



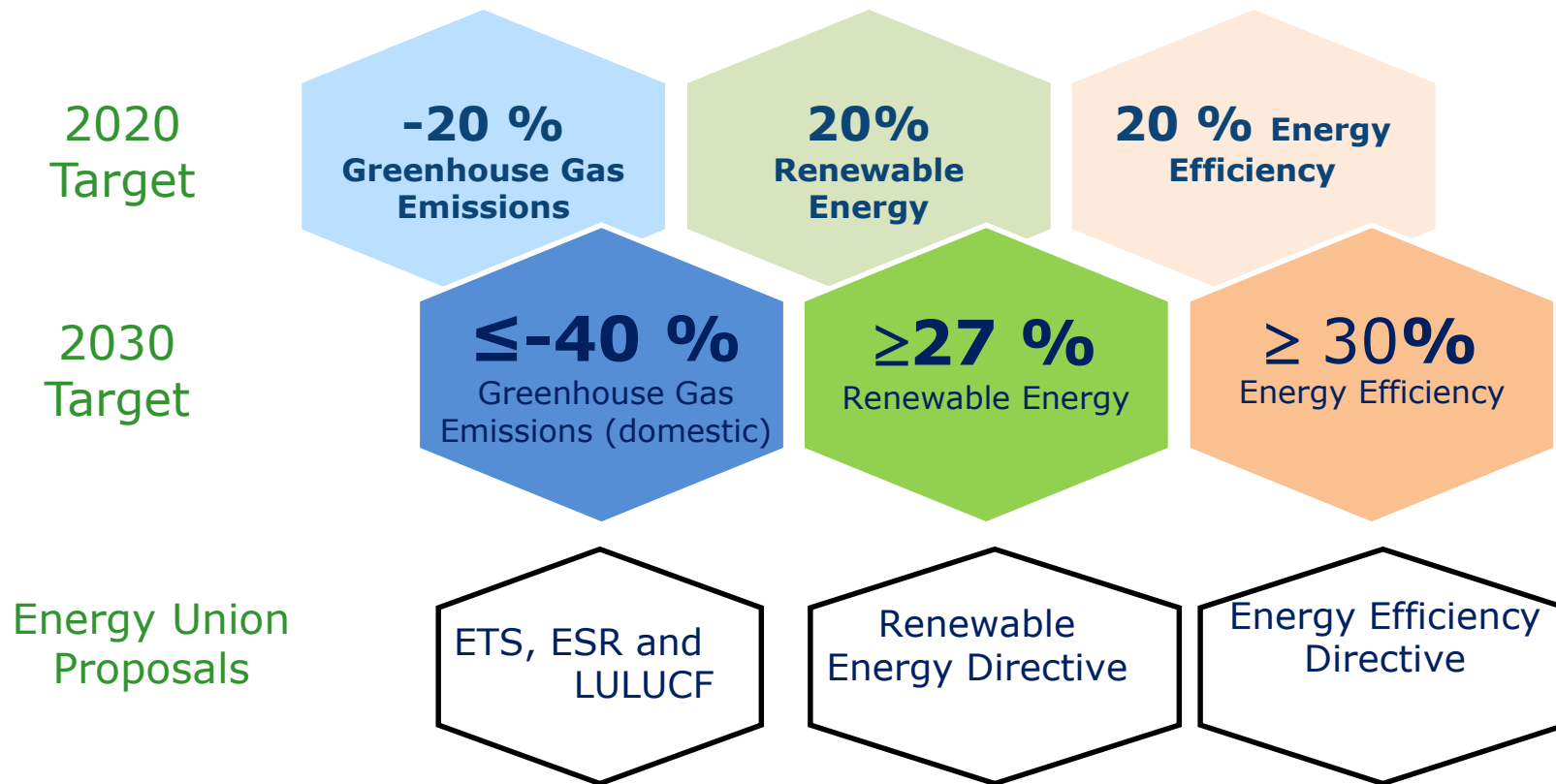
Land Use, Land Use Change and Forestry

Dan Burgar Kuželički

DG Agriculture and Rural Development
Unit D.4 – Environment, climate change,
forestry and bio-economy

