

# Integrated AI Platform for Carbon Emissions Forecasting, Credit Calculation & Supply Chain Optimization

Pioneering the future of sustainable business with AI-driven carbon intelligence.



# Presentation Outline

## 1 Project Objectives

What we aim to achieve with our AI platform.

## 2 Context & Motivation

Understanding the urgent need and market opportunity.

## 3 Core Capabilities

How our platform delivers on its promises.

## 4 Scope & Limitations

Defining the boundaries of our initial deployment.

## 5 Strategic Vision

Our long-term impact and growth strategy.

# Context & Motivation: Addressing Climate Urgency



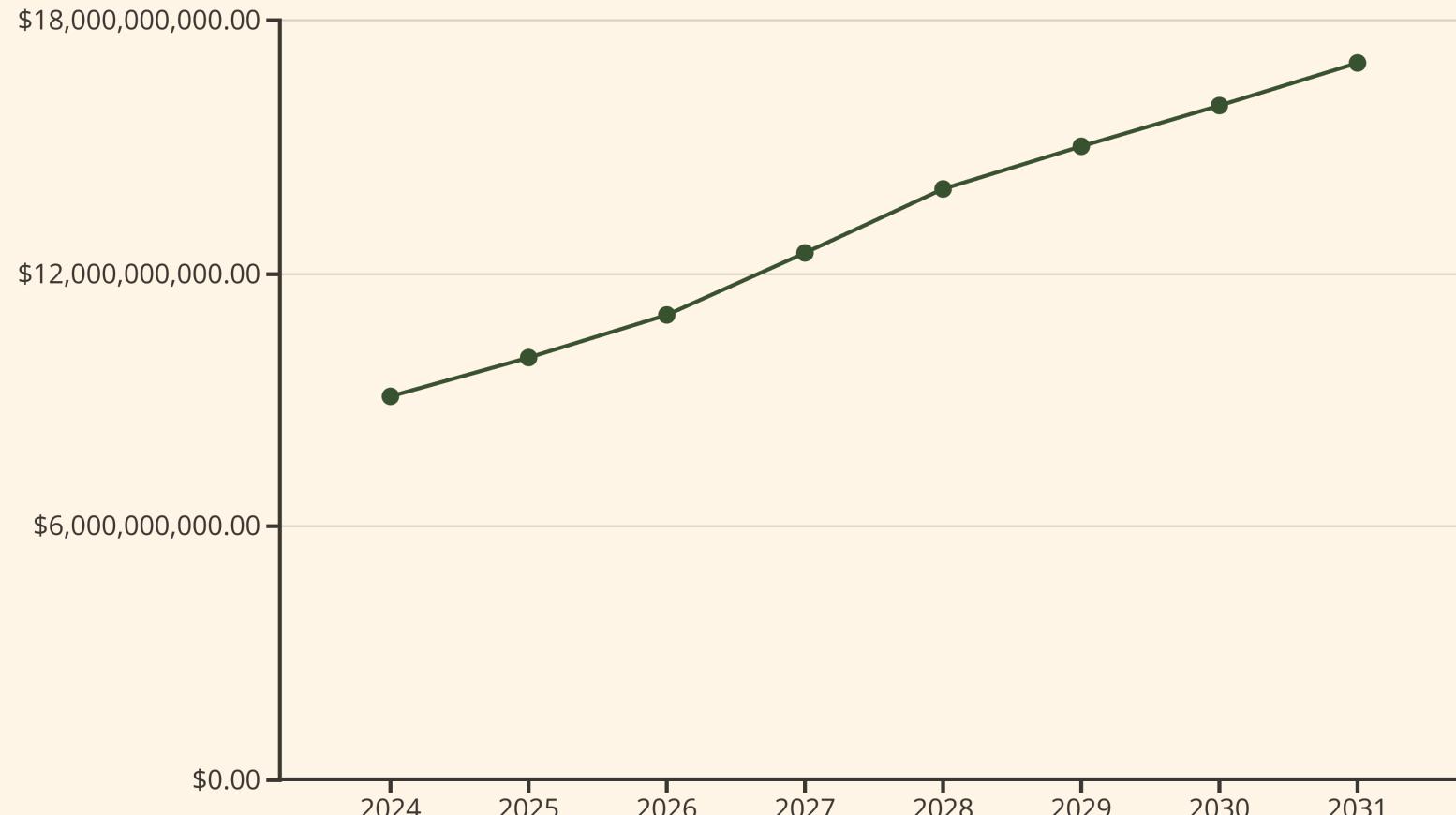
## Urgency of Climate Action

- Mounting global pressure for decarbonization.
- Increasing demand for transparent ESG reporting.
- Critical need for accurate emissions data.

## Regulatory Drivers

- Evolving carbon pricing mechanisms.
- Mandatory disclosure regulations (e.g., CSRD, SEC climate rules).
- Incentives for sustainable practices.

## Market Opportunity: The Growing Carbon Management Sector



# Project Objectives: Driving Carbon Intelligence



## Automate Forecasting & Prediction

Develop AI models for accurate emissions forecasting, carbon credit prediction, and actionable factor recommendations for reduction.



