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**Report Highlights:**

This quarterly report covers April through June 2021 and provides details on the status of the EU Green Deal objectives and strategies including the Farm to Fork Strategy (F2F), Biodiversity Strategy, the Climate Target Plan, the EU Methane Strategy, and the Circular Economy Action Plan.

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## Background

European Commission President Ursula von der Leyen has prioritized her presidency around greening and transforming the EU economy to become carbon neutral by 2050 through the politically ambitious “[EU Green Deal](#).” As part of the European Green Deal, the European Commission is publishing sector-specific strategies to reach the objective of carbon neutrality by 2050 and to transform the EU economy to be more sustainable such as the Farm to Fork Strategy (F2F) or the Biodiversity Strategy. This quarterly update report includes details on what was proposed and what has progressed during the period April-June 2021. The previous report covering January-March can be found [here](#).

The Commission has started preparatory work, but most draft legislative proposals are expected in the coming years. On October 20, 2020, the European Commission adopted its [2021 Work Program](#) setting out the actions the Commission aims to take in 2021. To achieve the Green Deal objective of climate neutrality by 2050, the Commission announced that it will table a legislative package (“Fit for 55”) to reduce greenhouse gas emissions by at least 55 percent by 2030. This set of policy proposals is expected to be published in July 2021. This will cover wide-ranging policy areas including renewable energy, land use and forestry. The Commission is also expected to publish a proposal for a Carbon Border Adjustment Mechanism on the risk of carbon leakage<sup>1</sup> over the summer 2021. In addition, the Commission will propose legislation to implement Europe's Circular Economy Action Plan, the EU Biodiversity Strategy, and the F2F. For more information about the Work Program, see: [EU Commission Presents its 2021 Work Program](#).

Representatives across all sectors, including producers, food retailers, Parliamentarians and Commission officials, have been speaking out on F2F. Stakeholders are pushing the Commission to complete impact assessments before releasing any draft proposal, to ensure the feasibility of any new requirements. The Common Agricultural Policy (CAP) negotiations may also affect the ability of the EU to meet the F2F targets, such as the final share of the total budget to be earmarked for eco-schemes payments or the alignment of the Member States national CAP Strategic Plans with the F2F objectives.

## PART I: REGULATORY UPDATES

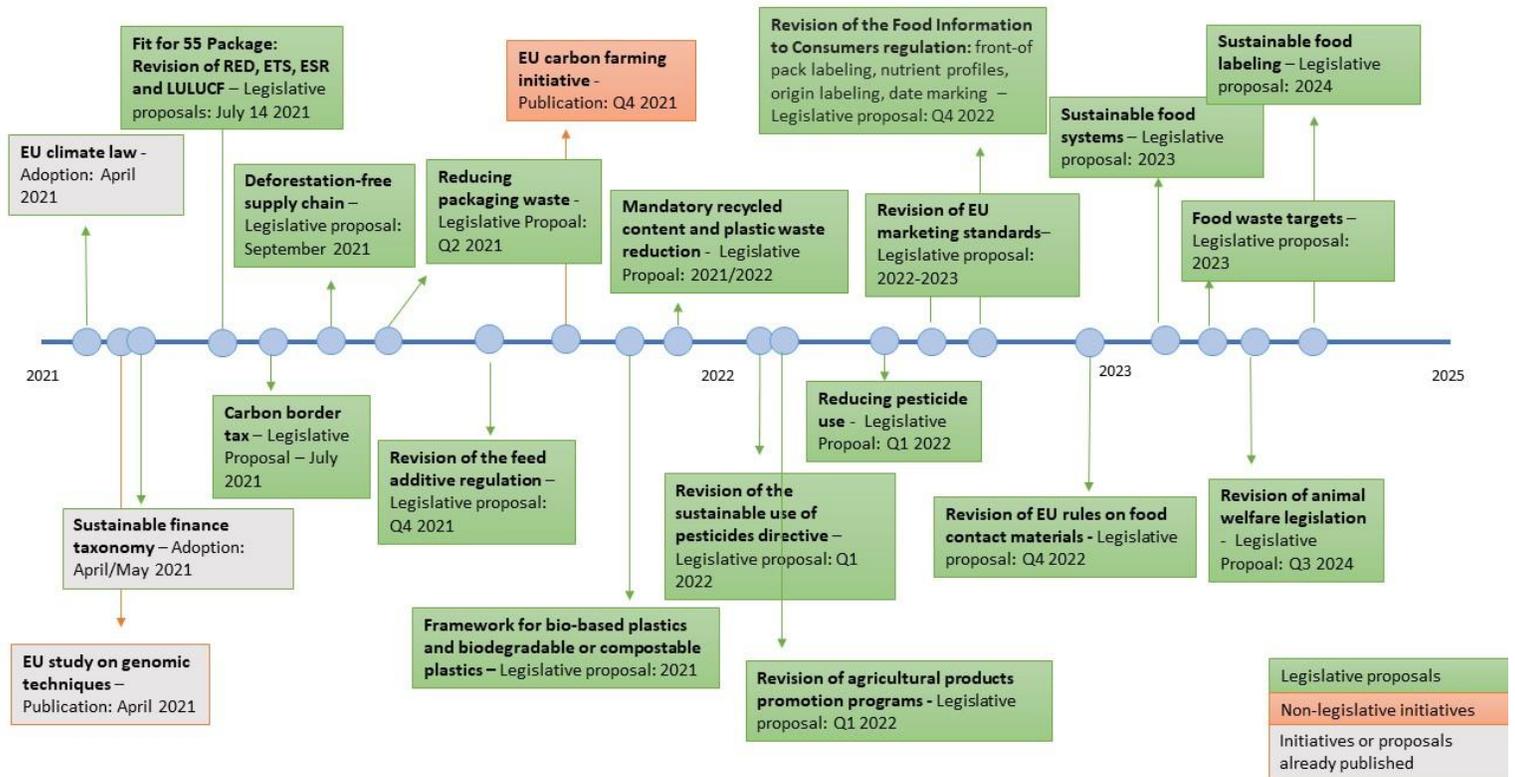
Please find below regulatory updates on files that our office is monitoring at this time. Success of any of these Commission initiatives will depend on the final compromise between the Commission, the Parliament and the Council as well as the implementation at the Member State level. The final results of the CAP negotiations and how much funding is earmarked for payments linked to sustainable practices will also influence the success of the F2F and Biodiversity Strategy.