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EU climate and energy framework



ETS: Emissions Trading System
ESR: Effort Sharing Regulation
LULUCF: Land Use, Land Use Change and Forestry

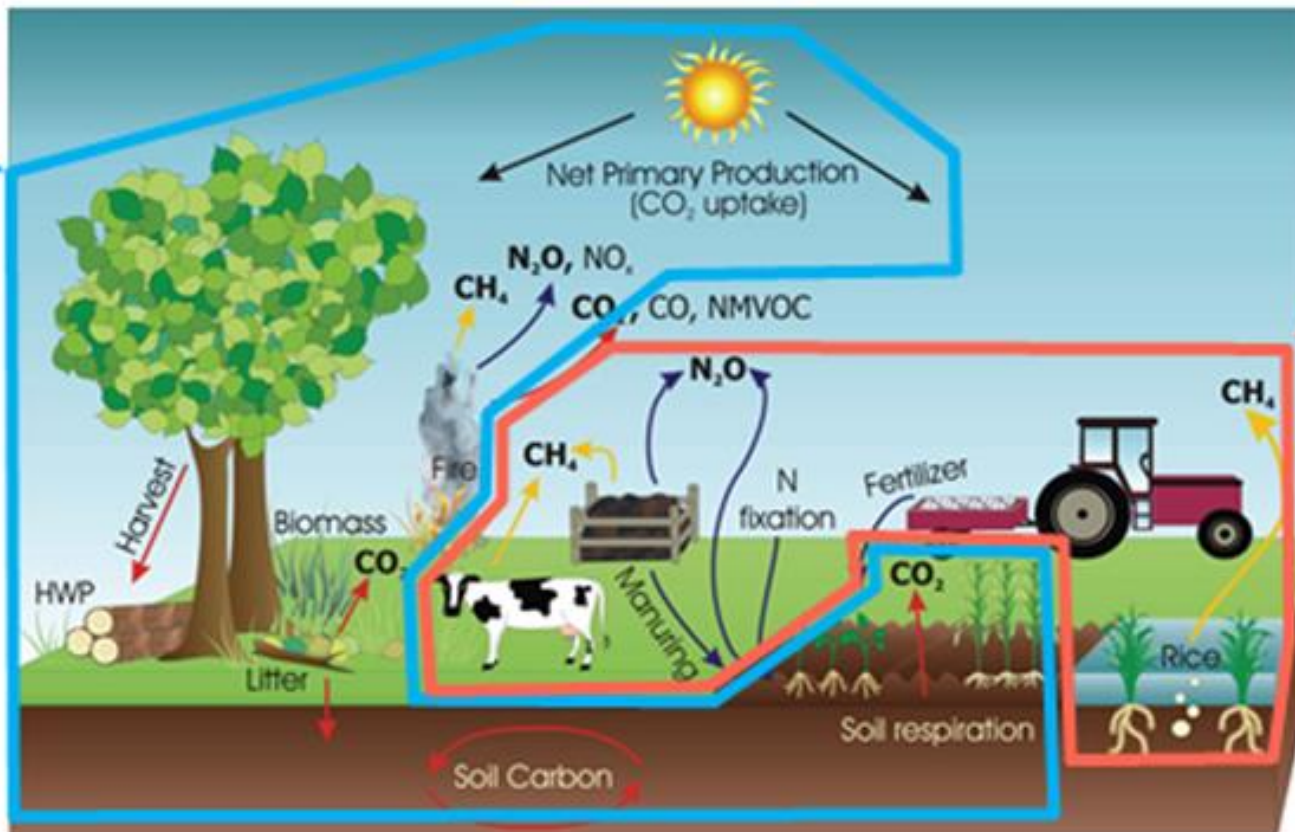
Energy Union Governance

Land Use, Land Use Change and Forestry (LULUCF): CO_2

AGRICULTURE *non- CO_2* (CH_4 , N_2O) – in the ESR

Partly human induced
(linked to global natural carbon cycle)

↓
Uncertainties?
Additional?
Permanence?
Leakage?



