

Basic information	
2012/0042(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Decision	Procedure completed
Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions	
Amended by 2016/0230(COD)	
Subject 3.10.11 Forestry policy 3.10.14.04 Set-aside and conversion of land 3.70.03 Climate policy, climate change, ozone layer 3.70.18 International and regional environment protection measures and agreements	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ENVI Environment, Public Health and Food Safety	ARSENIS Kriton (S&D)	12/04/2012
		Shadow rapporteur MORKŪNAITĖ-MIKULĒNIENĖ Radvilė (PPE) PAKARINEN Riikka (ALDE) EICKHOUT Bas (Verts/ALE) GIRLING Julie (ECR) MAŠTÁLKA Jiří (GUE/NGL)	
	Committee for opinion	Rapporteur for opinion	Appointed
	ITRE Industry, Research and Energy	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meetings	Date
	Agriculture and Fisheries	3234	2013-04-22
	Environment	3173	2012-06-11
	Environment	3211	2012-12-17

European Commission	Commission DG	Commissioner
	Climate Action	HEDEGAARD Connie

European Economic and Social Committee

European Committee of the Regions

Key events			
Date	Event	Reference	Summary
12/03/2012	Legislative proposal published	COM(2012)0093	 Summary
15/03/2012	Committee referral announced in Parliament, 1st reading		
11/06/2012	Debate in Council		 Summary
10/10/2012	Vote in committee, 1st reading		
15/10/2012	Committee report tabled for plenary, 1st reading	A7-0317/2012	 Summary
17/12/2012	Debate in Council		
11/03/2013	Debate in Parliament		
12/03/2013	Decision by Parliament, 1st reading	T7-0063/2013	 Summary
12/03/2013	Results of vote in Parliament		
22/04/2013	Act adopted by Council after Parliament's 1st reading		
21/05/2013	Final act signed		
21/05/2013	End of procedure in Parliament		
18/06/2013	Final act published in Official Journal		

Technical information	
Procedure reference	2012/0042(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Amended by 2016/0230(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 192-p1
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/7/09126

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE491.221	02/07/2012	
Amendments tabled in committee		PE492.911	20/07/2012	
Amendments tabled in committee		PE494.534	20/07/2012	
Committee opinion	AGRI	PE489.490	19/09/2012	
Amendments tabled in committee		PE497.790	10/10/2012	
Committee report tabled for plenary, 1st reading/single reading		A7-0317/2012	15/10/2012	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0063/2013	12/03/2013	Summary
Council of the EU				
Document type	Reference		Date	Summary
Draft final act	00002/2013/LEX		21/05/2013	
European Commission				
Document type	Reference		Date	Summary
Legislative proposal	COM(2012)0093 		12/03/2012	Summary
Document attached to the procedure	SWD(2012)0040 		12/03/2012	
Document attached to the procedure	SWD(2012)0041 		12/03/2012	
Commission response to text adopted in plenary	SP(2013)306		30/04/2013	
National parliaments				
Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2012)0093	04/05/2012	
Contribution	AT_BUNDESRAT	COM(2012)0093	04/05/2012	
Contribution	PL_SENATE	COM(2012)0093	15/05/2012	
Contribution	CZ_SENATE	COM(2012)0093	20/06/2012	
Contribution	IT_SENATE	COM(2012)0093	13/09/2012	
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Decision 2013/0529
OJ L 165 18.06.2013, p. 0080

[Summary](#)

Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions

2012/0042(COD) - 12/03/2012 - Legislative proposal

PURPOSE: to gradually integrate the land use, land use change and forestry (LULUCF) sector into the Union's climate policy by means of a separate legal framework which addresses the sector's specific profile and by ensuring a robust and harmonised accounting framework.

PROPOSED ACT: Decision of the European Parliament and of the Council.