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<sup>1</sup> According to the EU, carbon leakage refers to the situation that may occur if, for reasons of costs related to climate policies, business were to transfer production to other countries with less stringent emission constraints.

Below is a visual timeline of upcoming initiatives that could have potential trade implications:

### EU Green Deal – Timeline of upcoming initiatives with potential trade implications



### The EU Climate Law

On March 4, 2020, the European Commission published the founding legislative proposal of the EU Green Deal: [the EU Climate Law](#). This proposal aims to write into EU law the goal set out in the European Green Deal: climate neutrality by 2050 while achieving net zero greenhouse gas emissions. The Climate Law will make the objectives of the EU Green Deal legally binding for the European Union and the Member States. The proposal also includes a reduction of net GHG emissions by at least 55 percent compared to 1990 levels by 2030. The proposed text would also empower the Commission to adopt legislation setting out a trajectory to reach carbon-neutrality by 2050, starting from the 2030 target.

2020 target	Current 2030 target	Proposed 2030 target	Proposed 2050 target
- 20%	- 40%	- 55%	- 100%

Table 1: EU targets and Commission’s proposed targets for net reduction of GHG emissions compared to 1990 levels.

## What's new?

On April 20, 2021, the Council and Parliament reached an agreement on the final text of the EU Climate Law. The agreement sets a 55 percent net GHG emission target for 2030 and an EU-wide climate neutrality target for 2050. It also establishes a European Scientific Advisory Board on Climate Change which will advise policymakers on the alignment of EU policies with the EU's climate neutrality goal and the EU's international commitments under the Paris Agreement. The Climate Law also recognizes the need to enhance the EU's carbon sinks and carbon removals from agriculture and forestry. The Climate Law still needs to be officially adopted by the Member States and Parliament before it can enter into force.

## Agricultural Impact

The EU Climate Law requires the Commission to propose revisions of key EU climate and energy legislation in line with the revised 2030. This includes the European Emissions Trading System (EU-ETS) Directive, the Land Use, Land Use Change and Forestry (LULUCF) Regulation and the Renewable Energy Directive (REDII).

## The EU Taxonomy for Sustainable Activities

In June 2020, in order to meet the EU's climate targets for 2030 and reach the objectives of the European Green Deal, the European Commission adopted the [Taxonomy Regulation](#). This Regulation establishes the framework for an EU taxonomy for sustainable activities by setting out four overarching conditions that an economic activity has to meet in order to qualify as 'environmentally sustainable'. The Taxonomy Regulation aims to act as a screening mechanism to define sustainable activities to steer private investment to activities the Commission deems sustainable. It creates three different categories: "sustainable activities", "transitional activities" and "enabling activities." The Commission is now in the process of adopting secondary legislation (delegated acts) that sets up the technical screening criteria to develop the taxonomy further.

## What's new?

On April 21, 2021, the Commission adopted a first delegated act on sustainable activities for climate change adaptation and mitigation objectives listing the criteria that investments would be required to meet to qualify as sustainable under the EU's sustainable finance taxonomy. It covers 13 sectors, including renewable energy, transport, forestry, manufacturing, buildings which together account for nearly 80 percent of EU greenhouse gas emissions. The delegated act adopted on April 21 does not include agriculture activities. The Commission announced that a complementary delegated act will be adopted later in 2021 on agriculture and certain energy sectors not yet included. Bioenergy is included in the delegated act adopted on April 21 and was listed as a sustainable activity if it follows the technical criteria listed in the text. The delegated act foresees that the Commission will review the screening criteria bioenergy based on upcoming policies revision, including the revision of the Renewable Energy Directive (REDII). The technical requirements for bioenergy are aligned with sustainability criteria laid down by the REDII. For more information about the delegated act, please see GAIN Report: [European Commission Adopts its EU Taxonomy for Green Investments](#).

