



2021/0201(COD)

26.4.2022

OPINION

of the Committee on Agriculture and Rural Development

for the Committee on the Environment, Public Health and Food Safety

on the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) 2018/841 as regards the scope, simplifying the compliance rules, setting out the targets of the Member States for 2030 and committing to the collective achievement of climate neutrality by 2035 in the land use, forestry and agriculture sector, and (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review (COM(2021)0554 – C9-0320/2021 – 2021/0201(COD))

Rapporteur for opinion: Norbert Lins

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SHORT JUSTIFICATION

The European Commission proposal for a ‘Review of the Land Use, Land Use Change and Forestry (LULUCF) Regulation’ as part of the ‘Fit for 55 package’ under the ‘European Green Deal’ of 14 July 2021 aims to contribute to the achievement of the 55% emissions reductions target at the EU level as an important milestone on the way to EU-wide climate neutrality in 2050.

The changes made to LULUCF provide important incentives for more climate protection in forestry and agricultural policy, while other objectives are to design a fair, flexible and integrated policy framework, to simplify implementation, and to improve monitoring and reporting. For the first time, a mandatory European sink target is proposed for 2030 and from 2031 onwards, the scope of the LULUCF Regulation will be expanded to include non-CO₂ emissions from the agriculture sector, thus covering the whole land sector framework for the first time with one climate policy instrument. Agriculture and forestry fulfil economic, social and environmental functions for society. This multifunctional role of sustainable agriculture and forest management must be recognized and adequately rewarded in European climate policy. Incentives to reduce greenhouse gases must therefore be in line with ensuring security of supply and a clear commitment to Europe as a production location for sustainable food and biomass. Agriculture and sustainable use of biomass are not in conflict with climate ambitions, but should be considered as part of the solution.

The European Climate Law recognizes for the first time the climate performance of agriculture and forestry by introducing a net target including removals in the LULUCF sector. Up to 225 million tons of CO₂ equivalent from the LULUCF can be counted towards the climate target. This was introduced to focus on fossil emission reduction, while improving conditions of forests to increase carbon removals in the long term. For the first time, it is made clear that agriculture and forestry explicitly contribute to climate protection and are the first sector to have the potential to become climate neutral. By storing carbon in forests, soil and wood products, the sector not only actively contributes to climate protection, but also to biodiversity and the bioeconomy in line with the European circular economy and the replacement of fossil raw materials.

The following amendments to the Commission proposal should therefore be highlighted:

- The 2030 sink target must be realistic, ambitious, based on the most up-to-date figures and scientific analysis. It should be in line with sustainable active forest management and incentivise sequestration, storage of carbon and substitution of fossil fuels. The LULUCF sector must not be used solely to compensate for emissions from other sectors, but should facilitate the eradication of fossil emissions and products.
- The creation of a land sector, thus the combination of CO₂ and non-CO₂ emissions from LULUCF and agriculture, is coherent and leads to a holistic policy framework. With the inclusion of methane, a reassessment of short-lived biogenic greenhouse gas emissions becomes necessary. In addition, an impact assessment on food security, bioeconomy, and fossil fuel substitution must be conducted. There must be no negative impacts or leakage effects.

- In order to reach climate-neutrality in the entire land sector by 2035, carbon removals should balance the greenhouse gas emissions from all land, livestock and fertilizer use. Sustainable and climate-resilient carbon cycles must be established through actions such as upscaling carbon removal solutions that capture CO₂ from the atmosphere and store it for the long term. A system of market-based and voluntary incentives at the level of the individual land manager to increase carbon removals must be created. The Commission should propose the necessary framework with a mix of public and private investment.
- Contributions to the 2030 target and the goal of climate neutrality should be fairly balanced among sectors and member states.

AMENDMENTS

The Committee on Agriculture and Rural Development calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 2

Text proposed by the Commission

(2) Tackling climate and environmental-related challenges and reaching the objectives of the Paris Agreement are at the core of the Communication on “The European Green Deal”, adopted by the Commission on 11 December 2019²⁸. The necessity and value of the European Green Deal have only grown in light of the very severe effects of the COVID-19 pandemic on the health and economic well-being of the Union’s citizens.

Amendment

(2) Tackling climate and environmental-related challenges and reaching the objectives of the Paris Agreement are at the core of the Communication on ‘The European Green Deal’, adopted by the Commission on 11 December 2019. ***The European Green Deal combines a comprehensive set of effective measures and equitable initiatives to achieve climate neutrality in the Union by 2050, while establishing the need for an efficient and fair transition in order to give investors predictability and ensure the irreversibility of the process of achieving climate neutrality.*** The necessity and value of the European Green Deal have only grown in light of the very severe effects of the COVID-19 pandemic on the health and economic well-being of the Union’s citizens.

²⁸ COM(2019)640 final.

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) In Regulation (EU) 2021/1119 of

Amendment

(4) In Regulation (EU) 2021/1119 of

the European Parliament and of the Council³⁰, the Union has enshrined the target of economy-wide climate neutrality by 2050 in legislation. That Regulation also establishes a binding Union commitment to reduce net greenhouse gas emissions (emissions after deduction of removals) by at least 55 % below 1990 levels by 2030. All sectors of the economy are expected to contribute to achieving that target, **including** the land use, land use change and forestry sector. The contribution of net removals to the 2030 Union climate target is limited to 225 million tonnes of CO₂ equivalent. In the context of Regulation (EU) 2021/1119, the Commission reaffirmed in a corresponding statement its intention to propose a revision of Regulation (EU) 2018/841 of the European Parliament and of the Council³¹, in line with the ambition to increase net carbon removals to levels above 300 million tonnes of CO₂ equivalent in the **land use, land use change and forestry** sector by 2030.

the European Parliament and of the Council³⁰, the Union has enshrined the target of economy-wide climate neutrality by 2050 in legislation. That Regulation also establishes a binding Union commitment to reduce net greenhouse gas emissions (emissions after deduction of removals) by at least 55 % below 1990 levels by 2030. All sectors of the economy are expected to contribute **proportionately** to achieving that target **for all emissions, with the highest priority being the reduction of fossil emissions. As regards** the land use, land use change and forestry (**LULUCF**) sector, **it can contribute to climate change mitigation in several ways, in particular by reducing emissions, maintaining and enhancing sinks and carbon stocks, replacing fossil fuels with renewable energy and by harnessing the removal potential of organic materials from sustainable forestry management and their potential as a substitute for fossil fuels, taking into account the entire life cycle of those materials, from the production of the raw material to the processing and manufacturing stages. The bioeconomy and bioenergy constitute an indispensable path towards a fossil-free and green economy. Furthermore, local food production in the Union, and the stable supply of necessary materials, such as sustainably sourced natural resources produced in the Union, should be secured. That includes the Union's production of sustainable and recyclable vital growing media constituents.** The contribution of net removals to the 2030 Union climate target is limited to 225 million tonnes of CO₂ equivalent. In the context of Regulation (EU) 2021/1119, the Commission reaffirmed in a corresponding statement its intention to propose a revision of Regulation (EU) 2018/841 of the European Parliament and of the Council³¹, in line with the ambition to increase net carbon removals to levels above 300 million tonnes of CO₂ equivalent in the **LULUCF** sector by 2030. **This Regulation**

should set sink targets for the LULUCF sector as well as the relevant accounting rules, while the conditions for measures and the rules in that sector should be set in other related legislative acts.

³⁰ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).'

³¹ Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 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 (OJ L 156, 19.6.2018, p. 1).

³⁰ Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ('European Climate Law') (OJ L 243, 9.7.2021, p. 1).'