## Ensure Transparency & Explainability

Implement explainable AI (XAI) techniques to provide clear insights into model decisions, fostering trust and accountability.



## Deliver Real-Time & Scalable Solutions

Provide dynamic dashboards for immediate insights and ensure robust, scalable cloud deployment for global accessibility.

# Core Capabilities: Our Integrated Solution



## Data Ingestion & Integration

Seamlessly integrates diverse data sources including FAOSTAT, supply chain logs, and real-time streams for comprehensive analysis.



## Advanced AI/ML Models

Leverages state-of-the-art machine learning for predictive modeling, anomaly detection, and optimization of carbon footprints.



## Interactive Dashboards

Provides intuitive, real-time dashboards for visualizing emissions, credit potential, and optimization recommendations.



## Cloud-Native Architecture

Built for scalability and reliability on leading cloud platforms, ensuring global reach and high performance.

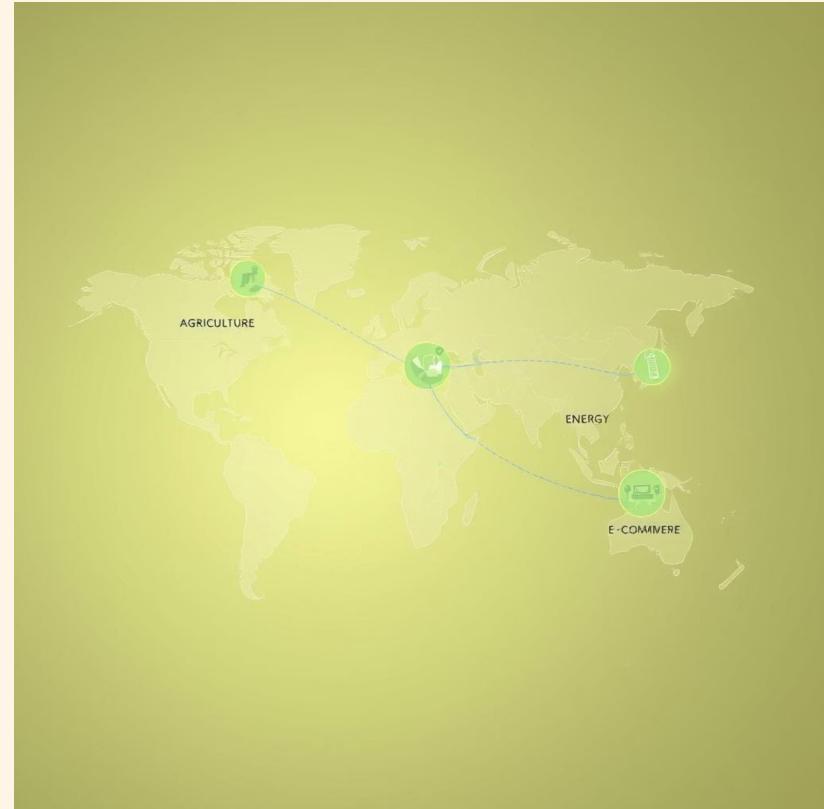
# Initial Scope: Target Sectors & Data

## Primary Data Sources

- FAOSTAT data for agricultural emissions.
- Detailed supply chain logs for logistics and transportation.
- Simulated data streams for testing and model validation.