Additionally, throughout 2020, the European Commission has published many sectoral communications and strategies that lay out a vision (with proposed measures) to achieve carbon neutrality by 2050 (which will be enshrined into EU law by the EU Climate Law). The Commission will continue to publish new strategies in 2021. More information on the status of the EU Green deal strategies can be found [here](#).

This report reviews the below sector strategies that are likely to impact agriculture and food:

- The Farm to Fork Strategy
- The Biodiversity Strategy
- The EU Climate Target Plan For 2030
- The EU Methane Strategy
- The Circular Economy Action Plan

### **The Farm to Fork Strategy**

The Commission published the Farm to Fork (F2F) Strategy on May 20, 2020. The Strategy lists 27 actions aimed to transform the way EU food is produced, processed, transported, presented, and sold. The full Strategy can be found [here](#). The Commission identified these actions to further the Green Deal goals, reducing greenhouse gas emissions and pursuing economic growth decoupled from resource use. This report only highlights specific aspects of the F2F that may impact U.S. agricultural product market access, EU competitiveness, and/or create technical barriers to trade.

On October 19, 2020, the 27 EU Ministers of Agriculture adopted [Council Conclusions on the Farm to Fork Strategy](#) (F2F). This document is the official position of the Member States on the F2F. More information can be found in the previous report.

The European Parliament is in the process of adopting an own-initiative report on the F2F. While non-binding, this document will serve as the official position of parliamentarians on the Strategy. The Agriculture and Rural Development (AGRI) and Environment, Health and Food Safety (ENVI) Committees are responsible for the report. Other Parliament's Committees also weighted their opinions in the report such as the International Trade Committee. The [draft report](#) was published on December 17, 2020. There were more than 2297 amendments submitted by members of the European Parliament (MEPs). The vote at the committee level was expected for June 2021, but is now further delayed to July or September 2021.

### **What's new?**

On May 20, 2021, exactly one year after the presentation by the Commission of the F2F, 29 European food and farming organizations issued [a joint statement](#) for a proper, concrete data and science-based impact assessment. The text mentions the ERS study on F2F: it points out that the EU is lacking any kind of analysis, while the U.S. government already conducted a study on the European flagship policy. In their view, the F2F Strategy will have a considerable impact on the whole agricultural value chain, from farmers to consumers. From the point of view of the farmers, traders and processors, the Strategy will impact the production capacity, competitiveness, the imports and ultimately on consumer prices.

The European agri-food industry leaders demand scientific evidence instead of ideology and political stances.

On May 26, 2021, 27 EU Ministers of Agriculture discussed [a joint statement](#) by 7 Member States (Czech Republic, Hungary, Poland, Slovakia, Bulgaria, Croatia and Romania) on the opportunities and challenges for farmers stemming from the F2F. In the statement, the seven Ministers stressed that the F2F sets ambitious objectives and challenges for the Member States to be met within a very short time. They expressed the conviction that the burden of achieving these ambitious objectives must be evenly distributed among all links in the food supply chain, and that responsibility should not be a burden only to producers, especially small and medium-sized ones. The Ministers also pointed out that the strategy was published without any impact assessment and called on the European Commission to submit the appropriate impact assessment of the Strategy prior to initiating any implementation phase.

### 1. Proposal for a harmonized mandatory front-of-pack nutrition label

The Commission announced that it would propose EU-harmonized mandatory front-of-pack nutrition labeling before the end of 2022. In a [specific report](#) on the subject, the Commission states that front-of-pack labeling has the potential to help consumers make health-conscious food choices and that harmonized mandatory front-of-pack nutrition labeling (FOPNL) at the EU-level could help inform consumer decisions. Health and Food Safety Commissioner Kyriakides underlined that at this stage the Commission would not be recommending any specific schemes and would rather first launch an impact assessment on the different options while soliciting input from stakeholders through a public consultation. European media suggest that the French Nutri-Score labeling scheme is the frontrunner labeling approach to be widely adopted across the EU. France, Belgium<sup>2</sup>, Spain, The Netherlands<sup>3</sup> and Germany have already adopted the Nutri-Score system domestically. The Nutri-Score scheme has also been adopted by leading food manufacturers such as Nestlé and Danone.

On December 23, 2020, the European Commission published [a roadmap](#) laying down its intention to put forward a legislative proposal for a revision of [Regulation \(EU\) 1169/2011](#) on the provision of food information to consumers (FIC Regulation). With this roadmap, the Commission announces that it will prepare an impact assessment in 2021. A legislative proposal is foreseen for the fourth quarter of 2022. This roadmap covers the proposal for a harmonized mandatory front-of-pack nutrition label. For more information, please see: [Commission Publishes Roadmap on the Upcoming Revision of Food Labeling Requirements](#).

#### What's new?

As part of the European Parliament's report on the F2F (see above for more information), the Parliament's Committee on the Internal Market and Consumer Protection (EP IMCO) published its opinion that will feed into the final report. EP IMCO calls on the Commission to explore the need to apply specific conditions and exemptions to a harmonized mandatory front-of-pack nutrition label for certain food categories or foodstuffs, such as olive oil, food products covered by geographical indications' labels and for single-ingredient products.

