



Council of the European Union
General Secretariat

**Interinstitutional files:
2016/0231 (COD)**

Brussels, 21 March 2017

WK 3314/2017 INIT

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MEETING DOCUMENT

From:	General Secretariat of the Council
To:	Working Party on the Environment
Subject:	Non-ETS (ESR): WPE 21 March - Commission presentation on LULUCF distribution options

With a view to the WPE meeting on 21 March delegations will find attached a Commission presentation on the above



Proposal for a Regulation on Binding Annual Emission Reductions by Member States from 2021 to 2030 ("Effort Sharing Regulation")

Overview of options and proposals to allocate the LULUCF flexibility

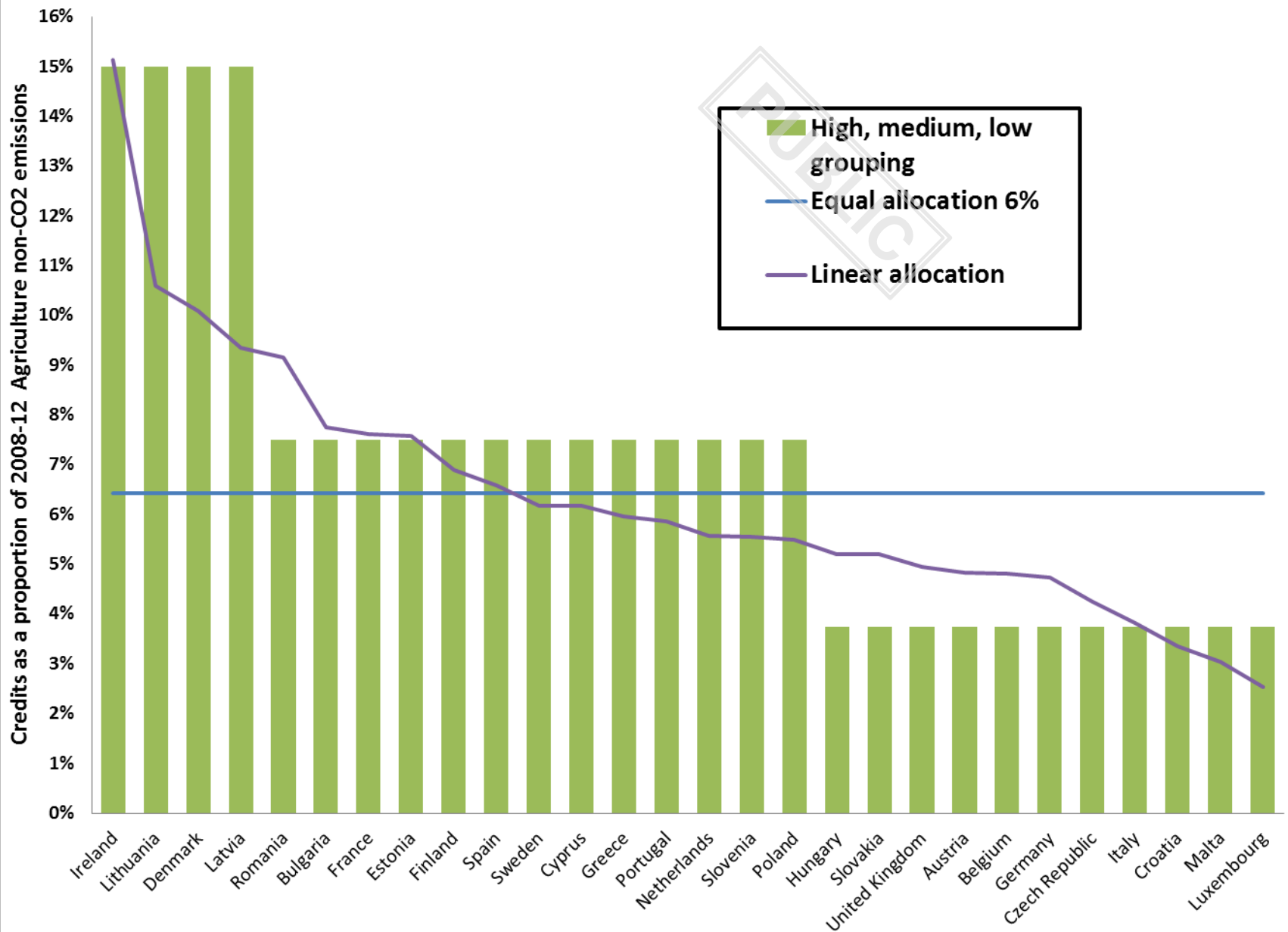
WPE, 21 March 2017

Commission

Art 7(1) + annex II: Allocation of ESR LULUCF flexibility to individual MS

Comparing options

- **Grouped high-medium-low according to ESD share of the agricultural sector (Commission)**
3 groups: 15%-7.5%-3.75% of 2008-12 agriculture non-CO2 emissions
- **Linear (instead of grouped) allocation by share and importance of the sector (BE)**
(agriculture non-CO2 emissions 2008-12 / ESD 2008-12) (ESR IA data)
x agriculture non-CO2 emissions 2008-12 (ESR IA data)
x scaling/correction factor (to scale to 280 MtCO2)
- **Flexibility allocated proportional to agricultural emissions/on an equal basis (HU)**
using Commission data corresponding to 6.43% of agriculture non-CO2 emissions 2008-12 per MS;



Assessment of other proposed LULUCF flexibility distribution options

(More) Linear allocation (ranking the Member States by share and allocating pro-rata)

- broadly similar as Commission proposal, reflects relevance of lower mitigation potential of agriculture
- would create an allocation key sensitive to inventory recalculation and measurement accuracy

Proportional to agricultural emissions/equal basis

- allocation would not respond to the different relevance of lower mitigation potentials of the agriculture sector for different MS depending on their effort sharing share
- impact on overall balance of distributional impacts on Member States, would mainly benefit Member States with low share of agricultural emissions