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29 September 2025 Session Brief

Accelerating Climate Action in EU Agriculture and Food



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Accelerating Climate Action in EU Agriculture and Food

The [Think2030 Dialogue Denmark](#), held on 29 September 2025, brought together European decision-makers, businesses, policy experts and civil society leaders to explore how the EU can maintain its climate leadership while simultaneously enhancing security, competitiveness and prosperity in a political landscape marked by volatile geopolitics.

As part of the Think2030 Dialogue, [the Institute for European Environmental Policy \(IEEP\)](#) organised a session titled *"Accelerating Climate Action in EU Agriculture and Food"* and this session brief summarizes the key take-aways from this session.

Lead: Institute for European Environmental Policy (IEEP)

Moderator: Julia Bognar, Head of Programme, Land Use and Climate, IEEP

Speakers:

- Christian Holzleitner, Head of Unit for Land Economy and Carbon Removals, Directorate-General for Climate Action, European Commission
- Helena Wright, Policy Director at the FAIRR Initiative
- Hugh McDonald, Senior Fellow at Ecologic Institute
- Christian Stenberg, Deputy Permanent Secretary for EU, international climate and energy at the Danish Ministry of Climate, Energy and Utilities
- Sophie Scherger, Climate and Agriculture Policy Officer, Institute for Agriculture and Trade Policy - IATP

Commentary remarks: Simone Højte, Senior Consultant in the Food Division, CONCITO

Key highlights

- **Set clear medium- and long-term climate mitigation objectives for the agri-food sector.**

Articulating coherent post-2030 goals that combine emission reductions with broader environmental and economic benefits would offer **greater predictability needed by farmers, investors, and the wider agri-food industry** to inform strategic investment and operational planning.

- **Strengthen financial and technical enablers for farmers.**

Policy instruments should support both large and small-scale producers, ensuring **equitable access to investments, advisory services, and innovation opportunities** to reduce risks and facilitate the adoption of low-carbon practices, particularly among small and medium-sized farms seeking to diversify production, reduce emissions, or transition away from high-emission systems.

- **Develop robust and accessible monitoring, reporting and certification frameworks.**

Harmonizing reporting standards and streamlining data collection systems across compliance and voluntary frameworks will be essential to deliver credible climate outcomes while reducing transaction costs and the reporting burden on farmers.

- **Promote market-based incentives that link sustainability with competitiveness.**

EU policies should create **clear business opportunities for farmers**, integrating carbon credits and value chain engagement to enhance income generation while supporting climate goals, and introducing **pricing of agricultural emissions** so that societal costs of pollution are translated into incentives for farmers and the agri-food value chain. Strengthening market signals for sustainable production can encourage long-term investment and innovation across the agri-food sector.

- **Ensure policy coherence and stakeholder engagement.**

Climate and agricultural policies should be mutually supportive, with incentives aligned for farmers, industry, consumers, and Member States. Multi-stakeholder dialogue and political consensus-building are essential to ensure fair transitions, redirect financial flows towards climate-smart activities, minimise unintended consequences, and **scale successful national experiences**, such as Denmark's tripartite agreement, across the EU.

Summary of policy session

Agriculture is projected to become the largest sectoral contributor to greenhouse gas emissions in the EU by 2040, making the design and implementation of effective mitigation policies in this sector both urgent and critical for achieving EU climate targets. In particular, addressing emissions from livestock – which account for approximately two-thirds of EU agricultural emissions – alongside the production and consumption patterns that drive them, will be essential to achieving meaningful reductions.

The session provided an opportunity to reflect on several conditions considered essential to accelerate emissions reductions in the EU agri-food sector while supporting farmers through the transition. **Creating a healthy and resilient agricultural economy** was identified as vital, requiring new business opportunities across the value chain and clear financial incentives for farmers to adopt climate-friendly practices. Effective advisory services, robust monitoring and reporting systems, and access to knowledge and technology were highlighted as key components to empower farmers – particularly those in small and medium-sized holdings – to adopt more sustainable practices and participate in certification schemes such as the Carbon Removal Certification Framework (CRCF).

