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DRAFT OPINION

Regional adaptation strategies for low carbon agriculture

Rapporteur: **Loïg Chesnais-Girard (FR/PES)**
President of the Brittany Region

Deadline for tabling amendments:

3 p.m. (Brussels time) **on 24 January 2023**. Amendments must be submitted using the online tool for tabling amendments (available through the Members' Portal at <https://memportal.cor.europa.eu/>).

Number of signatures required: 23

Reference document: none

**Draft opinion of the European Committee of the Regions –
Regional adaptation strategies for low carbon agriculture**

I. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

General considerations

1. points out that due to the global climate emergency, we must reach the collective European target of climate neutrality by 2050 while minimising the negative economic and social impacts of the transition on EU regions, citizens and businesses;
2. emphasises that agriculture, which is responsible for 13% of the EU's greenhouse gas emissions, can make a significant contribution to achieving the goal of climate neutrality by 2050 partly thanks to practices which sequester carbon from the atmosphere via photosynthesis, biomass, storing carbon in the soil and drastically reducing emissions;
3. as stated in its opinion on the revision of the LULUCF regulation, supports the European Commission's proposal to boost the net removals target to 310 million tonnes of CO₂ equivalent in the land sector by 2030;
4. points out that the role of European agriculture is to feed people, guaranteeing Europeans' food security;
5. notes that, in parallel to specific geopolitical crises such as the war in Ukraine, the impact of climate change and the collapse of biodiversity are also structurally endangering the food security and supply of Europe and the world;
6. notes that extreme climate events such as droughts, fires and floods are becoming more frequent and severe, and are further weakening the European agricultural and forestry sectors;
7. considers that a transition towards more sustainable European food systems, based on agroecological and circular economy practices, is vital if we are to achieve the EU's objectives on climate, food security, biodiversity protection, reduction of fertilisers and pesticides and imported deforestation and resilience of production systems, as laid down in the Farm to Fork Strategy and more broadly in the European Green Deal; recalls that agricultural products imported into Europe must meet the same environmental requirements as products within the EU;
8. nonetheless considers that any policy on the transition of European food systems should ultimately aim to boost the EU's food autonomy and universal access to sustainable, safe, nutritious and affordable food;
9. flags up the need to support farmers during this transition by means of appropriate European support policies;

10. emphasises that farming must provide a decent income for farmers, who must also be paid a fair wage for the ecosystem services they provide;
11. points out that local and regional authorities must support farmers during this transition to agroecology;
12. calls for these practices to represent additional income for farmers in the context of certification; finds that there is also a need to ensure the coherence, transparency and security of the system as a general principle, so that credits granted in this sector can be considered reliable;

The principles and practices of low carbon agriculture

13. supports the Commission proposal to explore new forms of support for carbon storage in the soil, set out in the communication on sustainable carbon cycles;
14. considers however that all these practices must not be reduced to a mere economic model;
15. considers that low carbon agriculture should primarily be defined as a set of agroecology and soil preservation practices geared towards removing and reducing emissions as part of a broader approach which seeks to restore biodiversity, to protect water and soil quality, to guarantee food security, to adapt to climate change, to preserve agricultural jobs in rural areas and to improve farmers' income;
16. proposes that the definition of low carbon agriculture factor in the two dimensions of carbon neutrality: sequestration and overall reduction of emissions, so that farmers can be rewarded for both;
17. notes here that an approach to low carbon practices based solely on carbon effectiveness and intensity fails to account for the complexity of agricultural production methods and could in fact result in production methods becoming intensive, which would be counter-productive for the environment;
18. points out that practices seeking to preserve or increase the amount of carbon stored in the soil have many beneficial side effects for the environment and farmers, but that those farmers who use a no-tillage technique on their farm which helps to keep carbon in the soil may need to continue using pesticides to a limited extent, as no-tillage techniques can significantly change pest control needs;
19. highlights that if not carried out on a permanent basis, carbon farming risks being easily reversed and therefore would not be a permanent means of removing carbon from the atmosphere;
20. considers that low carbon agriculture should be rolled out as a matter of priority in sectors such as protecting and restoring peatlands, developing agroforestry and maintaining permanent grasslands which have the greatest potential for storing and reducing CO₂ emissions;

21. emphasises the importance of practices which reinforce agroforestry systems, such as restoring and sustainably managing the network of small fields and hedges and forestry-grazing systems which, as well as offering storage capacity, are a source of biodiversity and additional revenue for farmers, but also ecosystems at risk of erosion or degraded ecosystems with high carbon sequestration potential;
22. regrets that the total surface area of permanent grasslands continues to shrink, since CAP conditionality rules authorise the conversion to other uses of 5% of these areas each programming period as the reference year is changed and figures are managed on an overly aggregated basis;
23. points out, as stated in its opinion on agroecology, that priority should be given to extensive and semi-extensive livestock systems such as mixed livestock farming and grazing, which promote the reduction of chemical inputs using nitrogen and a form of upkeep of meadowland, which is beneficial for the climate and provides ecosystem services;
24. believes firmly that stocks of carbon in the soil in arable land must be maintained and increased by means of agroecology practices, but warns that it is difficult to ensure that this is done on a long-term basis;

