

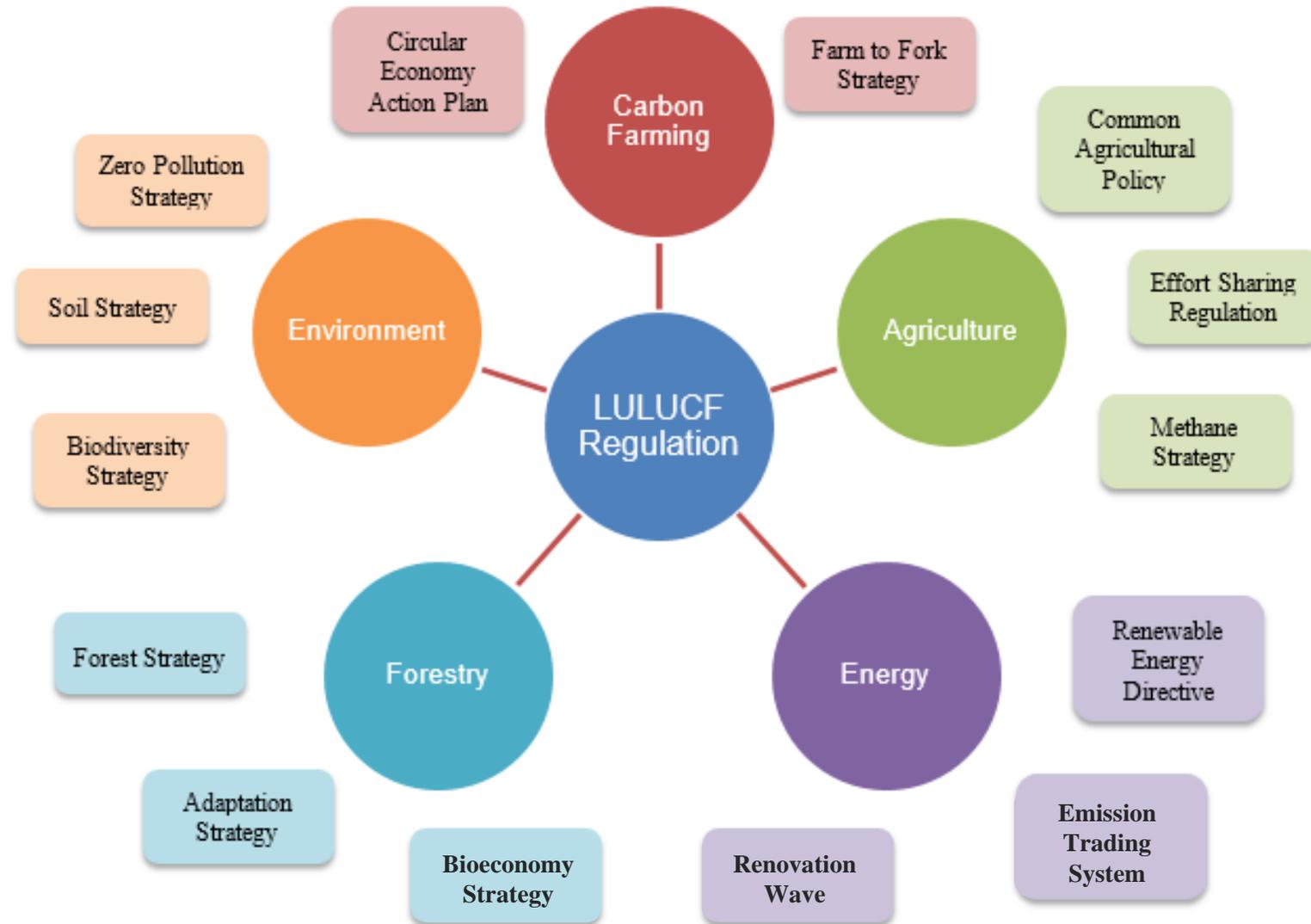


Fit for 55

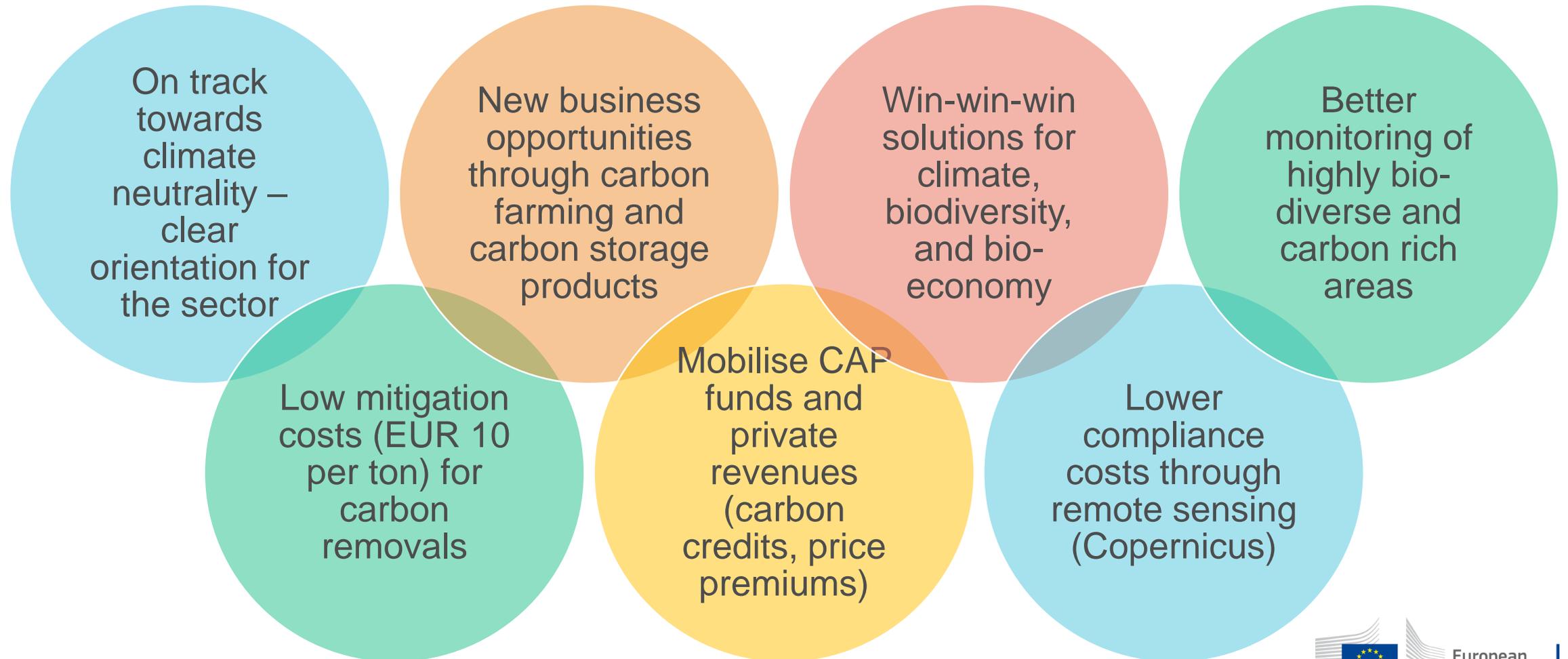
Revision of the Land Use, Land Use Change and Forestry
(LULUCF) Regulation, and carbon removals post-2030

DG CLIMA, European Commission

Coherence within the Green Deal



Drivers: environmental benefits *and* business opportunities



Large number of win-win actions for climate, biodiversity, and bioeconomy, e.g.:

