

# **Climate policy for LULUCF**

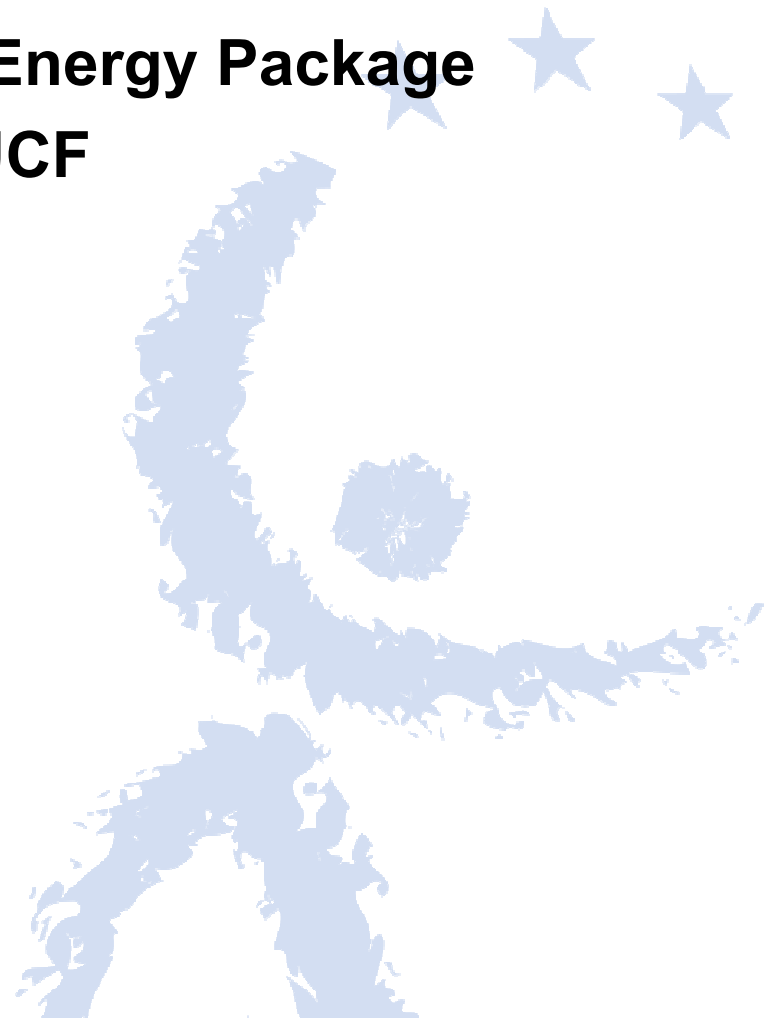
## **Findings of the informal expert group under the European Climate Change Programme (ECCP)**

Stakeholder meeting on the role of agriculture and forestry in meeting the EU's climate change commitments

Brussels 28 January 2011

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- 1. LULUCF and the Climate & Energy Package**
- 2. Milestones in work on LULUCF**
- 3. ECCP results**
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# 1. LULUCF and the Climate & Energy Package

