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# Fit for 55 package: Council adopts regulations on effort sharing and land use and forestry sector

The Council today adopted two regulations that will enable the EU to reduce its net greenhouse gas emissions by at least 55% by 2030 compared to 1990 levels. The so-called 'effort sharing regulation' sets stronger emission reduction targets for member states to be achieved by 2030. The regulation on the land use, land use change and forestry (LULUCF) sector will strengthen the sector's contribution to the EU's overall climate ambition for 2030.

## **Effort sharing**

The new effort sharing regulation (ESR) sets an EU-level greenhouse gas emission reduction target of 40% by 2030, compared to 2005, for the sectors that it covers. While under the revised directive on the EU Emissions Trading System (EU ETS), emissions trading will also apply to international maritime transport as well as buildings, road transport and additional industrial sectors, the scope of the ESR is maintained (road and domestic maritime transport, buildings, agriculture, waste and small industries).

The revised regulation assigns each member state an **increased national target** and adjusts the way member states can use existing flexibilities to meet their targets.

# Land use land-use change and forestry

The land use, land-use change and forestry (LULUCF) sector covers the use of soils, trees, plants, biomass and timber, and is responsible for both emitting and absorbing CO2 from the atmosphere. Emissions and absorptions generated by the LULUCF sector are taken into account in the EU's overall 2030 target. Under the European Climate Law, the contribution of net removals to the 2030 Union climate target is limited to 225 million tonnes of CO2 equivalent to ensure that sufficient mitigation efforts are deployed in other sectors up to 2030.

The new regulation sets an **overall EU-level objective of 310 Mt CO2 equivalent of net removals** in the LULUCF sector in 2030

For the period from 2026-2030, each member state will have a **binding national target for 2030 for the increase of net greenhouse gas removals**, which together will deliver the collective EU target of 310 Mt. In addition, each member state commits to achieving a sum of net greenhouse gas emissions and removals for the period from 2026 to 2029 ('the budget 2026-2029').

The regulation provides for flexibilities for the member states to help them reach their targets.

#### **Next steps**

This is the last step of the decision-making procedure. The regulations will be signed and published in the Official Journal before entering into force.

## **Background**

The proposal to revise the effort sharing regulation and the proposal to revise the LULUCF regulation are part of the 'Fit for 55' package. Presented by the European Commission on 14 July 2021, the package aims to enable the EU to reduce its net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels, and to achieve climate neutrality in 2050.

The Parliament adopted a series of amendments to both Commission proposals at its plenary session on 8 June 2022. The Council reached a general approach on the proposals on 29 June 2022.

The Council and Parliament reached a provisional political agreement on the effort sharing regulation on 8 November 2022 and

on the LULUCF regulation on 11 November 2022.

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