly using best practices for procurement and RFPs.

The BCBA aims to provide a coordinated buyers voice and a concerted buyers audience with which the other key players (project developers, NGOs, governments, financiers) can collaborate.

Supply Side and Partnerships

The BCBA recognizes that there is more work to be done to grow the supply of blue carbon. The BCBA seeks to support and partner with the key players who are critical in executing the essential work to grow the supply of high quality blue carbon credits.

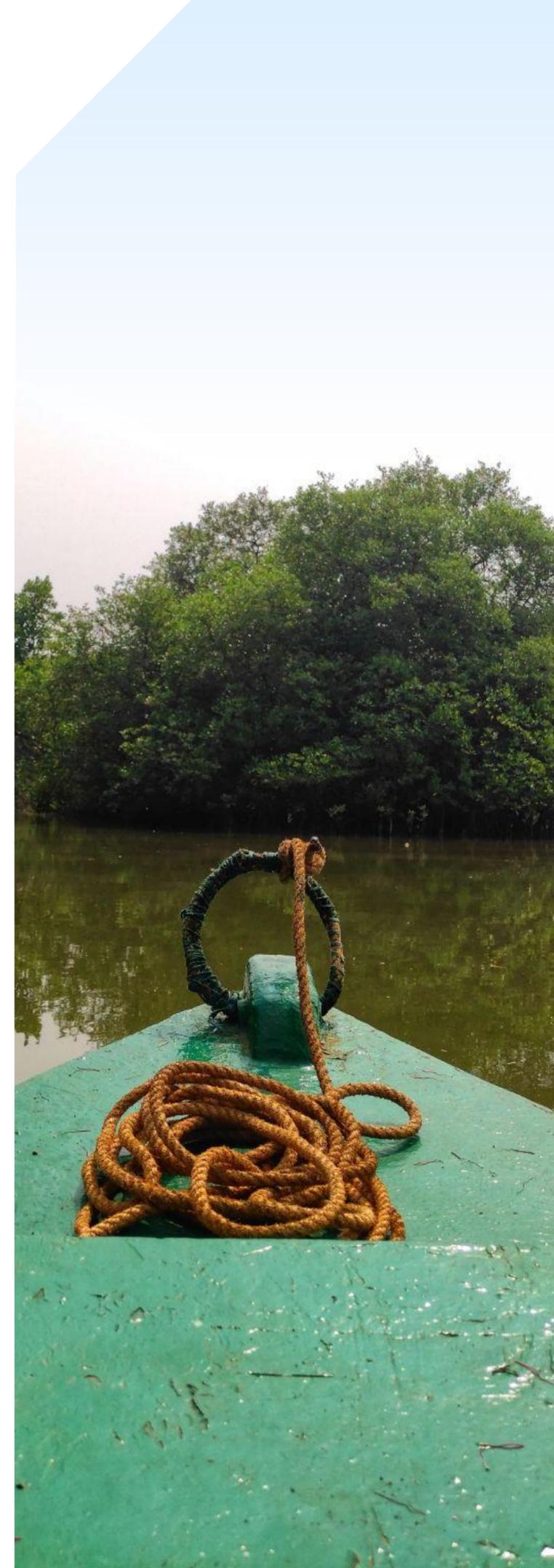
Local communities, tribes, and governments are essential partners in the global mobilization to protect, conserve and restore critical blue carbon ecosystems. In the past, voluntary carbon markets have not provided clear pathways for locally-led, small scale projects to access the global markets in an equitable manner. In keeping with the values stated above, the BCBA aims to take a collaborative approach in order to open pathways for local and

indigenous communities to equitably participate in voluntary carbon markets.

One such approach is the establishment of linked regional **“Blue Carbon Hubs”**. “Hubs” are clusters of local embedded organizations designed to deliver the following outcomes:

Streamline and facilitate the early stage carbon credit project development process and resources for local communities and indigenous groups through the provision of:

- Technical assistance
- Digital tools and resources (enhanced and simplified MRV and carbon measurement tools, etc)
- Early-stage feasibility funding (from private and public sources), including forgivable loans for pre-feasibility assessments through instruments like revolving loan facilities and selected direct equity investments



- Pre-purchase agreements for verified credits under approved offset crediting methodologies.
- Peer to peer exchange and learning.

