



2021/0201(COD)

23.3.2022

OPINION

of the Committee on Industry, Research and Energy

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: Henna Virkkunen

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SHORT JUSTIFICATION

The main goal of the European Union climate policy is to reduce greenhouse gas emissions and make Europe the first climate-neutral continent by 2050. Sinks and removals provided by the LULUCF sector play an important but limited role in reaching this goal. The objective of The European Commission proposal for a ‘Review of the Land Use, Land Use Change and Forestry (LULUCF) Regulation’ is to improve the rules on how the land use, land use change and forestry sector, combined with agriculture non-CO₂ greenhouse gas emissions, contribute to the EU climate policy framework.

The Rapporteur welcomes the Commission's proposal and believes that the move from reference levels to reported greenhouse gas emissions and removals will simplify the accounting processes and lead to improved data transparency and availability. The Member States should be further encouraged to improve methodologies for measuring carbon flows, including calculation of substitution effects. Improvements in methodologies should be reflected in the assessment of target fulfilment. Especially with regard to agricultural emissions, more research investments are needed to identify the most sustainable agricultural practices and the most cost-efficient ways to monitor and report emissions and removals from the sector. Overall, for ensuring proper implementation of the LULUCF rules and avoiding unnecessary regulatory burden, the scope of the Regulation should remain as an accounting framework for carbon emissions and removals.

The Rapporteur notes that the land use and forestry sector contribute to climate policies in a unique two-fold way - both through carbon sinks and as a source of renewable raw materials and products. Expertise and innovative possibilities offered by the forest industry play a crucial role in substituting fossil fuels and in the transition towards a circular bioeconomy. The LULUCF framework should recognise this and take fully into account the climate and environmental benefits of substitution.

While strengthening carbon sinks the Regulation should simultaneously acknowledge the role sustainable bioenergy production plays in phasing-out fossil fuels. Bioenergy accounts for around 60 per cent of the total renewable energy production in the European Union (Eurostat 2020). As sustainable bioenergy production primarily relies on residues and waste production from other forestry activities, unnecessary high LULUCF targets could considerably hinder renewable energy production in Europe. Furthermore, over proportional targets within the European Union could increase the pressure on the use of forests outside Europe and contribute to carbon leakage.

Overall, according to the Rapporteur it is crucial to recognise the benefits of active forest management for both climate mitigation and adaptation. The LULUCF accounting framework should encourage the Member States to pursue active and innovative measures to increase their carbon sinks and removals in the long-term perspective.

AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to take into account the following amendments:

Proposal for a regulation
Recital 1

Text proposed by the Commission

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC) entered into force in November 2016 (“the Paris Agreement”). Its Parties **have agreed to hold** the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels.

Amendment

(1) The Paris Agreement, adopted in December 2015 under the United Nations Framework Convention on Climate Change (UNFCCC) entered into force in November 2016 (“the Paris Agreement”). **By adopting the Glasgow Climate Pact**, its Parties **recognised that limiting** the increase in the global average temperature well below 2 °C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1,5 °C above pre-industrial levels **would significantly reduce the risks and impacts of climate change, and committed to strengthen their 2030 targets by the end of 2022 to close the ambition gap.**

Amendment 2

Proposal for a regulation
Recital 1 a (new)

Text proposed by the Commission

Amendment

(1a) The Glasgow Climate Pact, signed in November 2021 by 197 countries, emphasises the importance of protecting, conserving and restoring nature and ecosystems to achieve the goal of the Paris Agreement to limiting the increase in global warming to 1,5 °C , including through forests and other terrestrial and marine ecosystems acting as sinks and reservoirs of greenhouse gases and by protecting biodiversity, while ensuring social and environmental safeguards. With the Glasgow Leaders' Declaration on Forests and Land Use, signed in November 2021, 141 countries committed to working collectively to halt and reverse forest loss and land degradation by 2030,

while delivering sustainable development and promoting an inclusive rural transformation.

Amendment 3

Proposal for a regulation

Recital 4

Text proposed by the Commission

(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.

