



Common Agricultural Policy 2023-2027

And its role in supporting EU carbon sink

Nicola DI VIRGILIO

Directorate General for Agriculture and Rural Development

Unit B2 Environmental Sustainability

Carbon farming practices – examples

« *tailored strategies and co-benefits* »



Afforestation and reforestation
according to ecological principles



Targeted conversion of **cropland to fallow**, or of set-aside areas to **permanent grassland**



Use of **conservation tillage, catch crops, cover crops** and increasing **landscape features**



Agroforestry
and other forms of mixed farming



Restoration, rewetting and conservation of **peatlands and wetlands**



Blue carbon: coastal wetlands, regenerative aquaculture, marine permaculture

Upscaling carbon farming

Barriers to carbon farming initiatives:

Financial burden (cost of management practices, uncertainty about revenues)

Uncertainty or lack of public trust in the **reliability** of voluntary carbon markets

Concerns around **environmental integrity, additionality** or **permanence**

Unavailability, complexity or high costs of **monitoring, reporting and verification systems**

Insufficiently tailored **training and advisory services**



Technical Guidance Handbook:
“Setting up and implementing result-based
carbon farming mechanisms in the EU”
<https://europa.eu/!VW49yw>

Carbon farming

Challenges

By 2028:

- Access to verified emission and removal data for all land managers

By 2030:

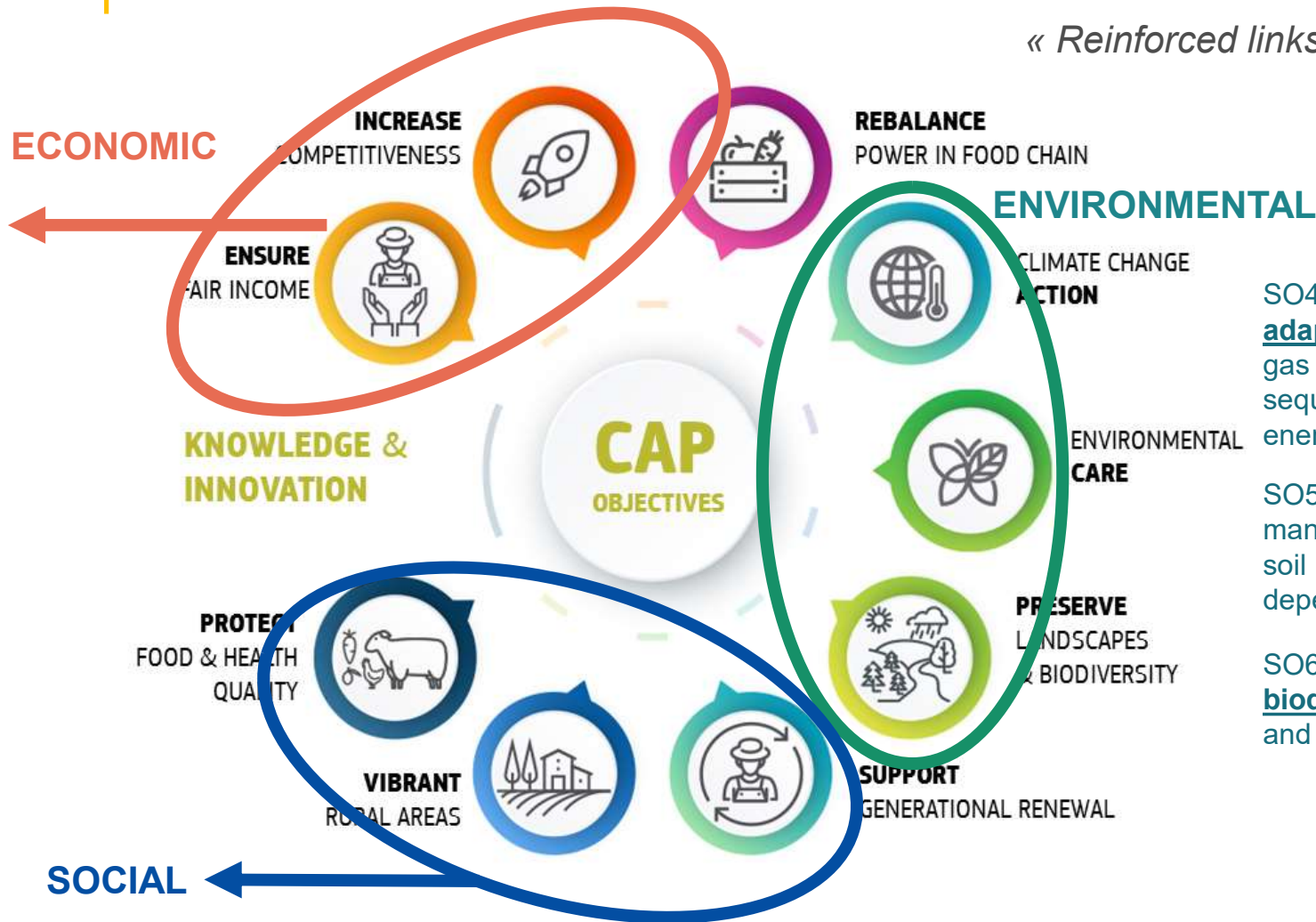
- Contribute to reaching LULUCF target of 310 Mt CO₂eq net removals