BACKGROUND: appropriate land uses and management practices in forestry and agriculture can limit emissions of carbon and enhance removals from the atmosphere. Such practices are covered by the LULUCF sector, which comprises mostly carbon dioxide (CO₂) emissions and removals by terrestrial ecosystems, generally estimated as carbon stock changes. **Agriculture, forestry, related industries and energy are the most important economic sectors relevant for LULUCF and they can contribute to the reduction of emissions and enhancement of sinks in several ways.**

Although the LULUCF sector does not yet count towards the Union's emission reduction target for 2020, it counts in part towards the Union's commitment under the Kyoto Protocol to the UNFCCC for the period from 2008 to 2012. However, the existing international accounting rules, which are a mix of voluntary and mandatory practices, have **significant drawbacks**. Most importantly, **accounting is voluntary** for most LULUCF activities, notably for forest management (representing about 70% of the sector) and for cropland and grazing-land management (representing about 17% of the sector). As a result, accounting in this first commitment period under the Kyoto Protocol varies greatly between Member States. Another drawback is the lack of incentives for climate change mitigation in forestry. **Improvements in accounting are necessary** to create a level playing field within the agricultural, forestry and related industries and energy sectors in the Member States with a view to ensuring their consistent treatment within the Union's internal market.

IMPACT ASSESSMENT: the impact assessment investigated **three key issues** that need to be addressed when assessing how LULUCF should be included in the Union's greenhouse gas emission reduction commitments, namely how to:

1. ensure robust accounting rules for emissions and removals;
2. achieve robust monitoring and reporting;
3. establish the appropriate policy context for bringing the sector into the Union's climate change commitments.

Based on the policy context for including the sector in the Union's commitments currently regulated by the ESD and the EU ETS, the impact assessment considered **three options for including LULUCF**, namely as part of the ESD, as a separate framework or by delaying inclusion altogether. Each option addressed the issues of accounting and monitoring. The potential social, economic and environmental impacts of the various options were considered in detail.

The impact assessment concluded that there were good reasons to include LULUCF in the Union's greenhouse gas emission-reduction commitments, namely to improve their policy coherence, environmental integrity and economic efficiency. But this will only be possible if the right policy context for LULUCF is put in place. The high variability of emissions and removals in forests means that annual emission reduction targets of the kind that apply to other sectors are unsuitable. The long lead times needed for mitigation measures to take effect also set LULUCF apart from most other sectors. In view of this, the impact assessment indicated that **a separate legal framework** for LULUCF would be the preferred option.

In terms of accounting, the suitable options identified included **mandatory accounting of emissions and removals from both forestry and agricultural activities** and giving equal weight to mitigation action irrespective of whether it was taken in the forestry, agriculture, related industries or energy sectors.

LEGAL BASIS: Article 192(1) of the Treaty on the Functioning of the European Union (TFEU).

CONTENT: the main objective of this Decision is to **establish robust and comprehensive accounting rules for LULUCF as well as to enable future policy development towards the full inclusion of LULUCF** in the Union's greenhouse gas emission reduction commitments when the conditions are right. To this end this Decision establishes a framework for:

- a **mandatory accounting obligation** on Member States as regards greenhouse gas emissions by sources and removals by sinks associated with agricultural and forestry activities in the LULUCF sector and voluntary accounting for revegetation and wetland drainage and rewetting;
- the **general accounting rules** that must be applied;
- the **specific accounting rules** for afforestation, reforestation, deforestation, forest management, changes in the harvested wood products pool, cropland management, grazing land management, revegetation, and wetland drainage and rewetting;
- the specific rules for accounting for **natural disturbances**;
- adopting **LULUCF Action Plans** in Member States designed to limit or reduce emissions by sources and maintain or increase removals by sinks associated with LULUCF activities, and for the evaluation of those plans by the Commission;
- the Commission is empowered to adopt delegated acts in order to:
 1. update the 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;
 2. amend Annex I to add accounting periods and ensure consistency between those accounting periods and the relevant periods applicable to Union emission reduction commitments in other sectors;
 3. amend Annex II with updated reference levels in accordance with the proposed reference levels submitted by Member States pursuant to Article 6 subject to corrections made in accordance with this Decision;
 4. revise the information specified in Annex III in accordance with scientific progress and to revise the conditions relating to the accounting rules for natural disturbances laid down in Article 9(2) in the light of scientific progress or to reflect revisions to acts adopted by UNFCCC or Kyoto Protocol bodies.

BUDGETARY IMPLICATION: this Decision will be implemented using the existing budget and will not have an impact on the multi-annual financial framework.

DELEGATED ACTS: this proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.

Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions

2012/0042(COD) - 11/06/2012

The Council had an **orientation debate** on the proposal for a decision on accounting rules and action plans on greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF).