Amendment

(4) In Regulation (EU) 2021/1119 of the European Parliament and of the Council³⁰, the Union has enshrined the target of ***achieving*** economy-wide climate neutrality, ***which means achieving a balance between anthropogenic emissions by sources and removals by sinks of greenhouse gas emissions within the Union*** 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, ***with the highest priority being the reduction of fossil emissions. When implementing the Union's 2030 climate target, the relevant Union's institutions and Member States committed to prioritising swift yet gradual and predictable emissions reductions and, at the same time, enhancing removals by natural sinks. That underlying ambition should respect the principle of subsidiarity and balance national competence on forestry with the Union's overarching targets regarding increased net uptake of greenhouse gases and the Union policy on environment under Articles 191 and 192 of the Treaty on the Functioning of the European Union (TFEU). Furthermore, measures should primarily target sectors where the efforts are most cost-efficient, as determined by each Member State***. The contribution of net removals to the 2030 Union climate target is limited to 225

million tonnes of CO₂ equivalent *without prejudice to the objective of enhancing the Union's net carbon sink with a view to achieving climate-neutrality by 2050*. 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.

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 4

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The Union's forests deliver a considerable net uptake of carbon dioxide as well as economic value, export revenues, and employment throughout the Union. Since the beginning of the reporting period from 1990 onwards, the Union's forests alone have sequestered

around 400 million tonnes of CO₂ equivalent annually within the Union. However, the Union's total net LULUCF removals declined between 2013 and 2019. The Union's forests can be developed further and they can provide a wide range of bio-based products substituting fossil-based products that contribute to net reductions of carbon dioxide emissions. However, forestry and forestry industry are long-term activities with investment cycles that span several decades. Forest management is highly dependent on geographical factors and furthermore interlinked with industrial structures, which differ between Member States. Abrupt changes in forestry policies or increased regulatory burden, whether at Union or national level, could undermine the sector's contribution towards carbon removals.

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,

Amendment

(5) In order to **enable the land use, land use change and forestry sector to make a sustainable and predictable long-term contribution to the Union's climate-neutrality objective and 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

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.

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 ***and should strengthen sustainable forest management respecting biodiversity and ecosystem resilience which allows for the adaptation of forests to climate change in the long term.***

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 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

Amendment

(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. ***It should take into consideration that the fact that there was a large-scale land use, land use change and forestry***

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.

uptake of greenhouse gases in the past does not guarantee that there will be a high capacity in the future, as an increasing percentage of the Union's forests are reaching maturity. For Member States that improve their methodology of calculating the emissions and removals, a concept of technical correction should be introduced, ***subject to independent scientific review.*** A technical correction should be added to the target of that Member State corresponding to the effect of ***improved accuracy in the*** methodology on the targets and the efforts of the Member State to achieve them, in order to respect environmental integrity.

Amendment 7

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, thus creating a newly regulated land sector. Such combination can promote synergies between land-based mitigation actions and enable more integrated policymaking 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)0562.

Amendment

(7) The Communication of 17 September 2020 on Stepping up Europe's 2030 climate ambition³³ ***stressed that reaching climate neutrality will require Union action to be significantly stepped up in all sectors of the economy. The fact that progress is made in one sector should not compensate for the lack of progress in other sectors. The latter sectors should be supported in their conversion to more environmentally sustainable activities. Moreover, removals of greenhouse gases by natural carbon sinks are fragile and potentially reversible, which leads to increased uncertainty in measuring emissions and removals in the land sector compared to other sectors.***

³³ COM(2020)0562.

Amendment 8

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 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.***

³⁴ *Regulation (EU) 2018/1999 of the European Parliament and of the Council*

Amendment

(8) The land sector has the potential to ***transition towards climate neutrality*** in a cost-effective manner, ***through reducing emissions, maintaining and enhancing sinks and carbon stocks, gradually replacing fossil fuels with renewable energy from forest biomass and by harnessing the removal potential of organic materials from sustainable forest management. The bioeconomy and bioenergy are indispensable for a fossil-free economy.*** Subsequently, ***the sector will*** generate more greenhouse gas removals than emissions, ***both*** in the short ***and longer*** term.

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 9

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) The accounting rules set out in Articles 6, 7, 8 and 10 of Regulation (EU) 2018/841 were designed to determine the extent to which mitigation performance in the land use, land use change and forestry sector could contribute to the 2030 EU target for reduction of greenhouse gas net emissions of 40 %, which did not include the land use, land use change and forestry sector. In order to simplify the regulatory framework for that sector, the current accounting rules should not apply after 2025, and the compliance with national targets of the Member States should be verified on the basis of reported greenhouse gas emissions and removals. This ensures methodological consistency with Directive 2003/87/EC of the European Parliament and of the Council³⁵, Regulation (EU) 2018/842 of the European Parliament and of the Council³⁶, and the determination of the new target for reduction of greenhouse gas net emissions of at least 55 %, which also includes the land use, land use change and forestry

