

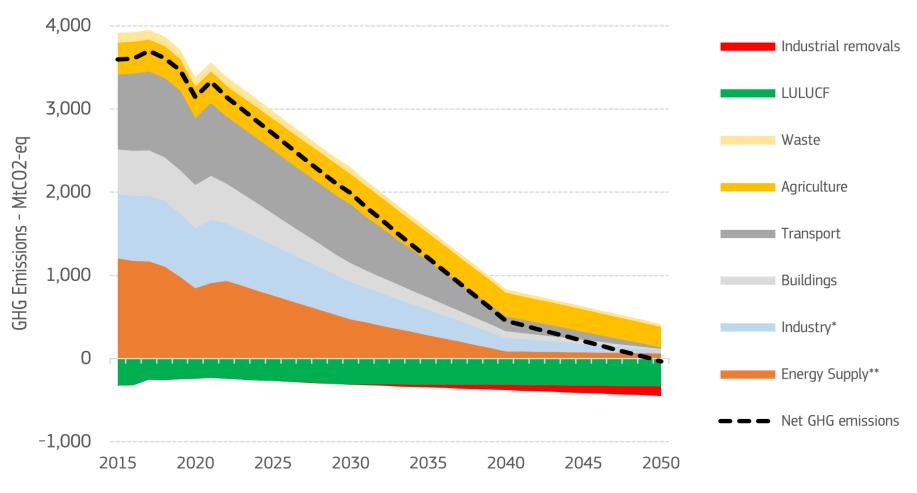
EU Carbon Farming Framework and

Certification

20 June 2024

Pathway to climate neutrality

Historical and projected sectoral greenhouse gas emissions in the period 2015-2050

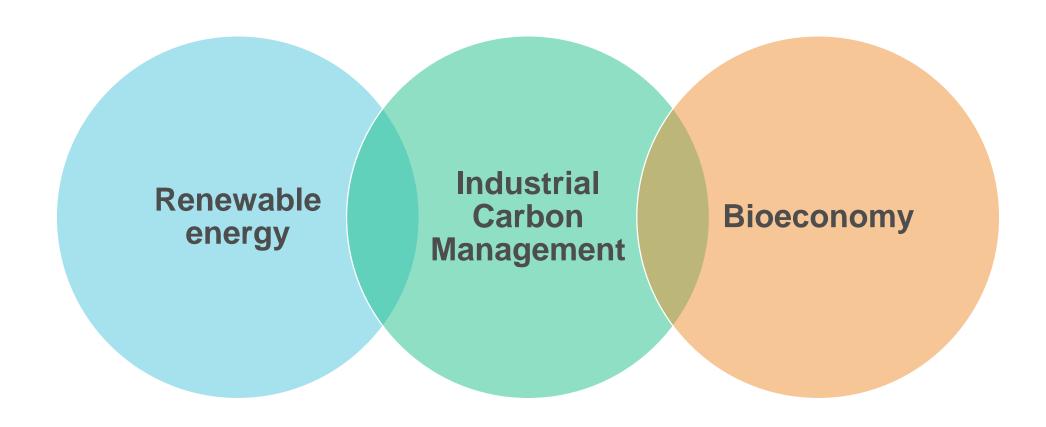




^{**}Including bioenergy with carbon capture and storage (BECCS)



Three keys for climate neutrality





90 percent net emissions reduction in 2040

(compared to 1990)

Emissions

Removals

Around 160 Mt emissions from industry

Around **300** Mt emissions from fertilizer and livestock

850 Mt

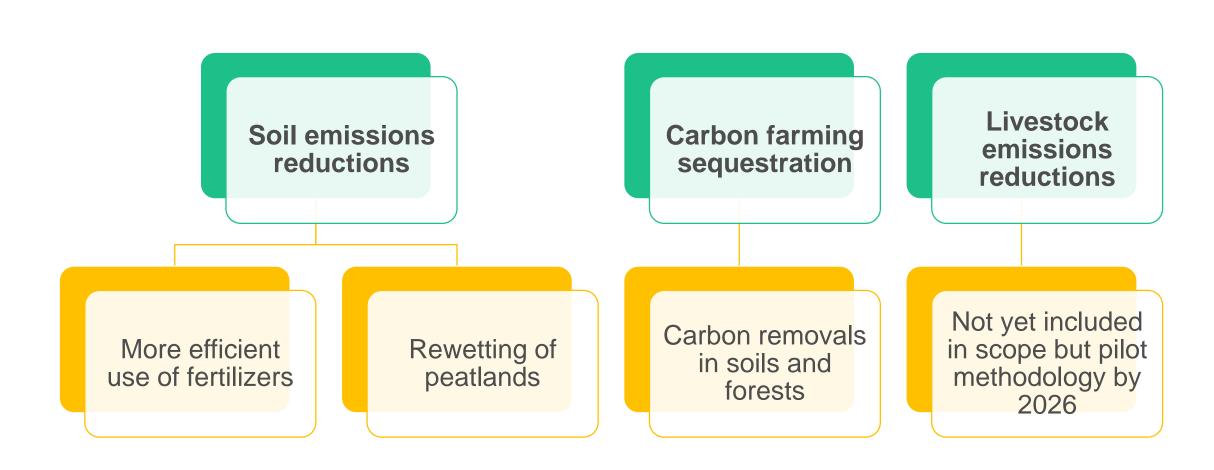
400 Mt

Around **320** Mt net removals in LULUCF sector



Certification of removals and emissions reductions from transition to sustainable agriculture

Carbon Removal and Carbon Farming Regulation (CRCF Regulation)



How does certification work?CRCF Regulation

EU certification methodology



Certification process



Certification registries and Union-wide CRCF registry from 2028

QUALITY criteria

- Quantification
- Additionality
- Liability
- Sustainability

Commission
establishes certification
methodologies in
consultation with expert
group

Private and public certification schemes recognised by the

Commission

Independent certification bodies to issue

- Audit reports
- Certificate of compliance
- Group audits possible!

Publicly accessible information on activities and operators

- Audit reports
- Certificates of compliance

Quantity and status of certified units

- Carbon farming sequestration unit
- Soil emissions reduction unit

Financing the transition to sustainable agriculture

Voluntary and regulated markets for removals and emissions – using CRCF certification

Corporate claims and sustainable finance

- Corporate Sustainability Reporting Directive
 - Sustainable Reporting Standards on Climate for non-financial reporting
- Green Claims
 - Commission proposal from March 2023 in co-decision
- Sustainable finance

Post-2030 EU climate policy

- Review of LULUCF and Effort-Sharing Regulation in 2026
 - Second study on Emissions and Removals Trading in the AGRI-FOOD value chain
 - Kick-off event on 19 June



Market for removals and emissions in agrifood value chain

Example of 'downstream' system

Food processors

 Voluntary or mandatory target to reduce scope-3 emissions and increase removals



Purchase of CRCF units to fulfil reduction target

Farmers

- Participate voluntarily
- Can earn additional income by selling CRCF units from emissions reductions and removals
- Can receive additional public support (e.g. for investments)