



Basic information	
<p>2016/0230(COD)</p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p>	Procedure completed
<p>2030 climate and energy framework: inclusion of greenhouse gas emissions and removals from land use, land use change and forestry</p> <p>Amending Regulation (EU) No 525/2013 2011/0372(COD) Amending Decision No 529/2013/EU 2012/0042(COD) Amended by 2021/0201(COD)</p> <p>Subject</p> <p>3.10.11 Forestry policy 3.10.14.04 Set-aside and conversion of land 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.03 Climate policy, climate change, ozone layer 3.70.18 International and regional environment protection measures and agreements</p>	




Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	ENVI Environment, Climate and Food Safety		LINS Norbert (PPE)	28/09/2016
			Shadow rapporteur BRANNEN Paul (S&D) WINIEWSKA Jadwiga (ECR) TORVALDS Nils (ALDE) FLANAGAN Luke Ming (GUE/NGL) JÁVOR Benedek (Verts/ALE) AFFRONTÉ Marco (EFDD)	
	Committee for opinion		Rapporteur for opinion	Appointed
	DEVE Development		MARCELLESI Florent (Verts/ALE)	30/11/2016
	ITRE Industry, Research and Energy		MATIAS Marisa (GUE/NGL)	05/10/2016
	TRAN Transport and Tourism		The committee decided not to give an opinion.	
	AGRI Agriculture and Rural Development		KÖSTINGER Elisabeth (PPE)	30/08/2016



Council of the European Union	Council configuration	Meetings	Date
	General Affairs	3615	2018-05-14
	Agriculture and Fisheries	3509	2016-12-13
	Environment	3565	2017-10-13
	Environment	3512	2016-12-19
	Environment	3550	2017-06-19
European Commission	Commission DG	Commissioner	
	Climate Action	ARIAS CAÑETE Miguel	
European Economic and Social Committee			
European Committee of the Regions			

Key events			
Date	Event	Reference	Summary
20/07/2016	Legislative proposal published	COM(2016)0479 	Summary
12/09/2016	Committee referral announced in Parliament, 1st reading		
13/12/2016	Debate in Council		
19/12/2016	Debate in Council		
19/06/2017	Debate in Council		
11/07/2017	Vote in committee, 1st reading		
17/07/2017	Committee report tabled for plenary, 1st reading	A8-0262/2017	Summary
11/09/2017	Debate in Parliament	CRE link	
13/09/2017	Decision by Parliament, 1st reading	T8-0339/2017	Summary
13/09/2017	Matter referred back to the committee responsible for interinstitutional negotiations		
24/01/2018	Approval in committee of the text agreed at early 2nd reading interinstitutional negotiations	PE620.864	
16/04/2018	Debate in Parliament	CRE link	
17/04/2018	Decision by Parliament, 1st reading	T8-0096/2018	Summary
17/04/2018	Results of vote in Parliament		
14/05/2018	Act adopted by Council after Parliament's 1st reading		
30/05/2018	Final act signed		
30/05/2018	End of procedure in Parliament		
19/06/2018	Final act published in Official Journal		

Technical information	
Procedure reference	2016/0230(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)

Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EU) No 525/2013 2011/0372(COD) Amending Decision No 529/2013/EU 2012/0042(COD) Amended by 2021/0201(COD)
Legal basis	Rules of Procedure EP 61 Treaty on the Functioning of the EU TFEU 192-p1
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/8/07445