The Commission proposes that member states should establish, for each accounting period, national action plans on measures to limit or reduce emissions and to maintain or increase removals from the LULUCF sector. The national action plans are aimed at stimulating the mitigation potential of the sector, increasing the visibility of measures taken and promoting best practice.

Ministers discussed **two main issues**: the proposed phased approach and its implications and the role and implementation of the proposed national action plans. Member states generally welcomed the Commission's proposal and its phased approach.

Concerning the timing and conditions for the second step (i.e. the formal inclusion of the sector in the EU's greenhouse emission reduction commitment) there were different views around the table. For some delegations, this step should be taken as soon as possible, whereas for others it is linked to new or revised emission reduction commitments. The Presidency concluded that this complex issue needs to be explored both in more depth and taking account of the wider context of the EU climate policy. Overall, it was considered very important to ensure consistency of the proposal with decisions taken

in the context of the UNFCCC.

As regards the national action plans, ministers generally agreed on the importance to stimulating the mitigation potential of the LULUCF sector and of increasing the visibility of the mitigation efforts by farmers, forest owners and all other actors concerned. Furthermore, many delegations pointed out that the sector should not be considered in isolation but in an integrated way and by making use of synergies with existing policies at EU and national level.

Several ministers stressed the need to avoid creating any unnecessary administrative burden or duplication of work and to take due account of national circumstances and competencies at each level.

Many delegations were of the view that member states themselves are best placed to decide on the appropriate measures. The guiding principles resulting from this debate will be taken into account with a view to further discussions and progress on this file.

Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions

2012/0042(COD) - 15/10/2012 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Environment, Public Health and Food Safety adopted the report by Kriton ARSENIS (S&D, EL) 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 (LULUCF).

The parliamentary committee recommends that the position of the European Parliament adopted at first reading under the ordinary legislative procedure should be to amend the Commission's proposal as follows:

Purpose and scope: the report specifies that the Decision lays down the obligations of Member States in implementing those accounting rules and action plans. It does not lay down **any accounting or reporting obligations for private parties**.

Definitions: clarifications proposed by Members relate to the following: carbon stock, reforestation, afforestation, deforestation, harvested wood product, natural disturbances, background level, margin, half-life value and instantaneous oxidation method.

Accounting obligations: Members propose that **wetland drainage and wetland rewetting**, within one year following the publication of relevant guidance published by the IPCC should be considered as activities for which accounting obligations should be introduced.

General accounting rules: an amendment stipulates that Member States shall make any necessary recalculations in order to include in their existing and newly established accounts, the **carbon pools and greenhouse gases** referred to in the Decision.

Forestry management: Member States shall account for emissions and removals resulting from forest management activities. Reference levels for forest management shall be identical to those established by acts approved by the United Nations Framework Convention on Climate Change (UNFCCC) or Kyoto bodies.

Harvested wood products (HWP): **HWP as such shall not be considered as emissions of greenhouse gas.** Furthermore, Member States shall distinguish between products originating from deforestation and forest management. Imported harvest wood products irrespective of their origin, shall not be accounted for by the importing Member State.

Members propose that: (i) Member States electing to use country-specific half-life values for exported harvest wood products shall **notify the Commission** for review and approval; (ii) Member States **shall not use country-specific half-life values for HWP placed on the market in the Union that deviate from those used by the importing Member State** in their accounts.

In addition, the report proposes to invite Member States: (i) to account for emissions resulting from harvest wood products resulting from deforestation on the basis of **instantaneous oxidation**, and (ii) to provide information about the country of harvest of the HWP and **whether it was harvested in a sustainable manner**.

Natural disturbances: in Members' opinion, the Decision should provide Member States, within certain limits, to use a limited possibility to 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.

Member States shall, assisted by the Commission where appropriate, make any technical corrections or recalculations to their forest management reference level to include the background level of emissions associated with annual natural disturbances.

In addition, Member States should provide **transparent information** showing, among other things, how annual emissions resulting from natural disturbances and the subsequent removals in those areas are estimated. They should not exclude from accounting emissions from natural disturbances on those lands that are subject to land-use change following the disturbance.