## Key Sector Focus

- E-commerce: logistics, packaging, and data center emissions.
- Agriculture: land use, livestock, and fertilizer impacts.
- National Energy: power generation and consumption patterns.



# Limitations & Future Expansion

## Geographic Boundaries

Initial deployment will focus on North America and Europe, expanding globally in later phases.

## Technical Boundaries

While robust, the platform's initial release will prioritize core functionalities. Future iterations will include advanced customization and deeper integration capabilities.

Our phased approach ensures stability and performance while laying the groundwork for broader applications and functionalities.

# Key Takeaways & Next Steps

## AI-Powered Solution

Addressing the critical need for automated carbon management in a growing market.

## Transparency & Scalability

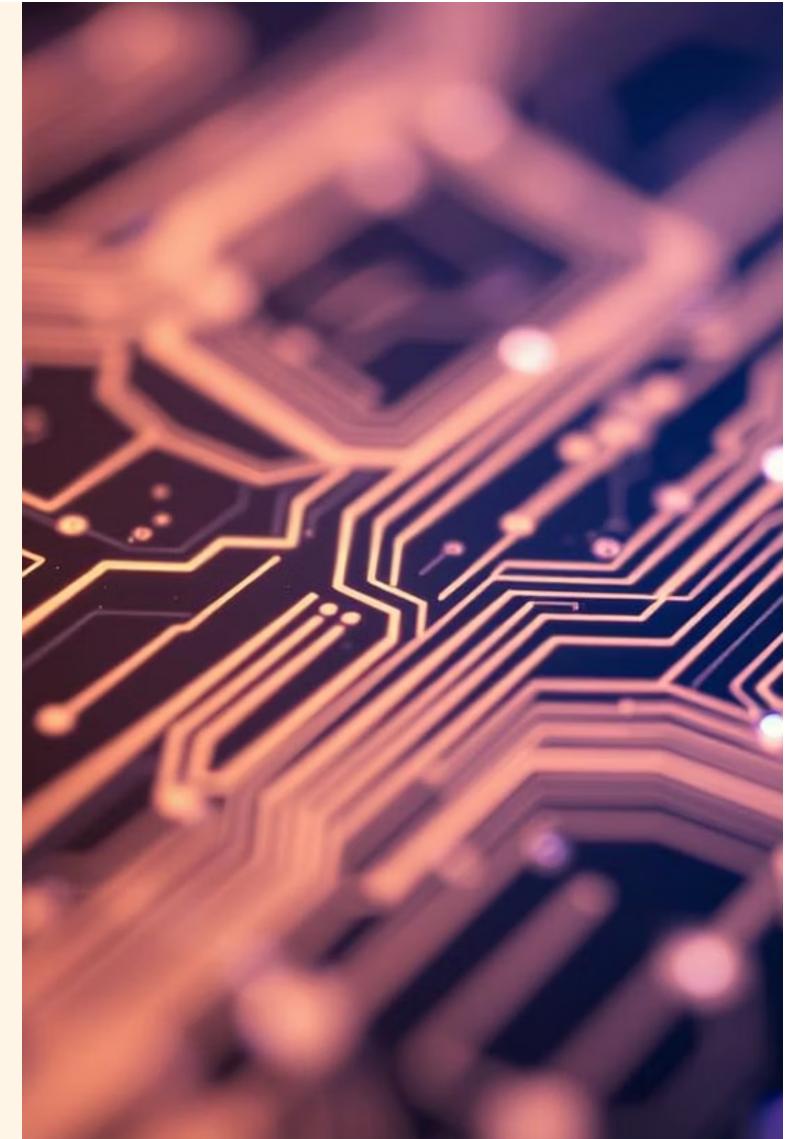
Delivering explainable AI via real-time dashboards and robust cloud infrastructure.

