



Mecklenburg-Vorpommern  
Ministerium für  
Landwirtschaft und Umwelt

# Economic instruments in the financing and implementation of carbon sequestration

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# New Competence Centre for Valuation of Ecosystem Services

- since 1st October 2021
- founded as part of Ministry of Agriculture and Environment MV
- „Geschäftsstelle für Ökowertpapiere“

Make ecosystem services  
visible, assessable and  
investable!



Photo: W. Thiel

**Our wealth consists of numerous biotopes and their indispensable ecosystem services - but which is unfortunately of no value for economic statistics...**

# Economic instruments

## The eco-securities of Mecklenburg-Vorpommern

1. **Waldaktie** („Forest share“ or „Woodstock“, 10 Euro/5 m<sup>2</sup>, 2007)
2. **MoorFutures**<sup>®</sup> („Peatland futures“, 35-40 Euro/1 t CO<sub>2</sub>-eq, 2011)
3. **Streuobstgenussschein**<sup>®</sup> („Orchard coupon“, 10 Euro/plantcare, 100 Euro/tree, 2015)

soon:

**HeckenScheck**<sup>®</sup> („Hedge fonds“, tbd, start 2021)

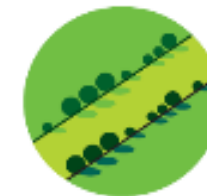


*Ihre Investitionen in Klimaschutz.*



**Streuobstgenussschein**

*Kulturlandschaften schützen.*



**HECKEN  
SCHECK**  
KULTURLANDSCHAFTEN VERBINDEN

**Sponsoring** („exclusive projects“)

# The ecosystems: Services, values – nature based solutions

## 1. The Forest

⇒ 1 ha captures around 8-9 t CO<sub>2</sub>-eq p.a. (life-cycle!)

## 2. Peatlands

⇒ 1/3 of all emissions in MV originate from drained peatlands

⇒ 1 ha rewetted avoid around 15 t CO<sub>2</sub>-eq p.a. (average – high variation per plot)

⇒ most efficient measure (in terms of finance and carbon avoidance)

## 3. Orchards

=> fruits and high biodiversity – many varieties with local distribution, diverse habitats...

=> maintenance pruning

=> focus on biodiversity, education

## 4. Hedges

⇒ as effective per m<sup>2</sup> as forests; biodiversity

## 5. ....

# Some rules of the game : The example MoorFutures standard

**Based on international requirements of the voluntary carbon market.**

**1. MoorFutures standard based on VCS:** additionality, measurability, leakage, monitoring, permanence, conservatism ...,

Buffer: 30%, Permanence: 50a, Project Duration: 30a, Forward Looking Baseline, Peat Depletion Time, ...

**2. MoorFutures methodology:** encompasses a set of procedures and criteria for measuring, reporting and verifying project effects (MRV),

**3. MoorFutures project Document (PD)** with further information for each project.

Further information: [www.bfn.de/fileadmin/BfN/service/Dokumente/skripten/skript407.pdf](http://www.bfn.de/fileadmin/BfN/service/Dokumente/skripten/skript407.pdf)

# Bases and impacts of eco-securities

- 1. Protection of climate and environment (ecologic)**
    - ⇒ voluntary market complements mandatory markets
  - 2. Monetisation of ecosystem-services (economic)**
    - ⇒ we make use of capitalism!
    - ⇒ market failure
    - ⇒ public goods
  - 3. Leverage of private investments (political economy)**
    - ⇒ state provides framework for private investments („impact investing“)
  - 4. Urban vs. rural areas (rural development)**
    - ⇒ enable rural areas to make use of their comparative advantage
    - ⇒ economic activities in urban areas are based on ecosystem-services of rural areas
    - ⇒ reward of rural areas by urban capital flows
- Strong tools for education and communication

*Finally...*

## What comes next?

- The HeckenScheck®
- **You will find us soon at a new website!**
- New instruments
- Looking for new eco-securities
- Baltic Carbon Bonds (BCB) based on seagrass meadows?



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# Thank you very much!

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