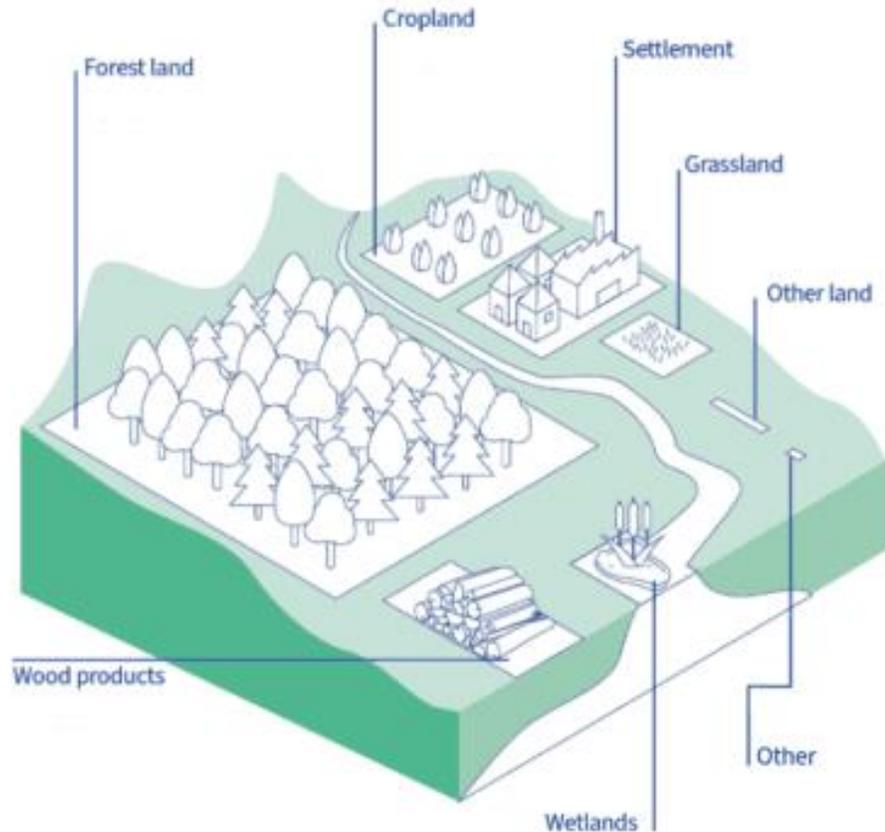


Developments in LULUCF and related policies

Iván Martínez, DG CLIMA

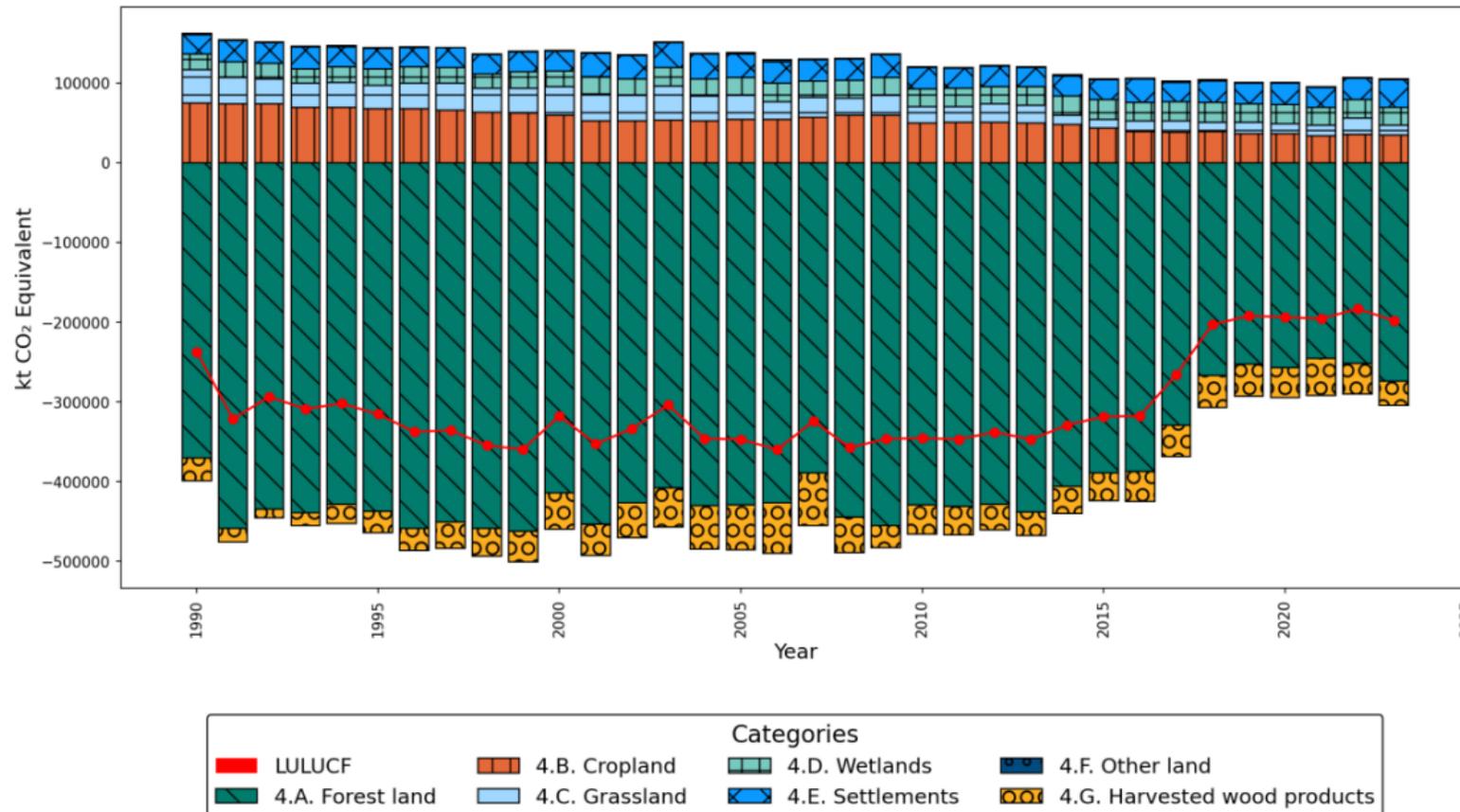
7th October 2025, EO4MRV Conference, Copenhagen

