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Committee on the Environment, Public Health and Food Safety

2012/0042(COD)

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*****I**

DRAFT REPORT

on the proposal for a decision of the European Parliament and of the Council
on accounting rules and action plans on greenhouse gas emissions and
removals resulting from activities related to land use, land use change and
forestry
(COM(2012)0093 – C7-0074/2012 – 2012/0042(COD))

Committee on the Environment, Public Health and Food Safety

Rapporteur: Kriton Arsenis

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a decision of the European Parliament and of the Council on accounting rules and action plans on greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (COM(2012)0093 – C7-0074/2012 – 2012/0042(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2012)0093),
 - having regard to Article 294(2) and Article 192(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0074/2012),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Rules 55 of its Rules of Procedure,
 - having regard to the report of the Committee on the Environment, Public Health and Food Safety, and the opinion of the Committee on Agriculture and Rural Development (A7-0000/2012),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) The 17th Conference of the Parties of the UNFCCC, meeting in Durban in December 2011, adopted Decision -/CMP.7 of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol ('Decision -/CMP.7'). That decision set out rules for accounting for the LULUCF sector as of a second

Amendment

(3) The 17th Conference of the Parties of the UNFCCC, meeting in Durban in December 2011, adopted Decision **2**/CMP.7 of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol ('Decision **2**/CMP.7'). That decision set out rules for accounting for the LULUCF sector as of a second

commitment period under the Kyoto Protocol. This Decision should be in line with that decision to ensure an appropriate level of coherence between the Union's internal rules and methodologies agreed within the UNFCCC. This Decision should also reflect the particularities of the Union LULUCF sector.

commitment period under the Kyoto Protocol. This Decision should be in line with that decision to ensure an appropriate level of coherence between the Union's internal rules and methodologies agreed within the UNFCCC. This Decision should also reflect the particularities of the Union LULUCF sector ***and the obligations arising from the Union as a separate Party.***

Or. en

Amendment 2

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) The LULUCF accounting rules should reflect efforts made in the agriculture and forestry sectors to enhance the contribution of changes made to the use of land resources to the reduction of emissions. This Decision should provide for accounting rules applicable on a mandatory basis to the forestry activities of afforestation, reforestation, deforestation and forest management, ***and*** to the agricultural activities of grazing land management and cropland management. It should also provide for accounting rules applicable on a voluntary basis to revegetation ***and wetland drainage and rewetting activities.***

Amendment

(4) The LULUCF accounting rules should reflect efforts made in the agriculture and forestry sectors to enhance the contribution of changes made to the use of land resources to the reduction of emissions. This Decision should provide for accounting rules applicable on a mandatory basis to the forestry activities of afforestation, reforestation, deforestation and forest management, to the agricultural activities of grazing land management and cropland management, ***and to wetland drainage and rewetting.*** It should also provide for accounting rules applicable on a voluntary basis to revegetation.

Or. en

Amendment 3

Proposal for a regulation Recital 5

Text proposed by the Commission

(5) To ensure the environmental integrity of the accounting rules applicable to the Union LULUCF sector, these rules should be based on the accounting principles laid down in Decision -/CMP.7, and Decision 16/CMP.1 of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol.

Amendment

(5) To ensure the environmental integrity of the accounting rules applicable to the Union LULUCF sector, these rules should be based on the accounting principles laid down in Decision 2/CMP.7, **Decision 2/CMP.6** and Decision 16/CMP.1 of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol ***and applied in a consistent, comparable and complete manner within the Union and among Member States. To this end, the Commission should assist Member States, where appropriate, to make any technical corrections or adjustments necessary to their existing or newly established accounts.***

Or. en

Amendment 4

Proposal for a regulation Recital 6

Text proposed by the Commission

(6) The accounting rules should accurately represent human-induced changes in emissions and removals. In that regard, this Decision should provide for the use of specific methodologies in respect of different LULUCF activities. Emissions and removals related to afforestation, reforestation and deforestation are the direct result of human intervention and should therefore be accounted for in their entirety. However, given that not all emissions and removals from forest management are anthropogenic, the

Amendment

(6) The accounting rules should accurately represent human-induced changes in emissions and removals. In that regard, this Decision should provide for the use of specific methodologies in respect of different LULUCF activities. Emissions and removals related to afforestation, reforestation and deforestation are the direct result of human intervention and should therefore be accounted for in their entirety. However, given that not all emissions and removals from forest management are anthropogenic, the

relevant accounting rules should provide for the use of reference levels to exclude the effects of natural and country-specific characteristics. Reference levels constitute estimates of the annual net emissions or removals resulting from forest management within the territory of a Member State for the years included in an accounting period, and should be set transparently in accordance with Decision -/CMP.7. They should be updated to reflect improvements to methodologies or data available in the Member States. The accounting rules should provide for an upper limit applicable to net greenhouse gas emissions and removals for forest management that may be entered into accounts, given underlying uncertainties in the projections on which the reference levels are based.

relevant accounting rules should provide for the use of reference levels to exclude the effects of natural and country-specific characteristics. Reference levels constitute estimates of the annual net emissions or removals resulting from forest management within the territory of a Member State for the years included in an accounting period, and should be set transparently in accordance with Decision -2/CMP.7. They should be updated to reflect improvements to methodologies or data available in the Member States. The accounting rules should provide for an upper limit applicable to net greenhouse gas emissions and removals for forest management that may be entered into accounts, given underlying uncertainties in the projections on which the reference levels are based.

