
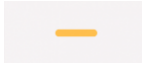



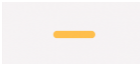
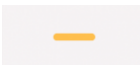


# EEB assessment of the 'Restoring Sustainable Carbon Cycles' Communication on Carbon Farming



<b><i>Our asks</i></b>	<b><i>The Commission's commitments</i></b>	<b><i>The EEB's comment</i></b>	<b><i>Rating</i></b>
<p><b>Define carbon farming as nature-based solutions for the management of land-based emissions and removals</b></p>	<p>Carbon farming is defined as “improved land management practices, resulting in the increase of carbon sequestration in living biomass, dead organic matter and soils by enhancing carbon capture and/or reducing the release of carbon to the atmosphere.” In relation to the certification of carbon removals, the Communication refers to calculating “GHG emissions and carbon removals at farm and forest holding level.”</p>	<p>The focus on land management practices and exclusion of intensive livestock rearing from the scope of carbon farming in the Communication is highly welcome (unlike the Commission’s technical guidance handbook). The mentions to estimating (all) greenhouse gas emissions at farm level are also important, however defining carbon farming more clearly in terms of comprehensive GHG fluxes would have been welcome. Indeed, there are crucial interplays between the carbon and nitrogen cycles, which seem to be ignored in this Communication.</p>	
<p><b>Make biodiversity protection central to carbon farming and recognise the benefits of agroecology</b></p>	<p>The importance of biodiversity and ecosystems is recognised, but mostly presented as co-benefits, which, the Communication states, should be given “financial recognition.” The Commission also commits to ensure “no negative impact on biodiversity or ecosystem deterioration in line with the precautionary and Do No Significant Harm principles”, including in the context of the new carbon removals certification framework.</p>	<p>It’s all talk, no walk. Preventing negative impacts on ecosystems is the bare minimum but will not be sufficient to slow down the collapse of biodiversity. The suggestion to reward co-benefits is not echoed in the section about carbon removals certification, undermining its own credibility. However, rewarding co-benefits is not sufficient, the entire incentive system must be based on holistic indicators for soil health and biodiversity. Peatlands restoration and agroforestry are rightly identified as crucial carbon farming solutions; but fails to recognise agroecology as the best approach for SOC increase, biodiversity, and resilience.</p>	

<p><b>Do not equate carbon removals with needed GHG emissions reductions</b></p>	<p>The Communication insists that reducing emissions is a priority, but is presented as starting a “reflection towards the further integration of carbon removals into the EU regulatory and compliance frameworks, post-2030.”</p>	<p>The suggestion to move towards integrating land-based carbon credits in the EU’s climate policy instruments after 2030 is highly worrying. Considering fossil emissions and natural carbon sequestration as interchangeable will undermine effective climate action.</p>	
<p><b>Develop a comprehensive policy mix combining voluntary and mandatory measures</b></p>	<p>The Communication focuses overwhelmingly on providing new financial incentives for carbon sequestration and other soft policy tools (guidance and exchange platforms). One notable exception is the commitment to evaluate the application of the polluter-pays principle in agriculture. The forthcoming Nature Restoration Law is only mentioned in relation to ensuring synergies for monitoring and reporting, while the expected Soil Health Law is not mentioned at all.</p>	<p>This focus on voluntary incentives is highly unlikely to deliver change at the scale and pace needed to tackle the climate and biodiversity crises. The EEB’s <a href="#">Carbon Farming report</a> called for legally binding targets, safeguards, and a baseline of mandatory sustainable soil management practices. Applying the polluter pays principle to agriculture would be a step in the right direction, but the Communication merely commits to assess its potential. The forthcoming Nature Restoration and Soil Health Laws are crucial instruments to scale up carbon farming, yet the Communication does not explain how these initiatives will support each other. This shows a striking lack of joined-up and visionary thinking.</p>	
<p><b>Provide the right incentives, especially through the CAP</b></p>	<p>The “Commission calls on Member States to integrate carbon farming into their proposals of their national CAP strategic plans”, suggesting that CAP funding can support improved knowledge as well as directly fund carbon farming practices. State aid is also highlighted as a key funding stream for carbon farming schemes.</p> <p>Public funding is highlighted as “key to complementing revenue possibilities from private markets”. The focus therefore appears to be on market-based financing, as the Communication explicitly sets out to scale up the voluntary carbon market through a certification mechanism.</p>	<p>A recent <a href="#">assessment of CAP eco-schemes</a> found that Member States are not planning to invest in high quality carbon farming practices. The Commission ought to do a lot more to ensure this huge amount of public funding (€54bn/year) contributes to climate action. Instead, it appears to turn to private investors to plug the climate funding gap left open by the CAP, disregarding the strong concerns voiced by <a href="#">civil society</a>, including <a href="#">the EEB</a>, about carbon offsets. The suggestion to use state aid for carbon farming does not clarify the complementarity with CAP funds, and raises questions as to public scrutiny, as the procedures for the approval of state aid in agriculture are rather opaque. In sum, the Commission seems to be giving up on steering the CAP in the right direction and instead surrendering to vested farming and corporate interests.</p>	

<p><b>Develop a robust regulatory framework for land-based voluntary carbon markets</b></p>	<p>The Communication commits to developing a transparent regulatory framework to identify carbon removals “unambiguously” and facilitate market-based solutions. In doing so, it identifies non-permanence, uncertainty, additionality, and co-benefits as key technical challenges for the certification of carbon removals. It also points to the need to avoid double claiming of removals in national inventories and other reports.</p>	<p>In its <a href="#">Carbon Farming report</a>, the EEB set out key priorities for regulating voluntary carbon markets. Several of them are recognised by the Communication, although no definitive answers are given yet. However, three major issues remain unaddressed. First, that eligibility for carbon credits should be restricted to the most effective, secure and no-regret practices, such as peatland restoration and agroforestry. Soil carbon sequestration on croplands and grasslands should only become eligible once adequate MRV and holistic indicators are operational. Second, that only <i>net</i> removals should give rise to carbon certificates. Third, that corporate “climate neutrality” claims should be strictly regulated, to provide transparency on emissions and offsets.</p>	
<p><b>Improve monitoring systems for soils and land-use emissions</b></p>	<p>The Communication puts a strong focus on improving monitoring systems for GHG emissions and carbon sequestration to certify carbon removals. It points to the need for more consideration as to how carbon farming initiatives can be reflected in national inventories. It also commits to ensure “synergies with Nature Restoration Law monitoring and reporting.”</p>	<p>These commitments are welcome as they will bring considerable improvements to the accuracy of land-use emissions and removals monitoring. However, until the certification framework is in place, Member States will still be allowed to use outdated IPCC guidelines and low tier methodologies. The promised link with the Nature Restoration Law is welcome, but the silence on improving soil data and monitoring (commitments made by the Soil Strategy) is indefensible.</p>	
<p><b>Invest in farmers’ knowledge to facilitate behaviour change</b></p>	<p>The importance of knowledge exchange and publicly funded advisory services is stressed, and the Commission commits that “every land manager should have access to verified emission and removal data by 2028”.</p>	<p>The focus on boosting advice and knowledge exchange for farmers and foresters is welcome. However, it is surprising that the Soil Strategy’s “Test your soil for free” initiative is not mentioned.</p>	