More precise and sustainable farming supported by digital solutions

Agroforestry and agro-ecology

3 billion trees initiative from Forest Strategy

Rewetting of drained peatlands

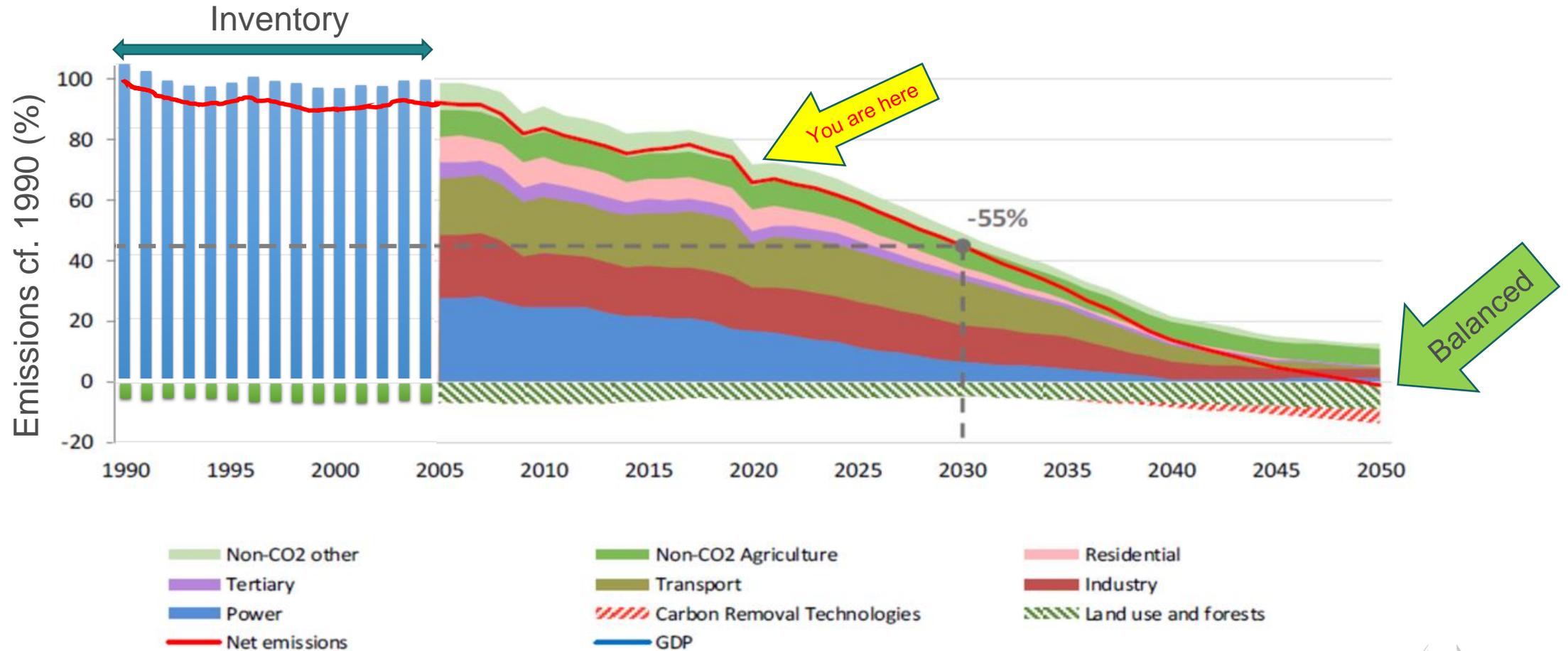
More sustainable use of biomass – like woody construction material

Extensive livestock farming on grasslands

Healthy diets

No use of biomass from highly biodiverse and carbon rich areas