Or. en

Amendment 5

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Natural disturbances, such as wildfires, insect and disease infestations, extreme weather events and geological disturbances, may result in greenhouse gas emissions or reductions of a temporary nature in the LULUCF sector, or may cause the reversal of previous removals. As reversal can also be the result of management decisions, such as decisions to harvest or plant trees, this Decision should ensure that human-induced reversals of removals are always accurately reflected in LULUCF accounts. Moreover, this Decision should provide Member States a limited possibility to exclude emissions resulting from disturbances that

Amendment

(9) Natural disturbances, such as wildfires, insect and disease infestations, extreme weather events and geological disturbances ***that are beyond the control of, and not materially influenced by, a Member State***, may result in greenhouse gas emissions or reductions of a temporary nature in the LULUCF sector, or may cause the reversal of previous removals. As reversal can also be the result of management decisions, such as decisions to harvest or plant trees, this Decision should ensure that human-induced reversals of removals are always accurately reflected in LULUCF accounts. Moreover, this Decision should provide Member States a limited possibility to

are beyond their control from their LULUCF accounts. ***However, the manner in which Member States apply those provisions should not lead to undue under-accounting.***

exclude emissions resulting from disturbances ***in afforestation, reforestation and forest management*** that are beyond their control from their LULUCF accounts ***through the use of background levels and margins in accordance with Decision 2/CMP.7.***

Or. en

Amendment 6

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market ¹ requires operators to use a framework of measures and procedures that provide access to information on the supply of harvested wood products used for energy purposes, and including country of harvest and harvesting practices. That information should be compiled in a summary for the purpose of improving accounting of greenhouse gas emissions in Directive 2009/28/EC of the European Parliament and of the Council of 23 April 2009 on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC ² and Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC ³.

¹ OJ L 295, 12.11.2010, p. 23.

² OJ L 140, 5.6.2009, p. 16.

³ OJ L 275, 25.10.2003, p. 32.

Or. en

Amendment 7

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) Member State LULUCF Action Plans should set out measures to limit or reduce emissions and to maintain or increase removals from the LULUCF sector. Each LULUCF Action Plan should contain certain information as specified in this Decision. Moreover, to promote best practice, an indicative list of measures that may also be included in those plans should be set out in Annex to this Decision. The Commission should periodically evaluate the content and implementation of Member States' LULUCF Action Plans and, where appropriate, provide recommendations to enhance Member State action.

Amendment

(12) Member State LULUCF Action Plans should set out measures to limit or reduce emissions and to maintain or increase removals from the LULUCF sector. Each LULUCF Action Plan should contain certain information as specified in this Decision. Moreover, to promote best practice, an indicative list of measures that may also be included in those plans should be set out in Annex to this Decision. The Commission should periodically evaluate the content and implementation of Member States' LULUCF Action Plans and, where appropriate, provide recommendations to enhance Member State action.

Participation of the public during the preparation, modification and review of these plans should be provided for in this Decision.

Or. en

Amendment 8

Proposal for a regulation

Article 2 – paragraph 1 - point c

Text proposed by the Commission

c) 'afforestation' is the direct human-induced conversion of land that has not

Amendment

c) 'afforestation' is the direct human-induced conversion of land that has not

been forest for a period of at least 50 years to forest through planting, seeding and/or the human-induced promotion of natural seed sources, where the conversion *has taken* place after *1 January 1990*;

been forest for a period of at least 50 years to forest through planting, seeding and/or the human-induced promotion of natural seed sources, where the conversion *took* place after *31 December 1989*;

Or. en

Amendment 9

Proposal for a regulation

Article 2 – paragraph 1 - point d

Text proposed by the Commission

d) ‘reforestation’ is any direct human-induced conversion of land that is not forest to forest through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was covered with forest, but that has been converted to land without forest, where the conversion has taken place after *1 January 1990*;

Amendment

d) ‘reforestation’ is any direct human-induced conversion of land that is not forest to forest through planting, seeding and/or the human-induced promotion of natural seed sources, on land that was covered with forest, but that has been converted to land without forest, where the conversion has taken place after *31 December 1989*;

Or. en

Amendment 10

Proposal for a regulation

Article 2 – paragraph 1 - point e

Text proposed by the Commission

e) ‘deforestation’ is the direct human-induced conversion of forest to land that is not forest, where the conversion has taken place after *1 January 1990*;

Amendment

e) ‘deforestation’ is the direct human-induced conversion of forest to land that is not forest, where the conversion has taken place after *31 December 1989*;

Or. en

Amendment 11

Proposal for a regulation

Article 2 – paragraph 1 - point j

Text proposed by the Commission

j) ‘carbon stock’ is the **quantity of the element** carbon stored in a carbon pool, expressed in **millions of** tonnes;

Amendment

j) ‘carbon stock’ is the **mass of** carbon stored in a carbon pool, expressed in tonnes;

Or. en

Amendment 12

Proposal for a regulation

Article 2 – paragraph 1 - point p

Text proposed by the Commission

p) ‘harvested wood product’ is any **product of wood harvesting, including wood material and** bark, that has left a site where wood is harvested;

Amendment

p) ‘harvested wood product’ is any wood material, **including** bark, that has left a site where wood is harvested;