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE599.777	23/02/2017	
Amendments tabled in committee		PE601.117	10/03/2017	
Amendments tabled in committee		PE592.165	28/03/2017	
Amendments tabled in committee		PE602.745	29/03/2017	
Amendments tabled in committee		PE602.735	06/04/2017	
Amendments tabled in committee		PE602.941	06/04/2017	
Committee opinion	DEVE	PE599.579	03/05/2017	
Committee opinion	AGRI	PE597.534	01/06/2017	
Committee opinion	ITRE	PE592.164	01/06/2017	
Committee report tabled for plenary, 1st reading/single reading		A8-0262/2017	17/07/2017	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T8-0339/2017	13/09/2017	Summary
Text agreed during interinstitutional negotiations		PE620.864	24/01/2018	
Text adopted by Parliament, 1st reading/single reading		T8-0096/2018	17/04/2018	Summary
Council of the EU				
Document type		Reference	Date	Summary
Draft final act		00068/2017/LEX	30/05/2018	
European Commission				
Document type		Reference	Date	Summary
Document attached to the procedure		COM(2016)0500	20/07/2016	Summary
Legislative proposal		COM(2016)0479	20/07/2016	Summary
Document attached to the procedure		SWD(2016)0246	22/07/2016	

Document attached to the procedure	SWD(2016)0249 	22/07/2016	
Commission response to text adopted in plenary	SP(2018)350	06/06/2018	
Follow-up document	COM(2024)0195 	15/05/2024	

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	RO_CHAMBER	COM(2016)0500	21/10/2016	
Contribution	PL_SENATE	COM(2016)0479	27/10/2016	
Contribution	IT_SENATE	COM(2016)0479	10/11/2016	
Contribution	RO_SENATE	COM(2016)0479	10/11/2016	
Contribution	PT_PARLIAMENT	COM(2016)0479	11/11/2016	
Contribution	CZ_SENATE	COM(2016)0479	19/12/2016	

Additional information

Source	Document	Date
EP Research Service	Briefing	

Final act

Regulation 2018/0841 OJ L 156 19.06.2018, p. 0001	Summary
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Delegated acts

Reference	Subject
2020/2854(DEA)	Examination of delegated act
2020/2861(DEA)	Examination of delegated act

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

2016/0230(COD) - 30/05/2018 - Final act

PURPOSE: to contribute to the reduction of total greenhouse gas emissions in the EU over the period 2021-2030 through better protection and management of land and forests throughout the Union.

LEGISLATIVE ACT: Regulation (EU) 2018/841 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 in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU.

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

Accounting rules: the new regulation establishes a framework for **accounting for LULUCF emissions and removals**. This shall enable the EU to meet its Paris goal of reducing emissions by at least 40% by 2030.

To this end, the Regulation establishes EU-wide **accounting rules** for LULUCF activities, which have been developed to ensure effective and consistent accounting of emissions and removals generated during the period 2021-2030.

The Regulation applies to reported greenhouse gas emissions and removals occurring within the territory of the Member States and falling under the following land accounting categories: forested land, deforested land, managed cropland, managed grassland, managed forest land.

Wetland accounting shall become mandatory for the period **2026-2030**, unless a 5-year deferral is considered appropriate in the light of experience gained from updating the 2006 guidelines for national greenhouse gas inventories prepared by the Intergovernmental Panel on Climate Change (IPCC).

During the period 2021-2025, a Member State may choose to extend its commitment also to managed wetland by notifying the Commission by 31 December 2020.

The Regulation lays down general rules to **avoid double counting** of emissions or removals, in particular by ensuring that emissions and removals are not accounted for under more than one land accounting category.

Commitments: under the Regulation, all Member States shall ensure that their total emissions in the LULUCF sector are balanced and do not exceed total CO removals.

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.

Compliance checks: by 15 March 2027 for the period 2021-2025, and by 15 March 2032 for the period 2026-2030, Member States shall be required to submit to the Commission a compliance report containing the balance of total emissions and removals for the relevant period on each of the land accounting categories defined in the Regulation.

On the basis of the compliance reports, the Commission shall prepare a report in 2027 and 2032. The European Environment Agency shall assist the Commission in the implementation of the monitoring and compliance framework.

ENTRY INTO FORCE: 9.7.2018.