Create standardized emission reduction purchase contracts in key countries to ensure equitable access and benefit sharing with local communities, to provide strong chain of custody and ownership, and to simplify the contract negotiation and execution process for all parties

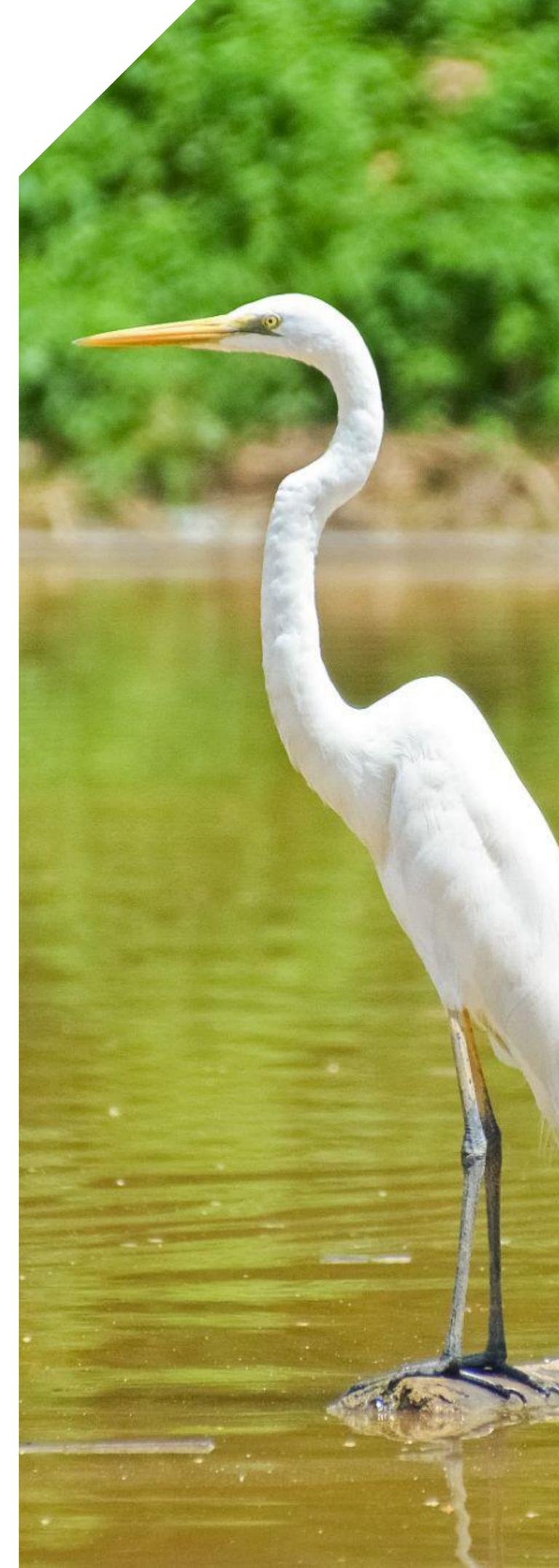
- Develop or leverage aggregation platform(s) for small projects, enabling them to jointly participate in the voluntary carbon market and to seek scaled funding for mitigation and resilience actions.
- Arrange and structure equitable supply and purchase agreements between the Blue Carbon Buyers Alliance and local communities and project proponents.

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Design and pilot innovative public private partnership funding models that blend private, public and philanthropic dollars to fully quantify and value the range of mitigation, biodiversity, resilience and adaptation benefits blue carbon ecosystems provide.

Additional needs that the BCBA has identified include:

Conduct literature review of existing guidance for coastal ecosystem preservation and conservation through stakeholder interviews and desk research; identify and develop a plan to close critical literature/ guidance gaps.



Engage in public private cooperation for better blue carbon policy.

- Contribute to international public-private dialogues to address key policy barriers to scaling private investment in blue carbon ecosystems in an equitable and transparent manner.
- Work with regional hubs and local project developers to pilot and refine national policies and strategies and jurisdictional crediting approaches so as to enable the “nesting”, and thus scaling, of projects.