Or. en

Amendment 13

Proposal for a regulation

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

Text proposed by the Commission

Amendment

ta) ‘background level’ is the average of a consistent and initially complete time series containing 1990-2009 emissions associated with natural disturbances after the application of an iterative process to remove outliers, based on twice the standard deviation around the mean until no outliers can be identified;

Or. en

Amendment 14

Proposal for a regulation

Article 2 – paragraph 1 - point t b (new)

Text proposed by the Commission

Amendment

tb) ‘margin’ means twice the standard deviation of the time series defining the background level;

Or. en

Amendment 15

Proposal for a regulation

Article 2 – paragraph 1 - point u

Text proposed by the Commission

Amendment

u) ‘half-life value’ is the number of years it takes for the carbon content of **a** wood product to decrease to one half of its initial quantity;

u) ‘half-life value’ is the number of years it takes for the carbon content of **the harvested** wood product **pool** to decrease to one half of its initial quantity;

Or. en

Amendment 16

Proposal for a regulation

Article 2 – paragraph 1 - point v

Text proposed by the Commission

Amendment

v) ‘the instantaneous oxidation method’ is an accounting method that assumes that the release into the atmosphere of the entire quantity of carbon stored in harvested wood products occurs at the time **when a Member State includes those products into its accounts pursuant to this**

v) ‘the instantaneous oxidation method’ is an accounting method that assumes that the release into the atmosphere of the entire quantity of carbon stored in harvested wood products occurs at the time **of harvest;**

Decision;

Or. en

Amendment 17

Proposal for a regulation Article 2 – paragraph 2

Text proposed by the Commission

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 12 to amend the definitions in paragraph 1 of this Article for the purpose of ***updating those definitions in the light of changes to*** definitions adopted by the bodies of the UNFCCC or the Kyoto Protocol, or other multilateral agreement relevant to climate change concluded by the Union.

Amendment

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 12 to amend ***and update*** the definitions in paragraph 1 of this Article for the purpose of ***ensuring consistency between those*** definitions ***and those*** adopted by the bodies of the UNFCCC or the Kyoto Protocol, or other multilateral agreement relevant to climate change concluded by the Union.

Or. en

Amendment 18

Proposal for a regulation Article 3 – title

Text proposed by the Commission

***Obligation to draw up and maintain
LULUCF accounts***

Amendment

***Accounting obligations for LULUCF
activities***

Or. en

Amendment 19

Proposal for a regulation

Article 3 – paragraph 1 – introductory part

Text proposed by the Commission

1. For each accounting period specified in Annex I, Member States shall **draw up** and maintain accounts **that accurately reflect** all emissions and removals resulting from the activities on their territory falling within the following categories of activity:

Amendment

1. For each accounting period specified in Annex I, Member States shall **establish** and maintain accounts **for** all emissions and removals resulting from the activities on their territory falling within the following categories of activity:

Or. en

Amendment 20

Proposal for a regulation

Article 3 – paragraph 1 – point f a (new)

Text proposed by the Commission

Amendment

fa) wetland drainage and rewetting.

Or. en

Amendment 21

Proposal for a regulation

Article 3 – paragraph 1 – subparagraph 2

Text proposed by the Commission

Member States may **also draw up** and maintain accounts **that accurately reflect** emissions and removals **resulting** from revegetation, **and wetland drainage and rewetting.**

Amendment

Member States may **establish** and maintain accounts **for** emissions and removals from revegetation.

Or. en

Amendment 22

Proposal for a regulation

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

Text proposed by the Commission

Amendment

Member States shall, assisted by the Commission where appropriate, make any technical corrections and recalculations necessary to include in their existing and newly established accounts, where otherwise excluded, the carbon pools referred to in this paragraph, and greenhouse gases referred to in Article 3(2).

Or. en

Amendment 23

Proposal for a regulation

Article 4 – paragraph 4 – subparagraph 2

Text proposed by the Commission

Amendment

However, Member States may choose not to include in their accounts changes in carbon stock for carbon pools listed under points (a) — (e) of the first subparagraph where the carbon pool is not a declining sink or a source. Member States shall only consider that a carbon pool is not a declining sink or a source where this is demonstrated on the basis of transparent and verifiable data.

deleted

Or. en

Amendment 24

Proposal for a regulation Article 5 – paragraph 1

Text proposed by the Commission

1. In accounts relating to reforestation, Member States shall reflect emissions and removals resulting only from such activities taking place on those lands that were not forest on **1 January 1990**.

Amendment

1. In accounts relating to reforestation, Member States shall reflect emissions and removals resulting only from such activities taking place on those lands that were not forest on **31 December 1989**.

Or. en

Amendment 25

Proposal for a regulation Article 5 – paragraph 2

Text proposed by the Commission

2. **Where** Member States **reflect in their accounts** net changes in carbon dioxide (CO₂) emissions and removals resulting from afforestation, reforestation and deforestation activities, **such** net changes shall represent the total removals and emissions for the years in each accounting period specified in Annex I, calculated by summing up for each year of that accounting period **the carbon stock on 31 December of that year minus the carbon stock on 1 January in the same year**, on the basis of transparent and verifiable data.

Amendment

2. Member States **shall account for** net changes in carbon dioxide (CO₂) emissions and removals resulting from afforestation, reforestation and deforestation activities. **Such** net changes shall represent the total removals and emissions for the years in each accounting period specified in Annex I, calculated by summing up for each year of that accounting period **the net changes in carbon dioxide emissions and removals** on the basis of transparent and verifiable data.