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

2016/0230(COD) - 20/07/2016

The Commission presents a communication entitled '**Accelerating Europe's transition to a low-carbon economy**', which accompanies:

- [the legislative proposal](#) on binding annual greenhouse gas emissions reductions by Member States from 2021 to 2030;
- the legislative proposal on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy framework.

The series of measures set out in the communication aim to offer those Member States that have already started to prepare their **post-2020 energy and climate strategies** with the necessary clarity and tools to proceed with the domestic ratification process of the Paris agreement in climate change.

The Commission considers that the **package of measures helps Europe to prepare for the future and to stay competitive**. These measures are primarily addressed to Member States, since they will be in the forefront of deciding how to implement measures to meet the agreed greenhouse gas emission target for 2030.

However, Member States cannot do it alone. The EU must also:

- **support its businesses, farmers, researchers, investors, educators and social partners**, by providing EU-wide measures and enabling environment ;
- **support action by its rural communities and also its cities**, which are among the most dynamic and innovative actors in implementing a low-carbon, circular economy.

In the current global context, the Union must support its climate diplomacy action plan and seek to:

- **remain a leader in developing innovative low-carbon technologies** and services, not only in the energy sector but also in industry, buildings and transport;
- **continue to equip Europeans with the right skills** for the low-carbon economy, invest in the future and help industry to adjust to changing needs.

Guiding principles of a regulatory framework: the EU agreed in October 2014 a clear commitment to reach a **binding, economy-wide emissions reduction target of at least 40% by 2030**, compared to 1990 levels in all sectors (buildings, transport, waste, agriculture, as well as land-use and forestry). The new regulatory framework is based on the key principles of fairness, solidarity, flexibility and environmental integrity.

To start implementing that commitment, in July 2015, the Commission presented a [proposal to reform the EU Emissions Trading System \(ETS\)](#) to make it fit for purpose and drive investments after 2020 in the industrial and power sectors. The European Parliament and the Council should do their utmost to adopt this proposal quickly.

Furthermore, for the first time, the **land use and forestry sector (LULUCF)** will be integrated into the EU 2030 Climate and Energy Framework. The Commission proposes a careful balance between more incentives to capture carbon in soil and forests and the need to maintain the environmental integrity of the EU climate framework.

The proposal for a Regulation on the LULUCF sector establishes more robust accounting rules for land, land-use and forestry. As forest management is the main source of biomass for energy and wood production, more robust accounting rules for forest management will provide a solid basis for Europe's renewables policy and the further development of the bio-economy after 2020.

Fostering the enabling environment for low-carbon transition in the EU: building on this regulatory framework, the EU will support Member States with a number of tools and enabling measures.

Strategy for Energy Union and other sectoral initiatives:

- the Commission is presenting a **strategy on low-emission mobility**, which identifies the key levers in the field of transport, including EU-wide measures on low and zero-emission vehicles and alternative low emissions fuels. The strategy also underlines the need to make the most of the synergies between the transport and energy systems;
- the Commission is reviewing the existing EU-framework for energy efficiency and will present proposals later this year, including on how to attract financing into buildings renovation;
- the land-use and forestry proposal will create additional incentives for carbon sequestration in these related activities;
- with regard to the common agricultural policy, the review of EU-wide policy addressing the use of fertilisers is expected to contribute to a reduction of emissions from mined and synthetic fertilisers;
- the Waste Management Framework Directive and in particular the [Landfill Directive](#), for which the Commission proposed revisions last year, are expected to contribute to a significant reduction of emissions from waste.

