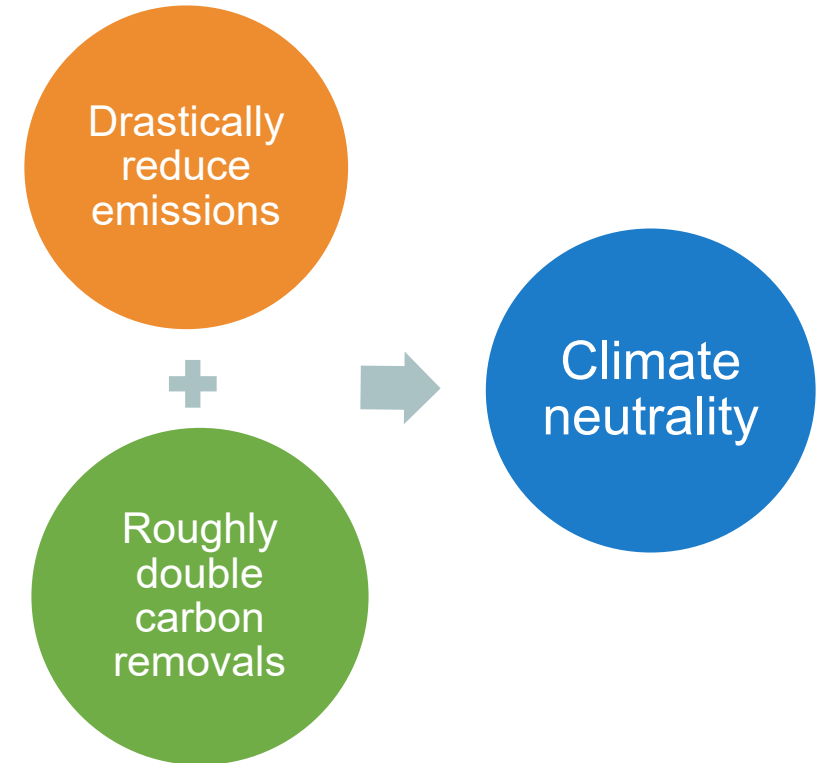
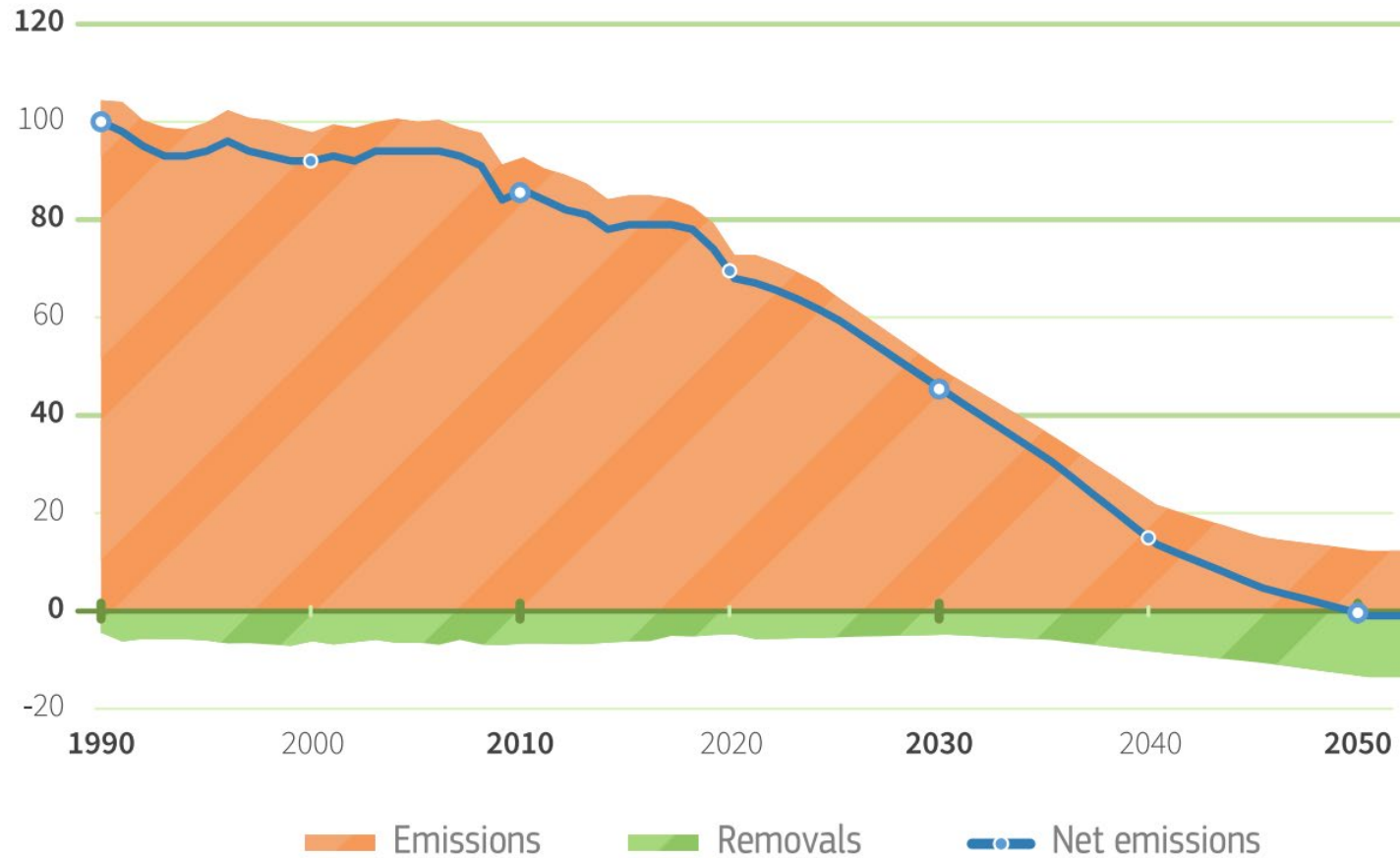