Or. en

Amendment 26

Proposal for a regulation Article 5 – paragraph 3

Text proposed by the Commission

3. *Where* Member States **reflect in their accounts** methane (CH₄) and nitrous oxide (N₂O) emissions resulting from afforestation, reforestation and deforestation activities, **such** emissions shall represent the total emissions for the years in each accounting period specified in Annex I, calculated by summing up the emissions occurring in each year in that accounting period, on the basis of transparent and verifiable data.

Amendment

3. Member States **shall account for** methane (CH₄) and nitrous oxide (N₂O) emissions resulting from afforestation, reforestation and deforestation activities. **Such** emissions shall represent the total emissions for the years in each accounting period specified in Annex I, calculated by summing up the emissions occurring in each year in that accounting period, on the basis of transparent and verifiable data.

Or. en

Amendment 27

Proposal for a regulation Article 5 – paragraph 4

Text proposed by the Commission

4. Member States shall **continue to draw up and** maintain accounts **that reflect** emissions and removals **resulting from land** that **was** identified in accounts pursuant to Article 4(3) under afforestation, reforestation and deforestation even where such activity is no longer conducted on that land.

Amendment

4. Member States shall maintain accounts **for** emissions and removals **on lands** that **have been** identified in accounts pursuant to Article 4(3) under afforestation, reforestation and deforestation even where such activity is no longer conducted on that land.

Or. en

Amendment 28

Proposal for a regulation Article 6 – paragraph 1

Text proposed by the Commission

1. *In accounts relating to forest management*, Member States shall *reflect the* emissions and removals resulting from *such* activities, calculated as emissions and removals in each accounting period specified in Annex I, minus the value obtained by multiplying the number of years in that accounting period by their reference level specified in Annex II.

Amendment

1. Member States shall *account for* emissions and removals resulting from *forest management* activities, calculated as emissions and removals in each accounting period specified in Annex I, minus the value obtained by multiplying the number of years in that accounting period by their *respective forest management* reference level specified in Annex II.

Or. en

Amendment 29

Proposal for a regulation Article 6 – paragraph 2

Text proposed by the Commission

2. Where the result of the calculation referred to in paragraph 1 for an accounting period is negative, Member States shall enter into their forest management accounts total emissions and removals of no more than the equivalent of 3.5 per cent of a Member State's emissions in its base year, as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1, excluding emissions and removals from activities referred to in Article 3(1), multiplied by the number of years in that accounting period.

Amendment

2. Where the result of the calculation referred to in paragraph 1 for an accounting period is negative, Member States shall enter into their forest management accounts total emissions and removals of no more than the equivalent of 3.5 per cent of a Member State's emissions in its base year *or base period*, as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1, excluding emissions and removals from activities referred to in Article 3(1), multiplied by the number of years in that accounting period.

Or. en

Amendment 30

Proposal for a regulation

Article 6 – paragraph 3 – introductory part

Text proposed by the Commission

3. Member States shall ensure that the calculation methods they apply in respect of their accounts for forest management activities are consistent with the calculation methods applied for the calculation of their reference levels specified in Annex II with regards to the following aspects:

Amendment

3. Member States shall ensure that the calculation methods they apply in respect of their accounts for forest management activities are ***in accordance with Appendix II of Decision 2/CMP.6 and*** consistent with the calculation methods applied for the calculation of their reference levels specified in Annex II with regards to the following aspects:

Or. en

Amendment 31

Proposal for a regulation

Article 6 – paragraph 3 – point c

Text proposed by the Commission

c) harvested wood products;

Amendment

deleted

Or. en

Amendment 32

Proposal for a regulation

Article 6 – paragraph 4

Text proposed by the Commission

4. No later than one year before the end of each accounting period, Member States shall communicate to the Commission proposed revised reference levels for the following accounting period in accordance with the methodology in ***Decision -/CMP.7*** used for calculating the reference levels set

Amendment

4. No later than one year before the end of each accounting period, Member States shall communicate to the Commission proposed revised reference levels for the following accounting period in accordance with the methodology in ***Decisions 2/CMP.7 and Decision 2/CMP.6*** used for calculating the reference levels set out in

out in that decision.

that decision.

Or. en

Amendment 33

Proposal for a regulation Article 6 – paragraph 5

Text proposed by the Commission

5. If there are changes to **the relevant provisions of** Decision -/CMP.7, **the** Member States shall communicate to the Commission proposed revised reference levels reflecting those changes no later than six months after the adoption of those changes.

Amendment

5. If there are changes to **Decision 2/CMP.6 or** Decision 2/CMP.7, Member States shall communicate to the Commission proposed revised reference levels reflecting those changes no later than six months after the adoption of those changes.

Or. en

Amendment 34

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

1. Member States shall **reflect in their accounts** pursuant to Article 3(1) emissions from harvested wood products containing carbon on 1 January 2013 even where such harvested wood products were harvested prior to this date.

Amendment

1. Member States shall **account**, pursuant to Article 3(1), emissions from harvested wood products containing carbon on 1 January 2013 even where such harvested wood products were harvested prior to this date.