³¹ Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 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 (OJ L 156, 19.6.2018, p. 1).

Amendment 3

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The substitution effect achieved through the use of agricultural and forestry raw materials, especially wood and wood-based products, instead of fossil-fuel raw materials, represents the climate protection performance of the sector, and is, as such, recognised and credited to the land use, land use change and forestry sector.

Amendment 4

Proposal for a regulation Recital 4 b (new)

(4b) The LULUCF sector has been a significant carbon sink since the beginning of the reporting period in 1990. Forestry alone has sequestered around 400 million tonnes of CO₂ equivalent annually within the Union in this period.

Amendment 5

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) In order to contribute to the increased ambition to reduce greenhouse gas net emissions from at least 40 % to at least 55 % below 1990 levels, **binding annual** targets for net greenhouse gas removals should be set out for each Member State in the land use, land use change and forestry sector in the period from 2026 to 2030 (in analogy to the annual emission allocations set out in Regulation (EU) 2018/842 of the European Parliament and of the Council³²), resulting in a target of 310 millions of tonnes CO₂ equivalent of net removals for the Union as a whole in 2030. The methodology used to establish the national targets for 2030 should take into account the average greenhouse gas emissions and removals from the years 2016, 2017 **and** 2018, reported by each Member State, and reflect the current mitigation performance of the land use, land use change and forestry sector, and each Member State's share of the managed land area in the Union, taking into account the capacity of that Member State to improve its performance in the sector via land management practices or changes in land use that benefit the climate and biodiversity.

Amendment

(5) In order to contribute to the increased ambition to reduce greenhouse gas net emissions from at least 40 % to at least 55 % below 1990 levels, targets for net greenhouse gas removals should be set out for each Member State in the land use, land use change and forestry sector in the period from 2026 to 2030 (in analogy to the annual emission allocations set out in Regulation (EU) 2018/842 of the European Parliament and of the Council³²), resulting in a target of 310 millions of tonnes CO₂ equivalent of net removals for the Union as a whole in 2030 **and should take into account the most recent developments, as well as the principles of sustainable forest management 2020, as agreed by Forest Europe and FAO 2020, and the observed and expected impacts of climate change that are decisive for biomass growth, and therefore, the CO₂/ha generation target within a given timeframe. The target for 2030 should be in line with sustainable forest management which allows for the adaptation of forests to climate change in the long term, promotion of high substitution effects through the bioeconomy, an increase in sinks and the creation of carbon storage in products.** The methodology used to establish the national targets for 2030 should take into account the average greenhouse gas

emissions and removals from the years 2016, 2017, 2018 reported by each Member State, and reflect the current mitigation performance of the land use, land use change and forestry sector, and each Member State's share of the managed land area in the Union, taking into account the capacity of that Member State to improve its performance in the sector via land management practices or changes in land use that benefit the climate and biodiversity. ***The target for 2030 should be reviewed and, if necessary, adapted in 2025 and 2027.***

³² Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

³² Regulation (EU) 2018/842 of the European Parliament and of the Council of 30 May 2018 on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 contributing to climate action to meet commitments under the Paris Agreement and amending Regulation (EU) No 525/2013 (OJ L 156, 19.6.2018, p. 26).

Amendment 6

Proposal for a regulation Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) Taking into account the fact that the capacity of agricultural and forest ecosystems to sequester carbon depends on the sustainable management of land, forests and agroforestry, which offers a form of climate protection as sustainable management enhances resilience to climate change, sustainable management of forests is one of the tools to ensure that their capacity to absorb CO₂ is increased. Those positive effects can be enhanced by harnessing the carbon sink potential of forest stands. In addition, the use of long-lived timber products can ensure

emissions are deferred.

Amendment 7

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The ***binding annual*** targets for net greenhouse gas removals should be determined for each Member State by a linear trajectory. The trajectory should start in 2022, on the average of greenhouse gas emissions reported by that Member State during 2021, 2022 and 2023 and end in 2030 on the target set out for that Member State. For Member States that improve their methodology of calculating the emissions and removals, a concept of technical correction should be introduced. A technical correction should be added to the target of that Member State corresponding to the effect of the ***change in*** methodology on the targets and the efforts of the Member State to achieve them, in order to respect environmental integrity.

Amendment

(6) The targets for net greenhouse gas removals should be determined for each Member State by a linear trajectory, ***taking into account the particular circumstances in each Member State and following impact assessments***. The trajectory should start in 2022, on the average of greenhouse gas emissions reported by that Member State during 2021, 2022 and 2023 and end in 2030 on the target set out for that Member State. ***The Commission should assign specific support for improvement of calculation systems, and*** for Member States that improve their methodology of calculating the emissions and removals, a concept of technical correction should be introduced. A technical correction should be added to the target of that Member State corresponding to the effect of the ***degree of improved accuracy of the*** methodology ***used*** on the targets and the efforts of the Member State to achieve them, in order to respect environmental integrity.

Amendment 8

Proposal for a regulation

Recital 7

Text proposed by the Commission

(7) The Communication of 17 September 2020 on Stepping up Europe's 2030 climate ambition³³ outlined an option to combine agriculture non-CO₂ greenhouse gas emissions with land use, land use change and forestry net removals,

Amendment

(7) The Communication of 17 September 2020 on Stepping up Europe's 2030 climate ambition³³ outlined an option to combine agriculture non-CO₂ greenhouse gas emissions with land use, land use change and forestry net removals,

thus creating a newly regulated land sector. Such combination can promote synergies between land-based mitigation actions and enable more integrated ***polycymaking*** and policy implementation at national and Union level. ***To this end***, the obligation for Member States to submit integrated mitigation plans for the land sector ***should be*** reinforced.

³³ COM(2020) 562 final.

Amendment 9

Proposal for a regulation Recital 7 a (new)

Text proposed by the Commission

thus creating a newly regulated land sector. Such combination can promote synergies between land-based mitigation actions and enable more integrated ***policy making*** and policy implementation at national and Union level ***as well as strengthening the incentives to comply with reduction targets using carbon farming and CO₂ removals. However, considering the sensitivity of both the agriculture and the forestry sector, as well as the potential reversibility of greenhouse gas removals by natural carbon sinks, methods of calculating relative weights of emissions and removals should be considered after in-depth analysis, before*** the obligation for Member States to submit integrated mitigation plans for the land sector ***is*** reinforced. ***In addition, the reduction targets should be equitable and feasible for Member States. The fact that progress is made in one sector should not compensate for the lack of progress in other sectors, thus progress made in the LULUCF sector should not compensate for lack of progress in other sectors.***

³³ COM(2020) 562 final.

Amendment

(7a) In its Communication of 17 September 2020 on Stepping up Europe's 2030 climate ambition, the Commission indicated that the increased 2030 overall target can only be achieved with the contribution of all sectors offering specific feasible solutions, taking into account assessments of their distributional impact and their effects on competitiveness in the various sectors. In this respect, a balance should be struck

between action taken by Member States to achieve the objective of climate neutrality on the one hand and effective and adequate protection of forests on the other, ensuring more sustainable forest and soil management, together with the cultivation of sustainable and high quality products in sufficient quantities.

Amendment 10

Proposal for a regulation Recital 7 b (new)

Text proposed by the Commission

Amendment

(7b) In view of the continuing climate deterioration and the unabated release of fossil CO₂ through the exploitation of underground coal, oil and natural gas deposits, the focus of the agriculture and forestry sector needs to be urgently redirected towards the preservation of livelihoods in rural areas and securing food supply within the Union. All efforts should be directed towards stopping the annual release of 3 000 million tonnes of fossil CO₂ from the burning of coal, petroleum products and natural gas within the shortest possible time.