## Strategic Market Entry

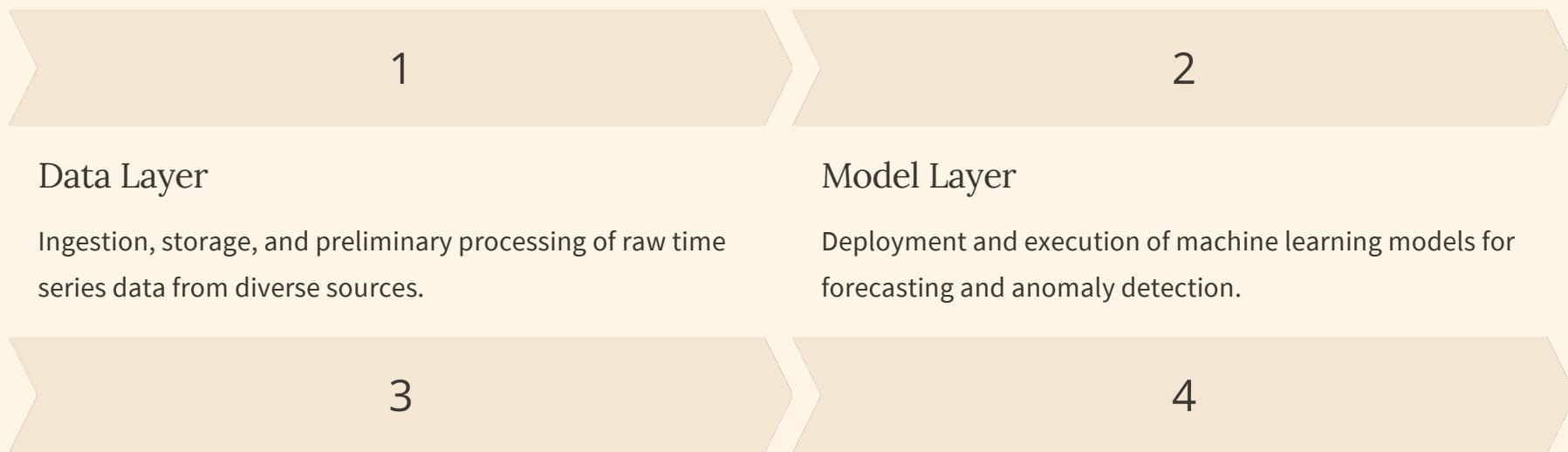
Targeting high-impact sectors with a clear path for expansion and continuous innovation.

# Advancements in Predictive Modeling for Time Series Data

Explore our innovative approach to time series forecasting, blending robust architecture with state-of-the-art machine learning and explainability.



# Microservices-Inspired System Architecture



## API Layer

Secure and scalable interfaces for data access, model inference, and external system integration.

## Presentation Layer

Interactive dashboards and visualizations for monitoring forecasts and model performance.