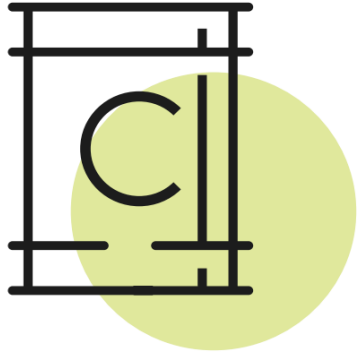
# Proposal for a Regulation on Carbon Removals Certification (CRC)

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*European Commission, DG CLIMA*  
*Unit C3: Land Economy & Carbon Removals*  
*13 February 2023*

# Towards climate neutrality



# Carbon removal activities



## PERMANENT STORAGE

*E.g. Bioenergy with Carbon Capture and Storage (BECCS), Direct Air Carbon Capture and Storage (DACCS)*

***Industrial leadership for climate-neutral technologies***

*At least 5 MtCO<sub>2</sub> removed in 2030, and up to 200 MtCO<sub>2</sub> in 2050*

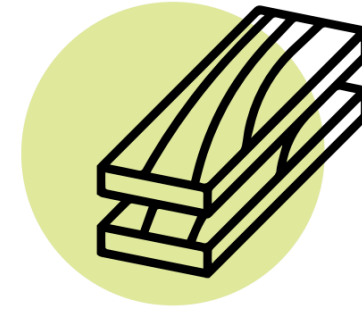


## CARBON FARMING

*Soil and forest activities in the scope of the LULUCF Regulation, including: Peatland restoration, agroforestry, improved forest management, soil carbon sequestration,*

***Strong synergies with biodiversity***

*Contribute to LULUCF target of -310 MtCO<sub>2</sub> removals in 2030 and climate-positive bio-economy in 2050*



## CARBON STORAGE IN LONG-LASTING PRODUCTS

*E.g. wood-based construction materials and other carbon-storing construction products*

