

Opinion of the European Economic and Social Committee on ‘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) 554 final)

(2022/C 152/32)

Rapporteur: **Anastasis YIAPANIS**

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Outcome of vote (for/against/abstentions)	145/1/3

1. Conclusions and recommendations

1.1. The EESC is very much engaged in the fight against climate change and strongly agrees that there is a need to introduce effective and immediate actions. A concerted effort is needed from both public and private entities to ensure active involvement, support and ownership by citizens and local communities, and to generate additional funding to support the transition to a low-carbon economy.

1.2. Europe has been hit by unprecedented forest fires and floods, which coincided with record droughts and heatwaves. Smart and sustainable water management can greatly improve the EU's capacity to mitigate and fight fires and enhance resilience against intense rainfall, floods and droughts.

1.3. Climate change and biodiversity loss are interlinked and must be addressed together. Habitat loss, pollution, overharvesting and the spread of invasive species have to be tackled to ensure that natural ecosystems are preserved and the vital social and economic role of land-based sectors is fulfilled.

1.4. Member States should design legislative frameworks that incentivise farmers and forest managers to pursue new sustainable business models that foster biodiversity, apply circular economy rules and generate sustainable practices in biomass production. The EESC calls for national restoration programmes for high quality wetlands and considers that wetland emissions should be accounted for as soon as possible, and not only from 2026 onwards.

1.5. Since climate change mitigation is a global challenge, the EESC considers that the EU's efforts must be complemented by targeted effective external discussions about immediate global involvement, fair burden sharing and fair competition.

1.6. The EESC calls for wide promotion of and support for sustainable agricultural practices like crop rotation, recovery of organic waste, precision agriculture, permaculture etc. Land must be managed carefully in all Member States, ensuring the right balance between competitiveness and sustainability, and providing the necessary funding opportunities. The EESC welcomes the Commission's intention to propose a regulatory framework for carbon removals in the farming sector.

1.7. Wood-based and other types of bioenergy have a very important role to play and it should be pursued if and when biomass is produced sustainably. However, importing biomass comes with specific associated risks, which are not covered by the EU legislative framework. EU trade policy should help prevent imports of biomass resulting in deforestation in the countries of origin.

1.8. The EESC appreciates the Commission's proposal to pursue a comprehensive assessment of the national inventory data in 2025, since data analysis is mainly based on the National Forest Inventories (NFI), which are uncorrelated and sometimes incomplete or inaccurate.

1.9. Upskilling and reskilling programmes for both entrepreneurs and workers are needed in order to ensure access to the newest available technologies and digital skills that enhance sustainability. The social partners and relevant civil society organisations have an important role to play and must be involved in both the planning and implementation phases of the Fit for 55 package.

1.10. Support for R & D projects for sustainable farming and woody biomass production are needed. The EESC calls for a tailor-made supportive legislative framework for SMEs and asks Member States to consider generating tax incentives to facilitate the transition.

1.11. Finally, the EESC is worried that the social dimension of implementing the EGD is not being fully taken into account. Special attention needs to be paid to the regions, industries, workers and citizens that will face the greatest challenges.

2. Background and introduction

2.1. The 2030 Climate Target Plan ⁽¹⁾ adopted in September 2020 sets out new and more ambitious targets on reducing greenhouse gas emissions to at least 55 % below 1990 levels by 2030, compared to the previous agreement of a net reduction of at least 40 %. The Fit for 55 package ⁽²⁾, published in July 2021, is bringing forward 13 legislative proposals that aim to revise current climate legislation, including the 2018 LULUCF Regulation ⁽³⁾, and ensure a fair, competitive and effective green transition by 2030 and beyond.

2.2. The land supplies societies with food and feed, but also with raw materials for the bio-based economy (fibres and wood for paper, textiles, building material and biofuel); it provides habitats for biodiversity and has an important capacity to sequester carbon from the atmosphere. At the same time, agriculture and forestry activities generate greenhouse gas emissions. The scope of the LULUCF Regulation has been extended from forests only to all land uses (including the agriculture sector starting in 2031) and sets binding commitments for all Member States to comply with the 'no-debit' rule. This should be realised by initiating legislative actions within the sector that would ensure that the accounted emissions from land use are entirely offset by an equivalent accounted removal of CO₂ from the atmosphere. It also proposes a new EU governance process that aims to make the monitoring of Member States' emission and removal calculations more accurate.