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<sup>2</sup> See, e.g., [Belgium Adopts Nutri-Score for Front of Pack Nutritional Labeling](#)

<sup>3</sup> See, e.g., [Dutch Food Company Adds Nutri-score to Packaged Products](#)

## **2. Nutrient profiles in the context of nutrition and health claims**

The Commission announced that it would set nutrient profiles to restrict promotion of food high in salt, sugars and/or fat as required by [Regulation 1924/2006](#) before the end of 2022. Currently, the implementation of Regulation 1924/2006 on nutrition and health claims made on foods remains incomplete since the Commission did not establish nutrient profiles that had to be set by January 2009.

On December 15, 2020, European Ministers of Agriculture discussed this issue in conjunction with discussions about the FOPNL and the extension or origin labeling. As stated above, while there was broad support from a majority of Member States for the text prepared by the German Presidency, there was no consensus, notably on FOPNL. The [Presidency Conclusions](#) underline the importance of basing the proposal on nutrient profiles on science and evidence and a thorough impact assessment, and call upon the Commission to examine the impact of different nutrient profiling models and the need for exemptions.

On December 23, 2020, the European Commission published [a roadmap](#) laying down its intention to put forward a legislative proposal for a revision of [Regulation \(EU\) 1169/2011](#) on the provision of food information to consumers (FIC Regulation). With this roadmap, the Commission announces that it will prepare an impact assessment in 2021. A legislative proposal is foreseen for the fourth quarter of 2022. This roadmap covers the setting up of nutrient profiles and notes that the Commission plans to develop “in a coherent manner” harmonized front-of-pack nutrition labelling and the setting of nutrient profiles. For more information, please see: [Commission Publishes Roadmap on the Upcoming Revision of Food Labeling Requirements](#).

## **3. Extension of origin indication for certain products**

The Commission announced that it will “consider proposing the extension of mandatory origin or provenance indications to certain products, while fully taking into account impacts on the single market” before the end of 2022. Currently, origin labeling is already mandatory in the EU for honey, fruits and vegetables, olive oil, fishery and aquaculture products as well as fresh, chilled and frozen beef, pork, sheep and goat meat and poultry. However, it is still possible for EU Member States to introduce, under certain conditions, national mandatory origin rules.

On December 23, 2020, the European Commission published [a roadmap](#) laying down its intention to put forward a legislative proposal for a revision of [Regulation \(EU\) 1169/2011](#) on the provision of food information to consumers (FIC Regulation). With this roadmap, the Commission announces that it will prepare an impact assessment in 2021. A legislative proposal is foreseen for the fourth quarter of 2022. This roadmap covers the extension of mandatory origin or provenance indications to certain products. In this roadmap, the Commission identified foods for which the impact of the extension of mandatory origin labelling will be assessed in the impact assessment: milk and milk used as an ingredient, meat used as an ingredient, rabbit and game meat, rice, durum wheat used in pasta, potatoes and tomato used in certain tomato products. For more information, please see: [Commission Publishes Roadmap on the Upcoming Revision of Food Labeling Requirements](#).

#### 4. Revision of the EU rules on date marking

According to the Farm to Fork Strategy, food waste at all steps of the product lifecycle in the EU, accounts for at least 6 percent of total EU GHG emissions. As a way to reduce food waste and food loss in the EU, the Commission also announced that it will propose revisions to EU rules relating to date marking ('use by' and 'best before' dates) before the end of 2022.

On December 23, 2020, the European Commission published [a roadmap](#) laying down its intention to put forward a legislative proposal for a revision of [Regulation \(EU\) 1169/2011](#) on the provision of food information to consumers (FIC Regulation). With this roadmap, the Commission announces that it will prepare an impact assessment in 2021. A legislative proposal is foreseen for the fourth quarter of 2022. For more information, please see: [Commission Publishes Roadmap on the Upcoming Revision of Food Labeling Requirements](#).

##### What's new?

On April 22, 2021, the European Food Safety Authority (EFSA) published [new guidelines](#) to help food suppliers decide what information to give consumers about storing food and time limits for consumption. These new guidelines will feed into the proposal for a revision of date marking rules under F2F.

#### 5. Animal welfare and animal welfare labeling

The F2F Strategy includes the objective for the EU to improve animal welfare, improve animal health and reduce the need for medication. In that regard, the Strategy notes that the Commission will consider "options for animal welfare labeling to better transmit value through the food chain." On December 15, 2020, European Ministers of Agriculture adopted [Council Conclusions on an EU-wide animal welfare label](#). Member States stated that an EU-wide animal welfare label for food produced under animal welfare standards higher than those provided by EU legislation could respond to the consumer demand to easily recognize such food. Therefore, Member States invited the Commission to consider developing criteria that would have to be fulfilled in order to be able to use the EU animal welfare label and to consider the creation of a standardized EU logo for this label.