CAP Objectives & sustainability dimensions

« Help creating enabling conditions for operators to implement practices, and to monitor removals »

« Reinforced links with key climate legislation »

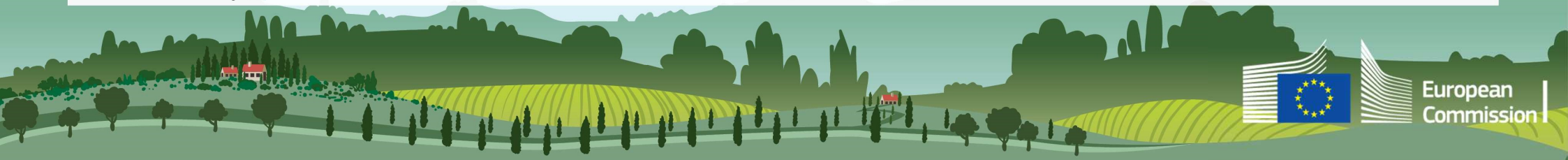
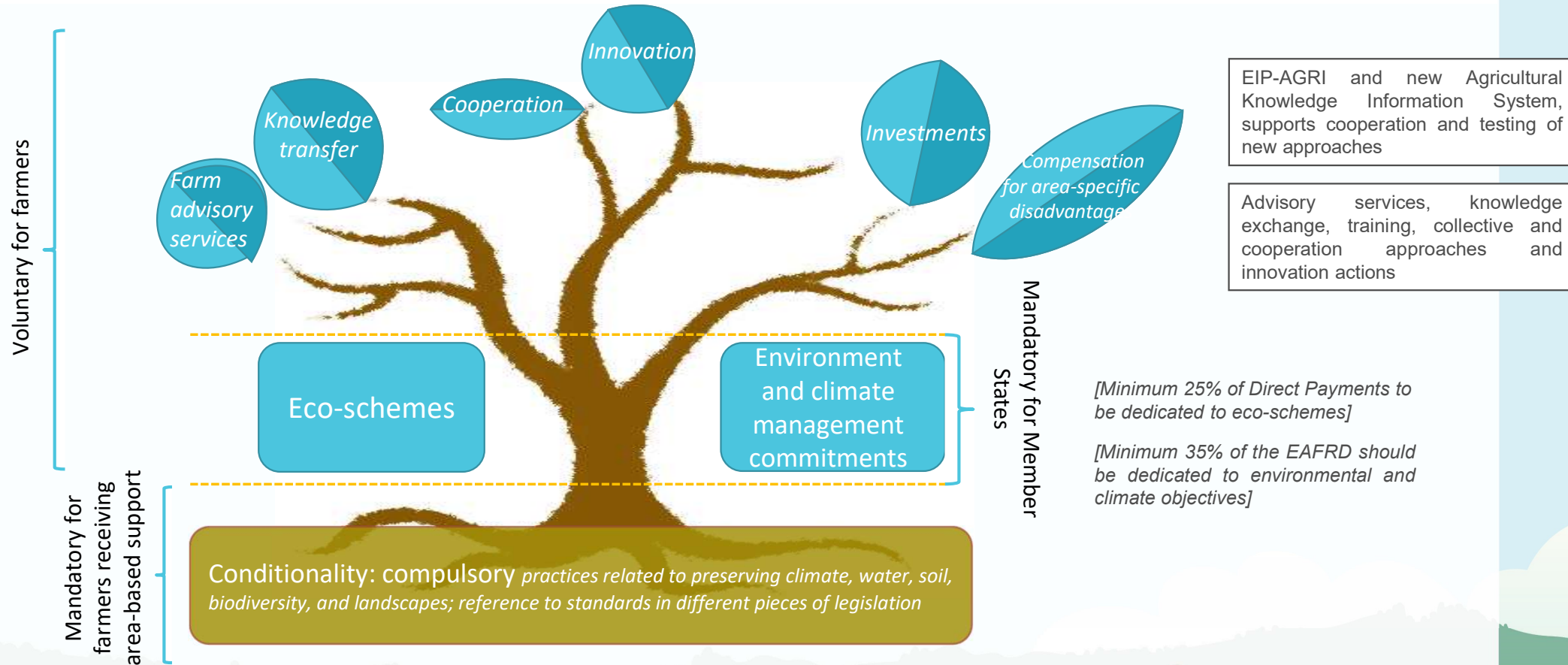


