

Commissioner Miguel Arias Cañete
Commissioner for Climate Action & Energy
European Commission
B-1049 Brussels, Belgium

16th May 2017

Subject: EU LULUCF rules will set an international precedent

Dear Commissioner Arias Cañete,

The EU is in the process of deciding the accounting rules for land use, land use change and forestry (LULUCF) for the post-2020 period. The EU's decision will have international significance.

To limit warming to 1.5 C, an objective set by the Paris Agreement, we need to reduce emissions as fast as possible and remove CO₂ from the atmosphere by restoring natural sinks. Restoring natural sinks is not something we can leave to countries in the tropics: it does not provide enough negative emissions to reach our ambitious goals, and neither is it fair. We need bigger, healthier sinks everywhere, starting at home, in the EU.

This means that we need land and forest accounting rules that are fit for the post-Paris world; for a world that has chosen more ambitious climate commitments. These new rules face a simple test: do they incentivise an increase in the sink and count any reduction in the sink honestly.

As required by the Paris Agreement, countries must agree on new land use accounting rules by 2020. Since the EU is currently developing accounting rules for its LULUCF sector post-2020, it is fair to say that they have international significance because it is the first region to update LULUCF accounting rules post Paris, and is likely to influence how other countries do things.

According to data released by the European Commission, the EU's sink will decline in the next decades, mainly, though not exclusively, due to an increase in harvesting, in part to meet increased demand for bioenergy. The reduction in the forestry sink between now and 2030 is estimated at almost 100MT, equivalent to the emissions of 100million more cars on the road.

It is crucial that the EU's accounting rules account honestly for any decrease in forest sinks. Not only is this important in order to measure our impact on the atmosphere, but it should - and indeed already has - triggered serious conversations in Member States over whether the forest and decarbonisation strategies they are undertaking are the best ones for the climate.

Counting emissions from a decrease in forest sinks is also crucial because emissions from bioenergy are meant to be accounted for when wood is harvested; in return it benefits from a 'zero emissions' rating when it is burnt. This was a recommendation of the IPCC to avoid double-counting, but if emissions are not accurately accounted for in the LULUCF regulation then these emissions are being counted no-where, once again cheating the climate.

The undersigned organisations believe the European Commission has taken important - though in our view insufficient - steps to improve the accounting rules.

It acknowledged the fundamental flaws with setting a Business as Usual reference level for forest management and proposed a reference level based on historic management practices. This has received the support of a number of countries, and from the main relevant actors in the European Parliament, though these processes are of course ongoing.

It did not propose mandatory accounting for wetlands

It did not set a target to increase removals by enhancing natural sinks

We know that, despite the compromises made by the European Commission, your proposal has come under attack from countries that do not wish to account honestly for the emissions from their land and forestry sectors. We are particularly alarmed that some of these countries are ones that are generally considered to be ambitious climate leaders, such as France and Sweden. Their current LULUCF stance risks undermining their image as climate leaders.

We understand that their proposal is to construct a reference level based on 'future sustainable harvesting levels including the effect of existing policies'. This would mean that any decrease in the sink would not be counted; emissions from bioenergy would not be counted and there would be no way to incentivise countries to maintain their sink, let alone increase it, as is needed to honour the goals of the Paris Agreement and limit warming to within 1.5 degrees.

The international message is dangerous: were other countries to follow suit, this would jeopardise our ability to limit global warming to well below 2 degrees and put 1.5 degrees out of reach. Accounting rules should be a technical exercise, and the recent proposal puts politics in the way of robust measurement needed for Paris to work.

The EU has a **unique opportunity to set a positive precedent** for how to increase removals of carbon dioxide from the atmosphere by enhancing natural sinks. The next decades are crucial in doing this; this is not a task to be left to after 2050.

We urge you to take these considerations into account as you prepare to find a common position of the Council of the European Union on the LULUCF regulation.

Yours Sincerely,



Saskia Ozinga, Campaigns Coordinator, Fern

On behalf of the following organisations:

Act Alliance EU, Abibiman Foundation, Action Aid, Ara, Biofuelwatch, Birdlife Europe, Bread for the World, CAN Europe, Carbon Market Watch, CCFD-Terre Solidaire, Civic Response Ghana,

Client Earth, Finnish Association for Nature Conservation, Forests of the World, Forest Watch Ghana, Friends of the Earth International, IFOAM-EU, Pivot Point, Rainforest Foundation Norway, Transport and Environment

