



Hybrid Funding Guide: Use the Environmental Goal to Select the Optimal Payment Source

Farmers and advisors face a complex array of funding options for soil health practices (Public, Private, Value Chain). The wrong choice can result in disproportionate MRV requirements or low financial returns. Use the NOVASOIL decision framework, which prioritizes the main ecosystem service to be enhanced. This framework guides actors toward the funding source with the greatest coherence to the objective and the least administrative complexity.

1. Long-Term Carbon Sequestration: The most suitable model is Private Carbon Credits, as they focus on measurable long-term results.
2. Risk Management and Cost Coverage: Public Payments for Environmental Services (PES) (e.g., CAP Eco-schemes) are ideal, offering a more stable financial base.
3. Market Differentiation and Quality: The Value Chain (e.g., sustainability labels, price premiums) is the optimal model, linking soil health with the final product identity.

Before signing, identify whether your main practice is an action (cover crop) or a result (C sequestration). Seek a hybrid model that uses a public payment (base) to cover costs and a private payment (bonus) to capitalize on results.

