

ENRD Thematic Group 'Carbon Farming'

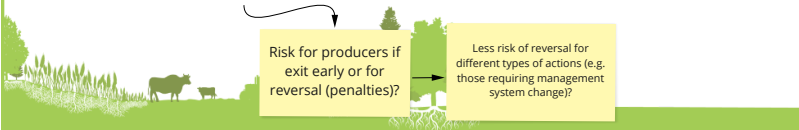
2nd TG Meeting | 9 June 2022

Financial incentives required to encourage land manager engagement in carbon farming

Summary of previous discussion:

Financial incentives required to encourage land manager engagement in carbon farming

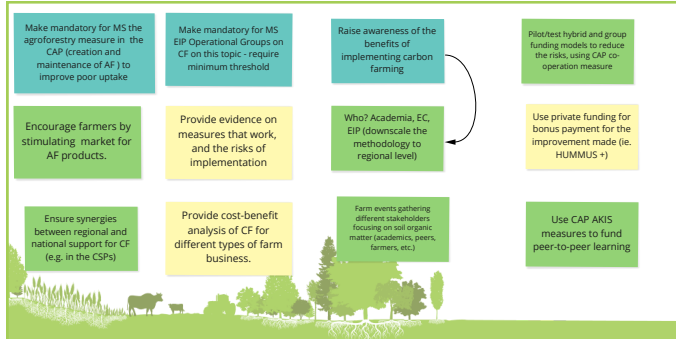
Definition of Carbon Farming	Carbon certification uncertainty - first mover disadvantage?	Carbon credits / CAP - double funding or can you receive support from both?	Potential for perverse effects of private financing	Role of Financial Instruments to promote behavioural change
Need to define what is CF (even within the MAs)	Reluctance if may be excluded from future schemes / locked into for many years	Farmers unable to access voluntary markets if receiving public CAP money?	Incentive for investors to buy up land to generate C credits?	Not simply about paying for action or 'good' generated
Should take a holistic perspective	How to ensure additionality? Affects the schemes' robustness	Is C just a by-product which can be sold and therefore public money funding production is not mutually exclusive?	Offsetting allows emitters to avoid reducing their emissions	Support with training and capacity building to effectively implement CF practices
Not just C, not just removals	Permanence - time frames are misaligned		Should there be standards, safeguards, etc. in place for C credits: crossing borders, who buying, how using, etc.?	Benefits to the business re: soil fertility, productivity and reduced losses should make farmers less dependent on financial incentives
		Risk for producers if exit early or for reversal (penalties)?		Less risk of reversal for different types of actions (e.g. those requiring management system change)?



Discussion



Recommendations



European Commission

MS

Supporting organisations