# **EUROPEAN GREEN DEAL RISK RADAR | NEW**

What to watch out for in the EU's new legislative term 2024–2029



# LAND USE LAND USE CHANGE AND FORESTRY (LULUCF) REGULATION

Regulation (EU)2023/839 amending Regulation (EU)2018/841 as regards the scope, simplifying the reporting and compliance rules, and setting out the targets of the Member States for 2030, and Regulation (EU)2018/1999 as regards improvement in monitoring, reporting, tracking of progress and review

The Regulation aims to enhance the governance for a stronger link between climate mitigation and environmental protection measures. It sets nationally binding net carbon removal targets for the land use sector. It promotes synergies between climate mitigation and measures to address the biodiversity crisis, applying simplified reporting rules and advanced monitoring technologies.

### WHAT'S IN IT?

#### **OBJECTIVE**

# **Climate ambition**

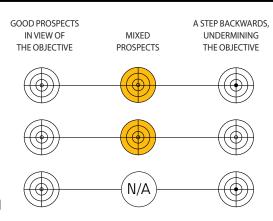
In view of respecting the limit of 1.5°C global warming under the Paris Agreement

# **Biodiversity**

Preserving biodiversity in the EU and beyond

# Zero pollution

Achieving zero pollution and a circular economy in the EU and beyond



# **WHAT'S NEXT?**

**STATUS** 

**MILESTONES** 

Entered into force



1 January 2026 Entry into force of

Member States' annual carbon removal targets.

By 15 March 2027

Submission of Member States' compliance reports (for 2021–2025).

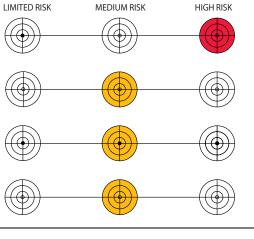
# WHAT TO WATCH OUT FOR?

**Speed**. Slowing down the EU law's progress or implementation.

**Money**. Conflict on distributional effects or lack of finance for making this EU law impactful.

**Licence for polluters.** Undermining the polluter-pays principle, increasing global pollution.

**Inequalities.** Allowing for practices that deepen global inequality.









# Land Use Land Use Change and Forestry (LULUCF) Regulation

# WHAT'S IN IT?

# Climate ambition

The Regulation has binding targets for Member States (though only from 2026 to 2030). These targets, in principle, should allow the EU to overachieve on its net 55% greenhouse gas emission reduction target for 2030. However, there is serious concern about the achievement of these targets as actual numbers point towards a growing gap.

# Biodiversity

Member States need to indicate, in 2027, in compliance reports how they have ensured synergies and concrete links between LULUCF activities and the EU's biodiversity strategy. However, no reference is made to synergies with the Common Agricultural Policy (CAP), the EU instrument that has the most important impact on land use and biodiversity.

# (N/A) Zero pollution

Not directly applicable.

# WHAT TO WATCH OUT FOR? RISKS









The main risk related to the LULUCF Regulation is its current





weak implementation. In principle, as the 2026–2030 targets are binding, one should assume Member States will take measures to improve performance. However, there is a risk that Member States at a certain moment will accept underperformance. Some national governments and industries currently pay lip service to potential synergies between the LULUCF Regulation and other biodiversity/land-based policies, but these links remain vague. It will depend on real action if the EU Nature Restoration Regulation, the Deforestation Regulation and the LULUCF Regulation can mutually support each other. Similarly, it will be important to see how the discussions about the next Multi-annual Financial Framework (MFF) and the new CAP will actually align with the EU's climate and biodiversity objectives. On the specific issue of bioenergy, there is already a mismatch between the LULUCF and the targets enshrined in the Renewable Energy Directive, which potentially leads to increasing imports of biomass from tropical forest regions, with all the negative impact it may have for global inequalities.

`The majority of the draft updated NECPs do not show sufficient ambition and action on land. Very few Member States show a concrete pathway to reach their national net removal targets, or sufficient actions to assist farmers, foresters and other stakeholders in building sustainable business models in line with these targets.' European Commission assessment of the draft updated National Energy and Climate Plans, 18 December 2023

# WHAT'S NEXT?



#### **STATUS**

# Entered into force on 11 May 2023

# Transposition by EU Member States

Member States need to develop the necessary policies to achieve the binding targets set for the period 2026 to 2030.

### Revision clauses and reporting duties

Member States need to submit a compliance report by 15 March 2027.

# Delegated acts and other related legislative action

The Commission will develop an implementing act to identify Member States annual targets for the period 2026 to 2030. The Commission will develop a delegated act to assist Member States in their reporting efforts. The Commission is entitled to develop a range of delegated acts linked to progress in LULUCF reporting within the United Nations Framework Convention on Climate Change (UNFCCC) or the Intergovernmental Panel on Climate Change (IPCC).

# **HOW TO IMPROVE IT? OPPORTUNITIES**

The LULUCF Regulation is one of the few acts in the 'Fit for 55' basket that actually foresees an overshoot of the net 55% emissions reduction target by 2030. However, with weak nature protection and more severe droughts and wildfires, forests in the EU risk becoming net emitters, while they were a carbon sink before. That led to a strong decline of LULUCF removals in the first half of the 2020s. The limited policy measures in the National Energy and Climate Plans (NECPs) make it difficult to reach the 2030 targets. It will be crucial to get stronger action at the national level to protect ecosystems and forests in particular. This will need to go hand in hand with stronger measures in the current and future CAP. The revision of the CAP in the context of the next MFF proposal will be a key moment to support biodiversity protection.

# **FURTHER READING**

CAN Europe: Mind the gap! Assessing climate action under the 'Fit For 55' package, May 2023