Several factors outside this framework can help to facilitate energy transition in all sectors of the economy. The Commission notes the following:

- meet the challenges of the **circular economy** (an ambitious circular economy package was presented in 2015);
- present an integrated Energy Union **strategy for research, innovation and competitiveness** later this year, in order to directly support the achievement of Europe's climate and energy goals;
- increase efforts for **shifting and rapidly scaling up private investment**: the recent emergence of green bonds can also help direct capital flows towards low-carbon investments;
- ensure that the current EU **budget** spending is aligned with the climate objectives;
- explore ways to combine the resources available under other EU programmes, as for example the Connecting Europe Facility or Horizon 2020 to unlock additional investments, in particular through **investment platforms** ;
- **anticipate and mitigate the societal impact of the transition** in specific regions and socio-economic sectors, including through the European Structural and Investment Funds;
- **improve skills intelligence and address skills shortages** in specific economic sectors including green technologies in the framework of the new [comprehensive skills agenda for Europe](#);
- as a member of the World Trade Organisation, actively promote **liberalisation of goods and services**, which can deliver environmental benefit.

The Commission will immediately **start or accelerate better regulation processes** (including public consultations and impact assessments) to turn the action plan on low-emission mobility into a set of efficient and proportionate measures. By the end of the year, it will also present the remaining initiatives to complete the delivery of the EU's [Energy Union Strategy](#).

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

2016/0230(COD) - 20/07/2016 - Legislative proposal

PURPOSE: to determine how to include land use, land use change and forestry (LULUCF) in the EU's climate and energy framework, from 2021.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides following the ordinary legislative procedure on an equal footing with Council.

BACKGROUND: emissions and removals of greenhouse gases in LULUCF are currently covered by international obligations under the Kyoto Protocol only, up to 2020. Up to this date, the Kyoto Protocol places constraints on the EU and each of its Member States, as they need to ensure that the LULUCF sector does not yield extra emissions. However, **the Kyoto Protocol will expire at the end of 2020**. Consequently, governance for the LULUCF sector needs to be further developed within the EU.

Currently, this is carried out under [Decision No 529/2013/EU](#) on accounting rules on greenhouse gas emissions and removals resulting from activities relating to LULUCF. Without a legal framework defining the applicable rules for the period post-2020, the way in which LULUCF would be included in the overall framework could be heterogeneous across the EU.

The proposal is part of the legislation completing the integrated framework for climate and energy policies up to 2030 endorsed by the European Council in October 2014, to achieve the **EU 2030 greenhouse gas emission reduction target of at least -40% compared to 1990 levels** domestically in a cost effective manner and contribute to limiting global warming. It is part of the Commission's ten political priorities, and an important element of the strategic framework for the [Energy Union](#). It also aims to implement the EU's commitments under the **Paris Agreement** (December 1995) on climate change.

IMPACT ASSESSMENT: in the conclusion of the impact assessment, a stand-alone LULUCF policy pillar was identified as the preferred option. This would continue to be utilised together with the commitment by each Member State to ensure that the LULUCF sector should have no net emissions on their territory (no-debit rule).

CONTENT: the proposal aims to define how the LULUCF sector will contribute to an EU-wide **30% reduction in greenhouse gas emissions in non-ETS (emission trading scheme) sectors by 2030 compared to 2005**. It lays down;

- **the commitments by Member States** towards meeting the greenhouse gas emission reduction commitment of the Union for the period from 2021 to 2030;
- **accounting rules relating to emissions** and absorption linked to LULUCF activity and to verification of Member States' commitments.

The mandatory scope is, in essence, forest land and agricultural land, and land for which the use has changed from or to these uses. The approach proposed discards the parallel Kyoto Protocol reporting framework and **streamlines the system with the UNFCCC "land-based" reporting framework**. The scope includes greenhouse gases CO₂, CH₄ and N₂O.

