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Press Release

LULUCF: EU misses key chance to deliver on Paris Agreement

(Brussels), December 14, 2017 - Two years after the Paris Agreement was adopted, the EU today missed a golden chance to deploy its forests in the fight against climate change.

The EU today finalised carbon accounting rules on land and forests (known as the LULUCF Regulation). This is the first attempt to amend legislation previously full of loopholes, and the new accounting rules offer greater transparency. They are marred however, by a serious lack of ambition.

“This is an important step in increasing the transparency of EU legislation on the climate impacts of forests. But it fails miserably to deliver the promises made in the Paris Agreement. Countries outside of the EU must do better when setting their own accounting rules”, said Hanna Aho, Fern’s forest and climate campaigner.

Earlier this autumn both the Council and European Parliament bowed to pressure from Finland, Sweden and France, and weakened the European Commission’s proposal on forests, which originally set a zero target to keep climate impacts of for forest and land roughly at historical levels.

The outcomes of these last negotiations will encourage Member States to reduce the cooling impact of forests by 370 million tonnes of carbon dioxide during 10 years. This equals 10 per cent of the carbon dioxide annually absorbed in forests.

“The forest sector is being given a free-ride to increase their emissions while everyone else is being made to reduce them. This is absurd,” said Aho.

The negotiations between the European Commission, the European Parliament and the Council provided key improvements to the Commission’s original proposal, namely it introduced the mandatory accounting for emissions from managed wetlands - one of the largest sources of carbon globally – from 2026 on and introduced new safeguards to make sure the EU delivers on its promise to reduce emissions by at least 40 per cent by 2030 compared to 1990 levels.

“The only way to honour the second anniversary of the Paris Agreement is to agree policies that will help us achieve its goals,” said Aho.

“The EU needs to rethink its forest climate policies if it wants to help limit global warming to 1.5 degrees. We need a target to increase sequestration of carbon in to forests and other ecosystems under the Governance Regulation and ramp up restoration of forests.”

“We also need to make sure the EU bioenergy policy does not waste public money subsidising burning of biomass that harm the climate, such as whole trees and stumps”, added Aho.



LULUCF Regulation in a in a nutshell

The Regulation for the [Land Use, Land Use Change and Forestry \(LULUCF\)](#) sector sets out accounting rules and targets to determine how Member States must act between 2021 and 2030. It is the third pillar of EU's climate architecture, the other once being Emission Trading sector and Effort Sharing Regulation, through which the EU aims to reduce its economy wide emission by at least 40 per cent by 2030.

EU LULUCF Regulation process

July 2016: Commission launched their [proposal](#). It was a compromise that relied on "scenario based forest management reference levels" and allowed countries to [decrease their sink slightly](#), based on harvesting of forests that enter a certain age. [NGOs were not happy with this compromise](#) and asked for net-net accounting and increase in ambition.

2017: [The positions of countries](#) have been very far apart with two Council Presidency proposals trying to bring MS closer together. [Here is Fern opinion piece](#) about the latest proposal by Estonia that went to Council in October.

June 2017: [Prominent academics active in the IPCC](#) warned policy makers of the risks in weakening LULUCF accounting rules in June 2017.

July 2017: European Parliament Environmental committee (ENVI) comes out with a position that [weakens accounting for bioenergy emissions](#) by changing the reference period from 1990-2009 to 2000-2012. On the positive side they include accounting for managed wetlands from 2026 on and EU level net-net accounting.

September 2017: [European Parliament finalised its position](#), which is rather ambiguous, but [a clear weakening of the Commissions original proposal](#). Finnish and Swedish MEPs are mobilised by the forest lobby and their governments to weaken the ENVI compromise.

These developments inspired a group of almost 200 eminent scientists around the world to write to the [EU environment ministers an open letter over their grave concern over the scientific basis](#).

October 2017: The Council (environment ministers of Member States) decided on [a position](#) based on a compromise by Estonia that allows decrease or [10% in the EU forest management sink](#) (360Mt CO₂/10 years). It also adds a 10 MT CO₂ flexibility to Finland on grounds of deforestation (deforestation is referred to by "particular geographical conditions" in the text).

Trilogues between Council, Parliament and Commission started 19 October with an aim to finalise LULUCF Regulation before the end of the year. The Regulation is to be adopted in a plenary in the European Parliament and a Council meeting in early 2018.