























To: Executive Vice President Frans Timmermans European Commission,
Rue de la Loi, 200
1000 - Brussels

2nd December 2021

Re: Joint letter on carbon farming in the 'Restoring Sustainable Carbon Cycles' initiative

Dear Executive Vice-President Timmermans,

We are writing to call on you to ensure that the forthcoming Carbon Farming Initiative, now embedded in the communication on "Sustainable Carbon Cycles" drives a just, holistic, and ambitious agenda for ecosystem restoration, climate mitigation and adaptation in the European agriculture sector¹.

The EU has committed to do its share to keep global warming below 1,5°C under the Paris Agreement. This requires first and foremost steep emissions reductions this decade. Carbon sinks must also be increased, but only in addition to deep emissions cuts, and based on approaches which restore ecosystems. The climate crisis cannot be separated from the collapse of biodiversity and the need to build resilient farming systems: "Ignoring the inseparable nature of climate, biodiversity, and human quality of life will result in non-optimal solutions to either crisis" (IPBES-IPCC).

Farmers have a crucial role to play in biodiversity and ecosystem restoration, building agricultural climate resilience, reducing emissions, and increasing carbon sinks this decade. However, they need stable and predictable finance and supportive policies are essential to deliver a just, large-scale transition of the European farming sector to agroecology and climate resilience.

To harness this potential, we urge you to ensure the following elements are at the heart of the forthcoming communication on carbon farming and carbon removals:

 Biodiversity protection must be central to the carbon farming initiative and not merely a "co-benefit", and the benefits of agroecological approaches should be explicitly acknowledged

Siloed approaches are not suited to harness synergies and avoid trade-offs. The climate and biodiversity crises are intimately linked and must be tackled jointly. In the agriculture sector, the

¹ The present letter does not address the concerns we have on the industrial carbon capture and storage and on the certification of carbon removals which are also mentioned in the Communication.

























focus should therefore be on promoting agroecology (including organic farming, agroforestry, and extensive grasslands management) and the restoration of agricultural ecosystems (including the restoration of peatlands and wetlands), as the only approaches which can reduce greenhouse gas (GHG) emissions, increase carbon sinks, restore biodiversity, and increase resilience simultaneously. Biodiversity restoration should not be considered a co-benefit, but rather as an integral and equal outcome of carbon farming. Carbon farming should never be about narrow solutions since those can cause other environmental and social problems. For this reason, there should be social safeguards and the application of the precautionary principle must be ensured.

2. The EU must urgently cut its GHG emissions as well as increase its natural carbon sinks, but carbon removals cannot be equated to GHG emissions reduction

The latest <u>IPCC report</u> made it clear that deep emissions cuts are critical to stay within 1,5°C of warming and that boosting carbon removals will be necessary. It also made clear that rising temperatures will lead to vulnerability of land-based sinks and loss of carbon from these sinks. The carbon farming initiative is welcome and timely in seeking to provide incentives for land managers to increase carbon sinks on their land. However, nature-based carbon sequestration solutions must not be considered fungible for emissions reductions, due to reversibility concerns, measurement uncertainties, the different timescales of fossil and biogenic carbon cycles, and the fact that CO_2 emissions raise CO_2 levels in the atmosphere more than what equivalent CO_2 removals reduce (<u>asymmetric climate response</u>).

Apart from allowing some flexibility within the agriculture sector (strictly limited to compensating residual non-CO₂ emissions after the sector has transitioned to agroecology with removals from agricultural land, combined with holistic indicators for biodiversity and ecosystem restoration), nature-based removals should therefore never be used to offset needed emission reductions, particularly in the EU Emissions Trading System or Effort Sharing Regulation. This is particularly critical as emissions (in addition to other environmental problems) stemming from the mass production of livestock is a significant contributor to the EU's total agricultural emissions. In addition, the EU must steer clear of contradictory incentives: farmers and land managers cannot increase carbon sinks on one hand, and be asked to increase their production of crop-based biofuels that continue emitting GHG, on the other hand.