Given the urgency of action, **setting clear long-term targets supported by economic incentives for mitigation** – such as pricing mechanisms for agricultural emissions – could provide a strong signal and a foundation for a broader policy framework aligned with the required level of ambition. As Hugh McDonald stated, *“New clear climate targets are essential to provide clarity for farmers, alongside mechanisms to put a price on agricultural emissions that ensure economic advantages for those transitioning to low-carbon practices.”* Preceding these measures, the importance of identifying “low-hanging fruit” in agricultural policies and leveraging existing frameworks was emphasized to enable early, tangible progress in mitigation.

Accelerating climate action in agriculture will also require strong enablers, particularly **knowledge transfer and conducive economic conditions**. As Christian Holzleitner emphasized, *“To make climate action a viable business for farmers, we need a healthy and resilient economy, clear business cases, advisory services, and well-structured reporting systems.”* Although the CRCF offers a vehicle for greater climate ambition, its effectiveness will depend on appropriate enabling mechanisms. Over the past few years, the Commission’s DG CLIMA has organized stakeholder workshops to assess farmers’ perspectives on key drivers of low-emission practice adoption, highlighting the need for viable business models and the resolution of structural issues related to farmers’ limited bargaining power in relation to other actors in the agri-food chain.

Effective monitoring and reporting frameworks should strike a balance between simplicity for farmers and credibility for markets. Linking carbon credit revenues with financial support for technical assistance and upfront investments through the CAP could further support adoption, while innovations such as remote sensing and artificial intelligence offer significant potential to streamline monitoring and verification processes.

The discussion of additional climate mitigation measures should be accompanied by a **realignment of key policy elements** that currently shape the sector's direction – most notably the **Common Agricultural Policy** – to ensure coherence with climate adaptation and mitigation needs, particularly concerning highly GHG-intensive livestock production. The importance of this aspect was also highlighted from a private investor perspective, exemplified by a FAIRR investor statement urging the alignment of agricultural funding with the EU's net-zero commitment.

Broader financial support for food system transformation, beyond supply-side mitigation, will also be critical. According to Helena Wright, *“Creating alternative opportunities for farmers, such as the development of plant-based proteins or other sustainable production pathways, should be prioritised to ensure that mitigation efforts support farm viability and broader environmental benefits, including biodiversity conservation.”*

Denmark's tripartite agreement has been highlighted as a model for building consensus on agricultural climate policy. Christian Stenberg explained that *“In Denmark, there was a clear understanding that it was a necessity, and we engaged all stakeholders in a lengthy process to ensure effective solutions while maintaining a fair deal for farmers and the climate.”* The agreement brought together government, industry, and farmers, demonstrating how inclusive stakeholder engagement and careful political negotiation can create broad consensus. Successfully replicating such approaches at the EU level would require attention to local contexts, adequate financing, and mechanisms to ensure that farmers' interests are represented while achieving meaningful emissions reductions.

As evidenced by the Danish case, designing the next generation of agri-climate policies requires **balancing ambition with practical support for farmers**. As noted by multiple experts, carbon markets and certification schemes alone cannot drive the transition. As Sophie Scherger emphasised, *“We don't think that relying on carbon credits alone will be sufficient; **just transition funding** and on-the-ground support are crucial to make the shift away from intensive livestock viable.”* She underlined that a strategic focus on livestock as the largest source of emissions was key, and that investment in new supply chain and market infrastructure would be essential to support changing production and consumption patterns. Additional measures such as technical assistance and peer-to-peer learning were also identified as important for

securing durable outcomes. Opportunities also lie within the framework of CAP transition plans, which could provide structured pathways for farmers to adopt more sustainable practices while maintaining economic viability.

Reflecting on the priorities to guide the system forward, Simone Højte highlighted that *“clear direction, fair pathways for farmers, and alignment between CAP and climate policy are essential to avoid sending conflicting signals to farmers and investors”*, adding that climate policy must contend with a **dual challenge of agriculture simultaneously being a key source of emissions and among the first sectors to suffer the impacts of climate change**. An effective combination of financial incentives, technical support, and regulatory clarity will be essential to accelerate climate action in the EU agri-food sector and enable farmers to participate fully in the transition.

About Think2030

Launched by IEEP and its partners in 2018, Think2030 is an evidence-based, non-partisan platform of leading policy experts from European think tanks, civil society, the private sector and local authorities.

By focusing on producing relevant, timely and concrete policy recommendations, Think2030's key objective is to identify science-policy solutions for a more sustainable Europe.

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