SO4: contribute to climate change mitigation and **adaptation**, including by reducing greenhouse gas emissions and enhancing carbon sequestration, as well as promoting sustainable energy

SO5: foster sustainable development and efficient management of natural resources such as **water**, soil and air, including by reducing chemical dependency

SO6: contribute to halting and reversing **biodiversity** loss, enhance ecosystem services and preserve habitats and landscapes.

Supporting farmers for more sustainable agricultural practices under the EU Common agricultural policy 2023-2027



Conditionality – the good agricultural and environmental conditions of land

Good Agricultural and Environmental Conditions:

Preserving carbon stock (GAEC 1 - Maintenance of permanent grassland)

Protection of carbon-rich soils (GAEC 2 - Protection of wetland and peatland)

Maintenance of soil organic matter (GAEC 3 - Ban on burning arable stubble)

Other GAECs, even if not explicitly mentioning climate-related objectives, will have beneficial effect on soil organic carbon

GAEC 5 - Tillage management reducing the risk of soil degradation;

GAEC 6 – Minimum soil cover to avoid bare soil in periods that are most sensitive;

GAEC 7 - Crop rotation in arable land, except for crops growing under water).

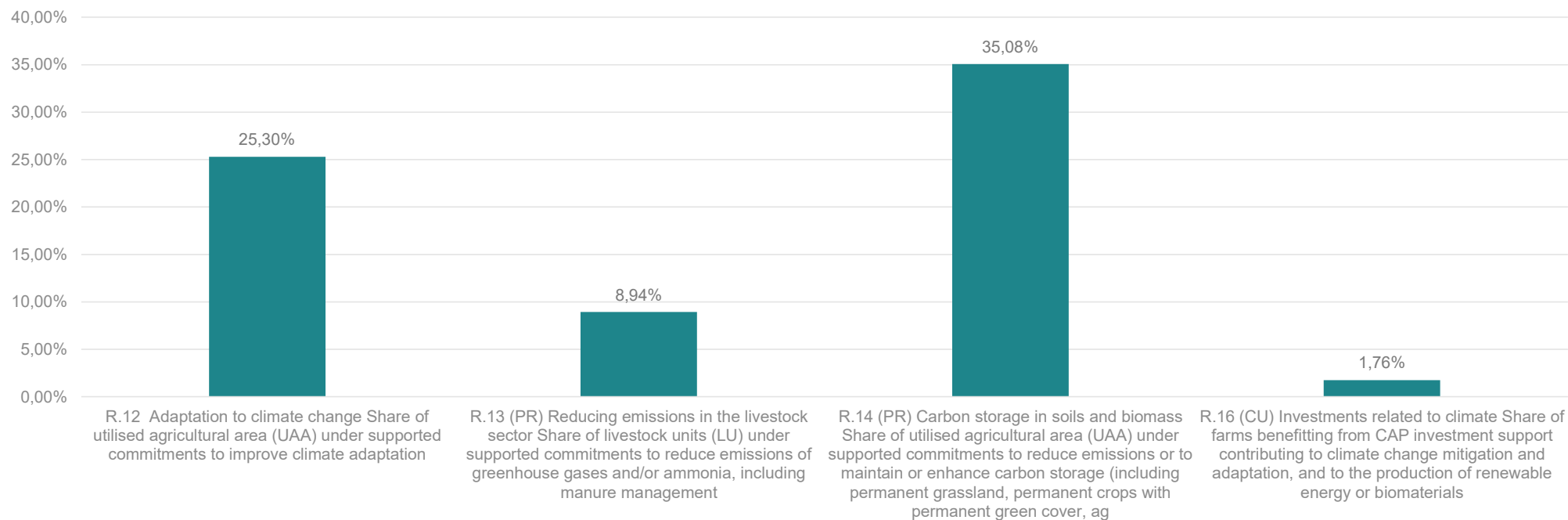
GAEC 4 - Establishment of buffer strips along water courses;