Amendment

(9) The accounting rules set out in Articles 6, 7, 8 and 10 of Regulation (EU) 2018/841 were designed to determine the extent to which mitigation performance in the land use, land use change and forestry sector could contribute to the 2030 EU target for reduction of greenhouse gas net emissions of 40 %, which did not include the land use, land use change and forestry sector. In order to simplify the regulatory framework for that sector, the current accounting rules should not apply after 2025, and the compliance with national targets of the Member States should be verified on the basis of reported greenhouse gas emissions and removals. This ensures methodological consistency with Directive 2003/87/EC of the European Parliament and of the Council³⁵, Regulation (EU) 2018/842 of the European Parliament and of the Council³⁶, and the determination of the new target for reduction of greenhouse gas net emissions of at least 55 %, which also includes the land use, land use change and forestry sector). ***In order to ensure better***

sector).

regulation and a predictable operating environment for industry, the accounting rules should only apply to greenhouse gas accounting for the land use, land use change and forestry sector.

³⁵ Directive 2003/87/EC of the European Parliament and of the Councils of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading with the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32) as amended by Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814 (OJ L 76, 19.3.2018, p. 3).

³⁵ Directive 2003/87/EC of the European Parliament and of the Councils of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading with the Community and amending Council Directive 96/61/EC (OJ L 275, 25.10.2003, p. 32) as amended by Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814 (OJ L 76, 19.3.2018, p. 3).

³⁶ 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).

³⁶ 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 10

Proposal for a regulation

Recital 10

Text proposed by the Commission

(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 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-

Amendment

(10) In order to enhance greenhouse gas removals, individual farmers **and** forest **owners need** direct **and indirect incentives** to store more carbon on their land, **in** their forests **and in carbon storage products**. **Forest owners should be encouraged to implement sustainable forest management practices and while the protection of biodiversity and societal benefits should be ensured. Public funding under the**

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.**

Common Agricultural Policy (CAP) and other Union programmes can already support ecosystem-based approaches in forests and agricultural lands and should be increased. To increase carbon sequestration in their lands and to enable the forestation and greenhouse gas emission reduction goals of the Union, individual farmers and forest owners need fit-for-purpose growing media produced in the Union, supporting local food production and food security. As outlined in the Commission Communication of 15 December 2021 on Sustainable Carbon Cycles, 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. Such incentives and business models will enhance climate mitigation in a fully circular and sustainably sourced bio-economy, including through the production and use of durable harvested wood products and through gradual substitution of fossil-based raw materials, in full respect of ecological principles fostering biodiversity and the circular economy. That potential, however, could be restricted if the forestry sector becomes overregulated.

Amendment 11

Proposal for a regulation Recital 10 a (new)

Text proposed by the Commission

Amendment

(10a) Renewable bio-based materials and products contribute to having a circular bioeconomy by gradually substituting fossil-based alternatives and alternatives with a larger environmental footprint in various industries. A Union's bioeconomy can increase the production of carbon storage products while strengthening carbon sinks and improving forest health. Increasing the

usage of carbon storage products is important together with reducing the usage of fossil emission intensive products and to achieve the goals of the European Green Deal. Hence, new categories of all sustainable carbon storage products, based on IPCC Guidelines, including in particular new innovative solutions, should be introduced in addition to the harvested wood products to promote voluntary carbon market measures on the land use sector. The life cycle of carbon storage products should not significantly harm the Union's environmental objectives in accordance with Article 17 of Regulation (EU) 2020/852. As per Commission Communication on of 15 December 2021^{1a}, carbon removals should be accounted for in a transparent way and by considering criteria such as the duration of the storage and the risk of reversal. Estimates on the mitigation potential of substituting fossil emission intensive materials with wood should also be provided by Member States.

^{1a} Communication from the Commission to the European Parliament and the Council - Sustainable Carbon Cycles (COM(2021)0800).

Amendment 12

Proposal for a regulation Recital 10 b (new)

Text proposed by the Commission

Amendment

(10b) Emerging business models, further development of bio-energy with carbon capture and storage or utilisation (BECCSU) technologies, and farming and land management practices to enhance removals and long-term investment in the bioeconomy contribute to balanced territorial development and economic growth in rural areas where SMEs and

family businesses are increasingly facing locational disadvantage due to inadequate infrastructure and lack of investment. A fair transition requires maintaining the industrial SME sector as a social stabiliser in such areas, creating opportunities for new jobs and providing incentives for relevant training, reskilling and upskilling. In line with the increased ambition in the land use, land use change and forestry sector, additional support should be provided to individual farmers and forest owners for implementing ecosystem-based approaches and biodiversity-friendly practices on their land in accordance with common rules laid down by the Commission. Member States should be able to consider using revenues generated from the auctioning of allowances through the European Union Emissions Trading Scheme (EU ETS) allowances for this purpose.

