

Additionality of EBC C-Sink Credits- Annex to EBC C-Sink Guidelines v.2.1

This document describes the pathway how to assess additionality on level of the C-sink methodology and is valid for the following methodology:
Biochar Based Carbon Sinks

Initial situation

In the "EBC-Guidelines for the Certification of Biochar Based Carbon Sinks Version 2.1 from 1st February 2021" (i.e. the "EBC C-Sink Guidelines"), the topic of additionality is not yet addressed. CSI requires the additionality argumentation with the publication of this annex, which refers to the EBC C-Sink Guidelines.

Scope of the EBC C-Sink guidelines is the production and carbon preserving application of biochar.

This annex to the EBC C-Sink Guidelines shall be incorporated in the next revision of the guidelines.

This document describes the additionality test, required on project level, for each entity receiving C-Sink accreditation. The entity can be a producer or a trader of biochar (the supplier). The supplier is requested to provide an argumentation of their project additionality case supported by documents and proofs to the inspector at the stage of the EBC facility audit.

Baseline for the additionality test

The baseline for this additionality test shall always be the "business as usual" scenario, in which no biochar is produced or applied in a carbon preserving way.

The required additionality test on project level follows a 3 step approach:

Additionality test

Step 1: Assessment of regulatory requirements for biochar production and application as a removal technology

To assess whether biochar production and carbon preserving application is already required in the country where the supplier operates, all relevant permits and regulations for the supplier need to be checked. A project is only additional, if no legally binding requirements for the production and carbon-preserving application of biochar can be identified.

Step 2: Assessment of contribution of EBC C-Sink Credits (ECC) to biochar and/or biomass price.

The goal behind the issuance and sales of EBC C-Sink Credits (ECC) is to scale-up carbon removal technologies. To achieve scaling in the biochar sector, the price of biochar for the end-user needs to be reduced, as biochar is still too expensive for widespread application.

Therefore, evidence of the contribution of the sales of the ECC to reducing the price of the biochar and/or the acquired biomass is requested. Under the following conditions the additionality test on project level can be accomplished:

- If a “significant contribution” of the selling price of the ECCs to the affordability of biochar can be proven.
- As business cases around biochar production are very diverse, the inspector shall thoroughly assess, whether the contribution to the biochar price is “significant”. Supporting documents and proofs shall be used to document the auditor’s decision.

If this Step 2 cannot be proven, Step 3 shall be pursued.

Step 3: Assessment of additionality test according to the CDM Tool for additionality

The [Clean Development Mechanism \(CDM\) Tool for the demonstration and assessment of additionality](#) shall be applied in its most recent version. In this tool, either an **investment analysis** or a **barrier analysis** can be applied. For the investment analysis, the “benchmark analysis” shall be conducted, as there are other revenue streams than the revenue from the ECCs.

The common practice analysis can be skipped, as application of biochar in a carbon preserving way is not common practice and regulatory requirements are addressed in Step 1 of this analysis.

If combinations of Step 1 and Step 2, or Step 1 and Step 3 can be positively answered, the project is additional.