LULUCF in the climate policy



- European Climate Law
 - Climate Neutrality in 2050
 - 55% in 2030, including (capped) removals
- “Fit for 55”, 3 pillars:
 1. ETS
 2. ESR
 3. LULUCF

Overview of LULUCF sector



Data representation with categories and LULUCF as a line.
2025 EU Greenhouse gas inventory. (c) European Environment Agency (EEA).

- Climate effects / negative circumstances
- Methodological changes, more accuracy
- “Slow” response in reporting

The LULUCF Regulation

Period 1: 2021 - 2025

Accounting rules
“No debit” rule

Period 2: 2026 – 2030

Reported e/r in GHG
inventories
EU + National targets



First compliance period

Effective & cost-efficient planning
of the use of flexibilities by MS

Good understanding of the balance
of LULUCF emissions and removals
in all Member States

- Affects EU-level 'no-debit' achievement and MS-level 'no-debit'

Need for preliminary data by all MS early in the process (Q1/2026):

- Inventory data 2021-2025
- Forest reference levels
- Natural disturbances

First compliance period



DG CLIMA & EEA to facilitate this process throughout 2025-2027

DG CLIMA

- Series of policy workshops with MS

EEA

- Series of technical workshops with MS
- Guidance documents on FRL & ND, developed in cooperation with MS



Second compliance period

Secondary legislation;

- **Implementing Regulation on the structure, format, technical details, and process for submission of the evidence of impact of climate change and legacy effects on organic soils**
- **Implementing Regulation setting out annual limit values for net greenhouse gas removals of Member States for the period 2026-2029**

And:

- **Delegated Regulation amending Delegated Regulation (EU) 2019/1122 as regards the functioning of the Union Registry**



The LULUCF review

- Consultants final report Q4 2025
- SWD + report: Q4 2026
- Evaluation findings based on effectiveness, efficiency, coherence, EU-added value and relevance with subsequent conclusions