Amendment 13

Proposal for a regulation Recital 10 c (new)

Text proposed by the Commission

Amendment

(10c) Considering that active sustainable forest management has the potential to enhance carbon sequestration and counter forest ageing and natural disasters, which are among the factors contributing to the decreasing carbon removals in the land sector in recent years, sustainable forest management practices that respect biodiversity and ecosystem resilience and contribute to climate mitigation and adaptation, as outlined in the EU Forest strategy^{1a}, should be encouraged.

^{1a} *Communication from the Commission to the European Parliament, the Council, the European Economic and Social*

Amendment 14

Proposal for a regulation Recital 10 d (new)

Text proposed by the Commission

Amendment

(10d) The construction sector has the potential to use forestry products in large quantities and store carbon for many decades. Thus, measures should be taken to further encourage wood as a construction material and also to ensure that the resulting uptake of emissions is accounted for in the total emissions balance of the Member State in question.

Amendment 15

Proposal for a regulation Recital 12

Text proposed by the Commission

Amendment

(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.

(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 ***enhance natural carbon sinks in a way that contributes to enhancing biodiversity and 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 16

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) In order to ***ensure uniform conditions for the implementation of the provisions of Regulation (EU) 2018/841 concerning the*** setting out of the annual target allocations for Member States, ***implementing powers should be conferred on*** the Commission. Those ***powers*** should be ***exercised*** in accordance with ***Regulation (EU) No 182/2011 of the European Parliament and of the Council***³⁷.

Amendment

(14) In order to ***specify the requirements set out in this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to supplement this Regulation in respect of*** setting out of the annual target allocations for Member States ***for the land use, land use change and forestry sector as well as the method for determination of the technical correction to be added to the targets of the Member States and for the independent expert review, specifying common rules and methodologies to ensure that measures taken to meet the Member States' national targets do not significantly harm the Union's other environmental objectives.*** The Commission ***should carry out appropriate consultations during its preparatory work, including at expert level, and those consultations should be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016***^{36a}. ***To ensure equal participation in the preparation of delegated acts, the European Parliament and the Council should receive all documents at the same time as the Member States' experts, and their experts should systematically have access to the Commission's expert group meetings dealing with the preparation of delegated acts.***

^{36a} OJ L 123, 12.5.2016, p. 1.

³⁷ *Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).*

Amendment 17

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.

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 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 updated EU Bioeconomy Strategy, the EU Soil Strategy^{40a}***, 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 ***satellite and on-site*** monitoring and reporting of emissions and removals needs to be upgraded, ***making full use of already existing tools such as the LUCAS statistical survey***, 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)0380).

³⁹ COM(2020)0381.

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)0082.

Amendment 18

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) The expected anthropogenic changes to marine and freshwaters environment use though, for instance, planned expansion of offshore energy, potential increase in aquaculture production and the increasing levels of nature protection to meet the EU Biodiversity Strategy targets will influence

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)0380).

³⁹ COM(2020)0381.

⁴⁰ ***Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - New EU Forest Strategy for 2030 (COM(2021)0572).***

^{40a} ***Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions EU Soil Strategy for 2030 Reaping the benefits of healthy soils for people, food, nature and climate COM(2021)0699.***

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)0082.

Amendment

(17) The expected anthropogenic changes to marine and freshwaters environment use though, for instance, planned expansion of offshore energy, potential increase in aquaculture production and the increasing levels of nature protection to meet the EU Biodiversity Strategy targets will influence

greenhouse gas emissions and their sequestration. Currently these emissions and removals are not included in the standard reporting tables to the UNFCCC. Subsequently to the adoption of the reporting methodology, the Commission will consider reporting on the progress, feasibility of analysis and impact of extending the reporting to marine and freshwater environment based on the latest scientific evidence of these fluxes when carrying out the review in accordance with Article 17(2) of this Regulation.

greenhouse gas emissions and their sequestration. Currently these emissions and removals are not included in the standard reporting tables to the UNFCCC. Subsequently to the adoption of the reporting methodology, the Commission will consider reporting on the progress, feasibility of analysis and impact of extending the reporting to marine, *coastal* and freshwater environment based on the latest scientific evidence of these fluxes when carrying out the review in accordance with Article 17(2) of this Regulation.