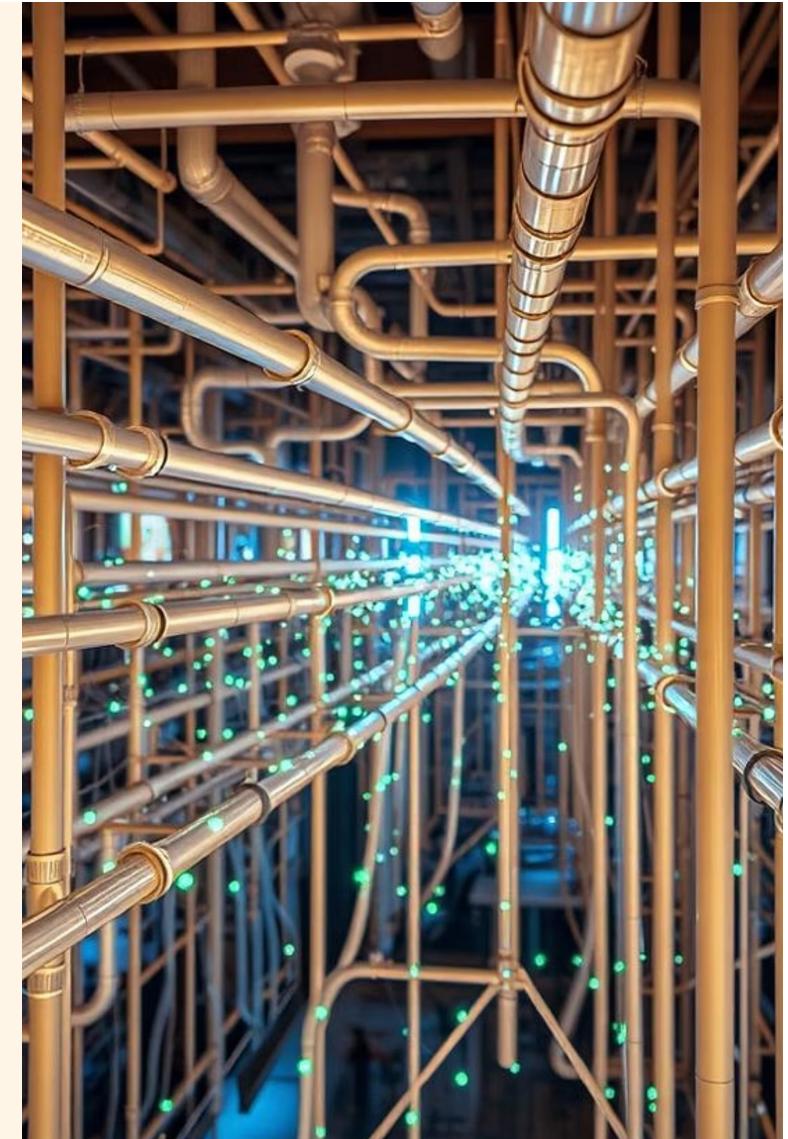
# Advanced Data Pipeline for Time Series

## ETL & Feature Engineering

- **Multi-Source Ingestion:** Automated retrieval from relational databases, APIs, and flat files.
- **Data Validation:** Schema checks, type enforcement, and outlier detection.
- **Feature Engineering:** Creation of lag variables, rolling averages, and Haversine distances for spatial features.

## Data Quality & Imputation

- **Quality Checks:** Automated checks for missing values, inconsistencies, and data drift.
- **Imputation Strategies:** Sophisticated methods including K-nearest neighbors, interpolation, and model-based imputation for missing data points.



# Ensemble Modeling Framework

Our framework combines diverse models to leverage their strengths and mitigate individual weaknesses, enhancing overall predictive accuracy.



## Random Forest

Excels in capturing non-linear relationships and providing feature importance for interpretability.



## LSTM Networks

Ideal for modeling complex temporal dependencies and long-term patterns in sequential data.



## Prophet Model

Robustly decomposes time series into trend, seasonality, and holiday components for clear insights.

# Blending Strategy & Performance Metrics

Our ensemble approach optimizes predictions by combining the outputs of individual models using a weighted average or stacking method.

## Blending Strategy

We utilize a meta-learner (e.g., Ridge Regression) to learn optimal weights for combining base model predictions, focusing on minimizing generalization error.

