CAFAMORE
Carbon Farming Monitoring & Registry

POLICY BRIEF

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The Do's and Don'ts of a Buyers' Club:
Recommendations for an EU Buyers' Club for Carbon Farming

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Key Recommendations

✅ Do's

1. Define the Buyers' Club as a learning and transition mechanism
2. Build a strategic portfolio rather than buying only what is readily available at the lowest cost
3. Explore co-funding while managing environmental integrity risks
4. Clarify use cases and claims for CRCF carbon farming credits

❌ Don'ts

1. Don't treat all CRCF certificates as interchangeable
2. Don't focus on offsetting use cases
3. Avoid concentration of market power to ensure a diverse, farmer and innovation friendly carbon farming ecosystem
4. Don't forget about CAP

The Do's and Don'ts of a Buyers' Club: Recommendations for an EU Buyers' Club for Carbon Farming

Greenhouse gas (GHG) emissions in the EU agri-food sector have remained high, with non-CO_2 GHGs declining by only 7% from 2005 to 2023 (ESABCC, 2026) – a trend inconsistent with meeting the EU's 2040 climate objectives.[1] At the same time, the EU's land sink has weakened, with net carbon sequestration 30% lower between 2014 and 2023 than in the previous decade (EEA, 2025). In response to these challenges, the European Commission introduced the Carbon Removals and Carbon Farming (CRCF) Regulation, to encourage the uptake of carbon farming measures through robust certification and to develop an additional income source for farmers.[2] With the first CRCF carbon farming methodologies now approaching finalisation, the policy focus is shifting from certification and supply towards demand and financing: who will buy these units, for what purpose, and under what conditions.

DG CLIMA has proposed an EU Buyers' Club to stimulate early demand for CRCF certificates from carbon farming[3]. The basic idea is for the EU to promote and potentially coordinate voluntary demand from private companies, potentially supplemented by public funding, to boost demand for certified CRCF carbon farming activities.

In this brief, we recommend how this Club should – and should not – be implemented. Our suggestions build upon the (limited) information on the Buyers' Club made available by the Commission and conversations with key actors. On this basis, we assume that at least in its early stages, the Club will be led primarily by private companies, mostly from the agri-food and bioeconomy sectors, who will provide most of the funding for purchasing CRCF carbon farming units. The role of EU institutions and the public sector is expected to be limited at first, focused mainly on coordination, providing credibility, and supporting learning from early implementation.

Do's: design recommendations

1. Define the Buyers' club as a learning and transition mechanism

A voluntary system will be insufficient to deliver the necessary scale and speed of agricultural mitigation (ESABCC, 2026). Although investment needs for the EU's agriculture and forestry climate transition remain difficult to quantify, they are widely understood to range from several billion to tens of billions of euros per year (ESABCC, 2026). By contrast, the global voluntary carbon market was valued at only USD 535 million in 2024, with agriculture representing only 1.5% of traded volumes (Ecosystem Marketplace, 2025). Although approaches such as value-chain financing and nature credits offer alternative funding avenues for carbon farming, they too are voluntary, and therefore insufficient to deliver sufficient funding.

[1] Scenarios for the agricultural sector consistent with the EU's 2040 climate objectives imply a reduction in non-CO_2 emissions of 17% by 2030 and 26% by 2040 compared to 2005 levels (ESABCC, 2024).
[2] The CRCF also promotes "permanent" carbon removals; in this brief we focus exclusively on carbon farming.
[3] The Buyers' Club is also being developed for permanent CRCF removals; we focus in this brief on a Buyers' Club in the carbon farming context.

Recognising the limitations of a *voluntary* Buyers' Club, it should be treated as a transitional learning mechanism that acts as a practical stepping stone towards compliance policies, where the agri-food value chain is obligated to reduce emissions and/or finance CRCF mitigation - for example via mandatory GHG pricing or mandatory climate standards for agricultural products (McDonald et al., 2026). The Club's immediate role should be to bring together a coalition of willing private buyers, aggregate early demand, and enable learning-by-doing for farmers, certification schemes and policymakers. It can road-test the new CRCF carbon farming methodologies, allowing adaptations to ensure they deliver for farmers, buyers, and society (Mal, 2026). It can further contribute by testing and refining policy design, including the provision of effective farmer support, rewarding co-benefits (CREDIBLE, 2024), managing impermanence, aggregating suppliers and buyers, and addressing technical issues such as purchase portfolio, method, and timing (McDonald et al., 2025).

2. Build a strategic portfolio rather than buying only what is readily available at the lowest cost

The Buyers' Club should target funding towards activities and projects that are highly additional and likely to generate significant learning and impact - for example, first-of-a-kind projects that target underrepresented regions, novel carbon farming approaches, and novel transition-aligned business approaches[4]. Other purchase criteria should include environmental and social co-benefits as well as the permanence of the climate benefit. To enable experimentation across a wide range of carbon farming approaches, the portfolio should be guided by both monetary and tonne-based targets, and it should include price premiums for projects that generate resilience, biodiversity, and other co-benefits. While ensuring a diverse mix across CRCF activities, the Club should also prioritise high-impact activities that are difficult to implement through regular fragmented purchasing, such as peatland rewetting or landscape-scale interventions, where coordination across multiple land managers and buyers may be needed to become feasible at scale.

3. Explore co-funding while managing environmental integrity risks

No single source can fund European carbon farming at scale. Public money, value-chain funding and voluntary carbon markets must be combined to make carbon farming attractive to farmers. The Club should treat co-funding as a core principle and set clear rules for combining funders within one project.