Amendment 19

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) Given that the changes to the accounting rules generate additional compliance costs for the land use, land use change and forestry sector, compensatory actions need to be taken in order to prevent the total level of regulatory burden from increasing. The Commission should therefore present, before the application of this Regulation, proposals offsetting the regulatory burdens introduced by this Regulation, through the revision or repeal of provisions in other Union legislative acts that generate compliance costs in the affected sector.

Amendment 20

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

Text proposed by the Commission

Amendment

(e) commitments of Member States to take the necessary measures aiming towards the collective achievement of climate-neutrality in the Union by 2035 in the land use, land use change and forestry sector including emissions by the non-CO₂ agriculture.’; **deleted**

Amendment 21

Proposal for a regulation

Article 1 – paragraph 1 – point 2

Regulation (EU) 2018/841

Article 2 – paragraph 3

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: **deleted**

- (a) enteric fermentation;**
- (b) manure management;**
- (c) rice cultivation;**
- (d) agricultural soils;**
- (e) prescribed burning of savannas;**
- (f) field burning of agricultural residues;**
- (g) liming;**
- (h) urea application;**
- (i) ‘other carbon-containing fertilizers’;**
- (j) ‘other’.**

Amendment 22

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. By 30 June 2024, each Member State may present a national contribution to the 2030 net greenhouse gas removals target referred to in paragraph 2 of this Article that is higher than the national target set out in Annex IIa. Such contribution may be included in the integrated national energy and climate plans submitted pursuant to Article 14 of Regulation (EU) 2018/1999.

Amendment 23

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

Amendment

3. 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

3. The Commission shall adopt **delegated acts in accordance with Article 16 to supplement this Regulation by** 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 **Member State target set out in Annex IIa and 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, **subject to an independent expert review**

purpose of those **implementing** acts, the Commission shall carry out a comprehensive review of 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.

confirming the necessity and proportionality of the technical correction based on the improved accuracy of the data monitored and reported. The technical correction to be added to the **target of a Member State shall correspond to the effect of the change in methodology on the targets and shall be** set out in these **delegated acts and published.** For the purpose of those **delegated** acts, the Commission shall carry out a comprehensive review of 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.

Amendment 24

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Amendment

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 16a.

deleted

Amendment 25

Proposal for a regulation

Article 1 – paragraph 1 – point 3

Regulation (EU) 2018/841

Article 4 – paragraph 4

Text proposed by the Commission

Amendment

4. 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

deleted

2035.

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 26

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. Member States shall ensure that carbon removal from the atmosphere is encouraged through sustainable forest management that takes into account biodiversity and ecosystem resilience, as sustainable forest management actively contributes to carbon uptake.

Amendment 27

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. Member States shall ensure that measures taken to meet their national targets as referred to in paragraph 2 do not significantly harm Union biodiversity or other environmental objectives.

Amendment 28

Proposal for a regulation

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

Regulation (EU) 2018/841

Article 5 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

(3a) in Article 5, the following paragraph is inserted:

‘5a. Data collection shall be further enhanced by Union-wide harmonised monitoring of the evolution in soil organic carbon content and factors which impact soil condition and its carbon stocks via annual LUCAS surveys.’

Amendment 29

Proposal for a regulation

Article 1 – paragraph 1 – point 7 – point a

Regulation (EU) 2018/841

Article 9 – title

Text proposed by the Commission

Amendment

Carbon storage products;

Sustainable carbon storage products;

Amendment 30

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

Amendment

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

2. The Commission shall **by 2023** 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 **sustainably sourced** carbon storage products **of all relevant bio-based product categories**, including **innovative bio-based** products, **by-products and residues substituting fossil-fule based raw materials** that have a carbon sequestration

the Meeting of the Parties to the Paris Agreement, and ensuring environmental integrity.;

effect, **and by introducing a lifecycle assessment of those products, including recycled products**, 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. **The Commission shall, by 2025, assess the inclusion of Bio-Energy Carbon Capture and Storage or Utilisation (BECCSU) processes in carbon storage products, taking into consideration the ‘do no significant harm’ principle laid down in Article 17 of Regulation (EU) 2020/852. The categories of carbon storage products shall be aligned with relevant Union law, in order to ensure a coherent overall policy framework for carbon storage and removals.**

Amendment 31

Proposal for a regulation

Article 1 – paragraph 1 – point 7 – point b a (new)

Regulation (EU) 2018/841

Article 9 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

(ba) in Article 9, the following paragraph is added:

‘3a. In the delegated acts adopted pursuant to paragraph 2, the Commission shall ensure that the life cycles of harvested wood products do not significantly harm Union environmental objectives.’