***New European Bauhaus***

# Starting up carbon farming

## Benefits



Increased carbon removals



Additional income for land managers

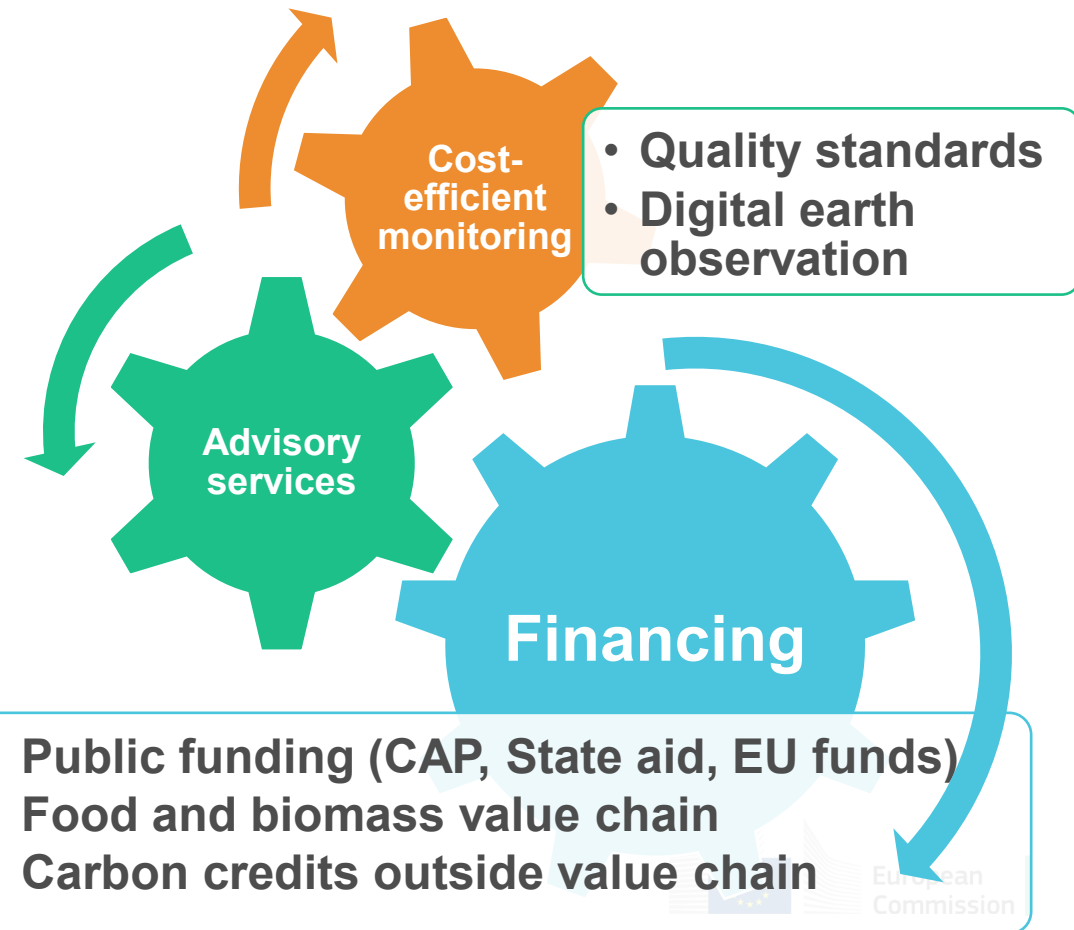


More biodiversity and nature



Increased climate resilience of farm and forest land

## Challenges



# Starting up industrial carbon removals

## Permanent storage



**Bioenergy with carbon capture and storage** e.g. Stockholm Exergi's project financed by Innovation Fund



**Direct air capture and storage**

## Storage in long-lasting products



**Use of