What is the LULUCF Regulation about?

- *LULUCF means Land Use, Land Use Change and Forestry*
- *Regulation includes LULUCF into the EU 2030 climate and energy framework for the **first time**, ensuring that land-use sector also contributes to EU's emissions reductions target*
- *Regulation is in line with:*
 - the agreement by EU leaders that all sectors should contribute to the **EU's 2030 emissions reduction target** (October 2014)
 - the **Paris Agreement** on climate change
- *Is compatible with **food security** and **biodiversity objectives***
- *Recognises the central role of **forests, agricultural land and wetlands** in achieving the Paris Agreement goal in reaching the long term mitigation objectives*

What is the LULUCF Regulation about?

- **"No debit rule"** - ensures that LULUCF contribution to the economy-wide reduction target for 2030 is at least **neutral**, thus requires each Member State to ensure that accounted emissions from land use are entirely compensated by an equivalent removal of CO₂ from the atmosphere
- Keeps LULUCF as a separate pillar in the Union climate policy framework
- Introduces flexibilities, while continuing to incentivize additional mitigation action in the sector
- *Importance of long-term strategies, sustainable and innovative practices and technologies*
- *Recognises the importance of LULUCF sector to provide bio-materials that can substitute fossil and carbon intensive materials*
- *The regulation does not set any obligations for private parties, farmers or foresters*

Scope of the LULUCF Regulation

- *Covers the following sectors: afforestation, deforestation, managed grasslands, managed croplands, managed forest, managed wetlands*
 - Sets accounting rules, defining how to calculate emissions and removals
 - Different accounting rules for different land uses
- ***Accounting for afforested land and deforested land***
 - Gross-net (emissions and removals for each of the years)
 - Afforestation 20 or 30 years
- ***Accounting for managed cropland, managed grassland and managed wetland***
 - Net- net (comparison of emissions and removals to the base year 2005-2009)
 - As of 2026 includes managed **wetlands**
 - MS can include it already in period 2021-2025

Scope of the LULUCF Regulation

- ***Accounting for managed forest land***
 - Ensures robust accounting rules and governance for forest management
 - MS to submit national forest accounting plans for period 2021-2025 and 2026-2030
 - Forest reference level
 - Reference period is set to 2000 -2009
 - FRL is capped at 3,5% (Net removals from dead wood and HWP are not subject to the cap)
 - Takes account of the future impact of dynamic age-related forest characteristics not to unduly constrain forest management intensity, with the aim of maintaining of strengthening long-term carbon sinks
- Involvement of MS experts in technical assessment
- Flexibility is granted to temporarily increase of harvest intensity, provided that Union total emissions do not exceed total removals in LULUCF sector. And up to the level at which MS forests are no longer sinks. It recognises the situation of MS with high forest cover and particular of smaller MS.

Scope of the LULUCF Regulation

- ***Accounting for harvested wood products***
 - Recognises the importance of harvested wood products
 - Possible addition of new categories of HWP based on IPCC Guidelines
- ***Compliance check***
 - Two compliance periods 2021-2025 and 2025 – 2030
 - Reporting of emissions and removals is done annually

LULUCF Regulation

- *Adopted by the Commission: 20 July 2016*
- *Adopted by the Council on 14 May 2018, following the European Parliament vote on 17 April 2018.*
- *Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union*

Flexibilities to the Effort Sharing Regulation



1. Between LULUCF and ESR

Effort Sharing Regulation

Non-CO2 emissions from Agriculture

Buildings

Transport

Waste

F-gases

Other small sectors outside ETS

MS can use a limited amount of LULUCF credits to offset emissions surplus in Effort Sharing sectors

Flexibility is limited:

- Max amount by MS
- Only from net afforestation, Managed Cropland, Managed Grassland
- Managed forest, managed wetland – requires delegated acts