The Club should enable farmers to receive funding via both carbon credits and Scope 3 reporting, while managing environmental integrity risks. Club purchases should enable farmers to alternate and combine revenue streams across a crop rotation. This flexibility is essential to scale the transition and ensure that carbon farming remains both viable and attractive for farmers. CAFAMORE's French pilot is exploring how CRCF methodologies can be used to quantify the climate benefits generated by a farm's transition actions and—depending on market demand—allocate these benefits without environmental integrity risks.

[4] For example, the portfolio could prioritise certificate suppliers who also develop new products or businesses aligned with the agricultural transition, such as paludi-products from rewetted peatlands (GMC, 2025).

Public finance should be leveraged to unlock additional private finance, not replace it. Public intervention could provide additional support services, including risk-sharing arrangements, project de-risking, concessional or low-interest loans, and the bundling of purchases with other public support instruments such as additional CAP income streams. Examples for stacking CAP and private funding already exist, notably in France through low-carbon AECMs combined with carbon credits. At the same time, the Club should ensure that private buyers cannot claim mitigation outcomes that they only marginally financed, with public money covering the rest, as this would provide perverse incentives and environmental integrity risks (Mal, 2026).

4. Clarify use cases and claims for CRCF carbon farming certificates

The European Commission should adopt dedicated regulation on co-claiming to enable EU-wide scaling – and the Club should be a test case. Agri-food corporates have a direct interest in financing on-farm carbon farming actions within their supply chains, but their funding of these activities is hampered by uncertainty around the associated claims the financer can make. If the Club could provide clarity over the "green claims" that buyers of CRCF certificates can make, it could further boost private demand for CRCF carbon farming certificates. This would also enable investors outside the supply chain to co-finance these projects alongside Scope 3 actors, broadening the funding base for agricultural low-carbon projects. The Buyers' Club would make an ideal pilot because it brings together diverse funders alongside the Commission. Its findings should inform the framework, clarifying how contributions from multiple funders are transparently attributed.

Don'ts: design pitfalls to avoid

1. Don't treat all CRCF certificates as interchangeable

Different carbon farming activities, both emissions reductions and removals, vary substantially in their permanence, reversal risks, additionality, MRV complexity and potential co-benefits (ESABCC, 2025), and these differences have implications for how certificates should be used (Siemons et al., 2025). A key difference is the expected duration of carbon storage: easily reversible carbon farming activities, such as management practices increasing soil carbon storage on mineral soils, pose higher reversal risks than those arising from systemic changes such as peatland rewetting and agroforestry; this makes the former relatively less beneficial for the climate per certified tonne (McDonald et al., 2025). The portfolio should therefore be differentiated and selective, reflecting the specific characteristics of each activity type, project and the needs of buyers. To encourage learning across multiple types of carbon farming activities, different prices could be paid for different types of CRCF activities, reflecting their different cost structures and potentials. This could be implemented by defining separate funding pots for different CRCF activities.

2. Don't focus on offsetting use cases

The Buyers' Club shouldn't allow buyers to use CRCF carbon farming certificates instead of reducing their own emissions. While offsetting and insetting may currently appear to be the most obvious funding routes for CRCF activities, relying on offsetting can create emissions reduction deterrence and weaken environmental integrity, particularly when lower-quality credits are used to

compensate for ongoing emissions. This risk is especially acute given the temporary nature of most carbon farming activities (McDonald et al., 2026). For these activities there is a risk that the actual climate mitigation delivered may be lower than claimed and, in some cases, could even lead to higher overall emissions. Clear guidance on permitted and appropriate use cases should therefore be provided alongside the launch of the Club.

3. Avoid concentration of market power to ensure a diverse, farmer and innovation friendly carbon farming ecosystem

Carbon farming represents a new value stream for agriculture, and it is important that farmers—who generate the underlying environmental benefits—benefit economically. The Club should consider how it can support farmer-centred approaches such as farmer cooperatives, landscape partnerships, and public-interest aggregators capable of bundling smaller projects into investable portfolios. The Buyers' Club should avoid creating market structures that weaken the bargaining position of farmers or smaller actors.

It is important to manage excessive farmer transaction costs (e.g. MRV, insurance and marketing costs) to ensure more funds invested in carbon farming directly support the transition in agricultural practices. To this end, it is essential to avoid concentrating funding or influence in the hands of a limited number of MRV providers, project developers, or large intermediaries. Europe hosts a wide range of high-quality MRV solutions and project development models developed and validated by European researchers. Supporting this diversity strengthens Europe's innovation ecosystem and ensures that multiple technological pathways can mature over time.

4. Don't forget about CAP

The CAP is the largest funding source for carbon farming related measures. The EU Court of Auditors (2021, 2024) has repeatedly found that CAP climate funding does not match the EU's environmental objectives. The Buyers' Club should not distract from the importance of ensuring that the post-2027 CAP is effective at driving the agricultural transition. For example, alongside the CRCF the post-2027 CAP could include dedicated calls for high-impact measures such as agroforestry, integrated landscape approaches, fertiliser reduction or peatland rewetting, with priorities tailored to each Member State.

The CAFAMORE project will address many of the open questions identified in this brief by developing and testing MRV tools, registries and market infrastructure for CRCF carbon farming activities, alongside analysis of the market, economic and policy conditions needed for carbon farming to work in practice. This includes questions on certificate supply and demand, farmer business models, funding channels and co-funding, and how carbon farming can support wider agri-food system change.

CAFAMORE is a Horizon Europe project that aims to establish an EU-wide parcel-level monitoring system, a spatially explicit registry, and a robust marketplace for carbon farming in Europe. The project unites a multidisciplinary team with a common ambition: to accelerate the adoption of carbon farming in the EU by developing the digital infrastructure, tools, and knowledge needed for cost-effective Monitoring, Reporting, and Verification, building transparency and trust in carbon farming markets.

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