Furthermore, the proposal:

- provides that each Member State is to ensure that the LULUCF sector should have, after the application of the accounting rules specified in the Regulation, and taking into account the flexibilities, **no net emissions on their territory** ("no-debit rule");
- lays down general rules to **avoid double counting**, to manage the transitions between land use categories and to account for each carbon pool, except those falling under a "de minimis" rule;
- outlines the specific accounting rules for land use changed from (deforested) and to (afforested) forest land;
- outlines the specific accounting rules for managed cropland, grassland and wetland, including categories of land changing from and to these categories;
- provides for accounting rules for managed forest land using a forest reference level to exclude the effects of natural and country-specific characteristics;
- lays down the accounting for harvested wood products;
- permits Member States to exclude emissions from natural disturbances (forest fire, pest invasion, etc.) from their accounts;
- provides for Member States to compensate for emissions from one land accounting category by removals from another land accounting category in their territory;
- outlines the requirements for Member States to ensure appropriate monitoring for accounting purposes, and establishes regular compliance checks by the Commission;
- amends [Regulation No 525/2013/EU](#) in order to ensure that the reporting requirements currently applying to LULUCF are continued within the framework of that Regulation.

BUDGETARY IMPLICATIONS: the proposal has very limited implications for the EU budget (**EUR 1.668 million for the period 2017-2020**).

The Commission states that the indirect impacts on Member States' budgets will depend on the choice of national policies and measures for greenhouse gas emission reductions and other mitigation action in the land use sector covered by this initiative chosen in each specific country. The proposal eliminates one (of the existing two) reporting frameworks, streamlining the process of accounting compared to that required under the Kyoto Protocol. This will reduce the administrative costs for Member States and the European Commission.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.

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

2016/0230(COD) - 13/09/2017 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 532 votes to 44, with 20 abstentions, **amendments** to the proposal for a regulation of the European Parliament and of the Council on the taking into account of greenhouse gas emissions and removals resulting from the ' land use and forestry in the context of the Climate and Energy Action for 2030 and amending Regulation (EU) No 525/2013 of the European Parliament and of the Council on a mechanism for the monitoring and reporting of greenhouse gas emissions and for the reporting of further information related to climate change.

The matter was referred back to the committee responsible for interinstitutional negotiations.

The main amendments adopted in plenary deal with the following points:

Potential of the LULUCF: the proposal aims to reduce greenhouse gas emissions and increase removals from forests in order to combat climate change. Parliament highlighted the considerable potential of land use, land use change and forestry (LULUCF) sector to contribute to the achievement of long-term climate the Union and at international level. It stressed that the **LULUCF accounting system** needed to be robust, suggesting that removals by the sector should be treated as a separate pillar in EU climate policy.

Commitments: Members proposed that Member States increase their CO₂ removals so that they **exceed their emissions from 2030**.

The Commission shall propose a framework for targets after 2030 which includes such increased removals, in line with the Union's long-term climate objectives and the commitments made under the Paris Agreement.

During the period from **2021 to 2025**, a Member State may choose to include managed **wetland**. It shall notify that choice to the Commission by 31 December 2020. During this period, Member States that have not chosen to include managed wetland in the scope of their commitments shall nevertheless report the emissions and removals from managed wetland to the Commission.

Flexibility: the proposal states that, depending on national preferences, Member States should be able to choose adequate national policies for achieving their commitments in LULUCF, including the possibility of compensating emissions from one land category by removals from another land category.

Parliament stated that Member States should be able to use up to **280 million tonnes of total net removals** resulting from the combined accounting categories of deforested land, afforested land, managed cropland, managed grassland, managed wetland where applicable, and, subject to the delegated act adopted pursuant to the [Regulation](#) on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030.

Other land-use categories: proposals indicate that land that is converted to another land use category should be considered in transition to that category for the default value of 20 years in the IPCC Guidelines. Parliament considered that Member States should only derogate from that default value only for afforested land and only in very limited circumstances justified under the IPCC Guidelines.

Forest land accounts: Parliament proposed to change the cap for forest management credits from **3.5 % of Member States emissions to 7 %**, with the aim of encouraging Member States to increase the absorption of CO₂ by dead wood.

Parliament also proposed to **change the reference period for the forest accounting plan** from 1990-2009 to **2000-2012**. It also called for a **team of experts** comprising representatives of the Commission and the Member States, in consultation with the Standing Forestry Committee and the civil society dialogue group on national forest accounting plans.