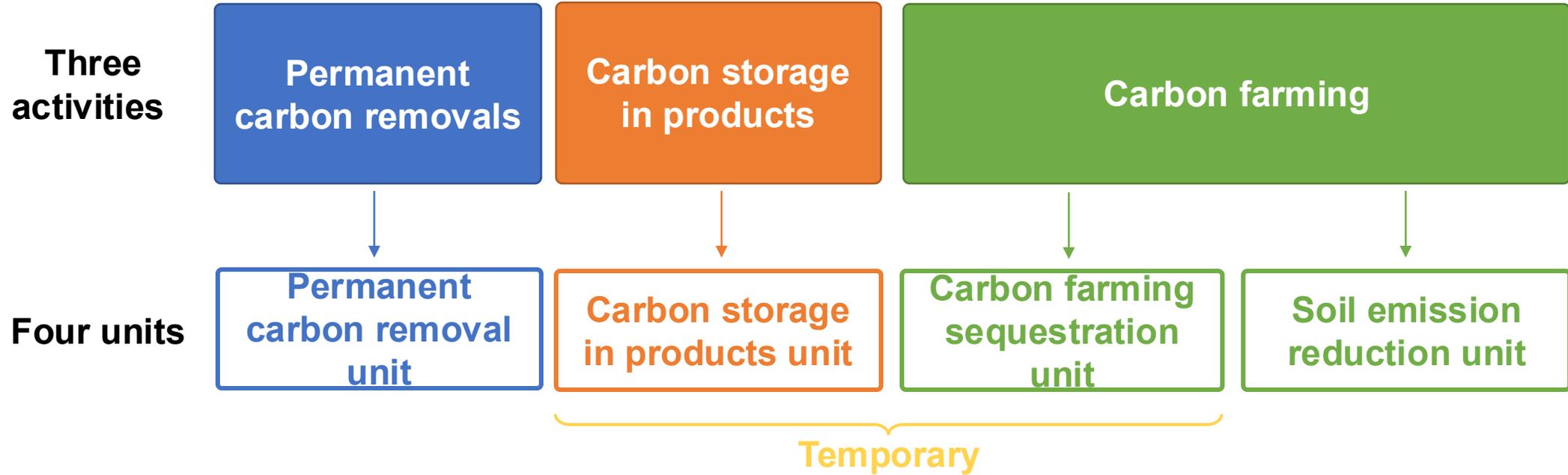
Main issues :

- *Decreasing carbon removals in the land sector*
- *Insufficient integration of the land sector into climate policies*
- *Challenges to implement the accounting, monitoring and reporting rules as set out in the [initial] LULUCF Regulation*

Drivers	Increasing harvesting rates Emissions from organic soils Lack of incentives	Separation agriculture / LULUCF (different legislation, no integrated target) Limitations of ESR / LULUCF flexibility	Process for establishment of Forest Reference Levels Gaps in monitoring and reporting systems
Problems	Decreasing carbon removals in the land sector	Insufficient integration of the land sector into climate policies	Implementation challenges
Objectives	A climate-neutral land sector by 2035	A fair, flexible and integrated climate policy framework for the land sector	Simplification



CRCF



Challenges

Cost of MRV

Lack of advisory services

Access to finance

First-of-a-kind projects/ high costs

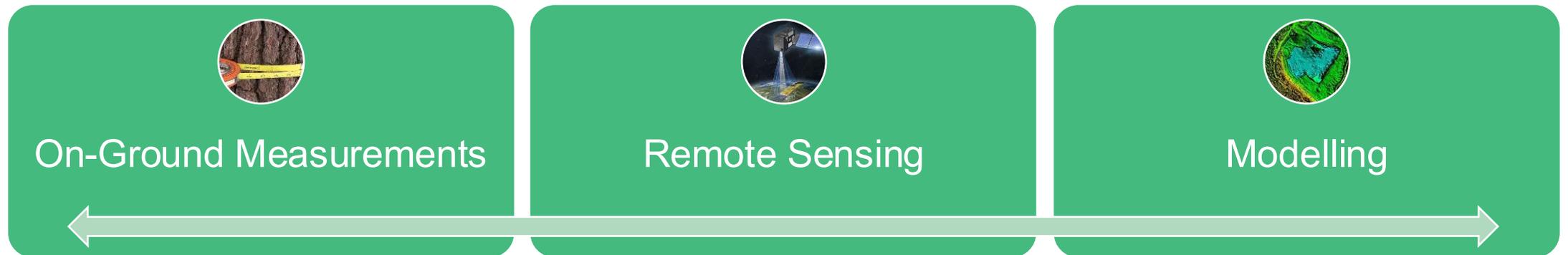
Sustainable sourcing of feedstock and energy

Public-private financing



CRCF

Additionality/Permanence/Quantification/Sustainability



-> Integration with GHG LULUCF inventories

CRCF timeline

- Regulation in force
- Delegated Act Permanent removals: DACCS, BECCS, Biochar
 - OPC closed September 2025
 - Expert group planned October 23rd
 - Adoption before 2026
- Delegated Act Carbon Farming: Agricultural soils, Peatland rewetting, Planting of trees
 - Advanced draft in progress
 - Expert group planned Q1 2026
 - OPC next
- Implementing Regulation laying down rules on certification schemes, certification bodies
 - OPC closed July 2025
 - Upcoming vote by Member states
- Recognition of certification schemes to start in 2026
- EU Registry to be ready in 2028



Other related policies

- Soil monitoring Directive
 - **Healthy soils across Europe by 2050**
 - MS to set up **monitoring systems** to assess the physical, chemical and biological condition of soils, under EU methodology
 - Non-binding EU-level target values and national trigger values
 - Agreement adopted by the council, EP to hold its final vote in the coming weeks
- Forest Monitoring Law
 - Negotiations stopped before trilogues
- Green Claims Directive
 - Last trilogue cancelled at request of Presidency after IT withdrew



Thank you



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