Amendment 32

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

Amendment

(a) *paragraph 3 is deleted;*

deleted

Amendment 33

Proposal for a regulation

Article 1 – paragraph 1 – point 10 – point b

Regulation (EU) 2018/841

Article 12 – paragraph 5

Text proposed by the Commission

Amendment

5. Member States *may* use revenues generated by transfers pursuant to paragraph 2 to tackle climate change in the Union or in third countries and shall inform the Commission *of any such* actions taken.

5. Member States *shall* use revenues generated by transfers pursuant to paragraph 2 to tackle climate change, *protect biodiversity and ecosystem resilience, to ensure the conservation or enhancement, as appropriate, of land sinks and reservoirs, and to reduce the vulnerability of the land to natural disturbances* in the Union or in third countries and shall inform the Commission *as to the use of those revenues and to the actions taken in the reports referred to in Article 19 of Regulation (EU) 2018/1999.*

Amendment 34

Proposal for a regulation

Article 1 – paragraph 1 – point 11

Regulation (EU) 2018/841

Article 13 – paragraph 2 – point a

Text proposed by the Commission

Amendment

(a) the Member State has included in its strategy submitted in accordance with Article 15 of Regulation (EU) 2018/1999 ongoing or planned specific measures to ensure the conservation or enhancement, as appropriate, of forest sinks and reservoirs; *and*

(a) the Member State has included in its strategy submitted in accordance with Article 15 of Regulation (EU) 2018/1999 ongoing or planned specific measures to ensure the conservation or enhancement, as appropriate, of forest sinks and reservoirs *in a way that contributes to protecting biodiversity, and reduces the vulnerability of the land to natural disturbances;*

Amendment 35

Proposal for a regulation

Article 1 – paragraph 1 – point 12

Regulation (EU) 2018/841

Article 13a – paragraph 1 – point a

Text proposed by the Commission

(a) Finland included in its strategy submitted in accordance with Article 15 of Regulation (EU) 2018/1999 ongoing or planned specific measures to ensure the conservation or enhancement, as appropriate, of forest sinks and reservoirs;

Amendment

(a) Finland included in its strategy submitted in accordance with Article 15 of Regulation (EU) 2018/1999 ongoing or planned specific measures to ensure the conservation or enhancement, as appropriate, of forest sinks and reservoirs ***in a way that contributes to protecting biodiversity, and reduces the vulnerability of the land to natural disturbances;***

Amendment 36

Proposal for a regulation

Article 1 – paragraph 1 – point 14

Regulation (EU) 2018/841

Article 13c – paragraph 1

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, as a result of the comprehensive review it carries out in 2032, pursuant to Article 14(2), the Commission finds that 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 ***measures shall*** apply:

Amendment 37

Proposal for a regulation

Article 1 – paragraph 1 – point 14 a (new)

Regulation (EU) 2018/841
Article 13 d (new)

Text proposed by the Commission

Amendment

(14a) the following Article is inserted:

‘Article 13d

International cooperation

Member States may decide to authorise the use of carbon credits from the land use, land use change and forestry sector for offsetting by public or private entities, including through the means provided for in Articles 6(2) or 6(4) of the Paris Agreement. In order to remove market barriers and to avoid double counting the Union shall demonstrate how Internationally Transferred Mitigation Outcomes (ITMOs) originating from the Union are aligned with the LULUCF accounting framework.’

Amendment 38

Proposal for a regulation

Article 1 – paragraph 1 – point 15

Regulation (EU) 2018/841

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

Text proposed by the Commission

Amendment

ca) synergies between climate mitigation and the bioeconomy.

Amendment 39

Proposal for a regulation

Article 1 – paragraph 1 – point 15 a (new)

Regulation (EU) 2018/841

Article 14 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

(15a) In Article 14, the following paragraph is inserted:

'3a. The compliance report shall be based on annual datasets obtained from LUCAS surveys and national or regional soil monitoring systems. If previous LULUCF records are modified as a result of the LUCAS surveys, the Member State targets set out in Annex IIa shall be subject to technical correction as set out in Article 4(2).'

