

CREDIBLE Focus Group 2.3: An effective policy mix for scaling up carbon farming



CREDIBLE
EU carbon farming



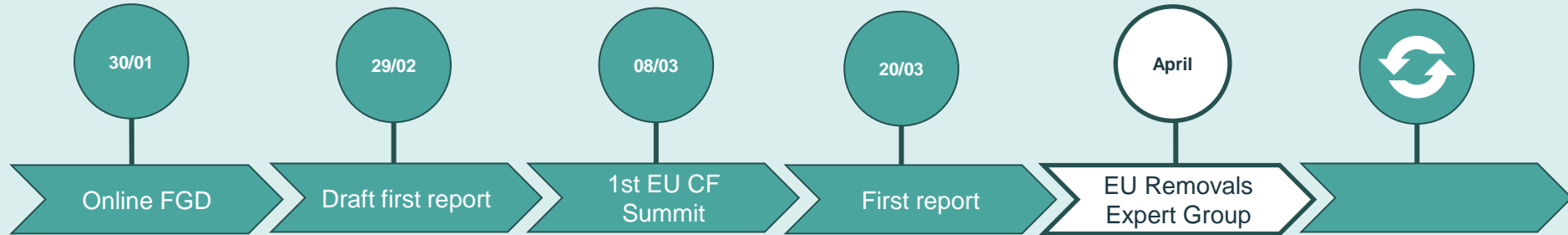
Funded by
the European Union



Mathieu Mal
European Environmental Bureau (EEB)

Focus Group 2.3: setup and activities

16 contributing experts across civil society, research institutes, policy makers, farmers organizations, private sector companies and coalitions.



Objective

01

What constitutes an effective policy environment for quality carbon farming?

03

What do we expect the policy framework development of EU Carbon Farming to look like?

02

The current and future EU policy mix affecting Carbon Farming: what are the synergies, conflicts, and gaps?

Guiding questions

A conducive policy environment for quality carbon farming:

- What are the key elements of quality carbon farming that policy needs to safeguard?
- How should policy address complex and crucial aspects such as additionality and permanence?
- How should policy support aspects of implementation such as financing and MRV?

The EU policy mix:

- To what extent will the CRCF be able to provide the above, and what functions will be left for other policies or instruments?
- Which other policies or instruments do you deem relevant to carbon farming in the EU? Are there any synergies or conflicts with the CRCF on elements discussed before: permanence, additionality, financing, timing, etc.?
- Scaling carbon farming: regulatory push or market demand pull?
- What could / should be the role of Voluntary Carbon Markets (VCMs)?
- What could / should be the role of an EU ETS for agriculture?

Activity- and Result-Based incentives

- **Burden:** RB structure based on targets allows actors to innovate and achieve objectives efficiently, but data gathering and monitoring can also be time- and resource-intensive.
- **Climate and environmental integrity:** RB risks narrow focus on single metric, considering equally important elements secondary, overrelying on vulnerable carbon stocks for mitigation.
- **Governance:** RB can complement AB already present (ex. g. CAP) and can improve efficiency of fund allocation, but questions around liability in case of reversals, equity (small farms?), MRV technological readiness, and use case.

CRCF in the policy mix

- CRCF: Presents an opportunity to channel private sector funding to sustainable practices in the land use sector.
- CAP: budget used to reach multiple objectives; improvements possible to support sustainable practices.
- AgriETS and VCMs: Trading of CRCF emission removal and reduction certificates, implications of diverse nature of certificates (quality, permanence), market fluctuations and demand?
- Equity, governance and liability, stakeholder acceptance

Preliminary policy recommendations

1. CRCF is one of many elements in the carbon farming policy mix: integrate it well
 - Forest and Soil Monitoring Laws: data and monitoring
 - Green Claims, Empowering Consumers: claims
 - LULUCF, Effort Sharing Regulations: contributions
2. Removals additional to reductions
3. Don't forget improvements in other instruments: ex. g. CAP
4. MRV is developing fast but still developing
5. A hybrid activity-result approach
6. Use case clarity
7. Co-development with stakeholders and adequate technical support

Thank you!

Mathieu Mal
European Environmental Bureau (EEB)