Pathway to climate neutrality: Climate Law



State of play

Decreasing carbon removals in forests, soils, and wood products

Stable (inc. non-CO₂) emissions from livestock, fertiliser use, soils

Complex compliance rules under LULUCF and Effort-Sharing Regulation

Reverse the trend

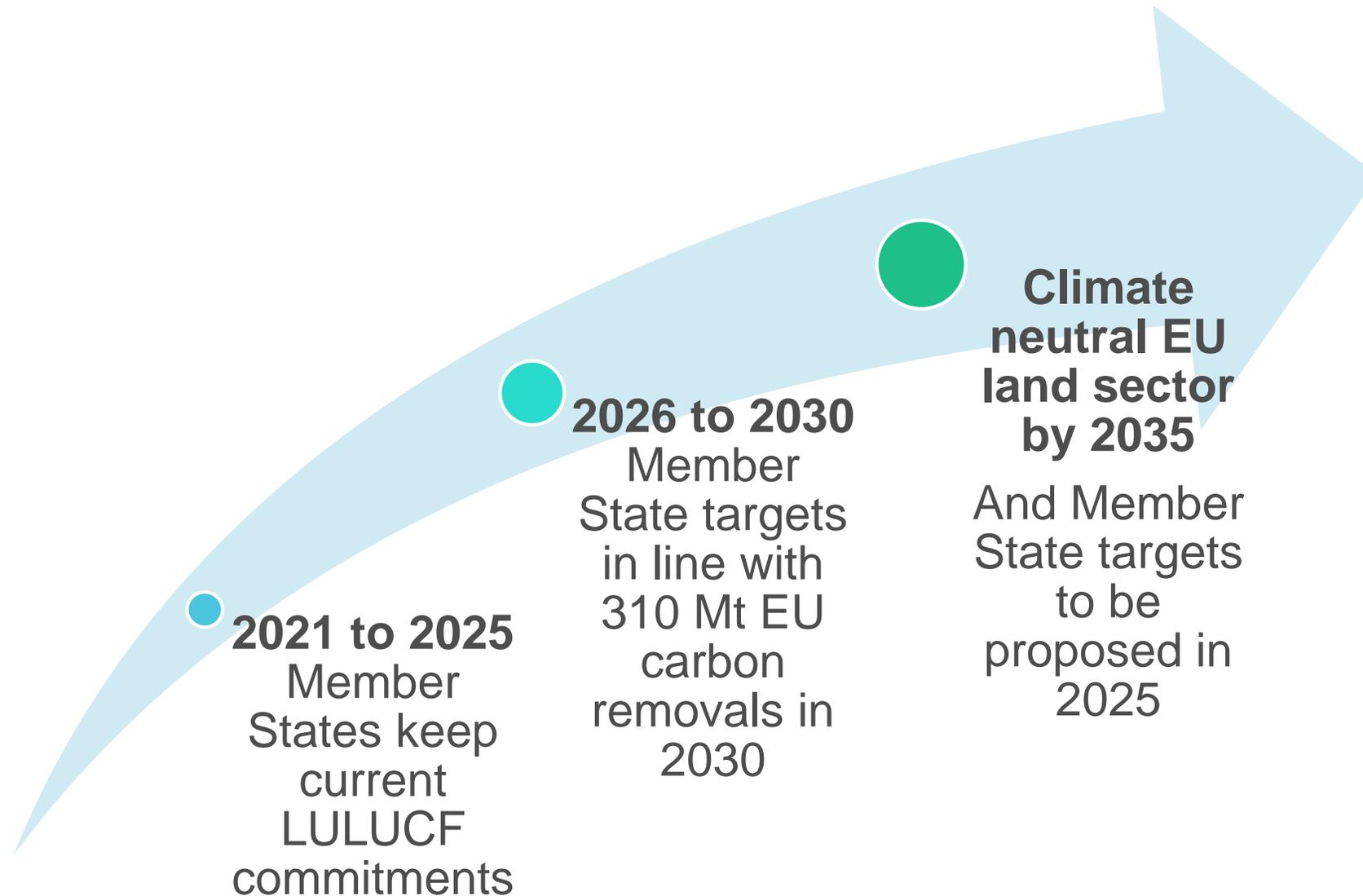
**Simpler, more
transparent and
effective
compliance rules
and targets**

