

Consultation on the integration of agriculture, forestry and other land use into the 2030 EU climate and energy policy framework

1. In your view, which of the multiple objectives of agriculture, forestry and other land use will gain most in relative importance by 2030?

The consultation addresses the multiple objectives of the sector, in particular:

- 1) **Resilience and long term protection of natural resources**, for their value as a sink / carbon stocks, biodiversity, ecosystem services and conservation of production potential;
- 2) **Food safety** (taking into account that the world population is expected to grow by 30 % by 2050);
- 3) Enhancement of the LULUCF sector's contribution to the production of **biomass for energy and raw materials**.

Undoubtedly the three objectives above are closely interconnected and in some way in competition with each other. The challenge in the future will be to ensure a policy that strikes a balance between the competing uses and the preservation of the natural resources (win-win-win solution). The loss of natural capital results in undermining the food safety and the production of biomass for energy and raw materials.

2. How can the contribution of agriculture, forestry and other land use to the production of renewable energy and raw materials be optimized, while fully exploiting the mitigation potential in these sectors?

The enhancement of the AFOLU sector's contribution to the production of biomass for energy and raw materials, without depleting the mitigation potential of the sector, can only be ensured through an integrated and cross-sectorial planning of policies and measures. This objective can be achieved through planning tools and investment (eg. Biomass power plants), properly sized to the land capacity of providing useful material for the production of renewable energy without compromising the potential for greenhouse gases removal, and therefore its mitigation potential. Furthermore the focus should be, as far as possible, on waste biomass and second generation renewable energy sources, with a view of achieving environmental sustainability of land management.

The path undertaken by the EU, aimed at a gradual full accounting of the AFOLU sector in terms of land use categories / activities (Decision 529/2013 / EU), combined with a flexible use of credits / debits between non-ETS sectors, is one of the primary tools to ensure that climate policies take into due consideration not only the function of fossil fuel replacement, by the agro-forestry sector's provision of renewable biomass for energy and material substitution, but also its role as a carbon sink/stock, including all major activities/ land use categories.

3. How can the new framework ensure a fair and equitable distribution among Member States of action for mitigation in AFOLU and reflect biophysical, geographical and socio-economic variability and differences among Member States?

The AFOLU sectors' mitigation action must not be based on an allocation of specific targets for individual non-ETS sectors, but on the setting of common and shared rules aiming at the correct accounting of the

whole sector, together with the definition of policies that incentivize best practices, through the instruments placed in the CAP.

Current accounting rules pre-2020 (dec. 529/2013 / EU) contain some tools that could cope with different economic, social and environmental circumstances among the Member States, such as, for example, the possibility to exclude from accounting emissions from large natural disturbances, or even the concept of reference levels (RL).

4. *What are the most promising and cost effective GHG reduction measures related to AFOLU?*

Are there any technologies that would deserve special attention in research and technology development?

In the Mediterranean area, the most efficient measures to reduce greenhouse gases in the AFOLU sector should act simultaneously on two fronts. On the one hand it is necessary to maintain and increase the mitigation potential, through the active defense and protection by forest fires and plant diseases in order to reduce biomass losses and the sustainable management of the agro-forestry sector with pruning and agronomic techniques leading to the increase of carbon stocks in biomass and soils. On the other hand it is necessary to reduce the emissions resulting from the activities of the agricultural sector, through the adoption of sustainable agricultural practices aiming at an optimized management of agricultural lands such as precision farming, reduced soil tillage and contained use of chemical treatments in the field. Field or proximal (eg. drones) monitoring systems deserve particular consideration for the quantification of actual requirements of nutrients for the crop/soil type/climate in order to optimize the applications in terms of timing and quantities of fertilizers.

Finally, the most innovative technologies in the field of sensors and forecast modeling may be useful tools for research activities and technological development in order to predict and localize the probability of occurrence of conditions and extreme events mainly due to climate change (water stress, increased temperatures, etc.). This will allow to detect in advance and monitor the progression of phenomena such as fires, pests, forest and agricultural productivity losses, etc., that could affect the mitigation potential of the sector AFOLU and threaten food security and renewable energy production.