## Performance Metrics

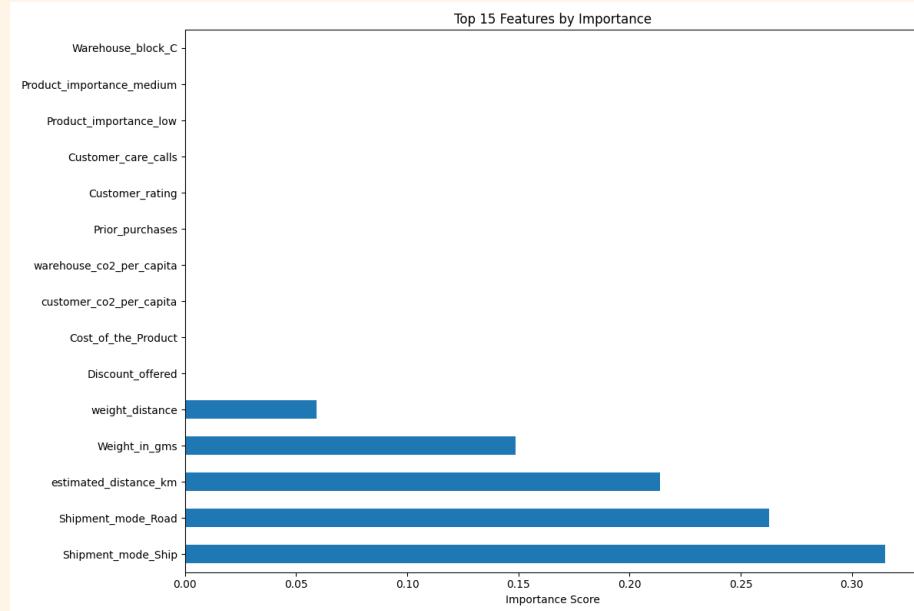
- **R<sup>2</sup> (Coefficient of Determination):** Measures the proportion of variance in the dependent variable predictable from the independent variables.
- **MAE (Mean Absolute Error):** Provides the average magnitude of errors, focusing on accuracy without considering direction.
- **RMSE (Root Mean Squared Error):** Gives a higher weight to larger errors, providing a sense of the average error size.

# Explainable AI (XAI) with SHAP

We integrate SHAP (SHapley Additive exPlanations) to provide transparent insights into our model's decisions, fostering trust and enabling better decision-making.

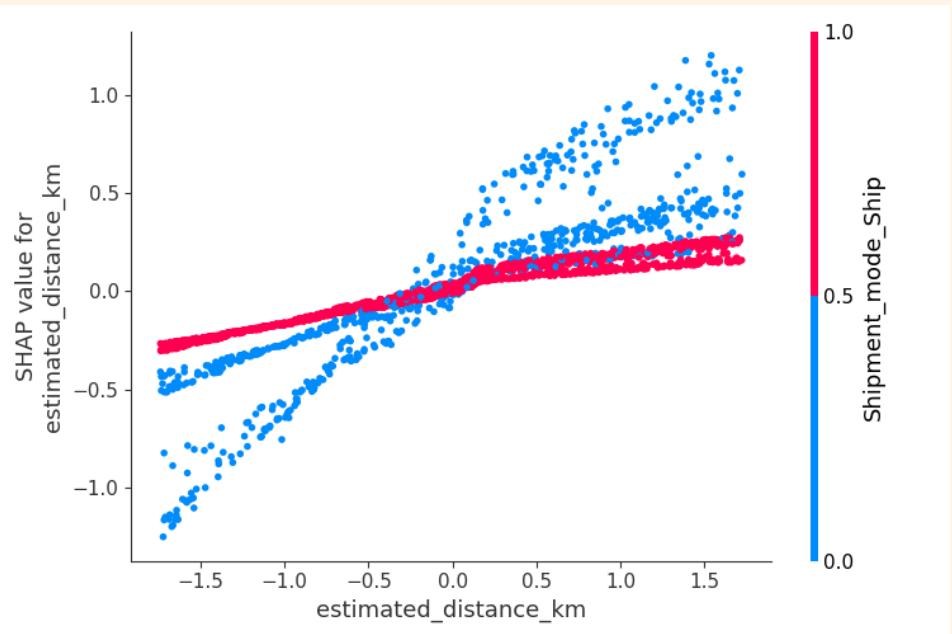
## Global Explanations

SHAP summary plots illustrate the overall impact and direction of each feature on model predictions across the entire dataset, identifying key drivers.



