Additional income for farmers in Africa and better soil quality: Cotton Carbon Credits as a forward-looking solution for agriculture

Aid by Trade Foundation, International Cotton Advisory Committee and bizpando start cooperation

Hamburg/Washington, D.C./Hünenberg, March 12, 2025 – bizpando AG, operator of a compliance platform, has joined forces with the Aid by Trade Foundation (AbTF) and the International Cotton Advisory Committee (ICAC) to launch a project to promote carbon credits in cotton production. The aim is to empower African smallholder farmers through effective agricultural techniques and digital solutions to improve soil quality, sequester CO₂ and create additional sources of income.

Sustainability and economic benefits for smallholder farmers

By using sustainable agricultural strategies such as the use of biochar, minimal tillage and the cultivation of cover crops, up to 5.75 tonnes of CO_2 per hectare per year can be sequestered in the soil. This potential not only offers important opportunities for climate protection but also brings considerable economic benefits for producers.

As part of the newly concluded cooperation between AbTF, ICAC and bizpando, African farmers who grow cotton in accordance with the Cotton made in Africa (CmiA) standard benefit from additional income from the sale of carbon credits. At the same time, their costs are lowered as the use of pesticides and fertilisers can be reduced. In addition, improved soil quality and the water-retaining properties of biochar lead to higher agricultural yields. **Tina Stridde, Managing Director of the Aid by Trade Foundation**, emphasises: "Our work is grounded in the principles of climate-smart agriculture, which not only protects the environment and conserves resources but also enhances the productivity of cotton producers. Beyond the licensing income generated from Cotton made in Africa-verified cotton, collaborations like this foster sustainable opportunities for smallholder farmers in Africa."

Climate protection through carbon credits

The use of biochar can make a decisive contribution to climate protection and soil fertility. **Keshav Kranthi, Chief Scientist at ICAC**, explains: 'Biochar improves soil structure, stores water and nutrients and promotes microbial growth. It is a sustainable solution that has a positive impact on both the environment and the profitability of agriculture.' **Eric Trachtenberg, Executive Director ICAC**, adds: 'With simple techniques, cotton farmers can improve the quality of their soil and at the same time sequester carbon in the soil for more than 100 years. We support them in this endeavour.'

Technological implementation by bizpando

bizpando plays a central role in the digital implementation of this project. A GPS-supported measurement system is being developed to map the areas under cultivation of smallholder farmers in such a way that double counting of areas can be ruled out. The platform will also enable digital recording to validate cotton production to reliably verify the origin and quantity of carbon credits. The bizpando platform will be used to issue the necessary certificates for the carbon credits, market them directly and ensure that proceeds are paid out directly to the farmers. 'Our project combines digital solutions for climate protection with social responsibility. Using simple methods and complex digital background processes, we help farmers to operate more sustainably while significantly increasing their

income. This allows us to reduce administrative costs and maximise the farmers' benefit from the cooperation,' explains Jasper Bhaumick, CEO of bizpando AG.

Next steps

Over the next few months, the partners plan to expand the bizpando platform technically to include digital solutions for land surveying and payment methods, acquire certifications and prepare local measures such as training and further collaboration with stakeholders. The first carbon credits are to be generated by 2026 at the latest, and local activities have already been initiated.

About bizpando

bizpando is a B2B platform that enables the smart and collaborative implementation of supply chain laws. With just a few clicks, companies can gain transparency across their entire supply chain. Following the principles of the sharing economy, all information only needs to be entered once and is then digitally available to stakeholders. Free core functions such as self-assessment via standardized questionnaires and supplier registration simplify compliance processes for both suppliers and customers. Auditors and businesses can connect through the platform, and audit results can be digitally documented, allowing companies to share certifications within their digital supply chain. With the whistleblower function "whistlehorn", bizpando users can also report and manage whistleblower cases easily, securely, and anonymously—or engage external service providers for handling. For more information, visit www.bizpando.com or follow us on LinkedIn.

About Aid by Trade Foundation & Cotton made in Africa

The Aid by Trade Foundation (AbTF) was founded in 2005 by the entrepreneur Prof. Dr Michael Otto and is now an internationally renowned and active non-profit organisation for sustainable raw materials. With its work, it makes a decisive and measurable contribution to improving the living conditions of people and animals and to protecting the environment. With its verified raw materials Cotton made in Africa® (CmiA), Cotton made in Africa Organic (CmiA Organic), Regenerative Cotton Standard® (RCS) and The Good Cashmere Standard® (GCS), the foundation puts its goals into practice. A globally active alliance of textile companies and brands requests and pays a licence fee for the verified raw materials. This authorises the partners to market their goods with the standard's labels. In view of the increasing challenges facing smallholder farmers and textile companies, the standards are of fundamental importance for their resilience and sustainability. The foundation works in close cooperation with industry experts, animal welfare and nature conservation specialists. For more information, please visit www.cottonmadeinafrica.org or follow us on LinkedIn.

About the International Cotton Advisory Committee (ICAC)

Formed in 1939, the ICAC is an association of cotton producing, consuming, trading, and investing countries. It acts as a catalyst for change by helping member countries maintain a healthy world cotton economy; provides transparency to the world cotton market by serving as a clearinghouse for technical information on cotton production; and serves as a forum for discussing cotton issues of international significance. In addition, members can take advantage of the ICAC's global network of cotton researchers, whose expertise covers the supply chain from farm to textile manufacturing, and have free access to its cutting-edge technologies like the voice-based app and virtual reality cotton training program. Committed to ensuring cotton's continued sustainability, the ICAC is the only intergovernmental commodity body covering cotton that is recognized by the United Nations. For more information, please visit www.icac.org, Twitter or LinkedIn.

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