LULUCF Action Plans: Members propose that the **content of LULUCF Action Plans is laid down** so as to include: (i) historic trends to the extent that those can reasonably be reconstructed; (ii) projections for emissions and removals consistent with the trends in population, infrastructure development, energy use, agriculture intensity and forestry, for the respective accounting period; and (iii) a list of the most appropriate measures to meet national circumstances, to be adopted in order to pursue the mitigation potential.

The Commission shall provide assistance and adopt structural guidelines for the LULUCF Action Plans. An *ad hoc working group* of national experts should be constituted in order to evaluate the implementation of the national action plans together with the Commission. The Commission may issue practicable recommendations, as appropriate, with a view to enhancing Member States' efforts. Lastly, the Decision should provide for early and effective opportunities for the **public to participate** during the preparation, modification and review of these LULUCF Action Plans.

Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions

2012/0042(COD) - 12/03/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 635 votes to 42 with 3 abstentions, a 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 (LULUCF).

Parliament adopted its position in first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise agreement negotiated between Parliament and Council. The main amendments are as follows:

Purpose and scope: the amended text states that the Decision sets out accounting rules applicable to emissions and removals of greenhouse gases resulting from land use, land-use change and forestry ('LULUCF') activities, **as a first step towards the inclusion of those activities** in the Union's emission reduction commitment, when appropriate. It does not lay down any accounting or reporting obligations for private parties.

Definitions: Members insert a definition for '**background level**' which means the average emissions caused by natural disturbances in a given time period, excluding statistical outliers, calculated in accordance with the provisions in the Decision.

Obligation to prepare and maintain LULUCF accounts: Member States must prepare and maintain their accounts ensuring the accuracy, completeness, consistency, comparability and transparency of relevant information used in estimating emissions and removals from the LULUCF sector **in line with guidance provided in relevant Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories**, including on methodologies for accounting for non-CO₂ greenhouse gas emissions adopted under the United Nations Framework Convention on Climate Change (UNFCCC).

Accounting period beginning on 1 January 2021: annual accounts should accurately reflect all emissions and removals resulting from the activities on their territory falling within the following categories: (a) **cropland management**; (b) **grazing land management**.

Accounting period from 1 January 2013 to 31 December 2020: Member States must:

- **from 2016 to 2018**, report to the Commission by 15 March each year on the systems in place and being developed to estimate emissions and removals from cropland management and grazing land management;
- **prior to 1 January 2022**, submit to the Commission by 15 March each year initial, preliminary and non-binding annual estimates of emissions and removals from cropland management and grazing land management using, where appropriate, IPCC methodologies;
- **no later than 15 March 2022**, submit their final annual estimates for accounting of cropland management and grazing land management.

Member States wishing to benefit from a derogation shall submit a reasoned request to the Commission by 15 January 2021.

Afforestation, reforestation and deforestation: in accounts relating to afforestation and 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**. Member States may reflect emissions from afforestation and reforestation in a single account.

Forest management: Member States shall account for emissions and removals resulting from forest management activities. The reference levels shall be identical to those established by acts approved by the bodies of the UNFCCC or of the Kyoto Protocol.

Harvested wood products: each Member State shall reflect in its accounts emissions and removals resulting from changes in the pool of harvested wood products, **including emissions from harvested wood products removed from its forests prior to 1 January 2013**. Emissions from harvested wood products already accounted for under the Kyoto Protocol during the period from 2008 to 2012 on the basis of instantaneous oxidation shall be excluded.

For exported harvested wood products, country-specific data refers to country-specific half-life values and harvested wood products usage in the importing country.

Furthermore, 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**.

Harvested wood products resulting from deforestation shall be accounted for on the basis of **instantaneous oxidation**.

Natural disturbances: the text states that 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 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 ensures that **LULUCF accounts always accurately reflect human-induced reversals of removals**.

Moreover, the new Decision should provide Member States with a limited possibility to exclude emissions through the use of background levels and margins **in accordance with Decision 2/CMP.7**, of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol, adopted by the 17th Conference of the Parties of the UNFCCC to exclude emissions resulting from disturbances in afforestation, reforestation and forest management that are beyond their control from their LULUCF accounts.