long-lasting wood-based construction products and other carbon-storing building materials**

**Challenges**

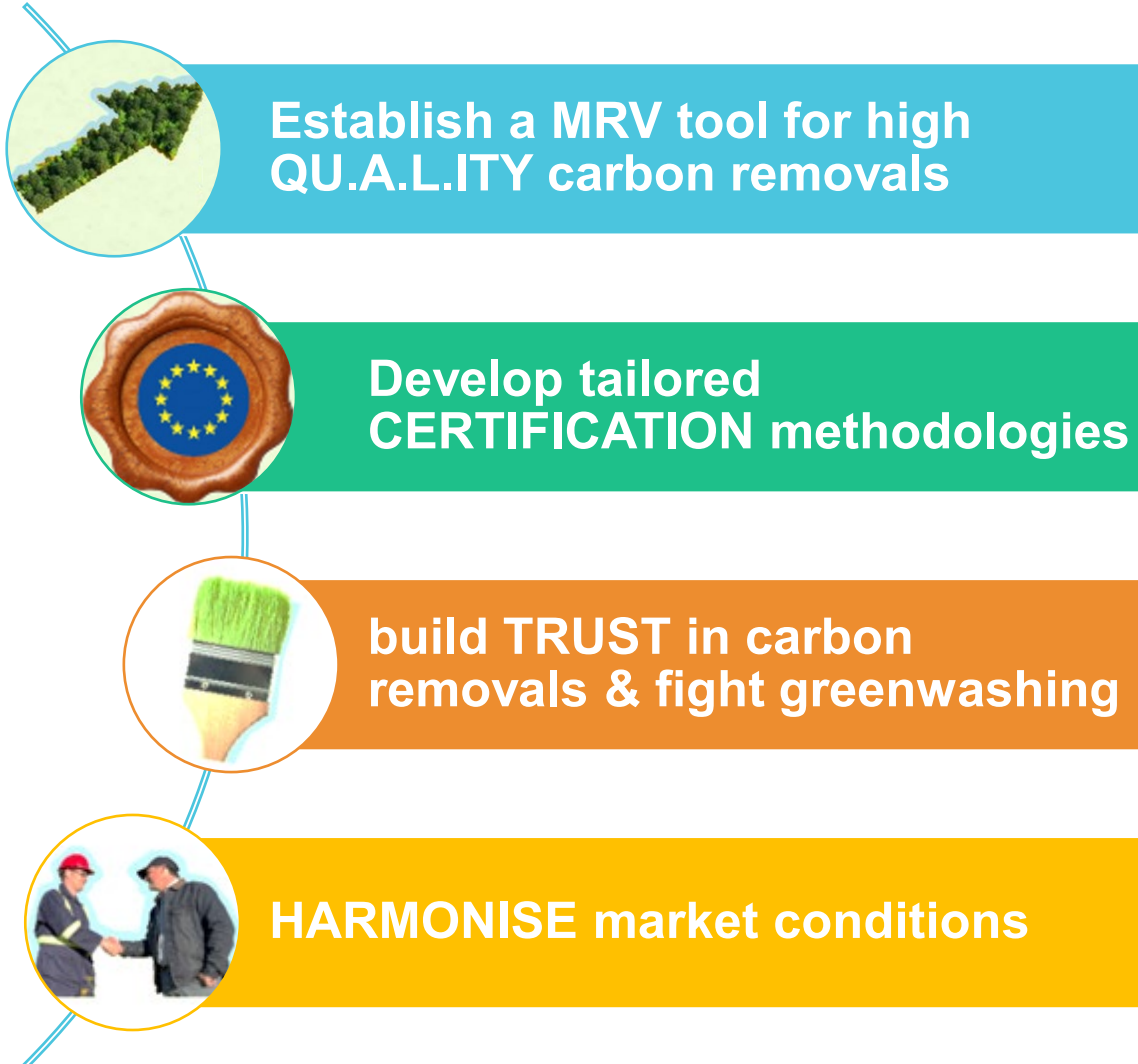
First-of-a-kind projects

Sustainable sourcing of  
feedstock and energy

Public-private financing



# Objectives of the CRC proposal



## *Legislative Proposal*

### **Art. 1-3: General provisions**

- 1: Scope
- 2: Definitions
- 3: Eligibility

### **Art. 4-8: Quality criteria**

- 4: Quantification
- 5: Additionality
- 6: Long-term storage
- 7: Sustainability
- 8: Certification methodologies

