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A European Public-Private Partnership

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EU policy tools to decrease emissions
from the livestock sector

Valeria Forlin
European Commission



**Livestock emissions
and the COP26 targets**

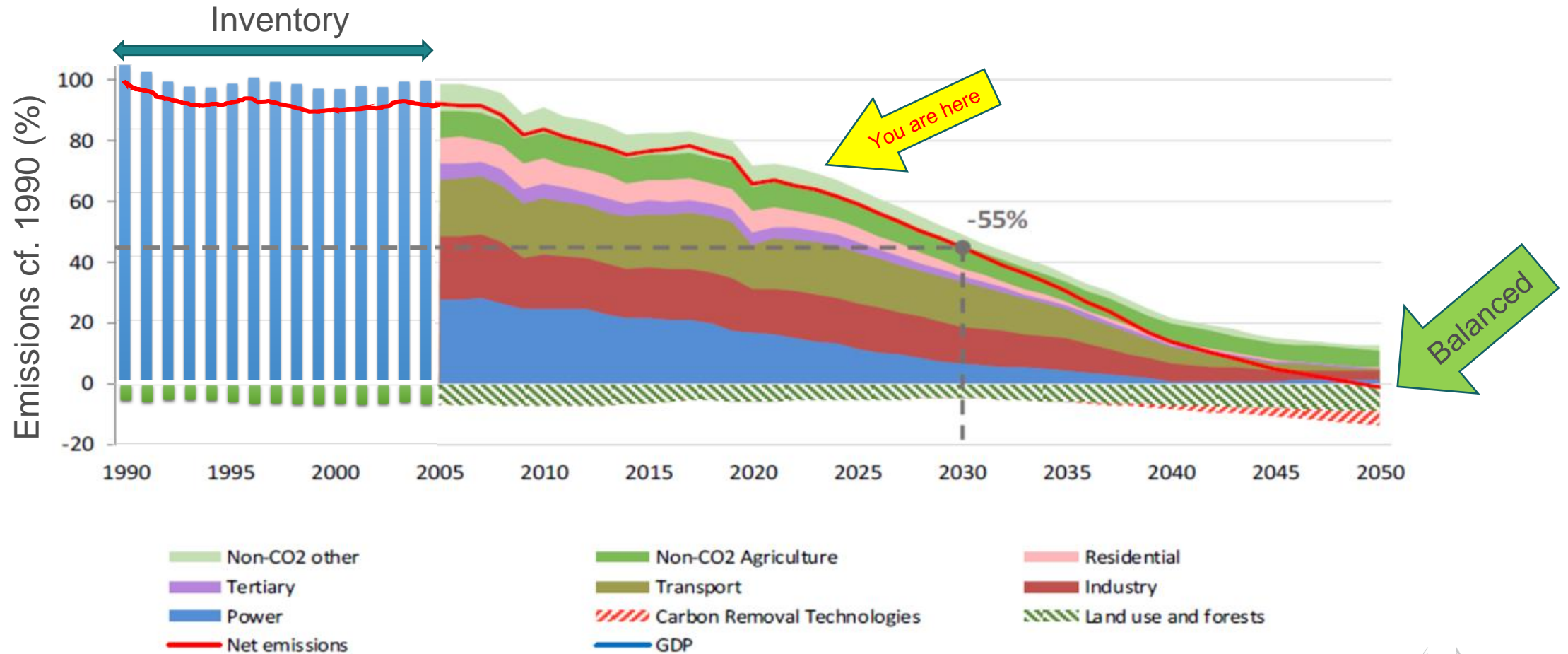
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Outline of the presentation

- 1. The EU climate policy framework towards climate neutrality**
 - Climate Law
 - Effort Sharing Regulation
 - Land Use, Land Use Change and Forestry (LULUCF) Regulation
 - Taxonomy
- 2. Communication on Sustainable Carbon Cycles**
- 3. The EU Methane Strategy**