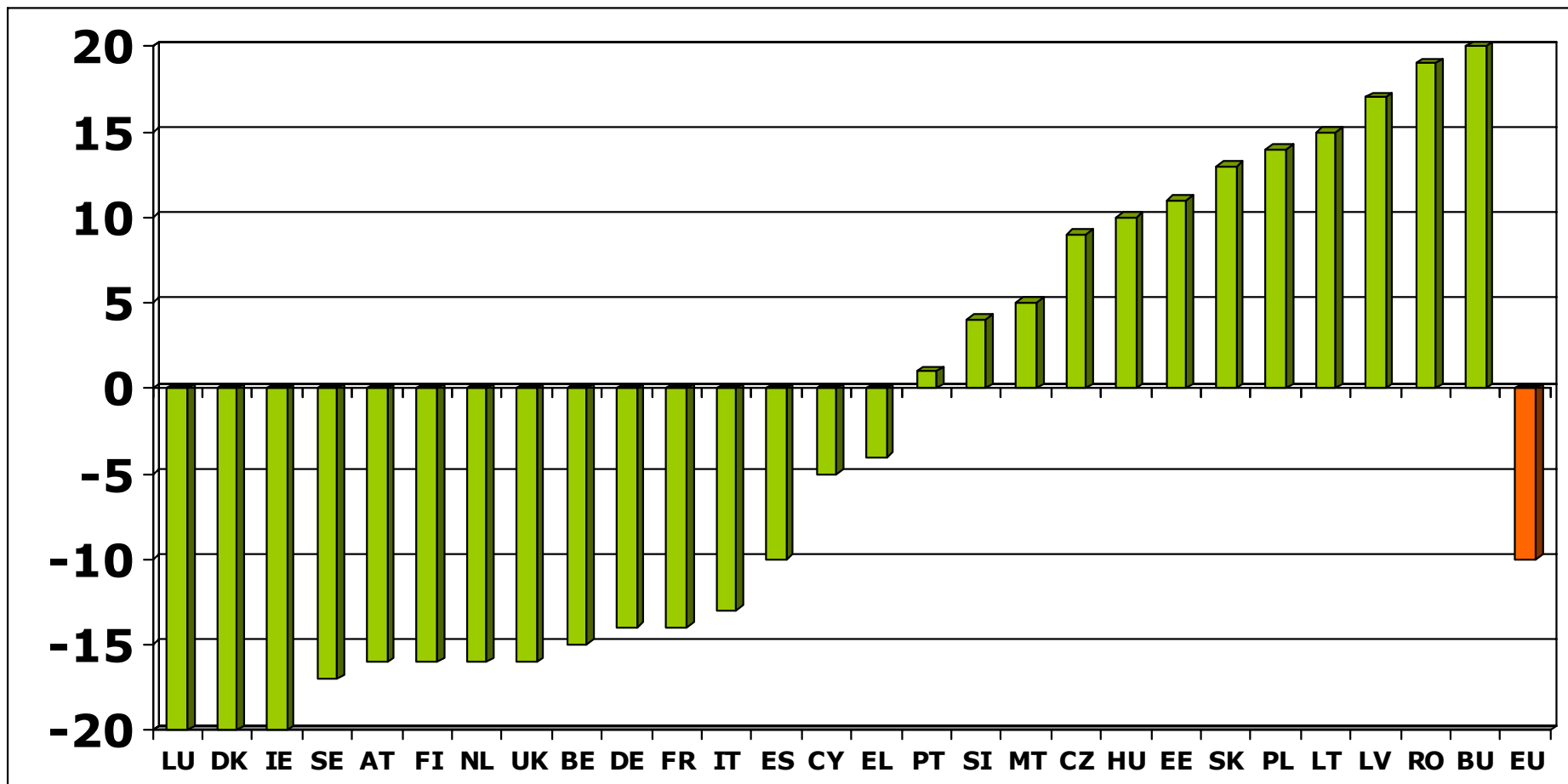


## EU Climate and Energy Package

What are the main components of the EU's climate policy for 2020? ?

- ★ **EU's objective is to limit global temperature increase to 2°C above pre-industrial levels**
- ★ **Climate & Energy package agreed in 2008:**
  - ↪ Directive amending EU ETS to contribute to 20% GHG emission reductions
  - ↪ Decision to share efforts outside EU ETS for emission reductions
  - ↪ Directive to reach 20% renewable energy by 2020
  - ↪ Directive on legal framework for carbon capture and storage
- ★ **Step-up of efforts if conditions are right**

## How are non-ETS reductions distributed between Member States ?



- LU ■ DK ■ IE ■ SE ■ AT ■ FI ■ NL ■ UK ■ BE ■ DE ■ FR ■ IT ■ ES ■ CY
- EL ■ PT ■ SI ■ MT ■ CZ ■ HU ■ EE ■ SK ■ PL ■ LT ■ LV ■ RO ■ BU ■ EU

# GHG Target:

**-20% compared to 1990**

How are reductions distributed between ETS and non-ETS ?