No-debit rule

Land Use, Land use change and Forestry

Afforestation

Deforestation

Managed grasslands

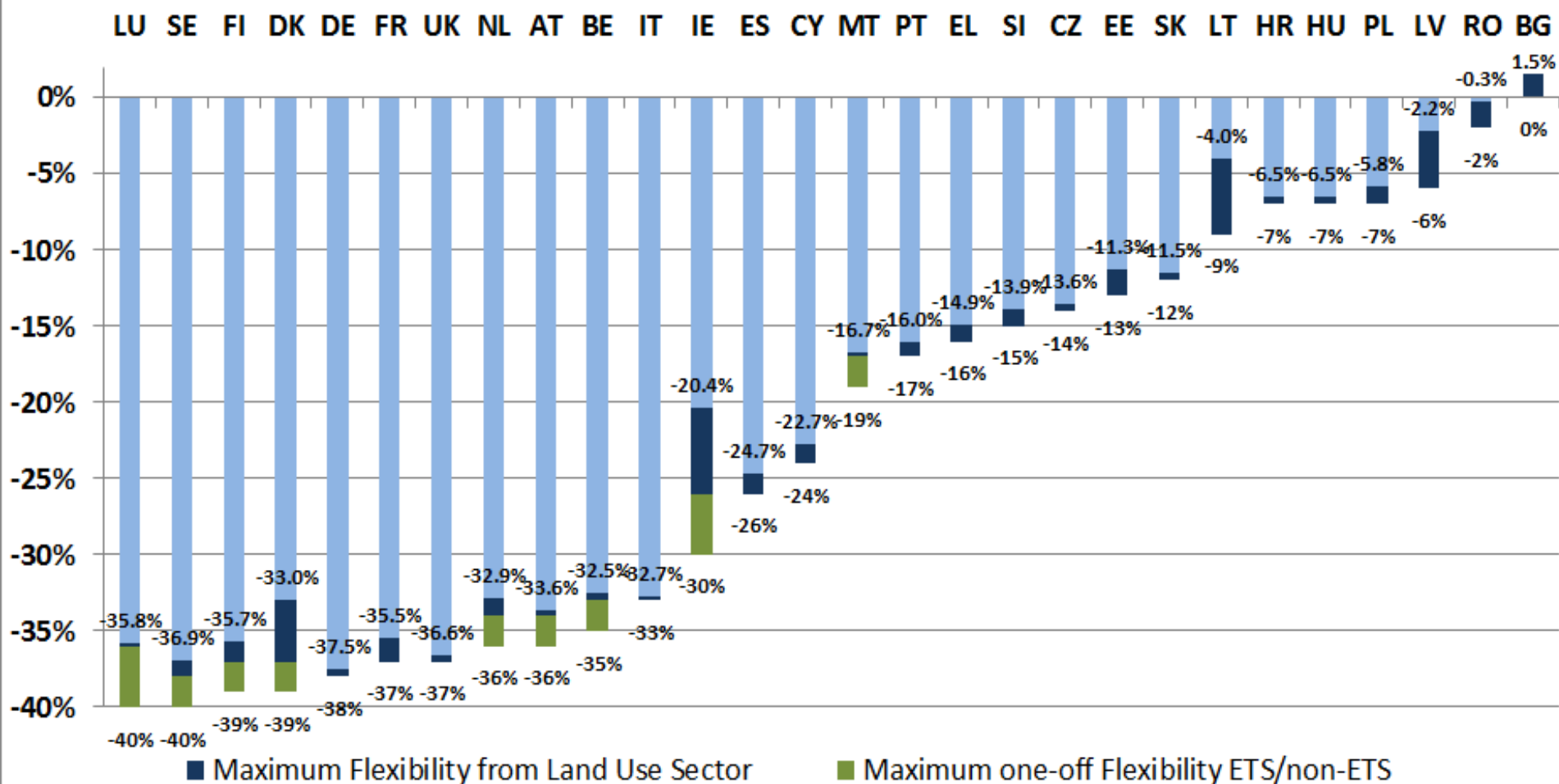
Managed croplands

Managed forest

Managed wetland (after 2026)

2. Limited one off allowances from ETS for few MS

ESR targets and maximum one-off ETS/non-ETS and land use flexibilities





Thank you for your attention

For further information:
dan.burgar-kuzelicki@ec.europa.eu

<http://ec.europa.eu/agriculture/forest>