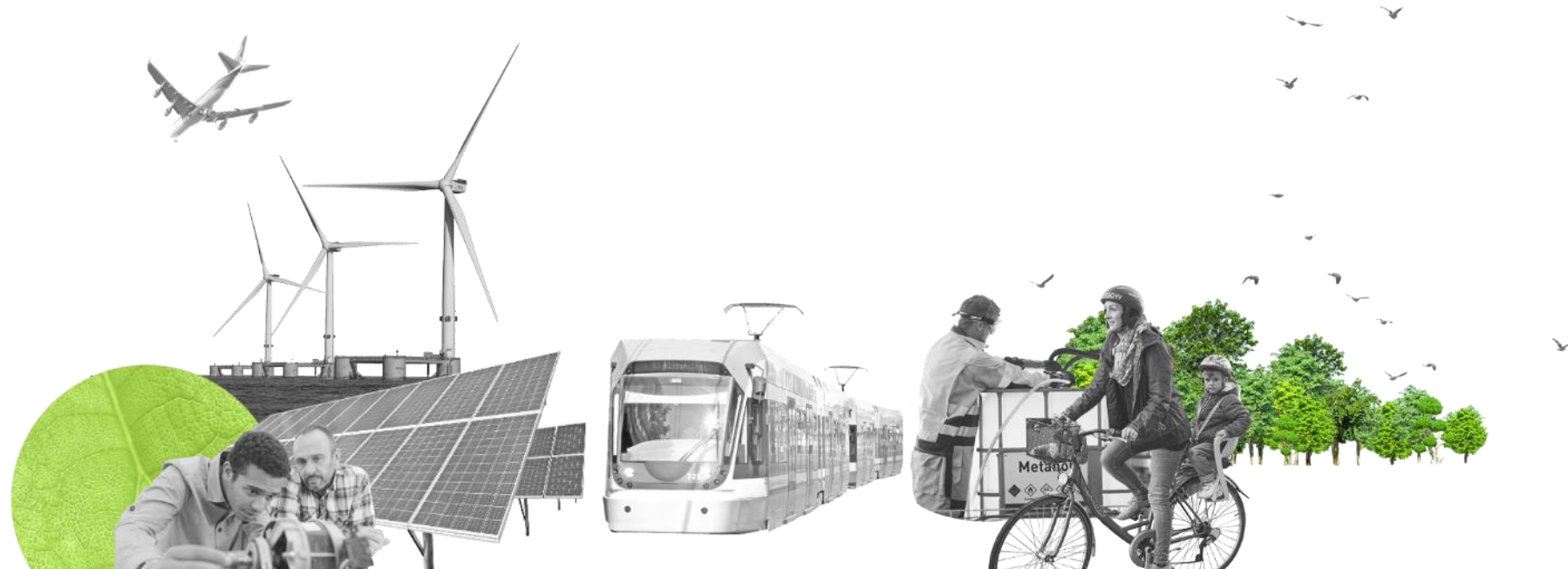
The EU climate policy framework towards climate neutrality