Or. en

Amendment 35

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

2. In accounts pursuant to Article 3(1) relating to harvested wood products, Member States shall **reflect** emissions **resulting** from the following harvested wood products on the basis of calculations in accordance with the first order decay function and the default half-life values specified in Annex III:

Amendment

2. In accounts pursuant to Article 3(1) relating to harvested wood products, Member States shall **include** emissions from the following harvested wood products on the basis of calculations in accordance with the first order decay function and the default half-life values specified in Annex III:

Or. en

Amendment 36

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Imported harvested wood products, irrespective of their origin, shall not be accounted for by the importing Member State.

Or. en

Amendment 37

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 3 a (new)

Text proposed by the Commission

Amendment

Member States electing to use country-specific half-life values for exported harvested wood products shall notify the Commission one year prior to the end of the accounting period for review and

approval.

Or. en

Amendment 38

Proposal for a regulation

Article 7 – paragraph 2 –subparagraph 3 b (new)

Text proposed by the Commission

Amendment

Member States shall not use country-specific half-life values for harvested wood products placed on the market in the Union that deviate from those used by the importing Member State in their accounts under Article 3(1).

Or. en

Amendment 39

Proposal for a regulation

Article 7 – paragraph 2 –subparagraph 3 c (new)

Text proposed by the Commission

Amendment

Member States shall account for emissions resulting from harvested wood products resulting from deforestation on the basis of instantaneous oxidation.

Or. en

Amendment 40

Proposal for a regulation

Article 7 – paragraph 4

Text proposed by the Commission

Amendment

4. *Where* Member States *reflect in their*

4. Member States *shall account for*

accounts emissions resulting from harvested wood products that were harvested for energy purposes, **they shall do so also** on the basis of the instantaneous oxidation method.

emissions resulting from harvested wood products that were harvested for energy purposes, on the basis of the instantaneous oxidation method. **Member States shall track harvested wood products that were harvested outside the Union and that are used for energy purposes within the Member State, for the purpose of providing a summary of emissions while indicating the country of harvest of the harvested wood product and whether it was harvested in a sustainable manner.**

Or. en

Amendment 41

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. In accounts relating to cropland management and grazing land management, Member States shall **reflect** emissions and removals resulting from such activities, calculated as emissions and removals in each accounting period specified in Annex I, minus the value obtained by multiplying the number of years in that accounting period by a Member State's emissions and removals resulting from such activities in its base year, as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1.

Amendment

1. In accounts relating to cropland management and grazing land management, Member States shall **account for** emissions and removals resulting from such activities, calculated as emissions and removals in each accounting period specified in Annex I, minus the value obtained by multiplying the number of years in that accounting period by a Member State's emissions and removals resulting from such activities in its base year **or period**, as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1.

Or. en

Amendment 42

Proposal for a regulation

Article 8 – paragraph 2 – subparagraph 2

Text proposed by the Commission

In accounts relating to wetland drainage and rewetting, Member States shall **reflect** emissions and removals resulting from that activity on all lands that have been drained since 1990 and all lands that have been rewetted since 1990.

Amendment

In accounts relating to wetland drainage and rewetting, Member States shall **account for** emissions and removals resulting from that activity on all lands that have been drained since 1990 and all lands that have been rewetted since 1990.

Or. en

Amendment 43

Proposal for a regulation

Article 9 – paragraph 1

Text proposed by the Commission

1. Where the conditions set out in paragraph 2 are met, Member States may exclude non-anthropogenic greenhouse gas emissions by sources resulting from natural disturbances from calculations relevant to their accounting obligations pursuant to points (a), (b), (d), **(e) and (f)** of Article 3(1). If Member States exclude such emissions they shall also exclude any subsequent removals on lands where those natural disturbances have occurred.

However, non-anthropogenic greenhouse gas emissions by sources resulting from natural disturbances which have been included in the calculation of their reference level pursuant to Article 6(4), Article 6(5) or Article 6(6) shall not be excluded.

Amendment

1. Where the conditions set out in paragraph 2 are met, Member States may exclude non-anthropogenic greenhouse gas emissions by sources resulting from natural disturbances from calculations relevant to their accounting obligations pursuant to points (a), (b), (d) of Article 3(1). If Member States exclude such emissions they shall also exclude any subsequent removals on lands where those natural disturbances have occurred.

Or. en

Amendment 44

Proposal for a regulation Article 9 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. For afforestation and reforestation activities referred to in points (a) and (b) in Article 3(1), Member States shall calculate a background level of emissions from natural disturbances. In accordance with Decision 2/CMP.7, Member States may exclude either annually or at the end of the accounting period referred to in Annex I, emissions from natural disturbances that in any single year exceed the afforestation and deforestation background level plus the margin.

Or. en

Amendment 45

Proposal for a regulation Article 9 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. For forest management activities referred to in point (d) of Article 3(1), Member States shall calculate a background level of emissions from natural disturbances. In accordance with Decision 2/CMP.7, Member States may exclude from the accounting, either annually or at the end of the accounting period referred to in Annex I, emissions from natural disturbances that in any single year exceed the forest management background level plus the margin.

Or. en

Amendment 46

Proposal for a regulation

Article 9 – paragraph 1 c (new)

Text proposed by the Commission

Amendment

1c. Non-anthropogenic greenhouse gas emissions by sources resulting from natural disturbances which have been included in the calculation of Member States reference level pursuant to Article 6(4), 6(5) or 6(6) shall not be excluded.