General principles of a European certification for low carbon agriculture

25. notes that the Commission aims to establish a carbon certification system giving value to carbon sequestration, including in soil;
26. calls on the Commission to take account of the specific features of the agricultural and forestry sector and to ensure that the future certification scheme distinguishes between practices based on natural processes and technological practices;
27. notes that there are carbon labels and certifications in several Member States, including for agriculture, and calls on the Commission to take these into account when devising a strict European framework; a clear and transparent methodology should be established to make the system reliable and ensure that the credits are transparent, thereby achieving the best possible remuneration;
28. points out that in order to achieve global climate neutrality, we need to leverage two key issues: reducing manmade greenhouse gas emissions and increasing the number of carbon sinks through forestation, reforestation, pasture farming, agricultural techniques and other technological and industrial solutions;
29. considers that European climate action must continue to give priority to reducing greenhouse gas emissions;
30. emphasises that removals are not an alternative to emission reduction and calls for removals to focus just on residual and unavoidable emissions, partly in order to avoid speculation and any barriers to mitigation efforts;

31. notes that the belief held by individuals and economic and public actors that they will be able to achieve neutrality by offsetting emissions through the purchase of carbon credits is based on erroneous scientific principles: there is no equivalence between an amount of gas emitted right now and the amount removed at some point in the future which might then be reversed;
32. proposes that the European certification scheme should be used to report contributions to European and global neutrality and to make declarations of individual neutrality, provided that both amounts are complementary;
33. considers that all economic sectors should contribute to the fight against climate change and that their efforts should be proportionate to their capacity; is therefore not in favour of using the carbon certification scheme for agriculture to offset emissions not produced by agriculture and agrifood, with the exception of the agrifood product transport and marketing sector. However, different land uses need to be seen from a holistic perspective, so that the regulatory framework does not encourage the reclassification of land;
34. recommends that the future certification scheme should not encourage practices which have externalities harmful to biodiversity and the environment generally, even if they do manage to reduce greenhouse gas emissions, in line with the principle of "Do no significant harm";
35. considers that any low carbon agriculture certification should be multidimensional and contribute to a systemic transition of food systems towards agroecology by incorporating or building on straightforward indicators on biodiversity, water quality, natural soil fertility and use of inputs, to be determined in accordance with the adopted methodology;
36. proposes that the certification factor in both agricultural emissions and removals, so as to have a good overview of any given project's climate impact;
37. considers in the same way that the scope of the European certification scheme for agriculture should cover and promote the reduction of all greenhouse gas emissions on farms in order to foster systemic change in production systems and practices;
38. asks however that reductions and removals be tallied up separately in order to ensure transparent reporting on projects and to monitor developments in carbon sinks and agricultural emissions, without merging the two objectives;
39. recommends tailoring certification implementation levels to the practices certified, with a view to reducing the danger of carbon leaks both inside and outside the farm;
40. calls for the future certification scheme to guarantee compliance with the criteria of permanence and absence of double counting;
41. calls on the Commission to establish fair rules in order to steer clear of side effects penalising the most virtuous managers and farmers who have already developed agricultural initiatives and practices promoting carbon sequestration, and to avoid ultimately rewarding farmers who opted for practices which damaged soil carbon levels;

42. proposes here that the low carbon agriculture certification scheme should also take account of saturation levels and maintaining carbon stocks, above and beyond removal rates;
43. points out that the permanence of carbon stored in the soil and biomass is one of the main issues for any carbon certification scheme;
44. proposes that certification schemes be based on long-term contracts and commitments whereby farmers pledge not to go back on what has been achieved even after the contract period, particularly for agroforestry and peatland projects;
45. recommends rigorous use of terms and conditions in contracts to ensure that the burden and risk of reversibility are shared out fairly should there be any problem with the performance of the contract, regardless of the manager's intentions;
46. proposes in this regard that the concept of risk management be incorporated into the certification scheme, in order to protect farmers and managers from unpredictable climate events such as forest fires;
47. flags up the sheer diversity of conditions in terms of production systems in the Member States and their regions, and considers that the certification scheme must allow for the flexibility needed to cater for these regional characteristics;
48. calls on the Commission to conduct an impact assessment of how a European certification scheme could affect land prices, society and the economy;

Monitoring, reporting and verification system

49. notes that for many reasons, it is difficult to put a number on the amount of carbon stored in the soil;
50. proposes adopting an approach which is based on practices recognised as being able to boost and maintain soil carbon content while helping to safeguard biodiversity, rather than a solely results-based one;
51. asks the Commission to continue developing methods for overseeing the storage of carbon in agricultural and forestry soil and to improve the evaluation of carbon storage potential, before the future certification scheme is rolled out;
52. proposes that the counting method take account of all emissions produced by a given farm, both direct and indirect, so as to avoid the danger of carbon leaks and promote the systemic transition of agricultural systems;
53. proposes that the monitoring and verification system go beyond carbon counting indicators to include indicators relevant to biodiversity and farm autonomy, and suggests counting emissions

by hectare rather than on the basis of the quantity produced so as to encourage the shift to more extensive forms of farming and discourage optimisation by means of intensification;