**-14% compared to 2005**

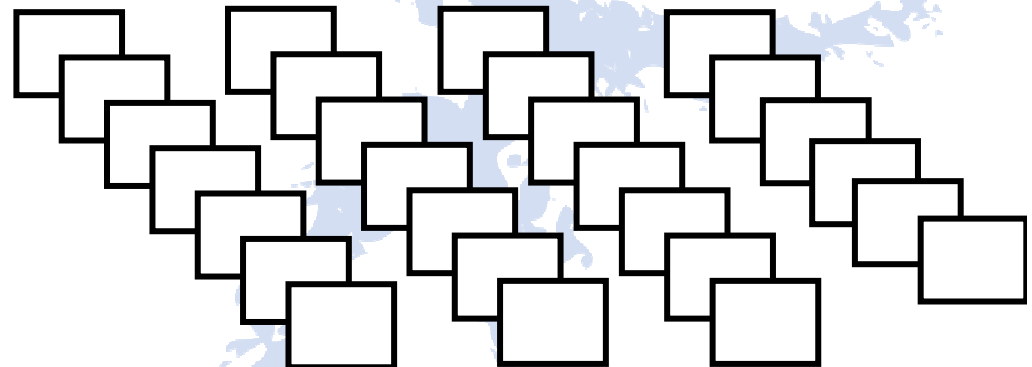
**EU ETS**

**-21% compared to 2005**

**Non ETS sectors**

**-10% compared to 2005**

**27 Member State targets, ranging from -20% to +20%**



- ★ **LULUCF not included in current 20% reduction commitment of the Climate and Energy Package**
- ★ ***But 'all sectors of the economy should contribute to achieving the emissions reductions'***
- ★ **Provisions included in Effort Sharing Decision (406/2009/EC, Art. 8 and 9) and Revised ETS Directive (2009/29/EC, Art. 28)**
- ★ **COM required to**
  - ↪ submit report assessing how to include emissions and removals related to LULUCF in the Community
  - ↪ as appropriate, propose how to include sector in Community reduction commitment
- ★ **...based on harmonised modalities ensuring permanence and environmental integrity, accurate accounting rules and accurate monitoring**

★ **Different provisions for different outcomes in the international negotiations**

- ↪ No international agreement end 2010 = proposal taking account of MS intentions and UNFCCC methodologies (Art. 9). Report 30 June 2011, legislation 2013
- ↪ International agreement end 2010 = proposal on the basis of internationally agreed rules (Art. 8). Report within 3 months of signature, legislation depending on new agreement.

★ **Hence, June 2011 is the deadline for reporting**



## **2. Milestones in work on LULUCF**



<b>Milestones</b>	
Informal expert group	April – September 2010
Public consultation	September – November 2010
Member State consultation	November – December 2010
Stakeholder meeting	January 2011
Report/Communication	June 2011
Legislative proposal	Pending assessment

### **3. Work under ECCP – Main findings**



- ★ **ECCP is COM's main instrument for discussing and preparing climate policy**
  - ★ **Participants from environmental NGOs, public administrations, trade associations and research institutions**
  - ★ **Group convened five times between April and September 2010**
  - ★ **Co-chaired by DG Climate Action and DG Environment**
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★ **Focus on three key questions**

1. What would be the potential role of LULUCF in the EU's GHG reduction commitment?
2. Should LULUCF be included in the EU's GHG reduction commitment? How?
3. Is there a need for additional mitigation incentives and can they usefully be provided at the EU level?

★ **Summary report adopted in September**

★ **Objective of the report was to:**

- ↪ Highlight key issues that have been discussed in the course of the work
- ↪ Identify points of convergence and divergence in the group
- ↪ Reflect a range of views, not negotiate a common position

**What would be the potential role of LULUCF in the EU's GHG reduction commitment?**



- ★ **Effective climate mitigation measures can be defined for both forestry and agricultural land use**
- ★ **Mitigation potential of “strict” LULUCF measures fairly limited in 2020 but increases by 2030**
- ★ **Climate mitigation strategies to...**
  - ↪ ...focus on increasing/preserving carbon stocks on land?
  - ↪ ...consider broader uses of biomass?
  - ↪ A level playing will help balance mitigation
- ★ **Key is combine short-term incentives with actions that are beneficial in the long run**



