## **EUROPEAN COMMISSION**



Brussels, 10.01.2017 C(2017) 27 final

## Dear President,

The Commission would like to thank the Senat for its Opinion on the proposal for a Regulation of the European Parliament and of the Council on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy framework and amending Regulation No 525/2013 on a mechanism for monitoring and reporting greenhouse gas emissions and other information relevant to climate change {COM(2016) 479 final}.

This proposal forms part of a broader legislative package based on the guidance provided by European leaders at the European Council of October 2014, with a view to achieving the agreed target of at least -40% greenhouse gas emission reductions compared to 1990. The proposal implements EU commitments under the Paris Agreement on climate change, which has recently been ratified by Poland as well as the European Union, and entered into force on 4 November 2016.

The Commission concurs with the Senat that the sustainable management of land use will be crucial in tackling climate change. It welcomes the support of the Senat for the new flexibility instrument in the proposal, enabling a Member State to use a limited level of net removals under land use, land use change and forestry related to agricultural activity.

The Commission notes the concern expressed by the Senat relating to the role of forests in EU climate policy, and would like to refer to the analysis presented in the Impact Assessment relating to the risks and uncertainties associated with the immediate and full use of managed forest land credits to compensate for emissions from all other sectors. The Commission recalls that the majority of stakeholder views come to a similar conclusion. Flexibility with other sectors outside land use, land use change and forestry could be considered only once the robustness of accounting for managed forest land and the consistency of projected and actual harvesting rates can be confirmed. In this respect, the proposal sets out the technical steps that need to be taken by 2020, and that could yield robust national forest reference levels across all Member States.

The Commission has taken note of the Senat's concern regarding the transfer of national competences in the forestry sector to the Commission. The Commission would like to emphasise that the proposal does not interfere with national competences. On the contrary, it provides utmost flexibility to each Member State regarding the way in which they implement the "effort sharing" objective.

Action at the EU level as envisaged in the proposal is required to implement the European Union's climate change commitments jointly, in a coordinated manner. Differences in reporting and accounting rules from one Member State to another could negatively affect the single market as it would create distortions for the agriculture and forestry sectors across different Member States. In accordance with the principles of subsidiarity and proportionality, the proposal aims at providing a common framework on how the sector can be accounted towards the common EU target, while the choice of action in pursuit of the various objectives related to land use, land use change and forestry will be the sole responsibility of Member States. In this context, the preparation of National Forestry Accounting Plans is proposed to be in Member States' full competence. Thus, Member States' experts are expected to play a crucial role in reviewing the consistency, comparability and transparency of these plans, in accordance with the proposal and existing international guidance.

It should be stressed that the monitoring of progress and compliance set out in the proposal significantly simplifies the existing framework of monitoring and reporting under the present EU legislation, and simply adapts it to the recently ratified Paris Agreement.

The points made above are based on the initial proposal presented by the Commission which is currently in the legislative process involving both the European Parliament and the Council.

The Commission hopes that the above clarifications address the issues raised by the Senat and looks forward to continuing the political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President Miguel Arias Cañete Member of the Commission