Amendment 11

Proposal for a regulation Recital 7 c (new)

Text proposed by the Commission

Amendment

(7c) The Commission should review the current system for reporting CO₂ and non-CO₂ greenhouse gas emissions within one reporting scheme before any new legislative proposal in that area is submitted. That review should reflect the difference between short lifecycle gases, such as methane, and long lifecycle gases, such as carbon, that remain in the

atmosphere for in excess of 1000 years. The cyclical nature of biogenic methane emissions also needs to be considered within the reporting framework and how biogenic methane emissions differ from mined fossil methane.

Justification

Methane is a short-lived gas that differs from CO₂ in its impact on global warming. There are furthermore ongoing scientific discussions about the impact of biogenic methane on global temperature. The new scope therefore requires an analysis by the Commission on the difference between biogenic and fossil methane emissions and its actual impact on global warming.

Amendment 12

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The land sector has the potential to ***become rapidly climate-neutral*** by 2035 ***in a cost-effective manner***, and subsequently generate more greenhouse gas removals than emissions. A collective commitment aiming to achieve climate-neutrality in the land sector in 2035 at EU level can provide the needed planning certainty to drive land-based mitigation action in the short term, considering that it can take many years for such action to deliver the desired mitigation outcomes. Moreover, the land sector is projected to become the largest sector in the EU greenhouse gas flux profile in 2050. It is therefore particularly important to anchor that sector to a trajectory that can effectively deliver net zero greenhouse gas emissions by 2050. By mid-2024, the Member States should submit their updated integrated national energy and climate plans in accordance with Article 14 of Regulation (EU) 2018/1999 of the European Parliament and of the Council³⁴. The plans should include relevant measures by which each Member

Amendment

(8) The land sector has the potential to ***move towards carbon neutrality by 2035 through carbon removals***, and to subsequently generate more greenhouse gas removals than emissions ***in the short and long term. Combining greenhouse gas removals and emissions from LULUCF and agricultural emissions in a single accounting system in accordance with the IPCC reporting guidelines, after carrying out a favourable impact assessment, could simplify greenhouse gas accounting and make it more efficient.*** A collective commitment ***with national contributions, taking into account efficient flexibilities and the specificities within Member States' territories***, aiming to achieve climate-neutrality in the land sector in 2035 at EU level can provide the needed planning certainty to drive land-based mitigation action in the short term, considering that it can take many years for such action to deliver the desired mitigation outcomes. Moreover, the land sector is projected to

State best contributes to the collective target of climate neutrality in the land sector at EU level in 2035. On the basis of *these* plans, the Commission should **propose national targets, ensuring** that the Union-wide greenhouse gas emissions and removals in the land use, land use change and forestry sector and the emissions from the agriculture non-CO2 sectors are at least balanced **by 2035. Contrary to the EU level target of climate neutrality for the land sector by 2035, such national targets will be binding and enforceable on each Member State.**

become the largest sector in the EU greenhouse gas flux profile in 2050. It is therefore particularly important to anchor that sector to a trajectory that can effectively deliver net zero greenhouse gas emissions by 2050, **while ensuring effective and adequate forest protection, and sustainable forest and soil management, together with the cultivation of sustainable and high quality raw materials in sufficient quantities, and taking into account the Union's Soil Strategy and measures to protect land from soil sealing, urbanisation and urban sprawls.** By mid-2024, the Member States should submit their updated integrated national energy and climate plans in accordance with Article 14 of Regulation (EU) 2018/1999 of the European Parliament and of the Council³⁴. The plans should include relevant measures **for each sector, to ensure that increased carbon sequestration in forestry does not allow reduced ambition in other sectors,** by which **measures** each Member State best contributes to the collective target of climate neutrality in the land sector at EU level in 2035. On the basis of *those* plans, **and taking into account the findings of the European Scientific Advisory Board on Climate Change,** the Commission should **assess the aim of climate neutrality in the land sector in 2035 in light of the objectives laid down in Article 39 TFEU, the Union bioeconomy and the substitution of fossil fuels. Nevertheless, the first objective of Union agriculture should remain the production of high-quality and sustainable products. The Commission should then make proposals for national and Union measures aimed at achieving net zero greenhouse gas emissions in 2035, meaning** that the Union-wide greenhouse gas emissions and removals in the land use, land use change and forestry sector and the emissions from the agriculture non-CO2 sectors are at least balanced **and proportional by that year. Contributions to achieve that aim should**

be fairly distributed among sectors and Member States. The Commission should screen for unintended impacts of climate policy on the environment, biodiversity, and food production capacity as well as social impacts and effects on the income of land managers, foresters and farmers and associated businesses, in order to enable the Union's objectives to be achieved in a balanced manner.

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p.1).

³⁴ Regulation (EU) 2018/1999 of the European Parliament and of the Council of 11 December 2018 on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, p.1).

Amendment 13

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(8a) Forests provide important benefits for biodiversity, soil stabilisation, purification of air and water, carbon sequestration and storage and potentially provide long-lived wood products. However, the nature and function of forests is highly variable across the Union, notably from the north, where timber production is more prevalent, to the south, where soil conservation is a priority and other specific multifunctional forest types, such as Mediterranean forest or Dehesa, often need specific

conservation and ecological measures, as well as long time periods for sinking CO₂. Such Mediterranean forests are more vulnerable to climate change due to direct impacts, such as drought or temperature-induced forest dieback or evolution of aridity. In that context, an aridity index should be used as one of the tools needed to strengthen the resilience of the Union's forests.

Amendment 14

Proposal for a regulation Recital 9 a (new)

Text proposed by the Commission

Amendment

(9a) The contribution of agriculture and forestry to the substitution of fossil energy sources, which is achieved by using renewable raw materials, especially wood and wood-based products, instead of fossil raw materials, should be credited to the sector, because it also contributes to climate protection. At the same time, it is important to promote active sustainable forest management and the provision of agricultural products and by-products to promote the bioeconomy, i.e. replacement of fossil raw materials by renewable raw materials, while at the same time optimising carbon uptake.

Amendment 15

Proposal for a regulation Recital 10

Text proposed by the Commission

Amendment

(10) In order to enhance greenhouse gas removals, individual farmers or forest managers need a direct incentive to store more carbon on their land and their forests. New business models based on carbon

(10) In order to enhance greenhouse gas removals, individual farmers or forest managers need a direct incentive to store more carbon on their land and their forests *which at the same time provides other*

farming incentives and on the certification of carbon removals need to be increasingly deployed in the period until 2030. Such incentives and business models will enhance climate mitigation in *the* bio-economy, including through the use of durable harvested wood products, in full respect of ecological principles fostering biodiversity and the circular economy. **Hence, new categories** of carbon storage products should be introduced in addition to *the* harvested wood products. The emerging business models, farming and land management practices to enhance removals contribute to a balanced territorial development and economic growth in rural areas. They also create opportunities for new jobs and provide incentives for relevant training, reskilling and upskilling.