##### What's new?

On June 22, the EU Platform on Animal Welfare, presented its report on animal welfare labeling to the EP ENVI committee. The report, which is yet to be published, recommends the establishment of a voluntary labelling scheme at EU-level based on a multi-tier system that would be flexible enough to integrate existing initiatives and reflect the diversity of livestock farming in the Union. Another heavily debated issue was the problem of controlling animal welfare during sea transport.

On April 28, 2021, a group of animal welfare NGOs sent a [letter](#) to Executive Vice-President Timmermans, Executive Vice-President Dombrovskis, Vice-President Jourová, Commissioner Kyriakides, and Commissioner Wojciechowski officially submitting the European Citizen's Initiative (ECI) "[End the Cage Age](#)", which had collected over 1.4 million citizen's signatures. The ECI, which has the goal to end all restraining methods of farm animal husbandry, is receiving a lot of political

attention as MEPs want to link it to the Green Deal and high profile food industry players, like Unilever, Nestlé and Mondelez, are already engaging to ban all eggs produced in cages from their production chains.

## **6. Reduction of the use of antimicrobials**

As part of the Farm to Fork Strategy, the European Commission announced its objective to reduce the use of antimicrobials use in agriculture in the EU and announced that it would take actions to reduce overall EU sales of antimicrobials for farmed animals and in aquaculture by 50 percent by 2030. To do this, the Commission will build on [Regulation 2019/6 on veterinary medicinal products](#) adopted in 2019. This regulation lays down rules for the placing on the market, manufacturing, import, export, supply, distribution, control and use of veterinary medicinal products in the European Union. It also will apply certain aspects of the regulation to third countries exporting animals or products of animal origin to the EU.

### **What's new?**

One of the key elements of Regulation 2019/6 is the creation of a list of antimicrobials reserved for human use. On May 26, 2021, the European Commission adopted a [delegated regulation](#) that sets up the criteria to be used to identify these antimicrobials. The delegated act establishing the criteria states that the designation of antimicrobials to be reserved for human use must meet all three of the criteria set out in parts A, B, and C of the draft's annex in order to be designated as reserved for treatment of certain infections in humans. The Annex outlining the full draft criteria can be downloaded from [here](#).

## **7. Revision of EU legislation on food contact materials**

In the Farm to Fork Strategy, the European Commission announced that it would review the current EU legislation on food contact materials (FCMs) improve food safety and public health through the reduction of the use of hazardous chemicals. The Commission also wants to support the use of innovative and sustainable packaging solutions and to contribute to food waste reduction by extending the shelf-life of food products.

On December 18, 2020, the European Commission published [a roadmap](#) that identified the shortcomings of the current EU food contact material legislation such as possible safety issues for non-plastics FCMs, a lack of prioritization of the most hazardous substances and up-to-date assessments, poor enforcement of rules, and a need to review the scope of legislation. With this roadmap, the Commission announces that it will prepare a legislative proposal by the end of 2022, which will be accompanied by an impact assessment.

## **8. Reduction of the overall use and risk of chemical pesticides by 50 percent and the use of more hazardous pesticides by 50 percent by 2030**

The Commission announced that it would take action to reduce the overall use and risk of chemical pesticides by 50 percent and the use of high-risk pesticides<sup>4</sup> by 50 percent by 2030. These suggested

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<sup>4</sup> According to the EU, high risk pesticides are plant protection products containing active substances that meet the cut-off

actions include putting forward proposals to revise the [Sustainable Use of Pesticides Directive \(SUD\)](#), enhancing provisions on integrated pest management (IPM), and promoting the use of alternative ways to protect harvests from pests and diseases. The Commission began its roadmap to revise the SUD with a public feedback period, which lasted from May 29, 2020 to August 7, 2020.

On January 18, 2021, following the public feedback period, the European Commission launched a [public consultation](#) for the revision of the Sustainable Use of Pesticides Directive (SUD) as part of a broader consultation strategy, including stakeholder surveys designed to collect the views of stakeholder organizations and Member State Authorities. The SUD sets objectives at the EU level to achieve the sustainable use of pesticides but lets the Member States design and define the actions and methods to achieve the objectives, while taking into consideration the specific needs of each Member State. The revised SUD legislative proposal is scheduled to be ready by the first quarter of 2022.

As part of Green Deal efforts, the European Commission also proposed incorporating environmental factors into the Maximum Residue Level (MRL) setting process.

### **What's new?**

The Commission organized a second remote stakeholder event on June 25, 2021 to give an update on the work underway and to further consult and engage with stakeholders. The event agenda and presentations are [available on the Commission events website](#).

## **9. New innovative techniques, including biotechnology and the development of bio-based products**

On page 10 of the F2F Strategy, the Commission states, “New innovative techniques, including biotechnology and the development of bio-based products, may play a role in increasing sustainability.”

### **What's new?**

On April 29, 2021, the European Commission published a report titled, “[Study on the status of new genomic techniques under Union law and in light of the Court of Justice ruling in Case C-528/16](#).” The Court of Justice ruling stated that products of genome editing fall under [Directive 2001/18/EC](#) on the deliberate release into the environment of genetically modified organisms. However, the Commission’s study concludes that this Directive is not “fit for purpose” for these newer products and a targeted policy action is needed. The study says that genome editing can contribute to the objectives of the European Green Deal’s Farm to Fork and Biodiversity Strategies, and the Commission will engage in a wide-ranging communication effort with co-legislators and stakeholders in the European Union.