5. *What are the main obstacles and barriers to the implementation of emission reduction measures in AFOLU?*

Possible obstacles to the implementation of measures to reduce emissions may be of cultural nature (e.g. small family businesses are not able to quickly implement an innovative approach), or socio-economic nature (e.g. small companies have difficulties to quickly switch to more efficient but expensive means). To this end, some political and financial instruments can have different effects: some measures may result in a reduction of emissions only for large companies, and may not be efficient for small scale companies, and vice versa.

6. *On the basis of experience with the present set of rules on accounting, targets and flexibility, how could the present rules be improved, and which aspects could be maintained and which should be rejected in future?*

Based on the experience gained so far, the elements that deserve greater consideration in the future set of rules are as follows:

- Full accounting

Continue with the process initiated by Decision 529/2013 / EU to the gradual **full accounting** of the sector (including activities currently voluntary in the Kyoto Protocol context, such as the cropland and grazing land management).

- Switch from an "activity-based" to a "land-based" system

in order to align the Kyoto Protocol's reporting to the reporting for the Convention, by simplifying procedures currently suffering from a considerable degree of complexity.

The reporting for the Convention coincides with that required for Kyoto to all sectors, except for the LULUCF sector (Sector 5), given that within the Convention should not be reported the activities but the emissions and removals related to managed land and their use change for the five categories of land use such as forests land, cropland, grassland, urban, wetlands and other lands (usually beaches, mines, rocks and bare soil in general).

- Changing the base year

Currently 1990 is the base year used under the Kyoto Protocol for the accounting of cropland and grazing land management activities (CM/GM) and the definition of the activities such as reforestation and deforestation, etc. It is necessary to update this year with a more recent period, considering an alternative that deviates from the single base year, such as an average of a historical period, or even to assess the application of a RL throughout the whole LULUCF sector. Another option that deserves consideration is to apply the same system used under the Convention, based on 20 years of conversion of land use. The choice should take place jointly with the other Member States in such a way that no MS is particularly advantaged or disadvantaged by this choice.

7. *How could an element of flexibility in terms of using credits from LULUCF activities in the 2030 climate policy framework be introduced in a way that fully ensures the environmental integrity of the system?*

The environmental integrity of the framework can be ensured through a full accounting of the land use sector with the inclusion of mandatory accounting of the main activities (including therefore cropland and grazing land management, as well as forests), as provided for in Decision 529/2013/EU. The full accounting of the land use sector would prevent that countries choose only the activities that generate credits and, at the same time, would lead to a full equivalence of the land use sector to all other sectors.

The flexibility in achieving the targets in the non-ETS sectors, including the LULUCF sector, is essential for some Member States, in particular for those Member States that do not have other flexibility or compensation for such a purpose. Such flexibility would also stimulate integrated policies giving the same importance to the land management policies as those of other non-ETS sectors.

8. *What could be the main advantages and disadvantages of the three policy options outlined above and which option should be further developed or modified?*

Given that the information provided in the descriptions of the options are not clear enough in order to make an informed assessment, we reckon that any option should guarantee the full flexibility among non-ETS sectors as contribution in the achievement of the overall target. This element is essential to the definition of integrated policies and measures, both economically and socially effective, in order to achieve reduction targets by the Member States, and to mitigate the potential variability and the resulting emission fluctuations of these sectors within the larger allocation granted to the non-ETS sectors.

reasons, the option which provides for the inclusion of LULUCF in the effort sharing decision's sectors should be preferred.

The environmental integrity of the system can be ensured through the definition of a common set of rules for the LULUCF sector, aimed at the full accounting of the sector thus guarantee the inclusion of possible emissions from energy policies and to avoid possible cherry picking of activities/categories that would generate only credits.