societal benefits and protects biodiversity. New business models based on carbon farming incentives and on the certification of carbon removals need to be increasingly deployed in the period until 2030 ***and beyond.*** ***The financial incentives should come from public or private sources, and reward land managers for their management practice or the actual amount of carbon sequestered, or for increasing the storage of atmospheric carbon. Public funding under the Common Agricultural Policy (CAP) and other Union programs, such as the LIFE programme, the Cohesion Fund, the Horizon Europe programme, the Recovery and Resilience Facility, the Just Transition Fund, can already support carbon sequestering and biodiversity-friendly approaches in forests and agricultural lands and should be increased. CAP-funding should, however, mainly remain targeted at food production and ensure food security in the Union. In 2022, the Commission should present a legal framework with a clear financial framework, accounting rules and a market-based design. The new business models should be voluntary and should be based on clear and enforceable rules with high-quality certificates which can ensure the achievement of criteria of additionality, permanence, no double counting, sustainability and authenticity to ensure credibility and prevent fraudulent payments. Accounting should be in line with Article 6 of the Paris Agreement and outcomes of the 2021 Glasgow Summit to avoid double counting and enhance the development of robust and harmonized global accounting of carbon removals. Any proposals of the Commission on carbon farming should be based on a solid body of peer-reviewed science as regards the effectiveness of the component practices to sequester and retain carbon or reduce emissions of greenhouse gases.*** Such incentives and business models will enhance climate

mitigation in *a circular and sustainable* bio-economy, including through the use of durable harvested wood products *and by replacing fossil fuel-based raw materials* in full respect of ecological principles fostering biodiversity and the circular economy. *A new category* of carbon storage products, should be introduced in addition to harvested wood products, *including relevant bio-based products and innovative products, also made from by-products and residues, where there is a scientifically proven, genuine and verifiable carbon sequestration effect, as well as the development of bio-energy with carbon capture and storage (BECCS) technologies. The Commission should also assess the substitution potential of carbon storage products. The sustainable use of biomass and the increased demand for renewable products makes sustainable forest management indispensable.* The emerging business models, farming and land management practices to enhance removals *in line with incentives for biodiversity-friendly approaches* contribute to a balanced territorial development and economic growth in rural areas. They also create opportunities for new jobs and provide incentives for relevant training, reskilling and upskilling.

Amendment 16

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) In order to provide the necessary financial support for farmers in the Union, Member States, when drafting their respective national Strategic Plans in line with the legal framework for the common agriculture policy (CAP) for the years 2023-2027 within which the support for Strategic Plans is to be drawn up by Member States and financed by the

EAGF and by the EAFRD, should set out their specific objectives and concrete actions to ensure the achievement of climate change adaptation and mitigation. This means creating a clear link between LULUCF objectives and substantial financial incentives from the CAP in tailor-made solutions for the farmers in each Member State to select their best possible approach: within eco-schemes and rural development agri-environmental measures or investments, the European Innovation Partnership for Agricultural Productivity and Sustainability (EIP-AGRI), as well as support for farm advisory services. To develop and sustain financial incentives in sufficient quantity and in the long-term, additional budgetary lines need to be unlocked through financial instruments and public funds, such as the LIFE programme and the Horizon Europe programme. The Commission, Member States and national competent authorities should assign specific budgets for funds and investments in infrastructure for new decarbonisation and climate mitigation technologies, including specific funds for small and medium farms and forest owners. Union and national competent authorities should work closely with relevant stakeholders to develop an enabling environment and adequate financial support mechanisms for the transition to carbon neutrality.

Amendment 17

Proposal for a regulation Recital 10 b (new)

Text proposed by the Commission

Amendment

(10b) In line with the Union objective of net zero land take by 2050, conversion of natural and agricultural land into built-up areas should be avoided. Therefore, Member States should introduce

measures in their land-use plans orientated to compensate for any reduction of land resulting from urbanisation.

Amendment 18

Proposal for a regulation Recital 10 c (new)

Text proposed by the Commission

Amendment

(10c) There are evident benefits of sustainable forest management in increasing the carbon sink targets by enhancing carbon sinks, preventing natural disturbances and increasing biodiversity.

Amendment 19

Proposal for a regulation Recital 11

Text proposed by the Commission

Amendment

(11) Considering the specificities of the land use, land use change and forestry sector in each Member State, as well as the fact that Member States need to increase their performance to achieve their national binding targets, a range of flexibilities should remain at the disposal of the Member States, including trading surpluses and the extension of forest-specific flexibilities, while respecting the environmental integrity of the targets.

(11) Considering the specificities of the land use, land use change and forestry sector in each Member State ***caused by natural disturbances, economic volatilities and demographic or social changes***, as well as the fact that Member States need to increase their performance to achieve their national binding targets ***cost-efficiently***, a range of flexibilities ***within LULUCF sector and between LULUCF and ESR Regulation*** should remain at the disposal of the Member States, including trading surpluses and the extension of forest-specific flexibilities, while respecting the environmental integrity of the targets.

Amendment 20

Proposal for a regulation
Recital 12

Text proposed by the Commission

(12) **Discontinuing the current accounting rules after 2025 creates a** need for alternative provisions for natural disturbances such as fire, pest, and storms, in order to address uncertainties due to natural processes or as a result of climate change in the land use, land use change and forestry sector. A flexibility mechanism linked to natural disturbances should be available to Member States in 2032, provided that they have exhausted all other flexibilities at their disposal, put in place appropriate measures to reduce the vulnerability of their land to such disturbances and that the achievement by the Union of the 2030 target for the land use, land use change and forestry sector is completed.

Amendment 21

Proposal for a regulation
Recital 13

Text proposed by the Commission

(13) With the setting of binding **national annual** targets for greenhouse gas removals based on the reported greenhouse gas emissions and removals from 2026 onwards, the rules for target compliance should be set out. The principles laid down in Regulation (EU) 2018/842 should apply mutatis mutandis, with a penalty for non-compliance calculated in the following way: **108%** of the gap between the assigned target and the net removals reported in **the given year** will be added to the greenhouse gas emission figure reported in the **subsequent year by the Member State**.

Amendment

(12) **The Commission should assess the** need for alternative provisions for natural disturbances such as fire, pest, and storms, in order to address uncertainties due to natural processes or as a result of climate change in the land use, land use change and forestry sector. A flexibility mechanism linked to **increasingly frequent** natural disturbances should be available to Member States in 2032, provided that they have exhausted all other flexibilities at their disposal **and** put in place appropriate measures to reduce the vulnerability of their land to such disturbances and that the achievement by the Union of the 2030 target for the land use, land use change and forestry sector is completed.

Amendment

(13) With the setting of binding **2030** targets for greenhouse gas removals based on the reported greenhouse gas emissions and removals from 2026 onwards, the rules for target compliance should be set out. The principles laid down in Regulation (EU) 2018/842 should apply mutatis mutandis, with a penalty for non-compliance calculated in the following way: **103%** of the gap between the assigned target and the net removals reported in **2030** will be added to the greenhouse gas emission **removals** figure reported in the **compliance period after 2030**.

Amendment 22

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13a) Achieving the ambitious targets for doubling the share of renewable energies in the Union requires the extremely dynamic expansion of all renewable energy technologies, as well as the increased use of biogenic energy sources in particular. Biogenic energy sources, especially wood, represent the largest contribution to the renewable energy portfolio, where 60 % of renewables in the EU-27 come from bioenergy and 80 % of bioenergy is wood-based, and will continue to do so in the future to achieve the renewable energy targets.