## Local Explanations

SHAP force plots explain individual predictions by showing how each feature pushes the output from the base value to the final prediction, highlighting specific contributions.



# Key Takeaways & Next Steps

- Integrated Approach

Our system combines robust architecture, advanced data pipelines, and a powerful ensemble modeling framework for superior predictive performance.

- Transparency with XAI

SHAP integration ensures our models are not black boxes, providing actionable insights for data scientists and business stakeholders alike.

- Continuous Improvement

We are committed to ongoing model refinement, exploring new data sources, and incorporating state-of-the-art ML advancements.

# Sustainable Futures: Carbon Credit Forecasting

The technical implementation, key results, and future enhancements of our carbon credit forecasting and optimization platform.



# Backend Architecture: Robust & Scalable

Our backend is engineered for high performance and scalability, leveraging modern cloud infrastructure.

## FastAPI Services

- Dedicated microservices for inference and background model training.
- Asynchronous request handling for efficient resource utilization.
- RESTful API design ensuring seamless integration.



# Cloud Infrastructure & Data Management

Leveraging AWS for robust data storage, processing, and advanced AI capabilities.



## AWS S3

Scalable object storage for raw and processed datasets, model artifacts, and logs.



## AWS Redshift

Petabyte-scale data warehouse for analytical workloads and historical data archiving.



## AWS Bedrock LLM

Utilized for intelligent factor recommendation and natural language explanations of model outputs.



# Deployment & Operational Efficiency

Ensuring high availability and efficient resource allocation through containerization and auto-scaling.

## Containerization (Docker)

- Isolated environments for each service, ensuring consistent deployments across environments.
- Simplified dependency management and faster deployment cycles.