Or. en

Amendment 47

Proposal for a regulation

Article 9 – paragraph 1 d (new)

Text proposed by the Commission

Amendment

1d. Member States shall, assisted by the Commission where appropriate, make any technical corrections or recalculations to their forest management reference level specified in Annex II to include, if not otherwise included in conformity with this paragraph, the background level of emissions associated with annual natural disturbances.

Or. en

Amendment 48

Proposal for a regulation

Article 9 – paragraph 2 – introductory part

Text proposed by the Commission

Amendment

2. Member States may exclude non-anthropogenic greenhouse gas emissions by sources in accordance with paragraph

2. Member States shall calculate the net emissions and removals subject to paragraphs 1a to 1d and shall provide

1 from calculations relevant to their accounting obligations pursuant to points (a), (b) and (d) of Article 3(1) where those non-anthropogenic greenhouse gas emissions from such natural disturbances in a single year exceed 5 per cent of the total emissions of a Member State in its base year as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1 excluding emissions and removals from activities referred to in Article 3(1), provided that the following conditions are met:

transparent information:

Or. en

Amendment 49

Proposal for a regulation Article 9 – paragraph 2 – point a

Text proposed by the Commission

a) *the Member State identifies all land areas excluded from the purpose of the Member States' accounts pursuant to points (a), (b) and (d) of Article 3(1), including by their geographical location, year and types of natural disturbances;*

Amendment

a) *showing that all lands subject to exclusion are identified*, including by their *georeferenced* location, year and types of natural disturbances;

Or. en

Amendment 50

Proposal for a regulation Article 9 – paragraph 2 – point b

Text proposed by the Commission

b) *the Member State estimates the annual non-anthropogenic greenhouse gas emissions by sources* resulting from natural

Amendment

b) *showing how annual* emissions resulting from natural disturbances and the subsequent removals in *those* areas *are*

disturbances and the subsequent removals in the *excluded land* areas;

estimated;

Or. en

Amendment 51

Proposal for a regulation Article 9 – paragraph 2 – point c

Text proposed by the Commission

Amendment

c) no land-use change has occurred on the *excluded land areas and the Member State uses transparent and verifiable methods and criteria to identify land-use change on these land areas;*

c) *showing that* no land-use change has occurred on the *lands for which exclusion is applied and explaining the methods and criteria for identifying any future land-use changes on those land areas during the accounting period;*

Or. en

Amendment 52

Proposal for a regulation Article 9 – paragraph 2 – point d

Text proposed by the Commission

Amendment

d) *the Member State, where practicable, undertakes measures to manage or control the impact of the natural disturbances;*

d) *demonstrating that the occurrences were beyond the control of, and not materially influenced by, the Member State in the accounting period, by demonstrating practicable efforts to prevent, manage, or control the occurrences for which exclusions is claimed;*

Or. en

Amendment 53

Proposal for a regulation

Article 9 – paragraph 2 – point e

Text proposed by the Commission

e) *the Member State, where possible, undertakes measures to rehabilitate the excluded land areas;*

Amendment

e) *demonstrating efforts taken to rehabilitate, where practicable, the land for which exclusion is claimed;*

Or. en

Amendment 54

Proposal for a regulation

Article 9 – paragraph 2 – point f

Text proposed by the Commission

f) emissions *resulting from harvested wood products recovered by* salvage logging, were not excluded from accounting.

Amendment

f) *showing that* emissions *associated with* salvage logging were not excluded from accounting.

Or. en

Amendment 55

Proposal for a regulation

Article 9 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Member States shall not exclude from accounting emissions from natural disturbances on those lands that are subject to land-use change following the disturbance.

Or. en

Amendment 56

Proposal for a regulation Article 9 – paragraph 3

Text proposed by the Commission

3. Member States may also separately exclude non-anthropogenic greenhouse gas emissions by sources in accordance with paragraph 1 from calculations relevant to their accounting obligations pursuant to points (e) and (f) of Article 3(1) where those non-anthropogenic greenhouse gas emissions from such natural disturbances in a single year exceed 5 per cent of the total emissions of a Member State in its base year as submitted to the UNFCCC in that Member State's reviewed initial report on base year emission data pursuant to the Annex of Decision 13/CMP.1 excluding emissions and removals from activities referred to in Article 3(1), provided that conditions stipulated in Article 9(2) are met.

Amendment

deleted

Or. en

Amendment 57

Proposal for a regulation Article 9 – paragraph 5

Text proposed by the Commission

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 12 to revise *the conditions* referred to in *the first subparagraph of* paragraph 2 in the light of scientific progress or to reflect revisions to *acts* adopted by UNFCCC or Kyoto Protocol bodies.

Amendment

5. The Commission shall be empowered to adopt delegated acts in accordance with Article 12 to revise *the information requirements* referred to in paragraph 2 in the light of scientific progress or to reflect revisions to *Decision 2/CMP.7 or any other act* adopted by UNFCCC or Kyoto Protocol bodies.

Or. en

Amendment 58

Proposal for a regulation

Article 10 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. No later than six months after the beginning of each accounting period specified in Annex I, Member States shall draw up and transmit to the Commission draft LULUCF Action Plans to limit or reduce emissions and maintain or increase removals resulting from the activities referred to in Article 3(1). Member States shall ensure that a broad range of stakeholders are consulted.

Amendment

1. No later than six months after the beginning of each accounting period specified in Annex I, Member States shall draw up and transmit to the Commission draft LULUCF Action Plans ***setting out their efforts*** to limit or reduce emissions and maintain or increase removals resulting from the activities referred to in Article 3(1). Member States shall ensure that a broad range of stakeholders are consulted.

