

## Additionality Questionnaire

Puro Standard – Compliance requirement: 2.1.3 Additionality

# Additionality questions for suppliers

1.2.3. CO<sub>2</sub> Removal Supplier shall be able to demonstrate additionality, meaning that the project must convincingly demonstrate that the CO<sub>2</sub> removals are a result of carbon finance. Even with substantial non-carbon finance support, projects can be additional if investment is required, risk is present, and/or human capital must be developed. To demonstrate additionality, CO<sub>2</sub> removal Supplier must provide full project financials and counterfactual analysis based on Baselines that shall be project-specific, conservative and periodically updated. Suppliers must also show that the project is not required by existing laws, regulations, or other binding obligations. <sup>13</sup>

Note: In Puro Standard and related verification, a project specific additionality assessment is required. Puro Standard does not work with automatic additionality criteria or positive lists.

Notice. These answers are public information

Question	No/yes	Project response
Is the project required by existing laws, regulations, or other binding obligations	No	
Is the Project dependent on carbon finance?	Yes	It has to cover some of the extra cost of producing biochar, admin costs and over head.
Is investment required	Yes	Extra investment needed to sustain the production and handling of biochar
Is there a need to develop human capital, is there lack of skilled activity locally?	Yes	Producing biochar in an existing boiler has not been done previously. Operators beeing trained to maintain production.
Is your project first-of-its-kind?	"Yes"	It is the first of a kind in the furnace we use.
How is the project economically not feasible without carbon finance?		Without carbon finance, project would not be economically viable. CORC revenues does not cover extra costs in terms of admin and biochar costs...

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<b>Attach a simple cost analysis and sensitivity analysis.</b>		<p>Per CORC basis</p> <p>Average Revenue CORC      150 EUR/ton</p> <p>Handling cost PURO (12 %)   18 EUR/ton</p> <p>Overhead cost                    10 EUR/ton *0,1 pers full time and 1000 CORC</p> <p>Admin cost                        60 EUR/ton *1 pers full time and 1000 CORC</p> <p>Biochar cost related to CORC 40 EUR/ton *includes R&amp;D, M&amp;R, personnel, biomass, CAPEX</p> <p>Margin                                22 EUR/ton (15 %)</p>
<b>What are the key variables impacting the cost analysis?</b>		Cost of biomass, M&R, Investments needed inc. R&D, salaries
<b>What else is preventing your project implementation? For example, do you have to change industry norms or market practises or to build new infrastructure to carry out the project?</b>		None
<b>What is the baseline activity and related emissions and removals that would occur if this activity did not take place (business-as-usual, counterfactual)?</b>		<p>Biomass based district heating does not create any net emissions.</p> <p>Business as usual would not create any negative emissions i.e. carbon credits. If we do not produce biochar we would not use the extra biomass needed for biochar production. All the excess heat generated from the biochar production is recovered and used in the district heating process.</p>
<b>Attach a simple emission and removal analysis.</b>		Biochar (tons) produced x Negative emissions generated per ton biochar = Negative emissions generated (tons). See LCA



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I hereby declare that all information provided is truthful and precise to the best of my knowledge.

Date, Place:

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Representative name, title, organization