2.3. Basically, Member States must ensure that emissions from the LULUCF sectors do not exceed removals for the period 2021-2025, reach total net removals of at least 310 million tonnes of CO₂ by 2030, achieve climate neutrality by 2035 for all land sectors and record negative figures after that.

2.4. However, Member States will be obliged to submit integrated mitigation plans for all land sectors and are encouraged to use advanced digital technologies for monitoring purposes, including remote sensing observations, which are available through the Copernicus programme (high resolution and wall-to-wall satellite imagery) and the data collected under the Common Agricultural Policy (CAP). Furthermore, the Regulation proposal introduces an opportunity for a transaction process between Member States, incentivising them to aim to increase CO₂ removals even beyond their required targets.

⁽¹⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Stepping up Europe's 2030 climate ambition — Investing in a climate-neutral future for the benefit of our people.

⁽²⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Fit For 55': delivering the EU's 2030 Climate Target on the way to climate neutrality — COM/2021/550 final.

⁽³⁾ 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).

2.5. The land use, land use change and forestry (LULUCF) sector can contribute to climate change mitigation by maintaining and enhancing sinks and carbon stocks. The Commission proposes policies to help forest managers ensure more climate benefits when producing wood products and incentivise farmers to pursue climate-smart and sustainable agriculture practices.

3. General comments

3.1. The European Civil Society is very much engaged in the fight against climate change and strongly agrees that there is a need to introduce effective and immediate actions. The EESC believes that a concerted effort is needed from both public and private entities to raise awareness on the stringent need to act now, ensure active involvement and ownership by citizens and local communities, and to generate additional funding to support the transition to a low-carbon economy. The EU can no longer waste time in lengthy discussions.

3.2. The LULUCF sector has decreased its net CO₂ removals by a fifth⁽⁴⁾, mainly because of increased wood harvesting and a lack of incentives. Furthermore, Europe was hit by unprecedented forest fires and floods, which coincided with record droughts and heatwaves. Forests have also been particularly vulnerable to insect outbreaks, with wetlands suffering from continuous degradation. While significant increases in the land sink can be achieved at a relatively low cost, actions must be stepped up in all land uses, including improved forest and cropland management, and afforestation.

3.3. The EESC points out that there are various ways to increase carbon sequestration, including land management, forest regeneration and the restoration of natural ecosystems. Climate change and biodiversity loss are interlinked and must be addressed together. Habitat loss, pollution, overharvesting and the spread of invasive species need to be tackled to ensure that natural ecosystems are preserved and the vital social and economic role of land-based sectors is fulfilled.

3.4. Member States should create national strategies for preserving and rewetting of high quality peatlands, as they represent an important opportunity to protect and increase the carbon stocks in organic soils and ensure biodiversity restoration. Therefore, the EESC suggests that one of the most important objectives should be the restoration of high quality peatlands (using paludiculture⁽⁵⁾) and wetlands, and considers that wetland emissions should be accounted for as soon as possible and not only from 2026 onwards, as the European Commission proposes.

3.5. Research indicates that large wildfires have contributed to net carbon emissions for decades and hamper the regrowth of vegetation. Water management, especially retention of water in the soil and storage of water in reservoirs, can greatly improve the capacity to mitigate and fight fires. At the same time, it enhances resilience against intense rainfall, floods and droughts. The EESC therefore recommends that the Commission stimulate and support Member States in improving water management policies in order to increase agricultural productivity and carbon sequestration capacity.

3.6. Farmers and forest managers need to be incentivised to pursue new sustainable business models that foster biodiversity and apply circular economy rules. The EESC has already called for a complex and fair legislative framework that would 'enable landowners and land managers to implement effective LULUCF measures in a way that makes economic sense and not only at their own cost'⁽⁶⁾. It is now up to each Member State to design these important incentive frameworks according to their own specific circumstances. The EESC has already encouraged Member States 'to provide ambitious national, bottom-up policies for the LULUCF sector, with the close involvement of civil society in the process at national, regional and local levels'⁽⁷⁾.