**Increase EU
carbon removals to
at least 310 Mt by
2030**

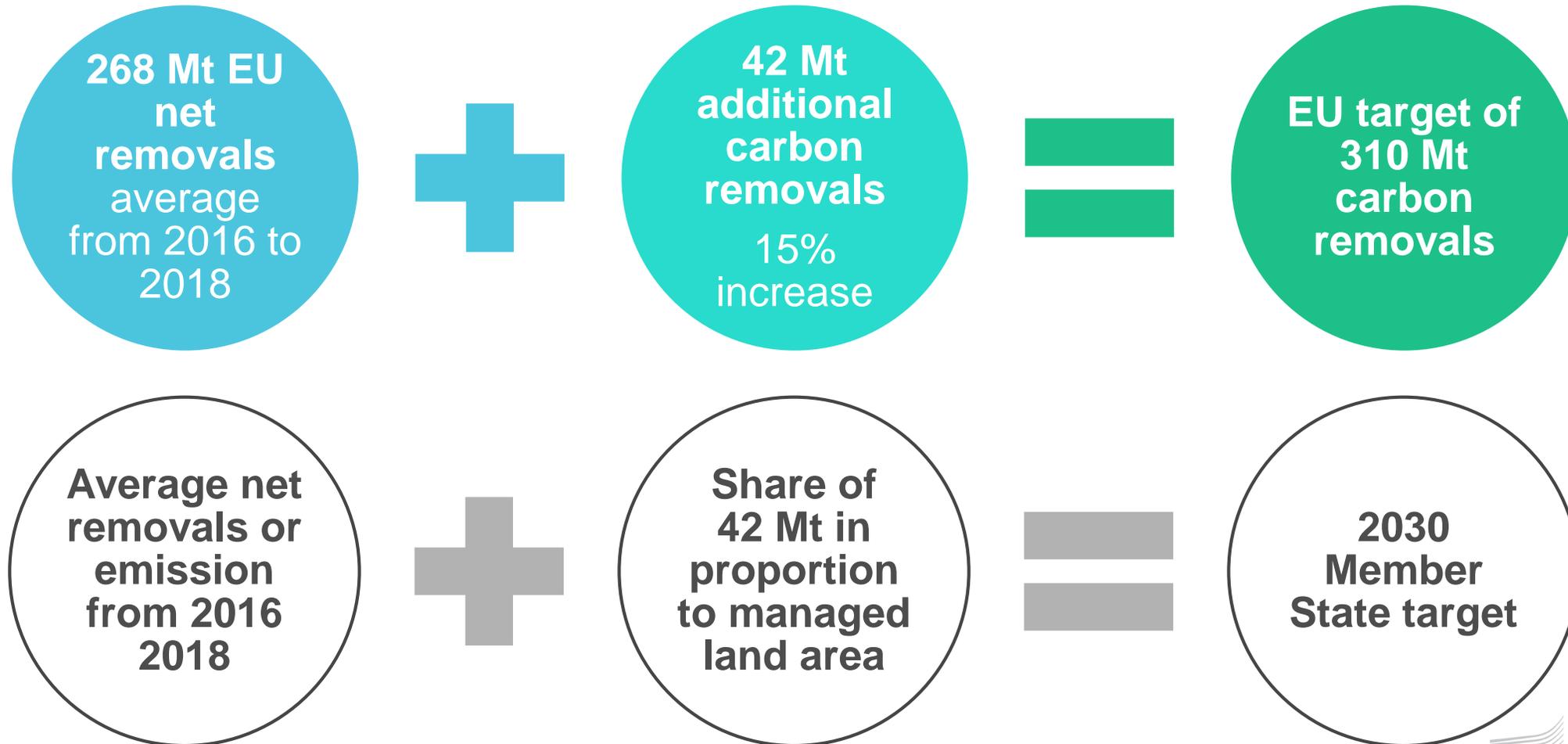
**Climate neutral EU
land sector by
2035**

