

OPEN LETTER TO THE POLITICAL LEADERSHIP OF THE EUROPEAN COMMISSION TO SUPPORT FARMERS WITH A FAIR MARKET AND ENSURE SUFFICIENT DEMAND OF CRCF CARBON FARMING CREDITS TO REACH THE EU 2040 CLIMATE TARGET

TO:

Teresa Ribera, Executive Vice-President for a Clean, Just and Competitive Transition
Raffaele Fitto, Executive Vice-President for Cohesion and Reforms
Wopke Hoekstra, European Commissioner for Climate, Net Zero and Clean Growth (DG CLIMA)
Christophe Hansen, European Commissioner for Agriculture and Food (DG AGRI)

CC:

Ursula von der Leyen, President of the European Commission
Kurt Vandenberghe, Director-General for Climate Action (DG CLIMA)
Elisabeth Werner, Director-General for Agriculture and Rural Development (DG AGRI)

Date: June 16, 2026

Dear Executive Vice-Presidents Ribera and Fitto,

Dear Commissioners Hoekstra and Hansen,

The undersigned organisations write in support of the Carbon Removals and Carbon Farming Regulation (Regulation (EU) 2024/3012) and to set out the **demand-side measures essential to convert the framework's integrity floor into a functioning market in time for the 2040 target.**

We welcome the Commission's leadership in convening the *CRCF Buyers' Club* and the Track 1 and Track 2 architecture developed under DG CLIMA's mandate. The Club has potential to get things started, especially as a vehicle incorporating guidance and a blended finance mechanism; but it is not sufficient. European supply of CRCF-eligible carbon farming units *is projected to exceed 10 Mt CO₂e per year by 2028¹*, against an indicative Buyers' Club offtake target in the order of 1 to 2 Mt CO₂e by 2030². Voluntary corporate demand has declined in real terms since 2023, despite growing net-zero commitments. Without a structural buyer beyond the voluntary market, the framework risks producing certified supply without compliance homes. The 20,000 farmers and land managers who have already begun transitioning under CRCF-aligned programmes will lose trust, capital will dry up, and the Union will forgo the LULUCF and rural-income contributions on which the 2040 target depends. For the European soil carbon market specifically, this is now an existential question.

The asymmetry is sharper still when set against the international credits envelope already authorised under the amended European Climate Law. The Union is preparing to recognise high-quality international credits worth up to roughly 232 Mt CO₂e per year toward its post-2030 targets, with a pilot from 2031 and full operation from 2036. We support that flexibility. We also believe that the EU's internal CRCF supply, certified to the strictest public quality floor anywhere in

¹ Available CRCF-eligible yearly supply by 2028 based on data provided by project developers within ISCIA.

² European Commission / Deloitte (2025), 'Support to the design of policy options for financial incentives for carbon farming', Final Report, July 2025, ML-01-25-056-EN-N.

the world, should be given compliance weight at least equivalent to credits sourced outside the Union. A coherent EU climate strategy deploys CRCF demand drivers to meet the established LULUCF targets.

The most coherent solution sits within the legal architecture the Commission already controls. The Article 18 review of Regulation (EU) 2024/3012 due by 31 July 2026, the Q4 2026 revision of the LULUCF and Effort Sharing Regulations, and the ETS Phase 5 review form a single, time-bound window. We respectfully ask the Commission to use that window to:

1. **Recognise that high-integrity nature-based CRCF carbon farming units**, where backed by ongoing monitoring, buffer pools, reversal liability, or emerging instruments such as the American Forest Foundation's Permanence Trust under development, **are effectively permanent and should be treated as such** within the meaning of the amended European Climate Law.
2. **Establish a defined role for CRCF carbon farming units within EU ETS compliance**, whether through direct retirement, as a gating condition for Article 6 international credit access, or via reform of the Market Stability Reserve.
3. **Recognise CRCF units in Member State LULUCF and Effort Sharing compliance** under the cross-sectoral flexibility provisions of the amended European Climate Law.
4. **Encourage Member States' use of CRCF units in national carbon tax flexibilities**, sectoral offsetting obligations, and public procurement under Directive 2014/24/EU.
5. **Issue operational claims guidance** for CRCF offtakers covering both supply-chain (inset) and beyond-value-chain (offset) use cases; aligns with the GHG Protocol Land Sector and Removals Standard, the SBTi Corporate Net-Zero Standard, ESRS E1 under the CSRD, and prevents double counting between intervention and inventory accounting.

The decisions taken in the coming eighteen months will determine whether the CRCF becomes the foundation of European nature-based mitigation, or a certification framework without a market. We stand ready to support with the technical, market, and stakeholder expertise of our organisations.

Yours sincerely,

International Soil Carbon Industry Alliance (ISCIA)

Business Alliance for Climate Action (BACA)

Climate Agriculture Alliance (CAA)

European Agroforestry Federation (EURAF)

European Alliance for Regenerative Agriculture (EARA)

European Landowners' Organisation (ELO)

Fransylva

The Forum of Professional Farmers and Processors from Romania (FAPPR)

Project Developer Forum

ADRYADA

Agoterra

Agreena

Agricarbon

AgSorted

Anew Climate

Armosys srl

Aurae Impact

AVELANA

BaumInvest AG

BeZero Carbon

Carbon Asset Solutions Ltd

Carbono Local+

ChrysaLabs

Climate Wedge Ltd

Cultivo Land

Downforce Technologies

eAgronom

France Valley

Gaiago

GreenTrade

hummingbirds

Indigo Ag

InSoil

iTeraka

Land Life Company

MILPA

MyEasyFarm

Nufarm

Oath Biome

Open Forest Protocol

Radica

ReGeneration - Hedge

Regrow Ag

Removall

ReSoil

Re:source

Seqana

Terra Formation

Varaha ClimateAg

WeForest

Africa Energy Transition Services (AETS)

Stay Foundation