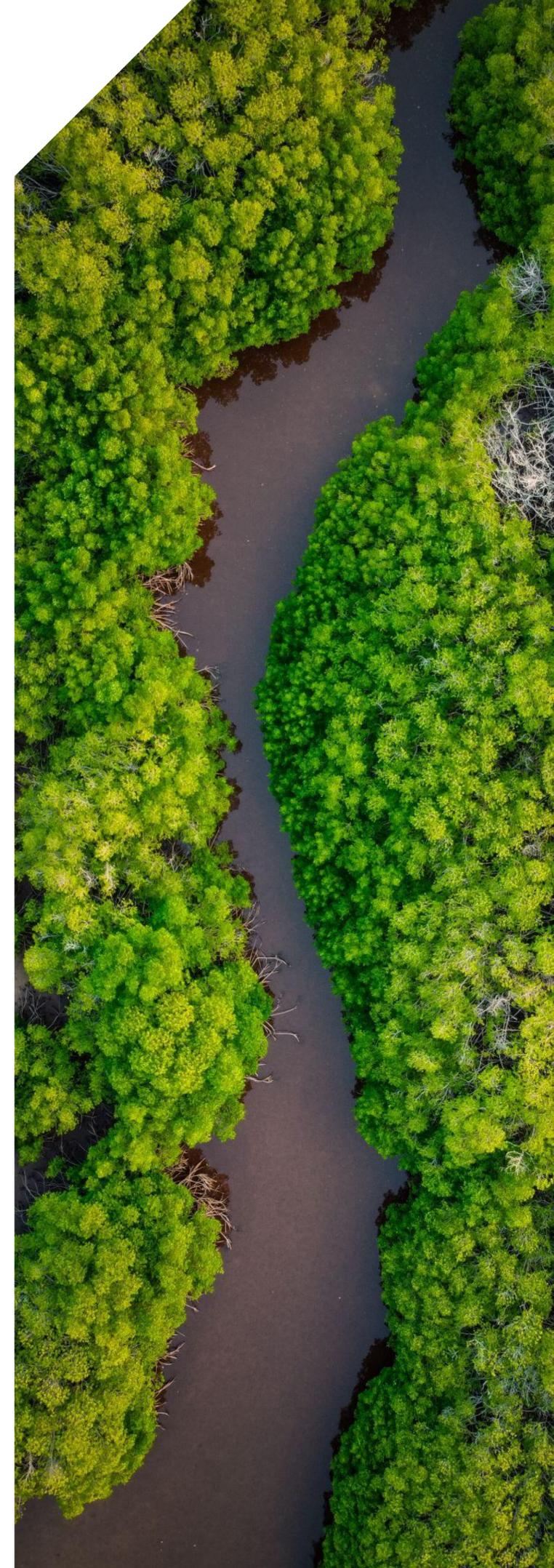
Support fundamental science and research to advance conservation and restoration objectives and build the supply of high quality carbon credits.

- Work with leading scientific institutions (universities and governments) to conduct a regular assessment of “readiness” of different blue carbon ecosystems for carbon markets and other funding types across diverse coastal ecosystem types:

- Mangroves
- Peatlands
- Wetlands
- Seagrass
- Kelp forests

- Perform gap assessment for coastal ecosystem voluntary market methodologies, identifying priority interventions and pilot evolving carbon crediting methodologies under recognized standards.

Improve basic science and support research where needed to close significant gaps in understanding on the role and benefits of key coastal ecosystems and their services.



Ways to Contribute

Business

Submit a non-binding commitment, which can include one or both of the following:

- “XXX commits to purchase up to X million tons of high quality* blue carbon credits annually between 2022 and 2025”
- “XXX will provide \$XXX in funding to support XYZ work in advancing blue carbon
- Review and clear press release and provide quote

We also expect additional invitees might be required to join BASCS in order to become a founding member

Philanthropy

Join the BCBA in pledging philanthropic funds to help early stage projects come to market and to advance the science needed to support high quality projects

NGO's

Collaborate and coordinate with the BCBA and enable project developers to scale supply.

Government Entities

Collaborate and coordinate with the BCBA, implementing policies and deploying funding to support the growth of the blue carbon markets.

*Businesses would set their own price and quality criteria.



ScalingClimateSolutions.org

BASCS@bsr.org

Participation in this initiative is by invitation only.