The Commission shall adopt **delegated acts** to amend Annex II to the Regulation in the light of the review and the assessment carried out by the expert review team. Until the entry into force of the delegated acts, Member State forest reference levels as specified in Annex II shall continue to apply for the period 2021-2025 and/or 2026-2030.

The Commission shall also adopt delegated acts to update the categories of **harvested wood products** (paper, wood panels, sawn timber) with integrating additional carbon-sequestration products on the basis of the IPCC Guidelines.

Report: the Commission shall report in **2027 and 2032** on the cumulative balance of emissions and removals from managed forest land in the Union in reference to average emissions and removals during the period 1990-2009.

If the cumulative balance is negative, the Commission shall present a proposal to compensate and remove the corresponding amount of emission allowances from Member States under the European Parliament and Council regulation on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030.

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

2016/0230(COD) - 17/07/2017 - Committee report tabled for plenary, 1st reading/single reading

The Committee on the Environment, Public Health and Food Safety adopted the report by Norbert LINS (EPP, DE) 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 committee recommended that the European Parliament's position adopted at first reading in accordance with the ordinary legislative procedure should amend the Commission proposal as follows:

Commitments: this proposal seeks to reduce greenhouse gas emissions and increase removals from forests in order to combat climate change. For the period after 2030, Member States shall endeavour to increase their removals so that they exceed their emissions. The Commission shall propose a framework for targets after 2030 which includes such increased removals, in line with the Union's long-term climate objectives and the commitments made under the Paris Agreement.

During the period from **2021 to 2025**, a Member State may choose to include managed **wetland**. It shall notify that choice to the Commission by 31 December 2020. During this period, Member States that have not chosen to include managed wetland in the scope of their commitments shall nevertheless report the emissions and removals from managed wetland to the Commission.

Flexibility: the proposal states that, depending on national preferences, Member States should be able to choose adequate national policies for achieving their commitments in LULUCF, including the possibility of compensating emissions from one land category by removals from another land category.

Members stated that Member States should be able to use up to **280 million tonnes of total net removals** resulting from the combined accounting categories of deforested land, afforested land, managed cropland, managed grassland, managed wetland where applicable, and, subject to the delegated act adopted pursuant to the [Regulation](#) on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030.

Other land-use categories: proposals indicate that land that is converted to another land use category should be considered in transition to that category for the default value of 20 years in the IPCC Guidelines. Members considered that Member States should only derogate from that default value only for afforested land and only in very limited circumstances justified under the IPCC Guidelines.

Forest land accounts: Members proposed to change the cap for forest management credits from **3.5 % of Member States emissions to 7 %**, with the aim of encouraging Member States to increase the absorption of CO₂ by dead wood.

The report proposed to **change the reference period for the forest accounting plan** from 1990-2009 to **2000-2012**. It also called for a **team of experts** comprising representatives of the Commission and the Member States, in consultation with the Standing Forestry Committee and the civil society dialogue group on national forest accounting plans.

The Commission shall adopt **delegated acts** to amend Annex II to the Regulation in the light of the review and the assessment carried out by the expert review team. Until the entry into force of the delegated acts, Member State forest reference levels as specified in Annex II shall continue to apply for the period 2021-2025 and/or 2026-2030.

The Commission shall also adopt delegated acts to update the categories of **harvested wood products** (paper, wood panels, sawn timber) with integrating additional carbon-sequestration products on the basis of the IPCC Guidelines.

Report: the Commission shall report in **2027 and 2032** on the cumulative balance of emissions and removals from managed forest land in the Union in reference to average emissions and removals during the period 1990-2009.

If the cumulative balance is negative, the Commission shall present a proposal to compensate and remove the corresponding amount of emission allowances from Member States under the European Parliament and Council regulation on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030.

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.