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CARBON FARMING IN THE EU: A POLICY TOOL OR A BUSINESS OPPORTUNITY?

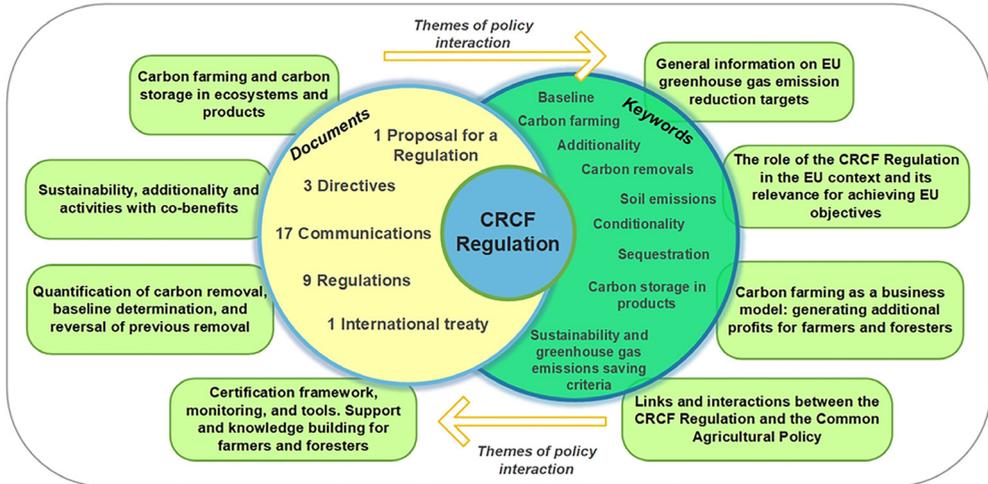
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Abstract – The European Green Deal has set ambitious targets to reduce greenhouse gas emissions and achieve climate neutrality by 2050. To achieve these, carbon sequestration and long-term storage must be increased not only through technological carbon capture and storage solutions, but also through nature-based carbon pools. Bioeconomy sectors have an important role to play as they include sustainable practices in agriculture, forestry and marine ecosystems that contribute to carbon sequestration. The new Common Agricultural Policy programming period (2023–2027) sets more ambitious environmental and climate targets than previous periods, including carbon farming practices to reduce greenhouse gas emissions and sequester carbon. This approach prepares and motivates farmers to switch to sustainable practices at an early stage. This is important because once the voluntary EU Certification Framework of the CRCF Regulation (EU) 2024/3012 is fully operational, interested farmers and foresters will be able to actively participate in a new business model by trading carbon credits alongside conventional products. In order to better understand the role of the CRCF Regulation in the context of the EU's climate neutrality objectives and its interaction with other EU policy planning documents and legal acts, a content analysis was carried out, which led to the identification of key drivers and opportunities of the new CRCF Regulation. The results show that the CRCF Regulation plays an important role in the EU decarbonisation processes and in increasing carbon sequestration, in particular in the agriculture and forestry sectors. Certified activities will contribute to carbon removals and sequestration in both ecosystems and industry, while preserving biodiversity and ecosystem integrity. In addition, carbon sequestration and storage in construction products can contribute to a carbon neutral construction sector. Carbon farming offers a new business model where land managers are rewarded for sustainable management practices that increase carbon sequestration in biomass and soils.

Keywords – *Carbon credits; carbon farming; carbon removal; certification framework; EU climate policy; EU policy planning; sustainable agriculture*



Regulatory context, key concepts and policy interaction themes of the CRCF Regulation

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