

GUIDELINES FOR PAs

DNR

WP 4 Pilot project implementation
Activity 4.5 Follow up activities

GECO2 – Green Economy and CO2

Safety and resilience | SO 2.1

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Guidelines for Public Administrations

Dubrovnik-Neretva County

The experience provided by the GECO2 project demonstrates the potential for the Dubrovnik-Neretva County to advance agriculture and green business practices through establishing a voluntary carbon market and capitalizing on the opportunities offered by the European Green Deal.

By establishing a carbon market, the main stakeholders - public authorities, farmers, and entrepreneurs, would be able to reduce the environmental impact of agricultural production, bring entrepreneurs and farmers closer to the values and goals set in the European Green Deal, and further develop the County and the local community as a responsible society that shares the European values of sustainability, which, as an indirect effect, also achieves a positive spillover effect into other economic sectors.

Special emphasis should be placed on the future development of "green" agriculture, since agriculture is a fundamental activity that ensures the survival of a nation, and food security has a central place in the strategic planning of every country. Thus, agricultural production and food security will play an increasingly significant role in global geopolitical trends. Modern agricultural production is faced with significant challenges. On the one hand, the global increase in population requires an increase in the production of food and raw materials. On the other hand, the increasingly pronounced influence of global climate change is associated with an increase in the frequency and duration of unfavorable weather conditions, which cause a decrease in the yield and quality of agricultural products. Furthermore, due to the surge in the price of fossil fuels and the associated increase in the production of plant protection agents and mineral fertilizers, as well as the limitations of the use of these inputs due to their adverse effects on the environment, agricultural production will have to use alternative sources of plant nutrients and alternative solutions in plant protection. The recycling of plant nutrients from harvest residues, organic fertilizers, composting of organic household waste, cultivation of cover crops, etc., and the application of the principles of integrated plant protection with increased concern for biodiversity, maintenance of good condition of crops, etc., will play an increasingly important role.

From this broad perspective, it is evident that the advancement of agriculture (ideally carbon farming), green business practices, and the voluntary carbon market are interlinked and extensive goals that should be approached systematically, and taking into consideration key problems identified during the GECO2 project:

- Lack of national regulation regarding the carbon market based on agriculture.
- Low level of stakeholder awareness on key topics,

- Insufficient support for (sustainable) agriculture,
- Underdeveloped green marketing mix among farmers and businesses,
- Underdeveloped short supply chains for sustainable products,
- Poor cooperation between stakeholders at the local level,
- Localized phenomena of soil degradation and decline in soil productivity.

Public authorities

The PAs should ensure that the values and recommendations from the European Green Deal are recognized and assimilated by the local/regional community through dissemination campaigns, workshops, and similar activities. This process would have a positive market effect on the implementation of agriculture oriented towards carbon farming and sustainability, and the implementation of green business models, and consequently, produce a positive outlook for future carbon market projects.

The positive effects of public awareness campaign could be further strengthened by focusing the County on other aspects of sustainable development. In cooperation with the public, farmers, companies and other economic entities, DNŽ could take the role of the first green Croatian county with its own carbon credit market, which would increase trust among business stakeholders and initiatives related to the European Green Deal.

To create a long-term carbon local market, the PAs should consider the following points:

- Create the necessary regulation regarding the carbon market based on agriculture.
- Establish a regional management agency in charge of the carbon market, defining the rules and regulations for all parties involved as well as the market process itself, and overseeing the functioning of the market.
- Revise, adopt and implement the EU regulatory framework for the certification of carbon removals, which has been announced for the end of 2022.
- Estimate the sequestration potential of soil and biomass, as a technical foundation for a cost-effectiveness assessment of carbon farming, as well as designing measures that would be necessary to establish the carbon market based on agriculture.
- Estimate county-specific GHG emissions (for sectors not covered by the EU ETS), as an evaluation of potential market size and necessary measures for establishing the carbon market from the buyers end.

- Implement a public awareness campaign on climate action, importance of climate-neutral local enterprises and sustainable agriculture, in order to increase the public's expectations for action by the principal stakeholders.

To ensure that the regional market is feasible, the PAs should:

- Design and implement a permanent dissemination campaign aimed at increasing public awareness regarding the benefits of carbon farming, carbon offsets and the voluntary carbon market.
- Organize stakeholder-specific training covering all relevant topics regarding carbon farming, offsetting and the carbon market, and receive their input.
- Support local farmers: facilitate and encourage micro and small farmers to associate into interest groups (e.g. cooperatives); provide relevant capacity building; provide financial and non-financial support for farmers starting/expanding their sustainable and carbon-farming practices; facilitate the diversification of produce distribution for participating farmers.
- Develop and establish a permanent network tasked with monitoring soil quality, and ensure remediation of degraded soils, as well as farmer training activities to maintain soil quality.
- Encourage transition into green business models for GHG-emitting companies, and especially the development of carbon management strategies that would (once the carbon market is established) offset the remaining carbon emissions with locally produced carbon credits.
- Establish green marketing guidelines for all stakeholders and provide adequate support to ensure that they capitalize on public recognition of their climate-positive actions without transgressing best-practice guidelines (avoid greenwashing).