Increased carbon
removals **balance**
reduced agricultural
emissions, including
from livestock and
fertiliser use

On track towards a climate-neutral land sector



2030 carbon removal targets for Member States



Improved target framework

2021 to 2025 First compliance period

- **Current accounting rules continue to apply:** each Member State to bring into balance the sum of total emissions and total removals in the LULUCF sector accounted ('no-debit' rule)
- New, simpler coverage for emissions from natural disturbances

See scope in Art. 2(1)

New para Art.
13(4), Recital (11)

Deletions of
"2026 to 2030"
e.g. Art.
6,7,8,10,13...

2026 to 2030 Second compliance period

- **Sectoral target for each Member State** based on reported data **instead of** current accounting rules
- 'Flexibility' mechanism extended, better coverage for natural disturbances
- Annual targets for 2026 to 2029 determined by a trajectory set out in implementing act by 2025

Scope,
Art. 2(2)

Art. 13b

Trajectory:
Art. 4 (3)
Recital (6)

2035 climate-neutral EU land sector target

Target at EU level for 2035

- Carbon removals to **balance** all agricultural emissions, including from livestock and fertilizer
- The sector to produce **net removals** after 2035, need to balance other sectors

See scope in Art. 2(3)

Member State targets to be proposed in 2025

- Member States to submit by mid-2024 their intended contributions together in their updated National Energy and Climate Plans (NECP)
- Commission to carry out an impact assessment and to propose Member State targets and possibly further EU-measures

Art. 4(4)
Recital (8)

Better monitoring and reporting of carbon removals

Land monitoring

- Enhanced accuracy and precision needed due to compliance against reported data
- Increased use of geographical data and remote sensing
- Better determination of highly biodiverse and carbon rich areas, protected areas, adaptation risk zones, etc.

Recital (16), Annex III,
(changes to Gov Reg Annex V)

Carbon storage products

- New option to define products that store carbon – in addition to harvested wood products categories
- Link to upcoming Commission initiative on carbon removal certification

Broadening of Art. 9, Recital (10)

Compliance, governance

Flexibilities

- Within sector, trade and flexibility encouraged
- Enhanced natural disturbance provisions, e.g. for forest fire, drought, to aid individual Member State compliance
- Compliance periods (2021-25, 2026-30) separated – because accounting system is changed

Quality checks and compliance, penalties

- Comprehensive inventory review in 2025 (reporting years 2021/2/3); also input from Member States 2024 under Gov. Reg. 2018/1999.
- Coherent, standardized dataset coverage, synergies with CAP etc.
- Compliance, penalty framework stand-alone in Land Sector from 2026 onwards

State of play

Ambitious and credible targets and governance for Member States



Review of the LULUCF Regulation
Commission proposal in July 2021

Review of the Effort Sharing Regulation
Commission proposal in July 2021

Presentation with co-legislators
ongoing

Better business incentives for farmers and foresters



Carbon farming initiative
Q4 2021

Certification of carbon removals
Commission proposal in 2022

CAP - 2023 to 2027
Submission of Strategic Plans by 31 Dec 2021

Thank you!

See the LULUCF upgrade amendment proposal: <https://europa.eu/!jPjNFP>
and factsheet: <https://europa.eu/!n87V6u>



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