



EUROPEAN COMMISSION

Brussels, 04.08.2022  
C(2022) 5778 final

*Dear President,*

*The Commission would like to thank the Camera dei Deputati for its Opinion on the proposal for a Regulation of the European Parliament and of the Council amending Regulation (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) 554} (LULUCF proposal).*

*The proposal forms part of a broad package of interconnected and integrated measures designed to reduce net greenhouse gas emissions by at least 55% by 2030 in the European Union and pave the way to achieve climate neutrality by 2050, in accordance with the binding objectives set out in the European Climate Law.*

*The proposal aims at reversing the long-term trend of declining carbon removals and sets out a European Union net removal target of 310 Mega tonnes of carbon dioxide equivalent by 2030, distributed among Member States. Furthermore, the proposal simplifies the regulatory framework, enhances flexibilities between Member States to cope with unforeseen circumstances, and calls for an improved systems for monitoring, tracking progress and reporting. The Commission also proposes that the European Union land sector (combining emissions from the agriculture non-CO<sub>2</sub> sector and net removals from LULUCF) should aim to be climate neutral by 2035 and deliver negative emissions thereafter.*

*The Commission welcomes the Camera dei Deputati's support for the integration of the non-CO<sub>2</sub> agriculture emissions in LULUCF and the creation of the combined land use, forestry and agriculture sector. The establishment of the combined land sector after 2030 and its aim at achieving climate neutrality in 2035 were subject to an impact assessment.*

*Mr Roberto FICO  
President of the Camera dei Deputati  
Piazza Montecitorio  
IT 00100 ROMA*

*The impact assessment accompanying the LULUCF proposal examined the feasibility of this objective and its impact, including the economic and social aspects of the proposal and the effects on farmers. The proposed legislation sets out a process to achieve it by taking into account updated National Energy and Climate Plans submitted in mid-2024, in which Member States should propose most cost-effective measures in line with their policies to best contribute to this objective. A new legislative proposal planned for the end of 2025 setting out Member States targets for post-2030 will take into account the measures proposed in the updated National Energy and Climate Plans and will be based on a new impact assessment.*

*In view of the strong interlinkages of the sectors, as also recognised by the Camera dei Deputati, the Commission believes that a combined land sector can help to better address future challenges and facilitate more effective measures at all levels of the governance. The combined land sector will be further supported by upgraded monitoring and reporting of emissions and removals, in particular through the increased use of digital geographical data and remote sensing tools like Copernicus.*

*The upgraded monitoring and reporting framework addresses the needs to reduce administration costs, ensure high quality inventories and provide timely and transparent data that will enable each Member State to track progress towards achieving their objectives, contribute to protecting and enhancing nature-based carbon removals and take more effective policy decisions.*

*Concerning the European Union net removal target of 310 million of tonnes CO<sub>2</sub> equivalent and its distribution among Member States through national targets, the accompanying impact assessment evaluated several approaches to assess target allocation. This included GDP per capita, economic value added to relevant production chains, and physical characteristics like forest area in a Member State. Nevertheless, the starting point for distributing targets was the average sector performance by the Member State in 2016 to 2018. In the proposal, the geographical area of a Member State was selected because it corresponded best with the opportunity to enhance net removals: specifically, the area of ‘managed land’ reported by each Member State to the United Nations Framework Convention on Climate Change.*

*The proposal also provides for a balanced system of flexibilities supporting the Member States. It introduces a new flexibility mechanism to help Member States deal with the uncertainties of the sector, in particular from natural disturbances in the land and forestry sector like pest, fire and storms, and better address the interannual fluctuations of greenhouse gas removals.*

*The Commission notes the suggestion of the Camera dei Deputati to support carry-overs of surplus between the two distinct compliance periods, 2021-2025 and 2026-2030. Of significance is the change in the target and accounting framework between these two periods. The Commission has also looked closely at this and concluded that a carry-over would introduce ‘credits’ not in line with the new targets – that is, theoretical credits not respecting the stronger environmental integrity criteria that the legislative proposal aims to establish. Such a carry over, therefore, would neither be in line with a robust objective*

*towards the 2030 target nor with the 2050 climate neutrality objective, as set out in a binding manner in the European Climate Law.*

*Concerning measures of direct assistance to farmers, the Commission is currently assessing the Member States Strategic Plans of the Common Agriculture Policy for the years 2023-2027, including direct payments as well as measures supporting the green transition towards the use of more climate and environmentally friendly agriculture methods. Further options should be explored under the Just Transition mechanism and the Recovery and Resilience Plans. As part of the 'Fit for 55' package, the Commission has proposed to set up a new social climate fund to address social impacts of the extension of emissions trading to road transport and buildings on vulnerable households, micro-businesses and transport users.*

*The Commission hopes that these clarifications address the issues raised by the Camera dei Deputati and looks forward to continuing the political dialogue in the future.*

*Yours faithfully,*

*Adina-Ioana VĂLEAN  
Member of the Commission*