

**Voluntary Report** – Voluntary - Public Distribution

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**Report Name:** European Commission Publishes New Communication on Sustainable Carbon Cycles

**Country:** European Union

**Post:** Brussels USEU

**Report Category:** Agriculture in the News, Climate Change/Global Warming/Food Security

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**Report Highlights:**

On December 15, 2021, the European Commission published a Communication on Sustainable Carbon Cycles, which outlines action items for the EU to accelerate carbon removal from the atmosphere. In the Communication, the Commission announces that it will propose legislation on the accounting and certification of carbon removals before the end of 2022.

## General Information:

In 2019, the European Commission launched the European Green Deal, which aims for the European Union to achieve carbon neutrality by 2050. As part of the Green Deal, the Farm to Fork Strategy (F2F) outlines the actions that need to be implemented in the agri-food sector to lower greenhouse gas emissions. In the F2F, the Commission notes that all actors within the food chain must play their part in reaching these sustainability targets, which requires increased investment but also promises higher returns by creating added value and reducing costs. For the Commission, one way to achieve additional value for farmers and landowners is through a new green business model: carbon sequestration.

On December 15, 2021, the Commission published a [Communication on Sustainable Carbon Cycles](#) which lays down action items for the EU to increase carbon removal from the atmosphere. The Communication notes that to “balance out the impacts of [...] CO<sub>2</sub> emissions, the EU will need to drastically reduce its reliance on fossil carbon, upscale carbon farming to store more carbon in nature, and promote industrial solutions to sustainably and verifiably remove and recycle carbon. Removing and storing more carbon from the atmosphere, oceans and coastal wetlands, is essential to achieve the EU's legally binding commitment to become climate neutral by 2050.”

In the Communication, the Commission explains that it wants to develop carbon farming as a business model. While carbon farming would increase carbon sequestration and provide benefits for biodiversity and other ecosystem services, it would also be a new source of income for land managers. The Commission proposes that on the supply side, carbon farming credits should become an additional “product” that land managers can sell together with their traditional products such as food and biomass. On the demand side, the buyers of these credits could be economic operators within the bioeconomy such as food processing companies that want to reduce their carbon footprint.

To support the uptake of carbon farming, the Commission outlines actions that it will undertake in the short and medium term, including:

- Creating an expert group on carbon farming where Member States and stakeholders can share experiences in view of establishing best practices;
- Mainstream dedicated carbon farming funding in relevant EU policies such as the Common Agricultural Policy or cohesion funds;
- Carry-out a study to assess the potential to apply the polluter-pays principles to emissions from agricultural activities.

In the Communication, the Commission also announces that it will propose EU legislation for the accounting and certification of carbon removals before the end of 2022. Ahead of this proposal, the Commission will organize a conference to exchange ideas about sustainable carbon cycles.

## Stakeholder Reactions

While presenting the Communication, EU Commissioner for Agriculture Janusz Wojciechowski [stated](#): “Agriculture and forestry are our allies in the fight against climate change, they mitigate its impacts by removing carbon from the atmosphere. Carbon farming will strengthen the contribution of farmers and foresters to the decarbonisation of our economy, by providing extra income for farmers, while protecting

biodiversity, making farms more resilient to natural disasters and ensuring food security. Research and innovation will also contribute to this goal, providing further solutions to farmers and foresters.”

The Brussels-based trade association representing farmers and cooperatives [reacted](#) positively to the Communication and welcomed “the inclusion of carbon farming in the political agenda and future developments to capitalize agriculture’s potential to fight climate change and achieve a greener Europe.” Copa President Christiane Lambert noted that, “The agricultural sector has been undertaking efforts and deploying investments towards carbon farming practices which precede today’s Commission communication. These efforts must be recognized, and future investments should be promoted.”

The Brussels bureau of the World Wildlife Fund, an environmental non-governmental organization (NGO), [reacted](#) critically to the Communication. The NGO asserts there is a “massive problem” with the Commission’s announcement: “it wants to put in place a market-based trading system for carbon credits in the land use sector. This means if you plant trees on your land, or start a new farming technique that increases soil carbon, you could in theory ‘sell’ the carbon absorbed to a company, absolving them of having to cut emissions or pay a price for them. WWF considers this to be profoundly misguided.”

**Attachments:**

No Attachments.