Amendment 23

Proposal for a regulation Recital 15

Text proposed by the Commission

Amendment

(15) In view of setting out the net greenhouse gas removals ***targets*** for the Member States for the period from 2026 to 2030, the Commission should exercise a comprehensive review to verify the greenhouse gas inventory data for the years 2021, 2022 and 2023. ***For this purpose***, a comprehensive review should be carried out in 2025, ***in addition to the comprehensive reviews that the Commission is to carry out in 2027 and 2032 in accordance with Article 38 of Regulation (EU) 2018/1999.***

(15) In view of setting out the net greenhouse gas removals ***linear trajectory*** for the Member States for the period from 2026 to 2030, the Commission should exercise a comprehensive review to verify the greenhouse gas inventory data for the years 2021, 2022 and 2023. A comprehensive review should be carried out in 2025, ***2027 and 2032 to review the target set for 2030, the climate neutrality aim in 2035 and the overall trajectory to the 2050 commitment of the Paris Agreement and adapt it, making sure that there is no negative impact on security of supply, food security, the bioeconomy, biodiversity, or creation of displacement effects.***

Amendment 24

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) Due to the change to reporting-based targets, the greenhouse gas emissions and removals need to be estimated with a higher level of accuracy. Moreover, the Communication from the Commission on EU Biodiversity Strategy for 2030³⁸, the Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system³⁹, the EU Forest Strategy⁴⁰, the revised Directive (EU) 2018/2001 of the European Parliament and of the Council⁴¹ and the Communication from the Commission on Forging a climate-resilient Europe - the new EU Strategy on Adaptation to Climate Change⁴² will all require enhanced monitoring of land, thereby helping to protect and enhance the resilience of nature-based carbon removals throughout the Union. The monitoring and reporting of emissions and removals needs to be upgraded, using advanced technologies available under Union programmes, such as Copernicus, and digital data collected under the Common Agricultural Policy, applying the twin transition of green and digital innovation.

³⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Biodiversity Strategy for 2030 - Bringing nature back into our lives (COM(2020) 380 final).

³⁹ COM/2020/381 final.

⁴⁰ [...]

⁴¹ Directive (EU) 2018/2001 of the

Amendment

(16) Due to the change to reporting-based targets, the greenhouse gas emissions and removals need to be estimated with a higher level of accuracy. Moreover, **the updated EU Bioeconomy Strategy**, the Communication from the Commission on EU Biodiversity Strategy for 2030³⁸, the Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system³⁹, the EU Forest Strategy⁴⁰, the revised Directive (EU) 2018/2001 of the European Parliament and of the Council⁴¹ and the Communication from the Commission on Forging a climate-resilient Europe - the new EU Strategy on Adaptation to Climate Change⁴² will all require enhanced monitoring of land, thereby helping to protect and enhance the resilience of nature-based carbon removals throughout the Union. The monitoring and reporting of emissions and removals needs to be upgraded, using advanced technologies available under Union programmes, such as Copernicus, and digital data collected under the Common Agricultural Policy, applying the twin transition of green and digital innovation.

³⁸ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Biodiversity Strategy for 2030 - Bringing nature back into our lives (COM(2020) 380 final).

³⁹ COM/2020/381 final.

⁴⁰ [...]

⁴¹ Directive (EU) 2018/2001 of the

European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

⁴² COM/2021/82 final.

European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, p. 82).

⁴² COM/2021/82 final.

Amendment 25

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) In implementing this Regulation, account should be taken of Article 349 TFEU, which acknowledges the particular vulnerability of the outermost regions arising from their remoteness from mainland regions, insularity, small size, difficult topography and climate and economic dependence on a few products, a combination that severely restrains their development and generates substantial extra costs in many areas, particularly for transport. Efforts being made and targets set at Union level for greenhouse gas reduction need to be adapted to this difficult situation, balancing environmental objectives against the high social costs for these regions.

Amendment 26

Proposal for a regulation Article 1 – paragraph 1 – point 1 Regulation (EU) 2018/841 Article 1 – paragraph 1 – point d

Text proposed by the Commission

Amendment

(d) ***targets*** for net greenhouse gas removals in the land use, land use change and forestry sector for Member States for the period from 2026 to 2030;

(d) ***linear trajectories*** for net greenhouse gas removals in the land use, land use change and forestry sector for Member States for the period from 2026 to 2030;

Amendment 27

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2018/841

Article 2 – paragraph 2 – point g a (new)

Text proposed by the Commission

Amendment

(ga) carbon storage products;

Amendment 28

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2018/841

Article 2 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

3. This Regulation also applies to emissions and removals of the greenhouse gases listed in Section A of Annex I, reported pursuant to Article 26(4) of Regulation (EU) 2018/1999 and occurring on the territories of Member States from 2031 and onwards, in any of the land categories listed in paragraph 2, points (a) to (j) and in any of the following sectors:

3. This Regulation also applies, ***subject to the requirements referred to in the second subparagraph***, to emissions and removals of the greenhouse gases listed in Section A of Annex I, reported pursuant to Article 26(4) of Regulation (EU) 2018/1999 and occurring on the territories of Member States from 2031 and onwards, in any of the land categories listed in paragraph 2, points (a) to (j) and in any of the following sectors:

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2018/841

Article 2 – paragraph 3 – subparagraph 1 – point (j)

Text proposed by the Commission

Amendment

(j) ***‘other’.***

deleted

Amendment 30

Proposal for a regulation
Article 1 – paragraph 1 – point 2
Regulation (EU) 2018/841
Article 2 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Before 2025, the Commission shall:

- (a) assess the extent of agricultural methane emission and publish what practices can be used to achieve such emission reduction;***
- (b) assess the difference between the sources and cycles of biogenic and fossil methane emissions;***
- (c) propose a methane calculation model based on net global warming impact, rather than on emission input figures, which do not take account of the cooling effect of reductions in cyclical methane emissions, in line with the Paris Agreement;***
- (d) explore the development of a methane efficiency index that would compare kilos of methane generated per unit of output produced for different agricultural products;***
- (e) conduct an impact assessment on the scope set out in Article 2(3) of this Regulation with regard to the objectives of Article 39 TFEU, the Union bio economy and the substitution of fossil fuels, including an assessment at Member State level and down to farm level, to identify implications regarding administrative requirements, cost of efforts to be undertaken, likely effects on income from incentives, as well as the specific provisions, governance and targets to be adopted.***

Member States shall ensure a fair distribution between the sectors through appropriate policies. The Commission shall establish fair and feasible distribution among Member States and analyse the national measures States,

making sure that there is no negative impact on security of supply, food security, the bioeconomy biodiversity, or creating displacement effects.

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The 2030 Union target for net greenhouse gas removals is 310 million tonnes CO₂ equivalent as a sum of the Member States targets established in accordance with paragraph 3 of this Article, and shall be based on the average of its greenhouse gas inventory data for the years 2016, 2017 and 2018.

Amendment

The 2030 Union target for net greenhouse gas removals is 310 million tonnes CO₂ equivalent as a sum of the Member States targets established in accordance with paragraph 3 of this Article, and shall be based on the average of its greenhouse gas inventory data for the years 2016, 2017 and 2018 *and shall be reviewed in accordance with Article 4(4a).*

Amendment 32

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

This Regulation sets the sink targets for the LULUCF sector including precise rules and criteria for accounting of greenhouse gas emissions and removals in line with IPCC guidelines.

Amendment 33

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Each Member State shall ensure that, taking into account the flexibilities provided for in Articles 12 **and** 13 and 13b, the **annual** sum of its greenhouse gas emissions and removals on its territory and in all of the land reporting categories referred to in Article 2(2), points (a) to (j), **in each year** in the period from 2026 to 2030 does not exceed the limit established by a linear trajectory, ending in 2030 on the target set out for that Member State in Annex IIa. The linear trajectory of a Member State shall start in 2022.