Pathway to climate neutrality: Climate Law

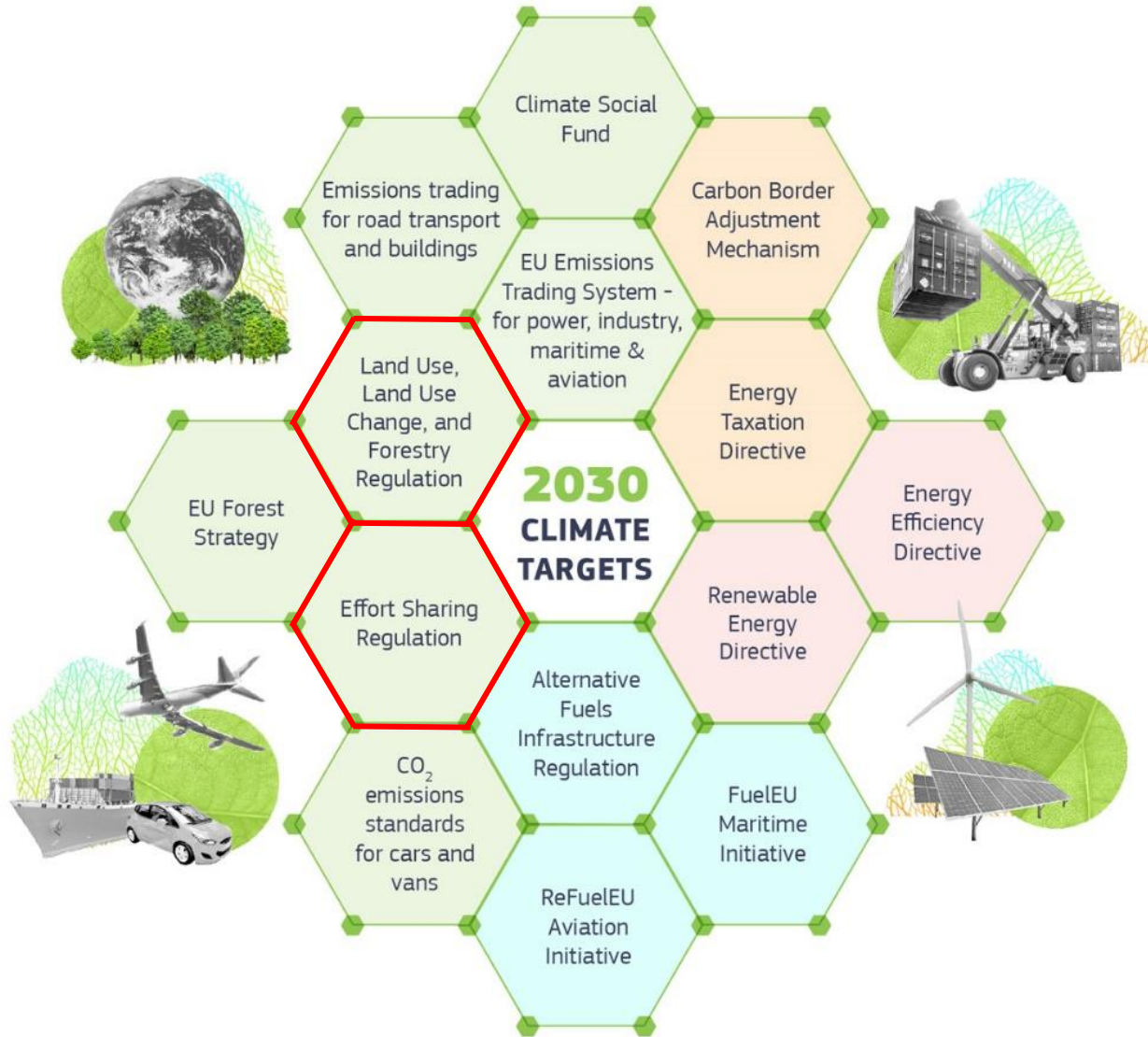


From the Climate Law to 'Fit for 55'

- The Climate Law enshrines into legislation the EU objective to become climate-neutral by 2050.
- In July 2021, the Commission adopted a set of proposals to make the EU's climate, energy, land use, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990.



The Fit for 55 Package – Overview



Two pieces of legislation are particularly relevant for the livestock sector:

- The Effort Sharing Regulation
- The Land Use, Land Use Change and Forestry (LULUCF) Regulation

New Effort Sharing Regulation

Current 2030 target



-29 % compared to 2005

New 2030 target



-40% in line with cost efficient projections at the EU level



ESR scope maintained

- Accountability: each MS has a binding annual greenhouse gas emission limit for the period 2021–2030
- Subsidiarity: the choice of measures fulfil these commitments is left to the MS.

