

2030 climate and energy framework: inclusion of greenhouse gas emissions and removals from land use, land use change and forestry

2016/0230(COD) - 17/04/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 574 votes to 79, with 32 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy framework and amending Regulation No 525/2013 of the European Parliament and the Council on a mechanism for monitoring and reporting greenhouse gas emissions and other information relevant to climate change.

The issues had been referred back to the committee responsible for interinstitutional negotiations at the sitting of 13.9.2017.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

Objective: the Regulation would set out Member States' commitments in the area of **land use, land-use change and forestry** (LULUCF) that contribute to achieving the objectives of the Paris Agreement on Climate Change and the EU's greenhouse gas emission reduction target for the period 2021-2030.

The scope shall cover:

- during the periods 2021 to 2025 and 2026 to 2030, forest and agricultural lands and lands that are no longer assigned to those uses or those that are newly affected there;
- **starting in 2026, the 'managed wetland'**. Wetlands are efficient ecosystems for storing carbon. Therefore, protecting and restoring wetlands could reduce greenhouse gas emissions in the LULUCF sector.

During the period **2021 to 2025**, a Member State may choose to also make its commitment to managed wetlands by notifying the Commission of this choice by 31 December 2020 at the latest.

In the light of the experience gained from the application of the revision of the IPCC Guidelines, the Commission may propose to postpone for a further five years the mandatory accounting of managed wetlands.

Commitments: for the periods 2021 to 2025 and 2026 to 2030, each Member State shall ensure that emissions do not exceed the removals, calculated as the sum of total emissions and total removals in its territory in all categories cumulative land counts and accounted for in accordance with the regulations.

During the period from 2021 to 2025, each Member State that includes managed wetland in the scope of its commitments, and all Member States during the period from 2026 to 2030, shall account for emissions and removals resulting from managed wetland, calculated as emissions and removals in the respective periods minus the value obtained by multiplying by five the Member State's average annual emissions and removals resulting from managed wetland in its base period from 2005 to 2009.

Accounting rules: for the LULUCF sector to contribute to the achievement of the Union's 40% emission reduction target, as well as the long-term goal of the Paris Agreement, the proposed Regulation defines general rules to avoid **double counting** of emissions or removals, including ensuring that emissions and removals are not accounted for in more than one land accounting category.

It also defines the specific accounting rules applicable to (i) afforested land and deforested land; (ii) managed cropland, managed grassland and managed wetland; (iii) managed forest lands; iv) harvested wood products.

The relevant accounting rules shall instead provide for the use of reference levels to exclude the effects of natural and country-specific characteristics. Forest reference levels shall take account of any unbalanced age structure of forests and shall not unduly constrain future forest management intensity, so that long-term carbon sinks can be maintained or strengthened.

Other land use categories: under the proposal, land that is converted to another land use category shall be considered to be in the process of transitioning to that category for the default value of 20 years referred to in the IPCC Guidelines. Member States should only be able to derogate from that default value for afforested land and only in limited circumstances justified under the IPCC Guidelines.

Flexibilities: the Regulation provides that a Member State may use the general flexibilities as well as **flexibilities for the managed forest land** to comply with its commitment. This would give Member States some flexibility to temporarily increase their harvest intensity in accordance with sustainable forest management practices that are consistent with the objective set out in the Paris Agreement, provided that within the Union total emissions do not exceed total removals in the LULUCF sector.

Under such flexibility, all Member States shall be granted a basic **amount of compensation** calculated on the basis of a factor expressed as a percentage of their reported sink in the period from 2000 to 2009 to compensate for the emissions from managed forest land they have accounted for. It should be ensured that Member States can only be compensated up to the level at which their forests are no longer sinks.

Review: the Regulation shall be kept under review taking into account, *inter alia*, international developments and efforts undertaken to achieve the long-term objectives of the Paris Agreement. The Commission shall submit a report to the European Parliament and to the Council, within six months of each global stocktake agreed under the Paris Agreement, on the operation of this Regulation.