On May 10, 2021, the Commission presented its study to the European Parliament Committee on the Environment, Public Health, and Food Safety (ENVI) during a public hearing on “new genomic techniques in the food sector.” From May 26 to May 27, 2021, the Commission presented the study to the Council of the EU’s Agriculture and Fisheries Council (AGRIFISH), which consists of the EU Member State Agriculture Ministers.

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criteria set out in points 3.6.2 to 3.6.5 and 3.8.2 of Annex II to Regulation (EC) No. 1107/2009 or are identified as candidates for substitution in accordance with the criteria in point 4 of that annex.

In the third quarter of 2021, the Commission intends to publish an inception impact assessment on plants derived from certain applications of genome editing. More information about the study is [available here](#). For more information, please also see: [European Commission Publishes Biotechnology Study](#).

## **10. Revision of the Feed Additives Regulation to reduce the environmental impact of livestock farming**

The Commission announced that it would facilitate the placing on the market of sustainable and innovative feed additives through a revision of the feed additives legislation. The Commission aims to adapt the rules to address the goals of sustainable farming as well as reduce the non-CO2 GHG emissions (methane and nitrous oxide) linked to livestock production.

On December 14, 2020, the European Commission launched a roadmap for a Have Your Say published initiative on possible revisions to the EU's feed additives legislation. The Commission will conduct an impact assessment to evaluate if any adjustments are needed in order to better align the feed additives regulation with the EU Green Deal and Farm to Fork Strategy. A legislative proposal is expected to be published by the end of 2021. For more information, please see [the published initiative, "Animal nutrition – modernization of EU rules on feed additives."](#)

### **What's new?**

The roadmap's initial feedback period closed on January 25, 2021, and the Commission launched the second component of the process, a [public consultation](#), on March 25, 2021. Stakeholders can provide input on the inception impact assessment by responding to a questionnaire and attaching additional comments. The deadline for input was midnight on June 17, 2021. For more information about the consultation, please see GAIN Report: [European Commission Launches Public Consultation on Revision of Feed Additives Legislation](#).

## **11. Review of the EU Policy on the Promotion of Agricultural Products**

As part of the Farm to Fork Strategy, the European Commission announced that it would review the European Union's policy on the promotion of agricultural products both inside and outside the Union, with a view to "enhancing its contribution to sustainable production and consumption". The F2F specified that, in relation to meat, that review should focus on how the EU can use its promotion program to support the most sustainable, carbon-efficient methods of livestock production. The F2F also called for the promotion program to help boost demand for organic products. Many EU stakeholders reacted to the announcement from the Commission to review the promotion policy, especially after the publication of the 2021 promotion work program that prioritized organic products and earmarked half of the budget to campaigns in line with the Farm to Fork Strategy. For more information, please see GAIN Report: [Review of the EU Policy on the Promotion of Agricultural Products](#).

### **What's new?**

On March 31, 2021, the Commission launched a [12-week public consultation](#) on the review of the promotion policy. The consultation ended on June 23, 2021 and the Commission is expected to publish a report summarizing the result by September 2021.

## **The Biodiversity Strategy**

The Commission published the Biodiversity Strategy on May 20, 2020. The Strategy lists 39 actions aimed to improve biodiversity in the European Union. The full Strategy can be found [here](#). This report will only assess actions that may impact U.S. agricultural product market access, EU competitiveness, and/or create technical barriers to trade.

On October 23, 2020, the 27 EU Ministers of Environment adopted [Council Conclusions](#) on the Biodiversity Strategy. This document is the official position of the Member States on the Strategy. With these Conclusions, the Council endorsed the objectives of the Commission's Strategy. However, they also called on the Commission to provide thorough impact assessments for any legislative proposals that it may put forward, including an assessment of the subsidiarity and proportionality of the proposed measures and, if need be, an assessment of compensation and its financeability. For more information see: [EU Member States Adopt Their Position on the Biodiversity Strategy](#).

### **What's new?**

On June 8, 2021, the European Parliament adopted [a non-binding resolution](#) on the Biodiversity Strategy. This is the official position of the Parliament's on the Commission's text. The Parliament welcomed the ambition of the EU Biodiversity Strategy and called the Commission to propose an EU Biodiversity Law similar to the EU Climate Law. Members of the Parliament also called for at least 30 percent of the EU's land and sea to be protected by 2030 and at least a third of these areas, including all remaining EU primary and old-growth forests to be given even stricter protection.

#### **1. Action plan for organic farming for 2021-2026**

On September 4, 2020, the European Commission launched a public consultation on the EU's future action plan for the development of EU organic production. For more information, please see GAIN Report [EU Launches Consultation on Future Organics Action Plan](#).

