

The Finnish Food and Drink Industries' Federation (ETL), representing food industry in Finland, welcomes the opportunity to respond to the European Commission's consultation on the proposed amendment to the European Climate Law.

The European Commission proposes a 90 percent reduction in the EU's net emissions by 2040. ETL and the Finnish food industry welcome this ambitious target and are committed to contributing to the development of a low-carbon food chain. While ETL stresses the importance of maintaining the level of ambition in the EU's climate policy and regulatory predictability, it is equally vital that the specific circumstances of member states, business competitiveness, and food security are taken into account when preparing the necessary measures. Encouragingly, the Commission's proposal highlights not only the need to consider national specificities but also the importance of cost-effectiveness, simplicity, technological neutrality, and a just transition in future climate regulation.

Key messages from the Finnish Food and Drink Industries' Federation:

Climate goals, food security, and the competitiveness of companies must be aligned: EU's climate policy should promote competitiveness and food security of European food production while achieving international climate goals. Policies aimed at reducing emissions must be long-term and predictable.

Well-implemented flexibilities to enable cost-effective emission reductions: From the perspective of the food industry, it is essential that newly proposed flexibilities, such as enhanced flexibilities across sectors and the use of high-quality international carbon credits, enable cost-effective emission reductions without compromising the ambition of climate policy or food security. Without such flexibilities, achieving strict emission reduction targets could impose disproportionate restrictions on agriculture, threatening the availability of raw materials for industry and driving up the costs.

Climate financing to reduce emissions in the food chain must be increased: Implementing climate actions in the food chain is slow, still requires more research, and necessitates significant investments. In addition to private sector and market-based financing, there is a need for EU's common funding, which should be directed towards sustainable transition investments across the entire food sector and ensure adequate investment support to promote low-carbon solutions in industry in a technology-neutral manner. Incentives should be provided for the adoption of low-carbon practices in both agriculture and food industry.

Cultivation on peatlands must remain possible in the future: Peat soils have a significant impact on the greenhouse gas emissions of Finnish food production. But peat soils also play an important role in food production in Finland. Policies to reduce emissions must therefore be based on voluntary measures and consider aspects related to food security and farmers' freedom to pursue their livelihoods. Definitions related to peatlands must be clear and consistent across member states. Legislation should not restrict cultivation on peat soils; instead, farmers should be offered financial incentives and support, particularly to promote climate actions on low-yielding peatlands.

Voluntary climate actions should be accelerated: Measures to promote environmental goals must be effective. Reducing emissions in the food chain requires support policies that guide the efficient and result-oriented production of crops on existing arable lands and support low-emission animal feed. Agricultural climate actions can also be promoted by accelerating voluntary measures, such as carbon removal actions. Voluntary measures provide an important new source of income for primary production. However, it must be ensured that the actions are counted towards the emission reductions of agriculture and the food chain and that the most cost-effective measures do not end up being sold outside the food chain.