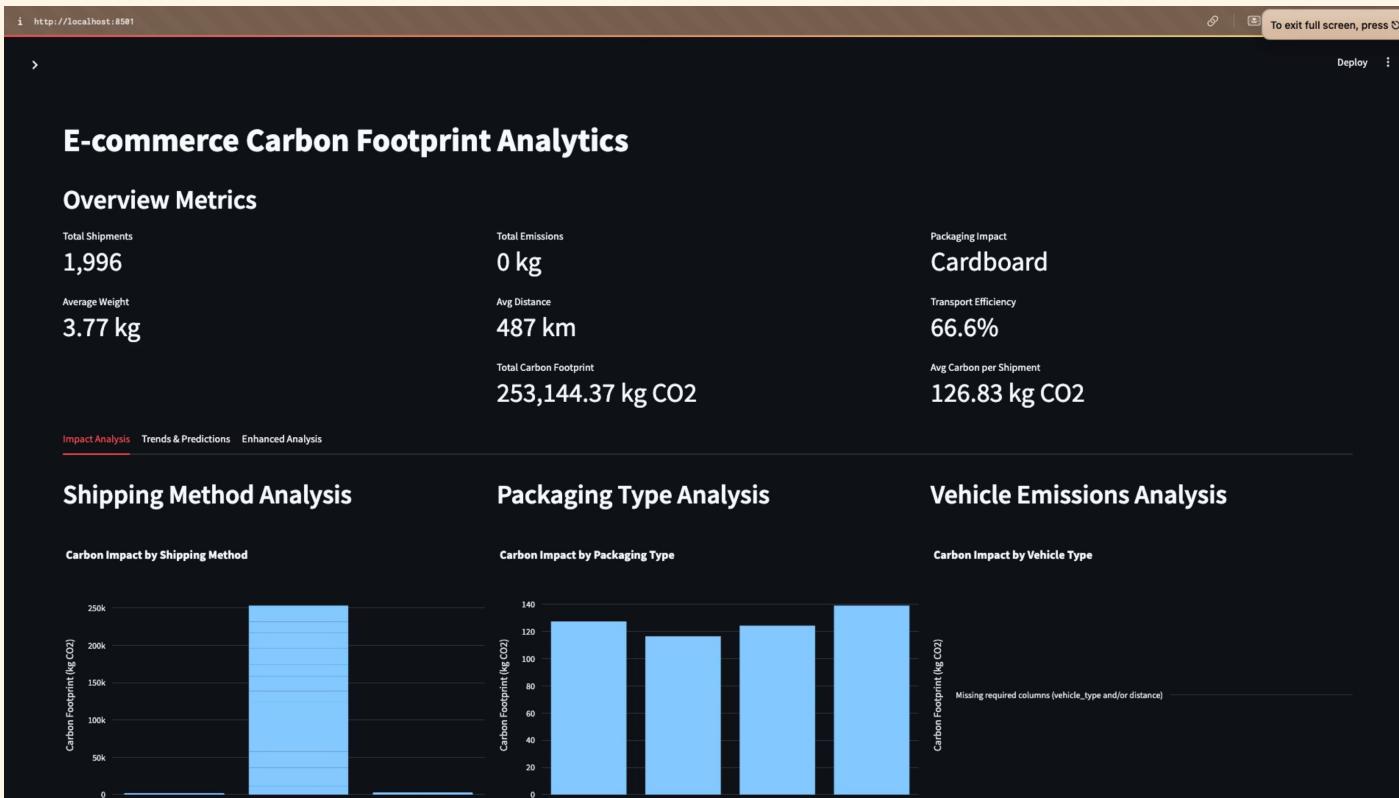
## AWS Auto Scaling

- Dynamically adjusts compute capacity based on demand, optimizing cost and performance.
- Ensures high availability and responsiveness during peak loads.

# Frontend Dashboard: Streamlit Interface

The Streamlit-powered dashboard provides intuitive interaction for users to leverage the forecasting models.

The dashboard features distinct tabs for prediction visualization, detailed model explanations, and interactive scenario analysis.



# Ensemble Model Performance

Ensemble model consistently delivers high accuracy and reliability in carbon credit forecasting.

**0.998**

R<sup>2</sup> Score

Indicating a strong fit and predictive power of the model.

**2.78**

RMSE

Low Root Mean Squared Error signifies minimal prediction errors.

**1.64%**

MAPE

Mean Absolute Percentage Error demonstrates high forecasting precision.

# System Responsiveness & Accuracy

Our platform is designed for real-time performance and high carbon credit accuracy.

## Real-time Dashboard

- Average response time of **1.2 seconds**.
- Supports **50+ concurrent users** without performance degradation.
- Ensures a smooth and efficient user experience for critical decision-making.

## Carbon Credit Accuracy

- Achieves a tight  **$\pm 2\%$  deviation** from actual values.
- Critical for reliable financial and environmental planning.
- Ensures trust and confidence in generated forecasts.



# Next Steps: Advanced Model Enhancements

We are continuously evolving our models to incorporate cutting-edge machine learning techniques.



## Graph Neural Networks

For sophisticated cross-border analysis and understanding complex relationships.



## Transformer Attention

To enhance temporal modeling and capture long-range dependencies in time-series data.



## Multi-modal Data

Integration of satellite imagery and IoT sensor data for richer contextual understanding.

# Key Takeaways & Future Outlook

Our platform delivers precise, scalable carbon credit forecasting, with continuous innovation on the horizon.

- **Robust Infrastructure:** Backend built on FastAPI and AWS ensures performance and scalability.
- **Intuitive Dashboard:** Streamlit interface provides real-time predictions and actionable insights.
- **High Accuracy:** Ensemble model delivers industry-leading precision in forecasts.
- **Continuous Innovation:** Future plans include GNNs, Transformers, and multi-modal data integration.

We are committed to empowering organizations with data-driven tools for a sustainable future.

Thank You