Amendment 40

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

2. 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

2. The Commission shall submit a report to the European Parliament and to the Council, no later than six months after [...] **each** global stocktake agreed under Article 14 of the Paris Agreement, on the operation of this Regulation, including an assessment of the impacts of the flexibilities referred to in Article 11 **on greenhouse gas emissions reductions and removals in the Union**, as well as on the contribution of this Regulation to the Union's **climate neutrality objective and intermediary climate targets set out in Regulation (EU) 2021/1119**, to the goals of the Paris Agreement. **The report shall assess** in particular the need for additional Union policies and measures, **in particular taking into account any future improvement of the monitoring, data collection and reporting system concerning forests in the Union as announced under the New EU Forest Strategy for 2030**, and in view of the necessary increase in greenhouse gas emissions reductions and removals in the Union. **The report shall take into account the best available and most recent scientific evidence, including the latest reports of the IPCC, IPBES and of the**

Amendment 41

Proposal for a regulation

Article 1 – paragraph 1 – point 18

Regulation (EU) 2018/841

Article 17 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Following the report, the Commission shall make legislative proposals where it deems it appropriate. In particular, the proposals shall ***set out annual targets and governance aiming towards the 2035 climate-neutrality target as laid down in Article 4(4), additional Union policies and measures, and a post-2035 framework, including*** in the scope of the Regulation greenhouse gas emissions and removals from additional sectors, such as the marine and freshwater environment.;

Amendment

Following the report, the Commission shall make legislative proposals where it deems it appropriate. In particular, the proposals shall ***include*** in the scope of the Regulation greenhouse gas emissions and removals from additional sectors, such as the marine, ***coastal*** and freshwater environment, ***based on robust scientific methodologies. As appropriate, the proposals shall update methodologies for data collection, monitoring and reporting in the land use, land use change and forestry sector, in particular concerning soils in the Union as announced under the New EU Soil Strategy for 2030.***

Amendment 42

Proposal for a regulation

Article 1 – paragraph 1 – point 18 a (new)

Regulation (EU) 2018/841

Article 17 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

(18a) in Article 17, the following paragraph is inserted:

'2a. The Commission shall report to the European Parliament and the Council every third year from the entry into force of this Regulation until 2050, the results of an evaluation on the functioning of this Regulation, including its effects on the

functioning of the internal market, the competitiveness of and job creation in affected sectors and the magnitude of carbon leakage.

The Commission shall report to the European Parliament and the Council, by 1 January 2030, and every fifth year until 2050, the results of a comprehensive evaluation of the aggregated macroeconomic impact of the Regulations that form the Fit for 55 package^{1a}.

The Commission shall consider possible amendments to this Regulation with regards to regulatory simplification as stated in the 2021 Commission Communication on Better Regulation^{1b}. The Commission and the competent authorities shall continuously adapt to best practice administrative procedures and take all measures to simplify the enforcement of this Regulation, keeping the administrative burden to a minimum.'

^{1a} *Communication from the Commission (COM(2021)0550), 14 July 2021.*

^{1b} *Communication from the Commission (COM(2021)0021), 29 April 2021.*

Amendment 43

Proposal for a regulation

Annex III – paragraph 1

Regulation (EU) 2018/1999

Annex V – part 3 – subparagraph 1

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 are encouraged to develop a** greenhouse gas inventory **that** shall operate on the basis of electronic databases and geographic information systems, and comprise:

Amendment 44

Proposal for a regulation

Annex III – paragraph 1

Regulation (EU) 2018/1999

Annex V – part 3 – subparagraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(aa) LUCAS datasets generated by annual, harmonised surveys across all Member States to gather information on land cover and land use, measure soil carbon stocks and analyse all relevant parameters affecting the potential of soil to sequester carbon and soil health; Member States are encouraged to increase the depth of the sampling of soil organic carbon content and carbon stocks, i.e. to use the 30 cm from the LUCAS soils 2022 protocol as a minimum.

Amendment 45

Proposal for a regulation

Annex III – paragraph 1

Regulation (EU) 2018/1999

Annex V – part 3 – subparagraph 4

Text proposed by the Commission

Amendment

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.’.

Member States shall ***aim***, 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, ***to*** apply Tier 3 methodology, in accordance with the 2006 IPCC guidelines for national GHG inventories.’.

