



Open letter to environment ministers on the Effort Sharing and the LULUCF Regulations

October 2016

Dear minister,

We, the undersigned, 29 organizations from across Europe, call on your support to ensure that the EU delivers its commitments in the Paris Agreement by taking effective and ambitious action to limit global warming to 1.5°.

The rapid ratification of the Paris Agreement showed the world that Europe is able to act swiftly and boldly on climate change. All eyes are now on how this historic climate deal will be implemented and translated into domestic action. Europe's contribution to this global effort will be determined, in large part, by the 2030 Effort Sharing Regulation (**ESR**) that covers the majority of the EU's total emissions and the land use, land use change and forestry (**LULUCF**) regulation covering emissions and removals from land use.

We are writing to you in light of the Environment Council on 17 October where these two proposals will be discussed. If designed correctly, the 2030 Effort Sharing and LULUCF Regulations can help secure the climate friendly transformation of our society and lead to more liveable cities, cleaner air, healthier forests, biodiverse landscapes, reduced energy poverty and the creation of jobs.

In order to capitalize on these benefits, we call on you to support the following improvements to the 2030 Effort Sharing Regulation:

1. **Increase ambition to be consistent with the EU's long-term objectives** by including a trajectory to at least 95% emission cuts by 2050 supported by, at a minimum, 45% reductions in the non-traded sectors by 2030.
2. **Include 5-yearly review and ratchet mechanisms**, allowing the EU and national climate targets to be upwardly revised every 5 years.
3. **Strengthen compliance** by reverting back to annual compliance checks.
4. **Start counting from the right point**, either on the basis of the actual 2020 emissions, or the 2020 targets, whichever is lower. This avoids the current situation wherein countries that fail to meet their 2020 targets are rewarded for non-compliance.
5. **Close loopholes that undermine the low-carbon transition** to avoid the risk of not achieving the 2030 target in the ESR sectors. Limiting the new flexibilities while strengthening the intra-EU flexibilities can provide a more fair and effective regulatory framework while safeguarding its environmental integrity:
 - a. **Reject the use of forestry offsets** that undermine climate actions in other sectors. Carbon removals from forests should be promoted in addition to, not instead of, the efforts to cut emissions, especially since they are not permanent.
 - b. **Do not allow surplus ETS allowances** stall the transition of the non-traded sectors. Since the ETS allowances will be subtracted from the country's auctioning volumes, significant amounts of scarce financial resources are foregone.

6. **Put efficiency first and reinforce the synergies between European climate, energy and sectoral legislation.** EU energy efficiency measures, for example those that stimulate improvement in the energy performance of buildings, support Member States' ability to meet their climate targets in the most cost-effective way and are crucial to achieving the necessary emission reductions in the ESR sectors.

We call on you to support the following improvements to the LULUCF Regulation:

1. **Raise ambition** so that the EU not only maintains its carbon sink but actively increases it in order to put the EU on a pathway to limit warming to below 1.5°C.
2. **Do not allow carbon sequestration from forestry to decrease the level of ambition in other sectors.**
3. **Support robust accounting rules** that are in line with the objectives as laid out in (1) and (2) and are transparent, simple and comparable.
4. **Include safeguards to ensure that all LULUCF activities have a positive impact on nature and biodiversity**, and at a minimum, do not have adverse impacts on biodiversity.
5. **Make wetlands a mandatory accounting category for all Member States.** Peatlands and wetlands have high conservation value and are large carbon stores. Their restoration and conservation should be incentivized.

We hope you will be able to take these considerations into account when discussing the proposal for the 2030 Effort Sharing and LULUCF Regulations.

Yours sincerely,

Carbon Market Watch

Transport & Environment (supported by 50 organisations across Europe)

FERN

CAN-Europe (representing 130 organisations in more than 30 European countries)

European Environmental Bureau (federation of 150 environmental citizens' organisations in more than 30 European countries)

WWF European Policy Office

IFOAM EU

Zero Waste Europe

Environment Pillar (representing 28 organisations in Ireland)

Client Earth (the UK)

Stichting Birdlife Europe

Sandbag (UK)

Campaign for Better Transport (UK)

Clean Air Action Group (Hungary)

Natuur en Milieu (the Netherlands)

Verkehrsclub Deutschland (VCD) (Germany)

Zero - Associação Sistema Terrestre Sustentável (Portugal)

Energiaklub Climate Policy Institute and Applied Communications (Hungary)

Quercus - Associação Nacional de Conservação da Natureza (Portugal)

Legambiente (Italy)

Health Care Without Harm (Europe)

Mouvement Ecologique (Luxembourg)

2Celsius (Romania)

VCÖ-Mobilität mit Zukunft (Austria)

ROCKWOOL International (Denmark)

Focus Association for sustainable development (Slovenia)

Fédération Inter-Environnement Wallonie (Belgium)

France Nature Environment (France)

Bond Beter Leefmilieu (Belgium)