The Land sector – Status quo

Decreasing carbon removals in forests, soils, and wood products

Stable emissions from livestock, fertiliser use, soils

Complex compliance rules under LULUCF and Effort-Sharing Regulation

Reverse the trend

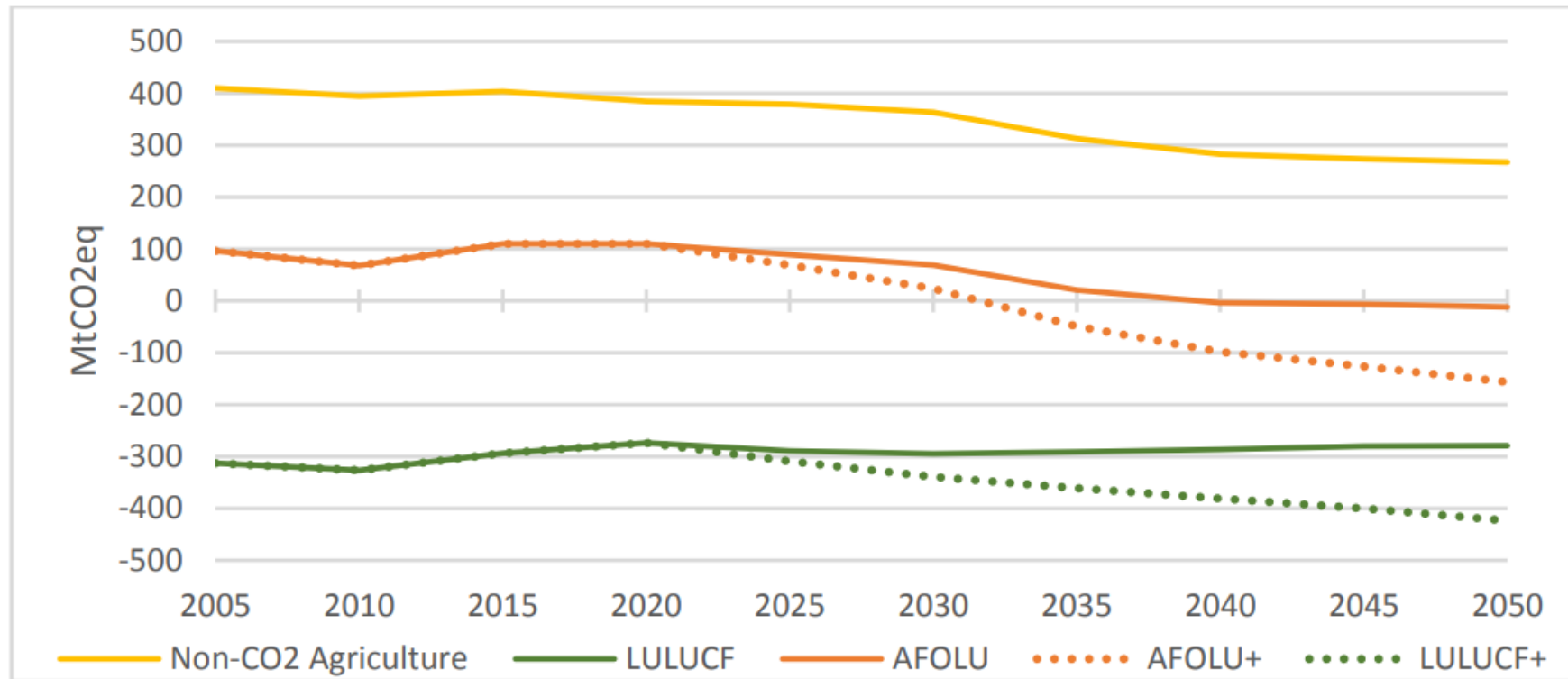
Simpler, more transparent and effective compliance rules and targets

Increase EU carbon removals to at least **310 Mt by 2030**

Climate neutral EU land sector by 2035

Increased carbon removals to balance reduced agricultural emissions, including from livestock and fertiliser use

Towards a climate-neutral land sector



Projected emissions and removals from the Agriculture and LULUCF sectors, EU27.

Source: Impact Assessment accompanying the Climate Target Plan (SWD(2020) 176 final)