Amendment

Each Member State shall ensure that, taking into account the flexibilities provided for in Articles 12, 13 and 13b, the sum of its greenhouse gas emissions and removals, **using existing accounting methods**, on its territory and in all of the land reporting categories referred to in Article 2(2), points (a) to (j), in the period from 2026 to 2030 does not exceed the limit established by a linear trajectory, ending in 2030 on the target set out for that Member State in Annex IIa. The linear trajectory of a Member State shall start in 2022.

Amendment 34

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 3 – subparagraph 1

Text proposed by the Commission

The Commission shall adopt implementing acts setting out **the annual targets based on the** linear trajectory for net greenhouse gas removals for each Member State, for **each year in** the period from 2026 to 2029 in terms of tonnes CO₂ equivalent. These national trajectories shall be based on the average greenhouse gas inventory data for the years 2021, 2022 and 2023, reported by each Member State. The value of the 310 million tonnes CO₂ equivalent net removals as a sum of the targets for Member States set out in Annex IIa may be subject to a technical correction due to a change of methodology by Member States. The method for determination of the technical correction to be added to the targets of the Member States, shall be set out in these implementing acts. For the purpose of those implementing acts, the Commission shall carry out a comprehensive review of

Amendment

The Commission shall adopt implementing acts setting out linear trajectory for net greenhouse gas removals for each Member State, for the period from 2026 to 2029 in terms of tonnes CO₂ equivalent. These national trajectories shall be based on the average greenhouse gas inventory data for the years 2021, 2022 and 2023, reported by each Member State. The value of the 310 million tonnes CO₂ equivalent net removals as a sum of the targets for Member States set out in Annex IIa may be subject to a technical correction due to a change of methodology by Member States. The method for determination of the technical correction to be added to the targets of the Member States, shall be set out in these implementing acts. For the purpose of those implementing acts, the Commission shall carry out a comprehensive review of the most recent

the most recent national inventory data for the years 2021, 2022 and 2023 submitted by Member States pursuant to Article 26(4) of Regulation (EU) 2018/1999.

national inventory data for the years 2021, 2022 and 2023 submitted by Member States pursuant to Article 26(4) of Regulation (EU) 2018/1999.

Amendment 35

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The relevant Union institutions and the Member States shall take the necessary measures at Union and national level, respectively, to continue increasing net greenhouse gas removals in the LULUCF sector from 2031 so as to contribute to Article 5(1) of the Paris Agreement and ensure a sustainable and predictable long-term contribution of natural sinks to the Union’s climate-neutrality objective by 2050 at the latest, as set out in Regulation (EU) 2021/1119.

By 1 January 2025, the Commission shall, taking into account the advice of the European Scientific Advisory Board on Climate Change and the Union greenhouse gas budget set out in Regulation (EU) 2021/1119, and on the basis of the integrated national energy and climate plans submitted by Member States by 30 June 2024 pursuant to Article 14(2) of Regulation (EU) 2018/1999, submit a proposal to amend this Regulation to set out Union and Member States targets for net greenhouse gas removals in the land use, land use change and forestry at least for 2035, 2040, 2045 and 2050.

Amendment 36

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4 – subparagraph 1

Text proposed by the Commission

The Union-wide greenhouse gas emissions in the sectors set out in Article 2(3), points (a) to **(j)**, shall aim to be net zero by 2035 **and the Union shall achieve negative emissions thereafter**. The Union and the Member States shall take the necessary measures to enable the collective achievement of the target for 2035.

Amendment

The Union-wide greenhouse gas emissions in the sectors set out in Article 2(3), points (a) to **(i)**, shall aim to be net zero by 2035. The Union and the Member States shall take the necessary **fair and proportionate** measures to enable the collective achievement of the **net-zero** target for 2035, **while ensuring the achievement of the objectives set out in Article 39 TFEU, prioritising substitution of fossil fuels and achieving a balance between emission reductions and removals**.

Amendment 37

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4 – subparagraph 2

Text proposed by the Commission

The Commission shall, by 31 December 2025 and on the basis of integrated national energy and climate plans submitted by each Member State pursuant to Article 14 of Regulation (EU) 2018/1999 by 30 June 2024, **make proposals for the contribution of each Member State to the net emissions reduction**.

Amendment

The Commission shall, by 31 December 2025 and on the basis of integrated national energy and climate plans submitted by each Member State pursuant to Article 14 of Regulation (EU) 2018/1999 by 30 June 2024:

Amendment 38

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4 – subparagraph 2 – points a to e (new)

- (a) conduct an impact assessment of the net zero greenhouse gas emissions target for 2035 in light of the objectives laid down in Article 39 TFEU, the Union bioeconomy and the substitution of fossil fuels;***
- (b) based on the impact assessment referred to in point (a) of this subparagraph, make proposals for the contribution of each Member State for the net emissions reduction, as well as for policies which equally incentivise balanced emission removals and reductions to ensure contributions by all sectors set out in Article 2(3), points (a) to (i), in order to move towards the collective achievement of net zero in 2035;***
- (c) in order to ensure a fair, feasible and proportionate distribution among Member States, the Commission shall, based on its impact assessment, assess the feasibility of introducing flexibilities permitting the transfer of allowances between Member States taking into account national specificities in agricultural production and forestry;***
- (d) introduce a fair, market-based and voluntary compensation mechanism for a carbon certification trading system, which promotes high-quality carbon certificates that can ensure the achievement of the criteria of additionality, permanence, no double counting and authenticity, and to incentivise improved land management practices, resulting in enhanced carbon capture;***
- (e) monitor the land use change and any reduced sinking capacity resulting, in particular, from expansion of urban areas and use of land for transport facilities and other infrastructure, not related to the sectors set out in Article 2(3), and ensure separate calculations for the***

consequences of such land use change from the calculations for those sectors set out in Article 2(3).

Amendment 39

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The targets set out in Article 4(3) and (4) shall be subject to reviews in 2025, 2027 and 2032 and shall be adapted if negative impacts on the objectives of Article 39 TFEU, the bioeconomy or the substitution of fossil fuels are detected.

Amendment 40

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4 b (new)

Text proposed by the Commission

Amendment

4b. The Member States shall ensure that CO₂ uptake from the atmosphere is optimally aimed to keep forest stands in a high-growth age phase through climate-smart and sustainable management, as such management together with growth-increasing measures actively contribute to carbon uptake.

Amendment 41

Proposal for a regulation

Article 1 – paragraph 1 – point 7 – point b

Regulation (EU) 2018/841

Article 9 – paragraph 2

Text proposed by the Commission

2. The Commission shall adopt delegated acts in accordance with Article 16 in order to amend paragraph 1 of this Article and Annex V by adding **new categories** of carbon storage products, including **harvested wood** products, that have a carbon sequestration effect, based on IPCC Guidelines as adopted by the Conference of the Parties to the UNFCCC or the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement, and ensuring environmental integrity.

Amendment

2. The Commission shall adopt delegated acts **by ... [3 months after the date of entry into force of this amending Regulation]** in accordance with Article 16 in order to amend paragraph 1 of this Article and Annex V by adding **a new category** of carbon storage products, including **relevant bio-based** products that have a **scientifically proven, genuine, verifiable** carbon sequestration effect **with accurate calculation methods to ensure credibility and to prevent fraud, and by introducing a holistic life-cycle assessment of those products, including the potential of side streams and residues, and the inclusion of bioenergy carbon capture, storage and utilisation technologies in carbon storage products based on scientific evidence and** on IPCC Guidelines as adopted by the Conference of the Parties to the UNFCCC or the Conference of the Parties serving as the Meeting of the Parties to the Paris Agreement, and ensuring environmental integrity.