Or. en

Amendment 59

Proposal for a regulation

Article 10 – paragraph 2 – point a

Text proposed by the Commission

a) a description of past trends of emissions and removals;

Amendment

a) a description of past ***and recent*** trends of emissions and removals, ***including historic trends to the extent that those can be reconstructed;***

Or. en

Amendment 60

Proposal for a regulation

Article 10 – paragraph 2 – point a a (new)

Text proposed by the Commission

Amendment

aa) projections for emissions and removals consistent with the trends in

population, infrastructure development, energy use, agriculture intensity and forestry;

Or. en

Amendment 61

Proposal for a regulation Article 10 – paragraph 2 – point c

Text proposed by the Commission

c) an analysis of the potential to ***limit or*** reduce emissions ***and to maintain or increase removals;***

Amendment

c) an analysis of the potential to reduce emissions ***and increase removals while enhancing overall sink capacity;***

Or. en

Amendment 62

Proposal for a regulation Article 10 – paragraph 2 – point e

Text proposed by the Commission

e) policies foreseen to implement the measures referred to in point (d), ***including a*** description of the expected effect of those measures on emissions and removals;

Amendment

e) policies foreseen to implement the measures referred to in point (d) ***and, as appropriate, to integrate them in other policies, including national renewable energy action plans, forest action plans and national strategy plans, with a detailed*** description of the expected effect of those measures on emissions and removals;

Or. en

Amendment 63

Proposal for a regulation

Article 10 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

The Commission shall provide guidance and technical assistance to Member States and adopt specific guidelines for the LULUCF Action Plans. Member States shall conform to these guidelines in the presentation of their LULUCF Action Plans and shall comply with the requirements listed in points (a) to (f) in the first subparagraph.

Or. en

Amendment 64

Proposal for a regulation

Article 10 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Amendment

3. The Commission shall evaluate a Member State's draft LULUCF Action Plan within three months of receiving all relevant information from that Member State. The Commission shall publish the results of that evaluation and may issue recommendations, as appropriate, with a view to enhance Member States' efforts to limit or reduce emissions and maintain or increase removals.

3. Within three months of receiving all relevant information from that Member State, ***the Commission shall evaluate a Member State's draft LULUCF Action Plan to ensure that it conforms to the guidelines and the requirements listed in points (a) to (f) in paragraph 2.*** The Commission shall publish the results of that evaluation and may issue recommendations, as appropriate, with a view to enhance Member States' efforts to limit or reduce emissions and maintain or increase removals.

Or. en

Amendment 65

Proposal for a regulation

Article 10 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

The Commission may ask a Member State to modify or supplement these Plans to ensure that they comply with the requirements of this Article.

Or. en

Amendment 66

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 1

Text proposed by the Commission

Amendment

1. The Commission shall evaluate the implementation by Member States of their LULUCF Action Plans within six months of receiving the reports ***referred to in paragraph 4.***

1. The Commission shall evaluate the implementation by Member States of their LULUCF Action Plans within six months of receiving the reports ***and issue, as appropriate, recommendations for further action. Member States shall take due account of the Commission's recommendations.***

Or. en

Amendment 67

Proposal for a regulation

Article 10 – paragraph 5 – subparagraph 2

Text proposed by the Commission

Amendment

The Commission shall ***publish those reports and the results of that evaluation and may issue recommendations, as appropriate, with a view to enhance Member States' efforts to limit or reduce emissions and maintain or increase***

The Commission shall ***provide, with the assistance of Member States, early and effective opportunities for the public to participate during the preparation, modification and review of LULUCF Action Plans in accordance with Article 9***

removals. Member States shall take due account of the Commission's findings.

of Regulation (EC) No 1367/2006. The Commission and Member States shall make available to the public, in electronic form, the LULUCF Action Plans, evaluations and reports with a view to its active and systematic dissemination to the public in accordance with their respective obligations under Regulation (EC) No 1367/2006 and Directive 2003/4/EC.

Or. en

Amendment 68

Proposal for a regulation

Article 11 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

The Commission shall set up an expert review mechanism with a view to ensuring, where appropriate, consistency between the accounting Union rules and those agreed adopted by the bodies of the UNFCCC or the Kyoto Protocol, or other multilateral agreement relevant to climate change concluded by the Union.

Or. en

EXPLANATORY STATEMENT

Accounting for land use, land-use change and forestry (LULUCF) is a key element in climate policy with the potential, among other things, to contribute to mitigation, adaptation, conservation of biodiversity and sustainable use of natural resources. A first step towards incorporating LULUCF sectors into the EU's reduction efforts and ensuring complementarity among Union policies is to establish robust rules to account for emissions and removals occurring from LULUCF activities.

In this respect, LULUCF accounting within the European Union should be driven by three overarching objectives:

- to facilitate compliance with independent international obligations of Member States and the European Union as Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol;
- to provide policy coherence with existing and contemplated Union legislation for future coordination and integration, including but not limited to the Common Agricultural Policy (CAP) and the Renewable Energy Directive; and
- to ensure that accounting practices and methodologies conform to accepted principles of transparency, consistency, comparability, completeness and accuracy – not only within Member States but among them as members of the European Union.