GAEC 8 - Minimum share of agricultural area devoted to non-productive features or areas).

What will the CAP plans deliver on climate

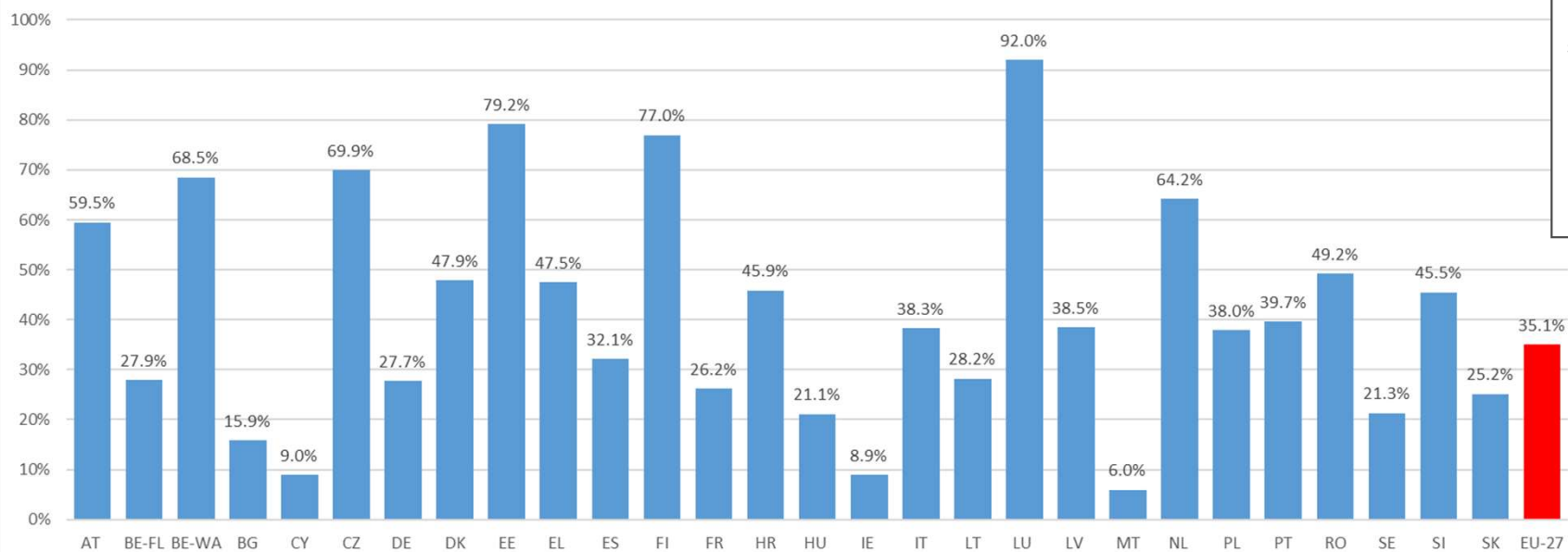
Result indicators for Climate

EU-27



Carbon farming support in the approved CAP Strategic plans

R.14 (PR) Carbon storage in soils and biomass



Other result indicators related to CF

R.17 (CU/PR) Afforested land Area supported for afforestation, agroforestry restoration, including breakdowns (ha)

R.19. Improving and protecting soil

R.34. preserving landscape features.