On March 25, 2021, the Commission published the [EU Action Plan for the Development of Organic Production](#). The aim of the Action Plan is to boost the production and consumption of organic products to reach a target of 25 percent of organic agricultural land in the EU by 2030. The Commission encourages Member States to develop national organic action plans to increase their national share of organic farming but does not require national targets. The Action Plan lays down [23 actions](#) structured around 3 axes:

- boosting consumption
- increasing production
- further improving the sustainability of the sector

For more information, please see [GAIN Report EU Commission Unveils EU Organic Action Plan](#).

## **2. Study on the sustainability of the use of forest biomass for energy production / Operational guidance on the new sustainability criteria for forest biomass for energy**

As part of the Biodiversity Strategy, the European Commission announced that it would publish a study on the use of woody biomass for energy production in the EU. This study was carried out by the European Commission's Joint Research Center and will contribute to the review of the biomass sustainability criteria (see: Revision of the Renewable Energy Directive below).

### **What's new?**

[The study](#) was published in January 2021 and states that wood-based bioenergy, when produced sustainably and used efficiently, can be an integral part of the solution to the climate change and biodiversity loss crisis. The report also states that the sustainability criteria for forestry biomass included in the Renewable Energy Directive and a robust implementation of these criteria can minimize tradeoffs between climate mitigation and biodiversity conservation.

At the same time, as part of the EU's Renewable Energy Directive 2021-2030 (known as REDII), the European Commission has published the [draft delegated act](#) on guidance on the new sustainability criteria for forest biomass for energy. This initiative lays down operational guidance for Member States and economic operators on how to demonstrate compliance with the new sustainability criteria for forest biomass that was introduced by the REDII. For more information on the REDII, please see [Biofuels Annual](#) and the 'Climate Target Plan 2030' section below.

## **3. Measures to avoid or minimize the placing of products associated with deforestation or forest degradation on the EU market**

In the European Green Deal, the Commission indicated that it would “take measures, both regulatory and otherwise, to promote imported products and value chains that do not involve deforestation and forest degradation.” With the Biodiversity Strategy, the Commission announced that it will propose “measures to avoid or minimize the placing of products associated with deforestation or forest degradation on the EU market” in 2021.

On September 3, 2020, the European Commission launched [a public consultation](#) on the EU's future possible actions to reduce the impact of products placed on the EU market with regards to deforestation and forest degradation. For more information, please see GAIN Report [EU Launches Public Consultation on Deforestation-Free Supply Chains](#).

### **What's new?**

The proposal was expected to be published during the summer of 2021. However, during a parliamentary hearing held on May 11, 2021, EU Commissioner for the Environment Virginijus Sinkevičius announced that the proposal will be delayed to at least September 2021.

## **The EU Climate Target Plan for 2030**

On September 17, 2020, the European Commission presented its [2030 Climate Target Plan](#). The objective is to reduce greenhouse gas emissions to at least 55 percent below 1990 levels by 2030. The Plan includes proposed actions to achieve this objective, including a revision of the Renewable Energy Directive and the launch of an EU Carbon Farming Initiative. For more information, please see: [EU Commission Unveils EU Climate Target Plan 2030](#).

### **1. EU carbon farming initiative**

On September 17, 2020, The Commission announced that it will begin work shortly on the carbon farming initiative as part of its Climate Target Plan 2030. A proposal is expected by the end of 2021, which would be followed by stakeholder consultations. The Commission wants to integrate agricultural non-CO2 greenhouse gas emissions (mostly methane) into the land use, land use change, and forestry (LULUCF) sector and to create a new regulated sector covering agriculture, forestry, and land use. In practice, this could mean payments for farmers who actively sequester carbon on their farms.

#### **What's new?**

On April 27, 2021, the European Commission published [a study](#) on how to set up and implement carbon farming in the EU. The study will feed into the launch an EU carbon farming initiative by the end of 2021. The study reviewed existing schemes for protection and development of natural carbon sinks and explored how to trigger carbon farming in the EU. It concludes that carbon farming brings benefits such as carbon sequestration and storage and increased biodiversity and preservation of eco-systems.

### **2. Revision of the Renewable Energy Directive**

The Renewable Energy Directive for 2021-2030 (REDII) was adopted in 2018 and will enter into force on January 1, 2021. REDII introduces sustainability criteria for forestry biomass (wood pellets). For more information, please see '[EU Reaches a Political Agreement on Renewable Energy](#)'.

On November 17, 2020, the European Commission launched a public consultation on the EU's review of the Renewable Energy Directive (REDII). As part of the review process, the European Commission will look at the sustainability criteria introduced by REDII for forest biomass to "mitigate climate and environmental risks created by the increasing use of certain sources for bioenergy." This consultation will feed into the review process of REDII and contribute to an impact assessment that the Commission will carry out to determine whether a revision is needed and what revision would be the most appropriate. More information, see [EU Launches Public Consultation on the Review of the Renewable Energy Directive](#).

### **3. Review of the EU's emission reduction legislation**

As part of the 2030 Climate Target Plan, the Commission announced that it will review and propose to revise relevant legislation by June 2021. This includes changes to existing emission reduction legislation such as the EU Emissions Trading System (ETS) Directive, the Effort Sharing Regulation (ESR) and the Land Use, Land Use Change and Forestry Regulation (LULUCF).