54. recommends implementing a monitoring and evaluation framework for the certification scheme; this framework should be both reliable and accessible, without incurring disproportionate administrative and oversight costs;
55. proposes that the Member States develop specific advisory services for the monitoring and evaluation framework for low-carbon agriculture projects, geared to the various types of farms and production methods;
56. recommends that provision be made for revision mechanisms so that the monitoring and verification system can be adapted to changing agricultural and forestry practices;
57. proposes implementing a European register to ensure that agricultural carbon certification contributions and credits can be traced, building on existing experiences at national and regional level;

Financing low carbon agriculture

58. notes that the common agricultural policy (CAP) is and must remain the main tool for supporting European agricultural production and steering it towards ever more resilient and sustainable systems;
59. considers that the implementation of a low carbon agriculture certification scheme financed in part by the private sector cannot replace public financing;
60. considers that the establishment of voluntary compensation markets could entail a significant danger of financialisation of farming and agricultural land grabbing in the medium and long term, and that the Commission should take these dangers into account immediately;
61. notes that at the present time, the price per tonne of carbon on the voluntary markets would not be enough to support farmers during systemic transitions and in fact might even discourage managers, particularly smaller ones who are less able to tap economies of scale; therefore funding should at least cover the implementation of new practices, plus certification;
62. proposes here that safeguard clauses be added; these could take the form of a maximum price for removals certificates so as to prevent productive agricultural land being forested and agricultural land grabbing, and a minimum price to ensure that the certified provisions are able to attract farmers and deter businesses reluctant to make the effort to reduce their emissions;
63. calls on the Commission to give priority to a hybrid approach, with an initial partial payment calculated on the basis of the agricultural practices and the balance paid at the end of the 5 to 10-year multiannual project depending on the results actually achieved;

64. calls for criteria to be applied in line with the principle of hierarchy of mitigation, thereby restricting access to purchasing and financing any carbon credits derived from the certification scheme to buyers and financiers who have already demonstrably and substantially reduced their emissions at source, so as to curb speculation;
65. calls for certification schemes involving private financiers to be directed primarily towards the involvement of stakeholders in the food supply and value chain, with a view to decarbonising the agri-food industry by means of partnerships;
66. calls for financing linked to the carbon certification scheme to operate alongside CAP financing;
67. calls for the bulk of the costs incurred by the monitoring and evaluation system to be covered by the credit purchaser, should voluntary markets be established;
68. proposes using the certification scheme as a taxonomy in order to attract additional public and private funds for multidimensional transition projects, particularly those developed by local and regional authorities, certain to have a positive impact on the reduction of greenhouse gas emissions;

The role of local and regional authorities

69. notes that local and regional authorities play a pivotal role in assisting farmers with the development of low carbon agriculture, particularly as regards providing technical training for newcomers, helping young farmers get set up, advising farmers, the rules governing agricultural land and land use, establishing demonstration farms, and tools for monitoring the roll-out of the transition to agroecology, as well as in promoting research into carbon sequestration according to the region's specific conditions, such as climate and soil type;
70. notes that practices cannot change and evolve in isolation or solely at farm level;
71. calls on the Commission to take systematic account of the regional dimension of transition dynamics, including the shift to low-carbon agriculture, and to foster better engagement of local and regional authorities in the implementation of agricultural policies, including the future carbon certification scheme;
72. notes that local and regional authorities can play the twofold role of getting the ball rolling in low carbon agriculture projects and then grouping them together at regional level by nurturing cooperation between stakeholders;
73. calls on the Commission to include local and regional authorities in the governance of the European carbon certification scheme as they can ensure that projects based on supply chain cooperation and tailored to a region's needs and features and regional strategies for reducing agricultural greenhouse gas emissions can get off the ground;
74. proposes exploring whether it would be feasible for regional authorities to set up and operate regional-level voluntary markets. This would involve establishing a system of governance

adapted to local requirements and stipulating the number of available credits based on actual agricultural emissions and the potential for reduction and storage;

75. encourages local and regional authorities to promote peer learning on low carbon agriculture practices by means of demonstration farms and regional advisory networks.

Brussels, ...

II. PROCEDURE

Title	Regional adaptation strategies for low carbon agriculture
Reference(s)	Not applicable
Legal basis	Own-initiative opinion [Rule 41(b)(ii)]
Procedural basis	
Date of Council/EP referral/Date of Commission letter	Not applicable
Date of Bureau/President's decision	Not applicable
Commission responsible	Commission for Natural Resources
Rapporteur	Loïg Chesnais-Girard (FR/PES), President of the Brittany Region
Analysis	
Discussed in commission	22 November 2022
Date adopted by commission	22 November 2022
Result of the vote in commission (majority, unanimity)	Unanimous
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Previous Committee opinions	
Date of subsidiarity monitoring consultation	