Amendment 42

Proposal for a regulation

Article 1 – paragraph 1 – point 7 – point b

Regulation (EU) 2018/841

Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The Commission shall furthermore calculate the substitution effect of carbon storage products using scientific evidence. When IPCC Guidelines are available, they shall also be taken into account.

Amendment 43

Proposal for a regulation

Article 1 – paragraph 1 – point 10 – point a

Regulation (EU) 2018/841

Article 12 – paragraph 3

Text proposed by the Commission

(a) paragraph 3 is *deleted*;

Amendment

(a) paragraph 3 is *replaced by the following*:

“3. To the extent that total removals exceed total emissions in a Member State in the period from 2021 to 2025, and after subtraction of any quantity taken into account under Article 7 of Regulation (EU) 2018/842 or transferred to another Member State pursuant to paragraph 2 of this Article, that Member State may bank the remaining quantity of removals to the period from 2026 to 2030.”;

Justification

Member States should be able to use the flexibilities, as the annual fluctuations caused by the changes in the nature and demand in the economy and society. That is why the paragraph 3 is important to keep as it stands in the current legislation.

Amendment 44

Proposal for a regulation

Article 1 – paragraph 1 – point 11

Regulation (EU) 2018/841

Article 13 – paragraph 4

Text proposed by the Commission

4. Member States shall submit evidence to the Commission concerning the impact of natural disturbances calculated pursuant to Annex VI in order to be eligible for compensation of remaining sinks accounted for as emissions against its forest reference level, up to the full amount of unused compensation by other Member States set out in Annex VII for the period from 2021 to 2025. In case the demand for compensation exceeds the amount of unused compensation available, the

Amendment

4. Member States shall submit evidence to the Commission concerning the impact of natural disturbances, ***extreme weather incidents and climate impacts, which may impede the increase of natural sinks***, calculated pursuant to Annex VI in order to be eligible for compensation of remaining sinks accounted for as emissions against its forest reference level, up to the full amount of unused compensation by other Member States set out in Annex VII for the period from 2021 to 2025. In case

compensation shall be distributed proportionally among the Member States concerned.

the demand for compensation exceeds the amount of unused compensation available, the compensation shall be distributed proportionally among the Member States concerned.

Amendment 45

Proposal for a regulation

Article 1 – paragraph 1 – point 12

Regulation (EU) 2018/841

Article 13a – paragraph 2 – point b

Text proposed by the Commission

(b) the emissions created by historical change from forest land to any other land use category that occurred no later than 31 December 2017;

Amendment

(b) the emissions created by historical change from forest land **or wetlands** to any other land use category that occurred no later than 31 December 2017;

Justification

A number of Member States have a high share of peatland forests that should be included due to legacy effects that result in net emissions.

Amendment 46

Proposal for a regulation

Article 1 – paragraph 1 – point 14

Regulation (EU) 2018/841

Article 13c – paragraph 1 – introductory part

Text proposed by the Commission

If the reviewed greenhouse gas emissions and removals of a Member State in 2032 exceed the **annual targets** of that Member State for **any specific year of the period 2026 to 2030**, taking into account the flexibilities used pursuant to Articles 12 and 13b, the following measure shall apply:

Amendment

If the reviewed greenhouse gas emissions and removals of a Member State in 2032 exceed the **target** of that Member State for **the year 2030**, taking into account the flexibilities used pursuant to Articles 12 and 13b, the following measure shall apply:

Amendment 47

Proposal for a regulation

Article 1 – paragraph 1 – point 14

Regulation (EU) 2018/841

Article 13c – paragraph 1

Text proposed by the Commission

An amount equal to the amount in tonnes of CO₂ equivalent of the excess greenhouse gas net emissions, multiplied by a factor of **1,08**, shall be added to the greenhouse gas emission figure reported by that Member State in the following year, in accordance with the measures adopted pursuant to Article 15.

Amendment

An amount equal to the amount in tonnes of CO₂ equivalent of the excess greenhouse gas net emissions, multiplied by a factor of **1,03**, shall be added to the greenhouse gas emission figure reported by that Member State in the following year, in accordance with the measures adopted pursuant to Article 15.

Amendment 48

Proposal for a regulation

Article 1 – paragraph 1 – point 15

Regulation (EU) 2018/841

Article 14 – paragraph 1 – subparagraph 2 – point a

Text proposed by the Commission

a) the policies and measures regarding trade-offs;

Amendment

(a) the policies and measures regarding **possible** trade-offs **with the objectives of Article 39 TFEU, the Union bioeconomy or substitution of fossil fuels**;

Amendment 49

Proposal for a regulation

Article 1 – paragraph 1 – point 15

Regulation (EU) 2018/841

Article 14 – paragraph 1 – subparagraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(ca) **synergies between climate mitigation and the development of the bioeconomy, including estimates of greenhouse gas savings associated with the substitution effects of carbon- and fossil-fuel intensive materials compared to bio-based materials.**

Amendment 50

Proposal for a regulation

Article 1 – paragraph 1 – point 18

Regulation (EU) 2018/841

Article 17 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The Commission shall submit a report to the European Parliament and to the Council, no later than six months after [...] global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including, where relevant, an assessment of the impacts of the flexibilities referred to in Article 11, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures, in view of the necessary increase in greenhouse gas emissions reductions and removals in the Union.

Amendment

The Commission shall submit a report to the European Parliament and to the Council, no later than six months after [...] global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including, where relevant, an assessment of the impacts of the flexibilities referred to in Article 11, as well as on the contribution of this Regulation to the Union's overall 2030 greenhouse gas emission reduction target and its contribution to the goals of the Paris Agreement, in particular with regard to the need for additional Union policies and measures, ***particularly taking into account any future improvement of the monitoring, data collection and reporting system***, in view of the necessary increase in greenhouse gas emissions reductions and removals in the Union. ***That report shall take into account the best available and most recent scientific evidence, including the latest reports of the IPCC, IPBES and of the European Scientific Advisory Board on Climate Change referred to in Article 3 of Regulation (EU) 2021/1119. In addition, the Commission shall in the years 2025, 2027 and 2032, in accordance with Article 4(4a) of this Regulation, review the progress towards the target set out in Article 4(3) and (4) of this Regulation.***

Following the report, the reviews and the impact assessment carried out pursuant to Article 4(4a), the Commission shall make a legislative proposal if it deems it appropriate. That proposal shall establish the governance system with a view to

achieving the 2035 climate-neutrality target as laid down in Article 4(4), in view of the necessary increase in greenhouse gas emissions reductions and removals in the Union.