On November 13, 2020, the European Commission launched three public consultations on proposed revisions to climate-related EU legislations:

- [The Land Use, Land Use Change and Forestry Regulation](#) (LULUCF Regulation)
- [The Effort Sharing Regulation](#) (ESR Regulation)
- [The EU Emission Trading System Directive](#) (ETS Directive)

The LULUCF Regulation covers the accounting of GHG emissions and CO<sub>2</sub> removals caused by the manner in which the EU manages its land and forests. The Regulation sets out rules to ensure that only human-induced emissions and removals are taken into account in the achievement of current EU climate targets. The EU ETS Directive is a cap-and-trade system. Under the 'cap and trade' principle, a cap is set on the total amount of greenhouse gases that can be emitted by all participating installations. The Effort Sharing Regulation lays down binding annual greenhouse gas emission targets with an overall aim to reduce EU emissions in the sectors covered by 30 percent compared to 2005 by 2030. The ESR applies to the sectors of the economy that fall outside the scope of the ETS Directive. These sectors include agriculture, transport and waste.

For more information, see [EU Commission Launches Consultations to Assist in the Review of its Emission Reduction Legislation](#).

## **The EU Methane Strategy**

On October 14, 2020, the European Commission presented its [EU Methane Strategy](#), in which the main objective is to reduce methane emissions by 35 to 37 percent by 2030 compared to 1990 levels. In the agriculture sector, the Commission wants to improve the reporting of emissions. It also wants to boost the production of biogas from non-recyclable agricultural waste. The Commission also announced that it will propose a revision of the Feed Additives Regulation to reduce the environmental impact of livestock farming by the end of 2021. For more information, see: [EU Adopts Its Methane Strategy](#)

### **What's new?**

On May 18, 2021, the European Parliament published its [draft report](#) on the Commission's Methane Strategy. The European Parliament's draft report stresses the importance of technologies and practices to limit methane emissions from agriculture. The Parliament also calls on the Commission to play a key role in supporting research, innovation, and development as well as in the scaling up new technologies to help address methane emissions from livestock agriculture. The Parliament also stresses the need for multigenerational studies on feed additives. Members of the European Parliament are expected to adopt the final report before the end of the year.

## **The Circular Economy Action Plan**

On March 11, 2020, the European Commission published its [Circular Economy Action Plan](#). The Action Plan lists 35 actions that focus on the design and production for a circular economy, with the aim to ensure that the resources used are kept in the EU economy for as long as possible. S

## **1. Reducing Packaging Waste / Mandatory requirements on recycled plastic content and plastic waste reduction measures**

The European Commission wants to ensure that all packaging on the EU market is reusable or recyclable in an economically viable way by 2030. To do so, the Commission has announced that it would review the 1994 [Directive on packaging and packaging waste](#) to reinforce the mandatory essential requirements for packaging to be allowed on the EU market. The Commission will also propose mandatory requirements for recycled plastic content and waste reduction measures for key products such as packaging. The legislative proposal is expected for the end of 2021.

## **2. Policy framework for bio-based plastics and biodegradable or compostable plastics**

There is currently no EU law in place that applies to bio-based, biodegradable and compostable plastics in a comprehensive manner. As part of the EU Circular Economy Action Plan, the Commission announced the adoption of a policy framework on the sourcing, labeling and use of bio-based plastics, and the use of biodegradable and compostable plastics. In December 2020, the European Commission's independent Group of Chief Scientific Advisors delivered a [Scientific Opinion](#) on the Biodegradability of Plastics in the Open Environment. The scientists recommended limiting the use of biodegradable plastics to specific applications for which reduction, reuse, and recycling are not feasible, rather than as a solution for inappropriate waste management or littering.

### **The EU Action Plan Towards Zero Pollution for Air, Water and Soil**

On May 12, 2021, the European Commission adopted the Commission adopted the EU Action Plan 'Towards Zero Pollution for Air, Water and Soil' as part of the European Green Deal to achieve zero pollution by 2050. To achieve this objective, the Action Plan lists targets for the EU to achieve by 2030, including:

- improving air quality to reduce the number of premature deaths caused by air pollution by 55 percent
- improving water quality by reducing waste, plastic litter at sea (by 50 percent) and microplastics released into the environment (by 30 percent)
- improving soil quality by reducing nutrient losses and chemical pesticides' use by 50 percent
- reducing by 25 percent the EU ecosystems where air pollution threatens biodiversity

More information can be found in [GAIN Report EU Adopts Action Plan Towards Zero Pollution](#).

## **PART II: FORTHCOMING EVENTS**

**June 30, 2021:** Commission invitation to third countries to participate in information session to present its study on new genomic techniques

**July 14, 2021:** Publication of the 'Fit for 55' Package of legislative proposals

**Q3: 2021:** Review of the data on biofuels with high indirect land-use change risk and setting up of a trajectory for their gradual phase out by 2030

**Q3: 2021:** Draft measures to avoid or minimize the placing of products associated with deforestation or forest degradation on the EU market

**Attachments:**

No Attachments.