Wetland drainage and rewetting: a new recital recalls that emissions from degrading and draining peatlands correspond to approximately 5 % of global greenhouse gas emissions and represented between 3.5 and 4 % of the Union's emissions in 2010. Therefore, as soon as relevant **IPCC guidelines** are internationally agreed, the **Union should endeavour to advance the issue at the international level with a view to reaching an agreement** within the bodies of the UNFCCC or of the Kyoto Protocol on the obligation to prepare annual accounts of emissions and removals from activities falling within the categories of wetland drainage and rewetting and with a view to including this obligation in the global climate agreement to be concluded no later than 2015.

Information on LULUCF actions: no later than 18 months after the beginning of each accounting period, Member States shall transmit to the Commission information on their current and future LULUCF actions to limit or reduce emissions and maintain or increase removals resulting from the activities referred to in the Decision, as a separate document.

Information on LULUCF actions shall include, amongst other things: (i) a description of past trends of emissions and removals including, where possible, **historic trends**, to the extent that they can reasonably be reconstructed; (ii) a list of the most appropriate measures to take into account national circumstances, that are to be implemented in order to pursue the mitigation potential.

The Commission may provide guidance and technical assistance to Member States to **facilitate the exchange of information** and best practices among Member States.

Member States shall make available to the public the information on their LULUCF actions.

Greenhouse gas emissions and removals resulting from activities related to land use, land use change and forestry (LULUCF): accounting rules and information on actions

2012/0042(COD) - 21/05/2013 - Final act

PURPOSE: to gradually integrate the land use, land use change and forestry (LULUCF) sector into the Union's climate policy by means of a separate legal framework which addresses the sector's specific profile and by ensuring a robust and harmonised accounting framework.

LEGISLATIVE ACT: Decision No 529/2013/EU of the European Parliament and of the Council on accounting rules on greenhouse gas emissions and removals resulting from activities relating to land use, land-use change and forestry and on information concerning actions relating to those activities.

CONTENT: this Decision sets out a **harmonised legal framework for comprehensive and robust accounting rules applicable to emissions and removals of greenhouse gases resulting from land use, land-use change and forestry ('LULUCF') activities** which are consistent with relevant decisions adopted within the United Nations Framework Convention on Climate Change (UNFCCC) framework.

The decision represents a **first step** towards the inclusion of LULUCF activities in the EU's greenhouse gas emission reduction commitments. The LULUCF sector can contribute to climate change mitigation in several ways in particular by reducing emissions, and maintaining and enhancing sinks and carbon stocks.

Obligation to prepare and maintain LULUCF accounts: Member States shall prepare and maintain accounts that accurately reflect all emissions and removals resulting from the activities on their territory falling within the following categories: afforestation; reforestation; deforestation; forest management as well as cropland management and grazing land management. They may also prepare and maintain accounts that accurately reflect emissions and removals resulting from revegetation and wetland drainage and rewetting.

The accounting rules should ensure that accounts accurately reflect **human-induced changes** in emissions and removals.

Natural disturbances: the Decision stipulates that 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 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.

Information on LULUCF actions: Member States should provide information on their current and future LULUCF actions, setting out nationally appropriate measures to limit or reduce emissions and to maintain or increase removals from the LULUCF sector.

Information on LULUCF actions shall include, amongst other things: (i) a description of past trends of emissions and removals including, where possible, historic trends, to the extent that they can reasonably be reconstructed; (ii) a list of the most appropriate measures to take into account national circumstances, that are to be implemented in order to pursue the mitigation potential.

Moreover, to promote best practice and synergies with other policies and measures relating to forests and agriculture, an indicative list of measures that may also be included in the information provided should be set out in an Annex to this Decision.

The Commission may provide guidance to **facilitate the exchange of comparable information**.

Member States shall make available to the public the information on their LULUCF actions.

ENTRY INTO FORCE: 08.07.2013.

DELEGATED ACTS: the power to adopt acts should be delegated to the Commission to update the definitions laid down in this Decision in accordance with changes to definitions adopted by the bodies of the UNFCCC or the Kyoto Protocol or of agreements deriving from or succeeding them. The power to adopt delegated acts shall be conferred on the Commission for a period of eight years from **8 July 2013**. The European Parliament or the Council may raise objections to a delegated act within a period of two months from the date of notification (this may be extended by two months.) If the European Parliament or Council express objections, the delegated act will not enter into force.