Amendment 51

Proposal for a regulation

Article 2 – paragraph 1 – point 2

Regulation (EU) 2018/1999

Article 4 – point a – point 1 – point ii

Text proposed by the Commission

the Member State's commitments and national targets for net greenhouse gas removals pursuant to Article 4(1) and (2) of Regulation (EU) 2018/841 and its contributions aim towards reaching the Union objective of reducing greenhouse gas emissions to net zero by 2035 **and achieving negative emissions thereafter** pursuant to Article 4(4) of that Regulation;

Amendment

the Member State's commitments and national targets for net greenhouse gas removals pursuant to Article 4(1) and (2) of Regulation (EU) 2018/841 and its contributions aim towards reaching the Union objective of reducing greenhouse gas emissions to net zero by 2035 **and towards pursuing the overall trajectory of the 2050 commitment of the Paris Agreement** pursuant to Article 4(4) of that Regulation;

Amendment 52

Proposal for a regulation

Article 2 – paragraph 1 – point 2 a (new)

Regulation (EU) 2018/1999

Article 16 – paragraph 1

Present text

Given the high global warming potential and relatively short atmospheric lifetime of methane, the Commission shall analyse the implications for implementing policies and measures for the purpose of reducing the short- and middle-term impact of methane emissions on Union greenhouse gas emissions. Taking into account the circular

Amendment

(2a) In Article 16, paragraph 1 is replaced by the following:

“Given the high global warming potential and relatively short atmospheric lifetime of methane, the Commission shall analyse the implications for implementing policies and measures for the purpose of reducing the short- and middle-term impact of methane emissions on Union greenhouse gas emissions. Taking into account the circular

economy objectives as appropriate, the Commission shall consider policy options for rapidly addressing methane emissions and shall put forward a Union strategic plan for methane as an integral part of the Union's long-term strategy referred to in Article 15.

economy objectives as appropriate, the Commission shall consider policy options for rapidly addressing methane emissions and shall put forward a Union strategic plan for methane as an integral part of the Union's long-term strategy referred to in Article 15. ***The Commission shall conduct a review of the current accounting system for methane to assess the difference between sources and cycles of biogenic and fossil methane emissions and to accurately reflect their global warming potential, taking into account lifecycle emissions and sink effects.***";

(32018R1999)

Amendment 53

Proposal for a regulation

Article 2 – paragraph 1 – point 3 – point a

Regulation (EU) 2018/1999

Article 38 – paragraph 1a

Text proposed by the Commission

In 2025, the Commission shall carry out a comprehensive review of the national inventory data submitted by Member States pursuant to Article 26(4) of this Regulation, in order to determine the **annual** targets of net greenhouse gas emissions reduction of the Member States pursuant to Article 4(3) of Regulation (EU) 2018/841 and in order to determine the **annual** emission allocations of the Member States pursuant to Article 4(3) of Regulation (EU) 2018/842

Amendment

In 2025, the Commission shall carry out a comprehensive review of the national inventory data submitted by Member States pursuant to Article 26(4) of this Regulation, in order to ***assess the target set out in Article 4(3) of Regulation (EU) 2018/842 in accordance with Article 4(4a) of that Regulation and to*** determine the targets of net greenhouse gas emissions reduction of the Member States pursuant to Article 4(3) of Regulation (EU) 2018/841 and in order to determine the emission allocations of the Member States pursuant to Article 4(3) of Regulation (EU) 2018/842.

Amendment 54

Proposal for a regulation
Annex III – paragraph 1
Regulation (EU) 2018/1999
Annex V – Part 3 – paragraph 1 – introductory part

Text proposed by the Commission

Geographically explicit land-use conversion data in accordance with the 2006 IPCC Guidelines for national GHG inventories. **The** greenhouse gas inventory **shall** operate on the basis of electronic databases and geographic information systems, and comprise:

Amendment

Geographically explicit land-use conversion data in accordance with the 2006 IPCC Guidelines for national GHG inventories. **Member States shall be encouraged to further develop a** greenhouse gas inventory **to** operate on the basis of electronic databases and geographic information systems, and comprise:

Amendment 55

Proposal for a regulation
Annex III – paragraph 1
Regulation (EU) 2018/1999
Annex V – Part 3 – paragraph 4

Text proposed by the Commission

Member States shall from 2026 for all carbon pool emission and removal estimates falling in areas of high carbon stock land use units referred to in point (c) above, areas of land use units under protection or under restoration referred to in points (d) and (e) above, and areas of land use units under high future climate risks referred to in point (f) above, **apply Tier 3 methodology, in accordance with the 2006 IPCC guidelines for national GHG inventories.**?

Amendment

Member States shall **aim to apply Tier 3 methodology, in accordance with the 2006 IPCC guidelines for national GHG inventories** from 2026 for all carbon pool emission and removal estimates falling in areas of high carbon stock land use units referred to in point (c) above, areas of land use units under protection or under restoration referred to in points (d) and (e) above, and areas of land use units under high future climate risks referred to in point (f) above.

The Commission shall ensure collection and analyses of GIS geo-spatial data at the Union level in cooperation with, and using data from, the European Environmental Agency, the European Scientific Advisory Board on Climate Change, the Commission’s Joint Research Centre and other bodies, as well as the European Earth Observation

Programme Copernicus, and provide assistance to the Member States to aim for Tier 3 methods, in order to ensure that the data from 2026 onwards are consistent and transparent.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Amending Regulations (EU) 2018/841 as regards the scope, simplifying the compliance rules, setting out the targets of the Member States for 2030 and committing to the collective achievement of climate neutrality by 2035 in the land use, forestry and agriculture sector, and (EU) 2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review
References	COM(2021)0554 – C9-0320/2021 – 2021/0201(COD)
Committee responsible Date announced in plenary	ENVI 13.9.2021
Opinion by Date announced in plenary	AGRI 13.9.2021
Associated committees - date announced in plenary	11.11.2021
Rapporteur for the opinion Date appointed	Norbert Lins 27.9.2021
Discussed in committee	25.1.2022
Date adopted	31.3.2022
Result of final vote	+: 32 –: 9 0: 5
Members present for the final vote	Mazaly Aguilar, Clara Aguilera, Atidzhe Alieva-Veli, Álvaro Amaro, Attila Ara-Kovács, Carmen Avram, Adrian-Dragoş Benea, Benoît Biteau, Mara Bizzotto, Daniel Buda, Isabel Carvalhais, Asger Christensen, Angelo Ciocca, Dacian Cioloş, Ivan David, Paolo De Castro, Jérémy Decerle, Salvatore De Meo, Herbert Dorfmann, Luke Ming Flanagan, Dino Giarrusso, Martin Häusling, Martin Hlaváček, Elsi Katainen, Camilla Laureti, Gilles Lebreton, Julie Lechanteux, Norbert Lins, Chris MacManus, Colm Markey, Marlene Mortler, Ulrike Müller, Bronis Ropé, Bert-Jan Ruissen, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Marc Tarabella, Veronika Vrecionová, Sarah Wiener
Substitutes present for the final vote	Anna Deparnay-Grunenberg, Anja Hazekamp, Tonino Picula, Michaela Šojdrová, Tom Vandenkendelaere

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

32	+
ECR	Mazaly Aguilar, Bert-Jan Ruissen, Veronika Vrecionová
NI	Dino Giarrusso
PPE	Álvaro Amaro, Daniel Buda, Salvatore De Meo, Herbert Dorfmann, Norbert Lins, Colm Markey, Marlene Mortler, Anne Sander, Petri Sarvamaa, Simone Schmiedtbauer, Annie Schreijer-Pierik, Michaela Šojdrová, Tom Vandenkendelaere
Renew	Atidzhe Alieva-Veli, Asger Christensen, Dacian Cioloș, Jérémy Decerle, Martin Hlaváček, Elsi Katainen, Ulrike Müller
S&D	Clara Aguilera, Carmen Avram, Adrian-Dragoș Benea, Isabel Carvalhais, Paolo De Castro, Camilla Laureti, Tonino Picula, Marc Tarabella

9	-
ID	Ivan David
The Left	Luke Ming Flanagan, Anja Hazekamp, Chris MacManus
Verts/ALE	Benoît Biteau, Anna Deparnay-Grunenberg, Martin Häusling, Bronis Ropé, Sarah Wiener

5	0
ID	Mara Bizzotto, Angelo Ciocca, Gilles Lebreton, Julie Lechanteux
S&D	Attila Ara-Kovács

Key to symbols:

+ : in favour

- : against

0 : abstention