3. Effective carbon farming requires a holistic approach, combining quantitative and qualitative indicators, and accounting for the full greenhouse gas balance of a production system

























Soil carbon sequestration does not take place in a vacuum: soils capture and emit carbon in different forms (including CO₂ and CH₄), and these fluxes vary and are intimately linked to the <u>nitrogen</u> cycle (including nitrogen-based GHG emissions from soils). To achieve genuine climate mitigation and adaptation, it is therefore not sufficient to look only at carbon, but also other qualitative and quantitative indicators such as soil health, water retention, agrobiodiversity, etc. In addition, while soil carbon sequestration can be promoted by the addition of biomass (e.g. compost or mulch), this can lead to carbon leakage if biomass is exported from one area (leading to a 'carbon debt') to another. These leakage risks must be prevented, and the carbon farming initiative must therefore not look at carbon sequestration and storage in a simplistic, narrow way. Result-based carbon farming schemes must account for all GHG fluxes, on the entire farm instead of per unit of product, and consider qualitative indicators too.

4. A focus on voluntary incentives will not deliver change at scale, the EU must develop a comprehensive policy mix for carbon farming

Climate action in agriculture has so far relied primarily on voluntary approaches, with little impact: emissions have stagnated for the last decade. To deliver change at scale, the carbon farming initiative must deploy a <u>coherent mix</u> of mandatory and voluntary policy instruments, underpinned by clear definitions and safeguards, and robust accountability mechanisms. To establish a level playing field across the EU, basic sustainable soil management practices should be mandatory for all farmers (as should already be the case through the mandatory application of 'Integrated Pest Management' under the Sustainable Use of Pesticides Directive). The Communication should explain how the forthcoming Nature Restoration and Soil Health Laws will relate to the carbon farming initiative.

5. The post-2022 CAP must do much more to finance climate mitigation and adaptation actions in agriculture, whereas voluntary carbon markets cannot be the driver of the change needed

The Commission's <u>Carbon Farming Study</u> identified many drawbacks to result-based financing for carbon farming, both in terms of feasibility, reversibility, and cost. Result-based schemes can also discriminate against first movers, especially when strict additionality rules apply, as in carbon markets. In addition, transitioning to agroecology and restoring ecosystems are knowledge-intensive processes with high up-front costs, requiring significant investments. Carbon markets are ill-suited to provide the type of support and stable income that the vast majority of farmers would need to undertake this transition. In contrast, the EU spends around €54bn per year on agricultural subsidies. This funding must be used to incentivise and support farmers to adopt climate- and nature-friendly practices. Preliminary analyses of draft Strategic Plans show that EU countries are not on track to deliver on the European Green Deal targets and

























objectives (cf <u>EEB-BirdLife</u>, <u>IFOAM Organics</u>, and <u>EEB-BirdLife-WWF</u>). The Commission must hold Member States accountable for their climate and biodiversity commitments when it reviews the draft Plans, and it must ensure due process was followed with regards to the involvement of stakeholders in the preparation of the Plans.

Dear Commission Executive Vice-President, we too fear for the future of our children. Besides climate change, the collapse of biodiversity, and widespread land degradation and desertification pose serious threats to future generations.

The carbon farming initiative, if seriously strengthened, could make a significant contribution to our efforts to tackle these interlinked crises. However, in its current form as seen in a draft of the Communication published by some media, it appears mostly to be a wasted opportunity. At worst, it could lock Europe in the current intensive and extractive model of agriculture and land management and allow polluters an escape hatch from real emissions reductions. This could happen at the expense of the farmers and foresters who are deploying real climate and biodiversity solutions. We strongly hope that you will carefully consider our above recommendations and we remain at your disposal for any clarification or further exchange on these matters.

Yours sincerely,

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Ariel Brunner, Senior Head of Policy (BirdLife Europe and Central Asia)

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