Below 10%	IE (9%), SE (7.65%), CY (9%), MT (6%)
10 to 25%	BE-FL (28%), BR (16%), SE (21%), SK (25%)
25-50%	DE (28%), DK (48%), EL (48%), ES (32%), HR (46%), HU (21%), IT (38%), LT (28%), LV (38%), NL (64%), PL (38%), PT (40%), RO (49%), SI (46%)
Above 50%	AT (60%), BE-WA (69%), CZ (70%), EE (80%), FI (77%), LU (92%)

Some preliminary data

- **35% of the EU agricultural area** (56.75 million hectares) will be supported with interventions contributing to **carbon storage in soil and biomass**.
- 622 935 hectares are planned to be **afforested** via CAP support between 2023 – 2027, in particular in PT, EL, IT. Forestry interventions are often supported outside the CAP.
- **Wetlands and peatlands** planned to be supported by 34 interventions, with a budget of around EUR 1.15 billion between 2023-2027.
- **Agroforestry** supported by 21 interventions, with a total EU budget of around EUR 273 million (EUR 373 million total public expenditure, of which EUR 143 million under AECC). For **afforestation and reforestation**, total EU budget between 2023-2027 amounts to around EUR 450 million (EUR 740 million total public expenditure).
- **Conversion from arable land to grassland**, supported by 8 interventions, with a total EU budget of around EUR 75 million, mainly from RD interventions.
- **Ban on ploughing** supported by 35 interventions, with a total EU budget of around EUR 4.97 billion, mainly from eco-schemes.
- **Maintenance of permanent grassland** supported by 33 interventions, with a total EU budget between 2023-2027 of around EUR 3.1 billion.
- In total 169 interventions identified (excluding interventions on cover crops and catch crops which also contribute to carbon storage)

*The assessment investigates 5 specific practices to enhance carbon storage and removals: (i) restoration and rewetting of wetlands and peatlands, (ii) agroforestry, (iii) afforestation, (iv) conversion of arable land to grassland, and (v) the maintenance of permanent grassland, including a separate assessment on a ban on ploughing of grassland and arable land.

The role of the CAP

- **Support the 3 pillars of sustainability**
- Integrate CAP data in the National inventories (CAP as source of data)
- Promote practices and technologies to reduce non-CO2 emissions
- Promote soil carbon protection (in grassland and peatlands)
- Promote practices for soil carbon increase in depleted soils
- Promote afforestation and agroforestry
- Promote production of sustainable biomass
- Cover upfront investments, support advisory, transaction costs, innovation
- Support piloting with bottom-up innovation projects with farmers, knowledge transfer.

Conclusions

The CAP SP fundamental tool to help creating enabling conditions for operators to implement practices, and to monitor removals

Eco-schemes and rural development measures are largely used by many Member States to support practices such as: agroforestry, vegetation cover in orchards and arable crops, the reinforcement of crop rotation, conservation agriculture, support the inclusion of trees and non-productive vegetation, land conversion and several forestry interventions, such as support for afforestation and forest management.

CAP alone is not enough, synergies between public-private incentives are necessary. Opportunities from the development of voluntary markets on additional carbon removals can be found through supply chain or value chain financing

The development of an harmonized, robust and transparent certification methodology of removal certificates is the first step to allow the development of a voluntary market.

There is the need to define supporting mechanisms able to ensure robustness without limiting uptake by operators. Removals in the land sector has specific challenges: Non-permanence, saturation of soil with carbon, effects of extreme events, impact of practices, ...

How to reflect different farming conditions, how to set different strategies, how to ensure efficient and tailored advices, how to consider climate pressure and adaptation needs.

Thank you