The approach taken here by your Rapporteur is a surgical one that seeks to achieve these objectives while recognising that much of the legwork has already been performed in decisions taken at the Conference of the Parties to the UNFCCC and Meetings of the Parties to the Kyoto Protocol, including Decision 16/CMP.1, Decision 2/CMP.6 and Decision 2/CMP.7. The European Union must also be conscious of the critical leadership role it plays on climate issues and, when harmonisation is preferred or required, should aim for the highest common denominator among its Member States.

Your Rapporteur therefore welcomes the proposed Decision but considers that it needs to be clarified and strengthened in several respects.

Accounting Obligations

The obligation to establish and account for emissions and removals from the full range of land-related categories of activity that release emissions is an important step towards incorporating these sectors into the Union's reduction efforts. In Durban, wetland drainage and rewetting remained a voluntary activity under Decision 2/CMP.7 to be based on estimation methodologies for wetlands, lands converted to wetlands and land use on drained organic soils in the Intergovernmental Panel on Climate Change (IPCC) guidelines mostly recently adopted or encouraged by the Conference of the Parties and any other subsequent clarifications agreed thereto. Accounting of wetland drainage and rewetting by some Member States and not others also leads to inconsistencies across the Union.

Your Rapporteur therefore proposes the inclusion of wetland drainage and rewetting as a category of activity for which mandatory accounting is appropriate.

General Accounting Rules

Accurate accounting of the changes to the carbon stock for each category of activity requires the inclusion of known carbon pools and greenhouse gases. In addition, in the interests of ensuring harmonisation with an eye towards further integration into the Union's reduction commitments and with existing and contemplated Union legislation, all Member States should be required to account for carbon stock using the same carbon pools and greenhouse gases. To the extent Member States require assistance in making technical corrections and adjustments to account for carbon pools and greenhouse gases that have otherwise been excluded from accounting, the Commission should provide assistance where appropriate.

Your Rapporteur therefore proposes to require accounting for all carbon pools and greenhouse gases for each category of activity and calls upon the Commission to provide assistance.

Harvested Wood Products

In Durban, it was decided that harvested wood products (HWP) shall be accounted for on the basis of instantaneous oxidation—meaning the carbon stored in the wood is considered released at harvest—unless transparent and verifiable data for certain HWP categories is available in which case it shall be estimated using the first-order decay function with default half-lives. Member States are also allowed to use country-specific data to replace the default half-lives. This structure could result in potential inconsistencies within the Union, such as: (i) two Member States using country-specific half-lives for a third country that differ from one another; or (ii) one Member State using country-specific half-lives for another Member State that differs from what it uses for itself. There is the need to eliminate these potential inconsistencies before they occur.

Your Rapporteur therefore proposes first to require Member States to notify the Commission for review and approval of its election to use country-specific half-lives for exported HWP outside the Union, and then to prohibit Member States from using country-specific half-lives for HWP placed on the market within the Union that deviate from those used by the importing Member State.

In addition, the current framework for accounting for HWP creates data gaps when those products are used for energy purposes. This is particularly relevant to woody biomass used in bioenergy and the zero-emissions assumption that underlies both the Renewable Energy Directive and the EU Emission Trading Scheme. While Member States are required to account for internally harvested HWP used for energy purposes on the basis of instantaneous oxidation—therefore providing a mechanism within the Union and a legal framework to account for those emissions—this is not always the case for third countries. The upcoming entry into effect of the EU Timber Regulation, working in tandem with the modernisation of the Community Customs Code, provide timely tools to assist with eliminating this data gap.

Your Rapporteur therefore proposes to require Member States to track and account for

indicative purposes only emissions from HWP that were harvested outside the Union and used for energy purposes within the Member State on the basis of instantaneous oxidation while also providing information on the country of harvest and whether harvested in a sustainable manner.

Natural Disturbances

In Durban, emissions from natural disturbances may be excluded from afforestation, reforestation and forest management activities in certain circumstances. The approach requires Member States to estimate background levels and margins for the purposes of establishing what emissions may be excluded, and then allows exclusion of those emissions only when certain conditions are met. Decision 2/CMP.7 also requires Member States to use the same methodologies applied to forest management to afforestation and reforestation. The need for consistency, however, is not limited to just categories of activity but also applies to Member States.

Your Rapporteur therefore proposes to have Member States calculate background levels and margins and comply with conditions in accordance to Decision 2/CMP.7, and to make corresponding technical corrections and adjustments as necessary to bring their accounting into compliance.

Definitions

Several terms used throughout the document are not defined or require further clarification. These terms are relevant to the uniform understanding and application of the obligations identified throughout the Decision.

Your Rapporteur therefore proposes to include or clarify definitions for carbon stock, reforestation, afforestation, deforestation, harvested wood products, background level, margin, half-life value, and instantaneous oxidation.

LULUCF Action Plans

Member States should explore actions to reduce emissions and maintain or increase removals from the categories of activities covered herein. In particular, these activities should identify trends and explore further integration into other Union policies. The Commission should be charged with providing guidance and technical assistance to Member States, as appropriate, and empowered to issue recommendations for further action. Public participation and transparency, as required under other Union legislation, should be provided.

Your Rapporteur therefore proposes to clarify the content of the LULUCF Action Plans to include recent trends and projections of emissions and removals and measures to integrate LULUCF sectors into other Union policies. In addition, language clarifying the role of the Commission and obligations to provide access to information and public participation is included.