**Climate Action**

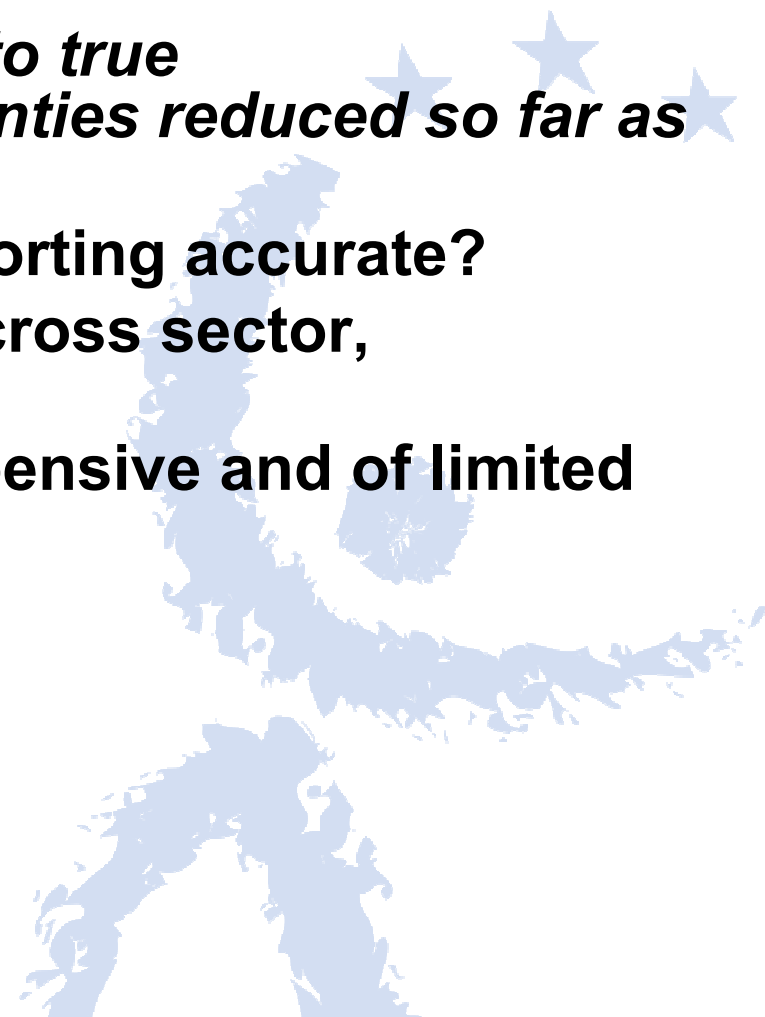
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**Should LULUCF be included in the EU's GHG reduction commitment? How?**





- ★ **Inclusion generally supported, but conditional (accounting, MRV)**
- ★ **General agreement that the sector should not link to the EU Emissions Trading Scheme**
- ★ **Options of establishing a separate policy framework for LULUCF or incorporating the sector in the Effort Sharing Decision should be considered in more detail**
- ★ **A full and mandatory inclusion of all activities in the 2020 target is likely to be difficult**

- ★ ***“Systematically not different to true emissions/removals, uncertainties reduced so far as practicable” (IPCC)***
  - ★ **Is current monitoring and reporting accurate?**
  - ★ **Uncertainty high but varies across sector, comparable with “agriculture”**
  - ★ **Annual reporting difficult, expensive and of limited relevance**
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- ★ **A range of objectives for accounting rules were suggested, including:**
  - ↪ giving correct incentives,
  - ↪ balancing different mitigation options,
  - ↪ moving towards complete accounting,
  - ↪ ensuring consistency between rules agreed in the EU and in the UNFCCC
  - ↪ taking into account national circumstances
- ★ **Many favoured accounting of changes in harvested wood products, but some warned of limited benefits**

- ★ **Monitoring**: Current and “justified” differences in monitoring and reporting makes direct comparability difficult
- ★ Although complex, harmonisation of national inventories is possible and ongoing. A process to be put in place to see where further harmonisation can usefully be achieved
- ★ **Accounting**: Standardisation is applicable (which activities to account for). Differences between Member States are generally less justifiable on technical grounds

- ★ **No single definition, focus on accounting**
- ★ **Should be based on, e.g.:**
  - ↪ Completeness of accounting and reporting, i.e. to cover all greenhouse gases (GHGs), carbon pools and activities
  - ↪ Additionality and transparency
  - ↪ Accounting to be balanced in terms of emissions and removals
  - ↪ Inclusion of LULUCF in commitment should strengthen, not water down, mitigation efforts
  - ↪ Considering impacts on e.g. biodiversity and water



**Climate Action**

Energy for a Changing World

**Is there a need for additional mitigation incentives  
and can they usefully be provided at the EU  
level?**



- ★ **Accounting would provide incentives for mitigation, but some felt this could be achieved also by other means**
- ★ **Use/amend existing policy instruments, e.g., Common Agricultural Policy**
- ★ **Reward measures rather than absolute changes in emissions and removals**
- ★ **Improved data and monitoring and related research needed (soil)**

## 4. Summing up





- ★ **LULUCF not part of the EU's commitment but COM is assessing whether and how it can be included**
- ★ **This is a complex issue with many different linkages and views, but convergence on some points**
- ★ **Consultations have been carried out and results will feed into COM's ongoing work**
- ★ **COM intends to publish a Communication in June this year**

**Thank you for your attention**

**All presentations and results from the public stakeholder presentation will be made available on [http://ec.europa.eu/clima/events/0029/index\\_en.htm](http://ec.europa.eu/clima/events/0029/index_en.htm)**