ANNEX: LIST OF ENTITIES OR PERSONS FROM WHOM THE RAPPOREUR HAS RECEIVED INPUT

The following list is drawn up on a purely voluntary basis under the exclusive responsibility of the rapporteur. The rapporteur has received input from the following entities or persons in the preparation of the opinion, until the adoption thereof in committee:

Entity and/or person
Academy of Finland
Bioenergy Europe
Confederation of European Forest Owners (CEPF)
Confederation of European Paper Industries (CEPI)
European Commission, DG CLIMA
European Forest Institute
Finnish Forest Industries
Metsä Group
Ministry of Agriculture and Forestry of Finland
Natural Resources Institute Finland (Luke)
Permanent Representation of Finland to the EU
Statistics Finland
Stora Enso Oyj
St1 Oy
Swedish Forest Industries Federation
The Central Union of Agricultural Producers and Forest Owners (MTK)
The Finnish Association for Nature Conservation
The Finnish Environment Institute (SYKE)

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	ITRE 13.9.2021
Rapporteur for the opinion Date appointed	Henna Virkkunen 17.9.2021
Discussed in committee	26.1.2022
Date adopted	22.3.2022
Result of final vote	+: 48 –: 13 0: 16
Members present for the final vote	Nicola Beer, François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Michael Bloss, Manuel Bompard, Paolo Borchia, Marc Botenga, Markus Buchheit, Martin Buschmann, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Ignazio Corrao, Ciarán Cuffe, Josianne Cutajar, Nicola Danti, Pilar del Castillo Vera, Martina Dlabajová, Christian Ehler, Valter Flego, Niels Fuglsang, Lina Gálvez Muñoz, Claudia Gamon, Jens Geier, Nicolás González Casares, Bart Groothuis, Christophe Grudler, András Gyürk, Henrike Hahn, Robert Hajšel, Ivo Hristov, Ivars Ijabs, Romana Jerković, Eva Kaili, Seán Kelly, Izabela-Helena Kloc, Łukasz Kohut, Zdzisław Krasnodębski, Andrius Kubilius, Miapetra Kumpula-Natri, Thierry Mariani, Marisa Matias, Eva Maydell, Georg Mayer, Joëlle Mélin, Iskra Mihaylova, Dan Nica, Angelika Niebler, Niklas Nienaa, Ville Niinistö, Aldo Patriciello, Mauri Pekkarinen, Mikuláš Peksa, Tsvetelina Penkova, Morten Petersen, Pina Picierno, Markus Pieper, Clara Ponsati Obiols, Manuela Ripa, Robert Roos, Sara Skytvedal, Maria Spyrali, Jessica Stegrud, Beata Szydło, Riho Terras, Grzegorz Tobiszowski, Patrizia Toia, Evžen Tošenovský, Marie Toussaint, Isabella Tovaglieri, Viktor Uspaskich, Henna Virkkunen, Pernille Weiss, Carlos Zorrinho
Substitutes present for the final vote	Gianna Gancia

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

48	+
NI	Viktor Uspaskich
PPE	François-Xavier Bellamy, Hildegard Bentele, Tom Berendsen, Vasile Blaga, Cristian-Silviu Buşoi, Jerzy Buzek, Maria da Graça Carvalho, Pilar del Castillo Vera, Christian Ehler, Seán Kelly, Andrius Kubilius, Eva Maydell, Angelika Niebler, Aldo Patriciello, Markus Pieper, Sara Skytvedal, Maria Spyrali, Riho Terras, Henna Virkkunen, Pernille Weiss
Renew	Nicola Beer, Nicola Danti, Martina Dlabajová, Valter Flego, Claudia Gamon, Bart Groothuis, Christophe Grudler, Ivars Ijabs, Iskra Mihaylova, Mauri Pekkarinen, Morten Petersen
S&D	Josianne Cutajar, Niels Fuglsang, Lina Gálvez Muñoz, Jens Geier, Nicolás González Casares, Robert Hajšel, Ivo Hristov, Romana Jerković, Eva Kaili, Łukasz Kohut, Miapetra Kumpula-Natri, Dan Nica, Tsvetelina Penkova, Pina Picierno, Patrizia Toia, Carlos Zorrinho

13	-
ECR	Robert Roos
ID	Markus Buchheit, Georg Mayer
NI	András Gyürk
Verts/ALE	Michael Bloss, Ignazio Corrao, Ciarán Cuffe, Henrike Hahn, Niklas Nienä, Ville Niinistö, Mikuláš Peksa, Manuela Ripa, Marie Toussaint

16	0
ECR	Izabela-Helena Kloc, Zdzisław Krasnodębski, Jessica Stegrud, Beata Szydło, Grzegorz Tobiszowski, Evžen Tošenovský
ID	Paolo Borchia, Gianna Gancia, Thierry Mariani, Joëlle Mélin, Isabella Tovaglieri
NI	Martin Buschmann, Clara Ponsatí Obiols
The Left	Manuel Bompard, Marc Botenga, Marisa Matias

Key to symbols:

+ : in favour

- : against

0 : abstention