3.7. Discussions have to continue on how forests should be managed and which parts of trees can be used for energy. While the European Commission proposal on the revision of the Renewable Energy Directive⁽⁸⁾ prohibits the extraction of biomass from primary forests and introduces restrictions on burning certain types of wood, it fails to recognise the current good practices where different kinds of trees and different parts of trees are used for the purpose they are best suited for, thus generating optimal overall added value without wasting natural resources. The EESC calls for national legislative frameworks in all Member States that support and incentivise the use of sustainable practices in biomass production.

⁽⁴⁾ SWD(2021) 610 final.

⁽⁵⁾ Cropping under wet conditions.

⁽⁶⁾ EESC opinion on *Land use, land use change and forestry (LULUCF)* (OJ C 351, 15.11.2012, p. 85).

⁽⁷⁾ EESC opinion on the *Effort Sharing Decision in the 2030 Climate and Energy Policy Framework and Emissions and removals from land use, land-use change and forestry (LULUCF)* (OJ C 75, 10.3.2017, p. 103).

⁽⁸⁾ European Commission — Renewable Energy Directive revision.

3.8. Furthermore, the promotion of skills, knowledge and support at the level of farmers and forest managers can strengthen the implementation of new sustainable practices and breakthrough technologies (e.g. precision agriculture, controlled traffic farming, proper waste disposal, reducing or avoiding the use of chemical pesticides, maintaining genetic diversity on the land etc.). The EESC welcomes the Commission's intention to propose a regulatory framework for carbon removals in the farming sector.

3.9. Global coordinated action is needed to ensure that climate change is addressed quickly and effectively. As the 2021 IPCC report indicates ⁽⁹⁾, there is scientific proof available that the recent frequent disasters in Europe are clearly related to a warmer climate and increased greenhouse gas emissions. Furthermore, it specifies that human influence 'has warmed the climate at a rate that is unprecedented in at least the last 2 000 years'. Therefore, the EESC considers that the EU's efforts must be complemented by targeted, effective actions at international level to ensure global involvement, fair burden sharing and fair competition.

4. Specific comments

4.1. The Fit for 55 legislative package represents an excellent and ambitious step and proves once again that the EU is the frontrunner in the fight against climate change. It is also an excellent discussion topic ahead of the 26th UN Climate Change Conference in Glasgow, when the EU should try to convince the rest of the world that they urgently need to carry out similar actions. The EESC points out that a coordinated global response is the only effective way to address climate change and that working together with our partners in the G7, G20 and other international bodies is the way forward.

4.2. The loss of agricultural land due to soil degradation, urbanisation and abandonment has been a complex problem in all Member States for many years. Land-use planning is essential for the EU's sustainable development, and the EESC calls for a particular focus on the efficient use of natural resources, especially since land becomes scarce as populations increase. The EESC has already proposed a coherent EU framework that would protect agricultural land ⁽¹⁰⁾.

4.3. In order to increase productivity and carbon storage in the agricultural sector, the EESC calls for wide promotion of and support for sustainable agricultural practices like crop rotation, recovery of organic waste, precision agriculture etc. Farmers should also be provided with necessary funding opportunities and updated information on the best farming practices and soil quality improvement possibilities. Finally, land must be managed carefully in all Member States, ensuring the right balance between competitiveness and sustainability.

4.4. In March 2021, the European Commission published an Organic Action Plan ⁽¹¹⁾ to help Member States reach a target of 25 % of agricultural land being farmed organically by 2030. The EESC points out the importance of increasing organic farming, which would represent a huge leap for the agriculture sector in terms of reducing GHG emissions and preserving biodiversity. The EESC also highlights other options for reducing the risk of land artificialisation, such as agroecology, agroforestry, permaculture, no-till farming etc.

4.5. The figures show that biomass burning has doubled since 2000 and half of all harvested wood is burned for energy ⁽¹²⁾. The EESC believes that this adverse pressure on forests has led to the recent decline in carbon sequestration and considers that, while wood-based and other types of bioenergy have a very important role to play, they should be pursued only when biomass is produced sustainably. Furthermore, the EESC has already mentioned that in order to 'avoid undermining environmental integrity, fossil emissions from other sectors should not be offset by forest sinks in a way that would reduce wood availability for the purposes of the bioeconomy' ⁽¹³⁾.

