July 29, 2024

Press release

KANEMATSU CORPORATION

Kanematsu and green and agritech venture TOWING partner to expand adoption of the high-performance biochar “Soratan” in Japan and the U.S.

Kanematsu Corporation (hereinafter “Kanematsu”) and TOWING Co., Ltd. (hereinafter “TOWING”) have launched an initiative aimed at expanding the adoption of “Soratan,” the high-performance biochar manufactured by TOWING, in Japan and the U.S., leveraging the Kanematsu Group’s network.

We launched the first trial of Soratan outside Japan at an experimental soybean field in Ohio, U.S., owned by KG Agri Products, Inc. (hereinafter “KAPI”), which engages in the development, contract cultivation, sorting, and sales of food soybean seeds.

In Japan, we have been working with Kanematsu Agritech Co., Ltd. (hereinafter “Kanematsu Agritech”) and started offering organic compound fertilizer and the high-performance biochar Soratan as a set in the domestic market, as an initiative to contribute to the reduction of chemical fertilizer use and expansion of organic farming in line with the Strategy for Sustainable Food Systems, MIDORI, which the Ministry of Agriculture, Forestry and Fisheries promotes.

■ Overseas initiatives

Kanematsu and TOWING have already been collaborating in Japan, jointly exhibiting at the Decarbonisation Expo held in September 2023. This time, by collaborating with KAPI, a soybean processor owned by Kanematsu, we will expand the adoption of TOWING’s high-performance biochar Soratan in the surrounding farmlands, aiming to improve soil health[*1] and seek carbon storage. Additionally, KAPI will encourage contract farmers to introduce Soratan to help improve soil health and productivity. We launched a pilot experiment in May 2024 at the KAPI-owned experimental soybean field in Ohio, U.S. and will expand its scope once certain satisfactory results have been achieved.

*1: Soil health is the continued capacity of soil to function as a vital living ecosystem, and is defined as that which sustains biological productivity, promotes air and water quality, and maintains plant, animal, and human health.

(Source: National Agriculture and Food Research Organization (NARO) website at https://www.naro.go.jp/english/events/laboratory/niaes/161196.html)

Applying Soratan at KAPI

■ **Domestic initiatives**

Kanematsu Agritech is engaged in the manufacture and sales of compound feed for livestock and organic compound crop fertilizers for the development of Japanese agriculture. Through services such as manufacturing customized products tailored to farmers' crop plans and soil conditions, Kanematsu Agritech has maintained the extensive sales channels developed since its founding and continuously provided products that are of value to farmers, despite major changes in the business landscape.

By teaming up with TOWING, Kanematsu and Kanematsu Agritech will leverage the knowledge and connections in the agricultural field that we have developed through business to build a supply chain geared to the further adoption of organic compound fertilizers and Soratan as well as the distribution of eco-friendly farm produce. Furthermore, by distributing farm produce cultivated in this manner together with the associated carbon credits, we will promote the initiatives that contribute to purchasing companies' reduction of emissions across their supply chains. We ultimately aim to reduce the use of chemical fertilizers and drive the transition to organic farming in Japan, as well as to promote decarbonization and sustainability across agricultural and food supply chains.

TOWING's high-performance biochar "Soratan"

The Kanematsu Group positions the green transformation (GX) as one of the key initiatives under its three-year medium-term management plan, "integration 1.0," launched in April 2024, with a priority area being "GX for Agriculture and Food." Together with TOWING, we aim to contribute to decarbonization and a circular economy in the food supply chain in which Kanematsu is deeply involved through the creation and supply of low environmental impact food, as part of the Kanematsu Group's coordinated efforts to build a sustainable supply chain.

【About TOWING】

N a m e	TOWING Co., Ltd.
Establishment	February 27, 2020
P r e s i d e n t	Kohei Nishida
A d d r e s s	Nagoya University Facilty of Incubation, 1 Furocho, Chikusa-ku, Nagoya-shi, Aichi, 464-8601 Japan
B u s i n e s s	1. Manufacture, sales, and support for introduction of Soratan (for farmland application and as soil for seedling nurseries) 2. Acquisition and sale of carbon credits on behalf of clients based on Soratan usage volume 3. Sale of crops produced using Soratan
URL	https://towing.co.jp/pages/en

- TOWING Co., Ltd. is a green and agritech-venture[*2] company that spun off from Nagoya University in February 2020 with the mission to “realize a super-circular society based on sustainable next-generation agriculture.”
- The company developed the high-performance biochar Soratan, a soil amendment that reduces GHG emissions while promoting the transition to reduced chemical fertilizers and organic farming. As a “certified business operator for base development” in accordance with the Act on Promotion of Environmental Burden Reduction Business Activities for Establishing Environmentally Harmonized Food Systems, TOWING acquired certification under the J-Credit Scheme for biochar addition to cropland in June 2023.
- In January 2024, TOWING secured a subsidy of approximately 1.25 billion yen through the Ministry of Agriculture, Forestry and Fisheries’ SBIR Phase 3, and in the following month entered into a partnership agreement with Toyohashi City, which marked its first ever partnership with a local government in Japan. Going forward, the company will upcycle unutilized biomass into Soratan for agricultural applications, aiming not only to reduce GHG emissions but also achieve a sustainable food production system.

∗2: A green and agritech venture is a startup that combines features of greentech and agritech. Greentech is an umbrella term for technologies and products that are developed to address environmental issues such as global warming and air pollution. Agritech, coined from “agriculture” and “technology,” is an umbrella term for technologies and products that are developed to improve agricultural productivity.

【Contact】
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