State of play in the legislative procedure

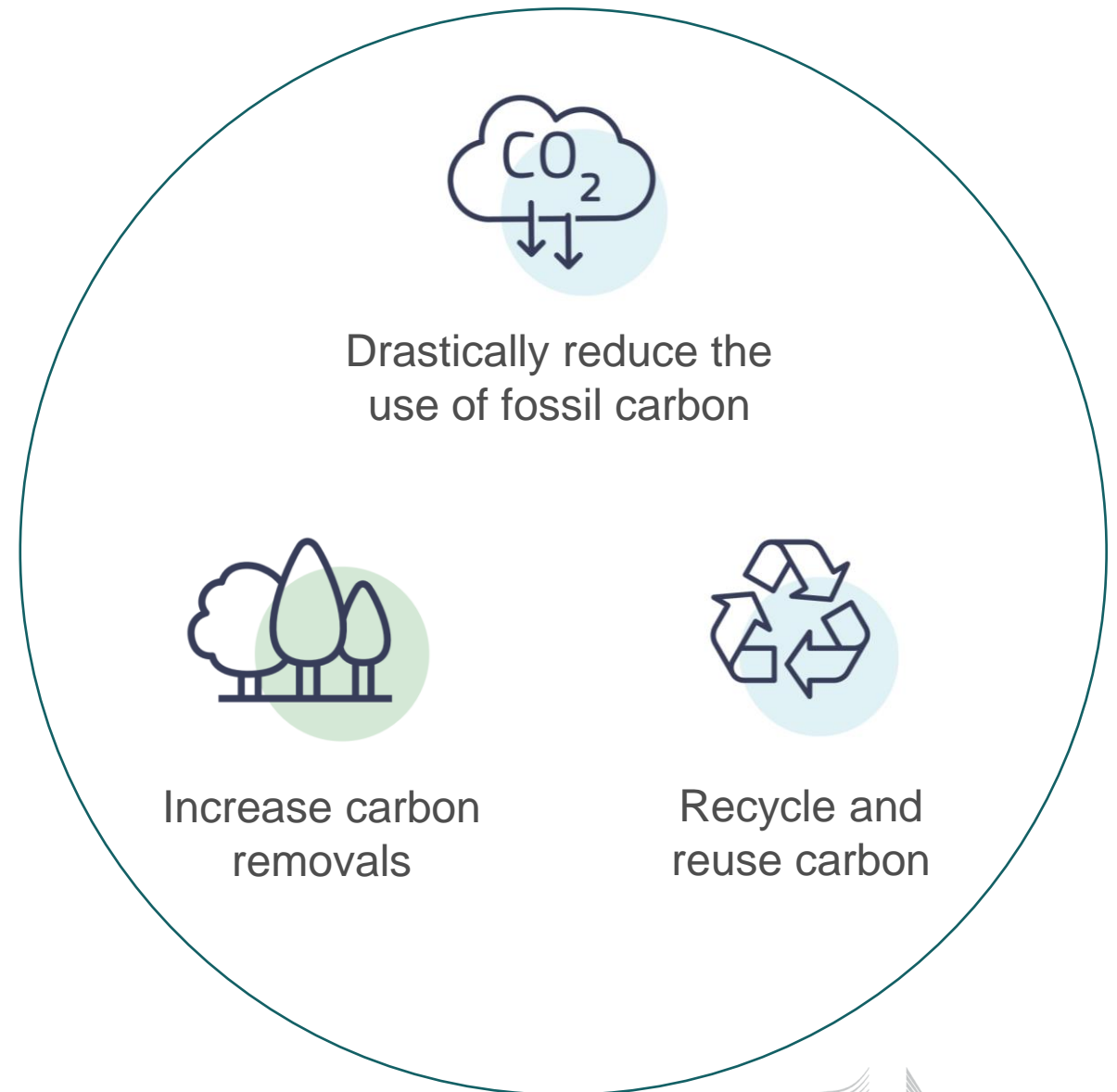
- Last week: provisional agreement by co-legislators on both Effort Sharing Regulation and LULUCF Regulation
- Both maintain the main elements of the Commission proposal:
 - ESR: scope and general architecture, increased Union's 2030 ambition in the ESR sectors and Member States' national targets
 - LULUCF: net removal target increased to -310 Mt of CO₂ equivalent, national targets
- Proposal for a climate-neutral land sector in 2035: part of the review clause

Communication on Sustainable carbon cycles

COM(2021) 800 final

Sustainable carbon cycles

To achieve **climate neutrality** at the latest by 2050 and **negative emissions** thereafter, the EU needs to increase carbon removals and establish **sustainable carbon cycles**.



Carbon farming



A **green business model** rewarding land managers for improved land management practices, resulting in carbon sequestration in ecosystems and reducing the release of carbon to the atmosphere.

Benefits of carbon farming:



Increased carbon removals



Additional income for land managers



More biodiversity and nature



Increased climate resilience of farm and forest land

Carbon farming - examples



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

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



Study on the polluter-pays principle in agriculture

Report 2021 /16 from the European Court of Auditors on CAP and climate:

“In line with the EU’s increased climate ambition for 2030, the Commission should assess the potential to apply the polluter-pays principle to emissions from agricultural activities, and reward farmers for long-term carbon removals”

- *Project starting in September 2022*
- *Study on design options for applying the PPP to GHG emissions from the agricultural sector and for rewarding farmers for long-term carbon removals*
- *Stakeholder activities: expert roundtable, public workshop, online survey*

Next step: A regulatory framework for the certification of carbon removals

Set robust criteria to identify high-quality carbon removals tailored to different types

- Quantification
- Additionality
- Long-term sequestration
- Sustainability

Establish a governance framework to ensure a transparent certification process

- Reliable rules and procedures
- Third-party validation and verification
- Robust registries