4.6. The EESC points out that importing biomass comes with specific associated risks, which are not covered by the EU Regulation. Therefore, broad international agreements are needed to ensure a level playing field in the single market, while EU trade policy should help prevent imports of biomass resulting in deforestation in the countries of origin.

⁽⁹⁾ IPCC — AR6 Climate Change 2021: The Physical Science Basis.

⁽¹⁰⁾ EESC opinion on *Land use for sustainable food production and ecosystem services* (OJ C 81, 2.3.2018, p. 72).

⁽¹¹⁾ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on An action plan for the development of organic production COM/2021/141 final.

⁽¹²⁾ Forests sacrificed for EU climate policy.

⁽¹³⁾ EESC opinion on *Effort Sharing Decision in 2030 Climate and Energy Policy Framework and Emissions and removals from land use, land-use change and forestry (LULUCF)*.

4.7. Member States are allowed to exclude from the accounting emissions caused by natural extreme events like storms, fires or insect outbreaks. Improved monitoring of natural disturbances in forests is urgently needed in order to ensure correct and effective application of the natural disturbance provision, which is technically demanding but extremely important. Reporting obligations for each Member State need to follow a standardised protocol that would ensure efficient collection and interpretation of data and efficient policy implementation and planning.

4.8. Data analysis is mainly based on the National Forest Inventories in each Member State, which are uncorrelated and sometimes incomplete or inaccurate. Furthermore, NFI inventories are not done frequently in all Member States. The EESC appreciates the Commission's proposal to pursue a comprehensive assessment of the national inventory data in 2025, with the purpose of setting accurate targets for the period 2026-2030.

4.9. Support for R & D for more sustainable production of woody biomass is needed. The EESC has already pointed out that 'intensive research and innovation, as well as rewards for the proven creation of carbon sinks, are needed to support these sectors' ⁽¹⁴⁾. The EESC also considers that every Member State should devise a designated tax incentive system that would facilitate the transition and recommends making full use of the available CAP funding.

4.10. Upskilling and reskilling programmes for entrepreneurs and workers are also needed in order to ensure access to the newest available technologies and digital skills that enhance sustainability. The European Green Deal agenda can only succeed if it is accompanied by education and training programmes that can boost the skills of European workers, while ensuring competitiveness and social fairness. Therefore, the EESC calls for the social partners and relevant civil society organisations to be fully involved in both the planning and implementation phases of the package.

4.11. The EESC considers that SMEs need a tailor-made supportive legislative framework that would help them innovate, scale up and grow sustainably. While there are several funding opportunities for financing adaptation, the EESC calls again for 'more clarity on the different options, as well as user-friendly procedures to ensure timely access to financing for actors at a practical level' ⁽¹⁵⁾.

4.12. Finally, the EESC is worried that the social dimension of implementing the European Green Deal (through the Fit for 55 legislative package) is not being taken into account and that members of the public will be affected the most as they will have to change their cars, pay more to heat their homes, pay more for the cheapest holiday flights and so on. The EESC therefore expresses real concern about the higher bills that households will have to pay after the Fit for 55 package has been implemented. The EESC also firmly believes that, during this transition, special attention needs to be paid to the regions, industries and workers that will face the greatest challenges and that the transition must be 'implemented through a competitive, socially fair and multilateral approach and that appropriate tools must be put in place to achieve full involvement and acceptance of civil society, including all citizens, businesses and organisations' ⁽¹⁶⁾.

Brussels, 8 December 2021.

The President
of the European Economic and Social Committee
Christa SCHWENG

⁽¹⁴⁾ EESC opinion on *Forging a climate-resilient Europe — the new EU Strategy on Adaptation to Climate Change* (OJ C 374, 16.9.2021, p. 84).

⁽¹⁵⁾ EESC opinion on *Forging a climate-resilient Europe — the new EU Strategy on Adaptation to Climate Change*.

⁽¹⁶⁾ EESC opinion on a *Clean Planet for all A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy* (OJ C 282, 20.8.2019, p. 51).