### **Art. 9-14: Certification rules**

- 9: Certification of compliance
- 10: Operation of certification bodies
- 11: Operation of certification schemes
- 12: Registries
- 13: Recognition by the Commission
- 14: Reporting

### **Art. 15-18: Final provisions**

- Annex 1: content of certification methodologies
- Annex 2: content of certificates

# Proposed regulation on the voluntary certification of carbon removals in the EU

## Principles in the framework

### QU.A.L.ITY criteria

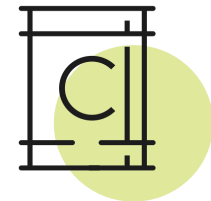
- **Q**uantification
- **A**dditionality
- **L**ong-term storage
- Sustainabil**ITY**

### Credible certification

- **Third-party** verification
- **Reliable** certification schemes
- **Public** registries



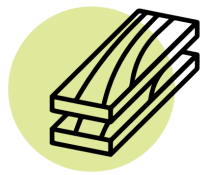
**Tailored certification methodologies** – to be developed together with expert group



**PERMANENT  
STORAGE**

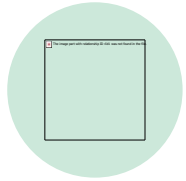


**CARBON  
FARMING**



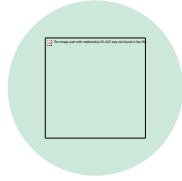
**CARBON  
STORAGE IN  
LONG-  
LASTING  
PRODUCTS**

# QU.A.L.I.TY criteria for all carbon removals



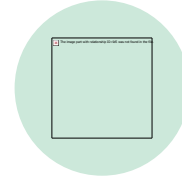
## QUANTIFICATION

- Carbon removals are measured against a standardised baseline
- Taking account of supply chain emissions
- Based on international standards like GHG Protocol



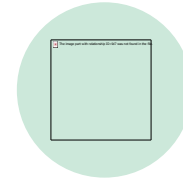
## ADDITIONALITY

- Carbon removal activities must go beyond:
  - ✓ standard market practices and
  - ✓ legal obligations of the individual operator
- Highly representative standardised baseline preferred – if sufficient data available. Otherwise project-specific baseline



## LONG-TERM STORAGE

- Certificates clearly account for duration of carbon storage
- Rules for permanent storage building on the CCS Directive
- Temporary carbon removal units for carbon farming/storage in products expire at the end of the monitoring period

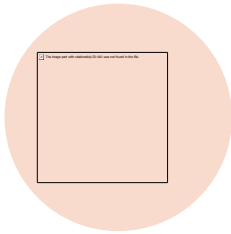


## SUSTAINABILITY

- Carbon removal activities shall not harm the environment or generate co-benefits
- Certification methodologies to set minimum sustainability requirements and methods to assess co-benefits

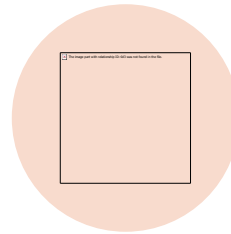


# Rules on verification and certification



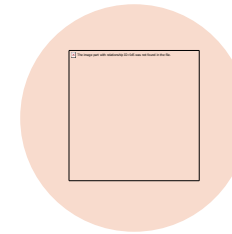
## THIRD-PARTY VERIFICATION

- Requirement for verification of carbon removals by independent auditors
- Simplification for smaller farmers and foresters ('group of operators')



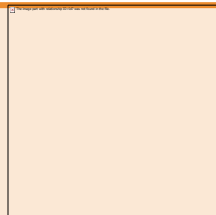
## RELIABLE CERTIFICATION SCHEMES

- Implementation/control of compliance through (public or private) certification schemes
- Certification schemes have to be recognised by the Commission against minimum transparency and auditing standards



## PUBLIC REGISTRIES OF CARBON REMOVALS

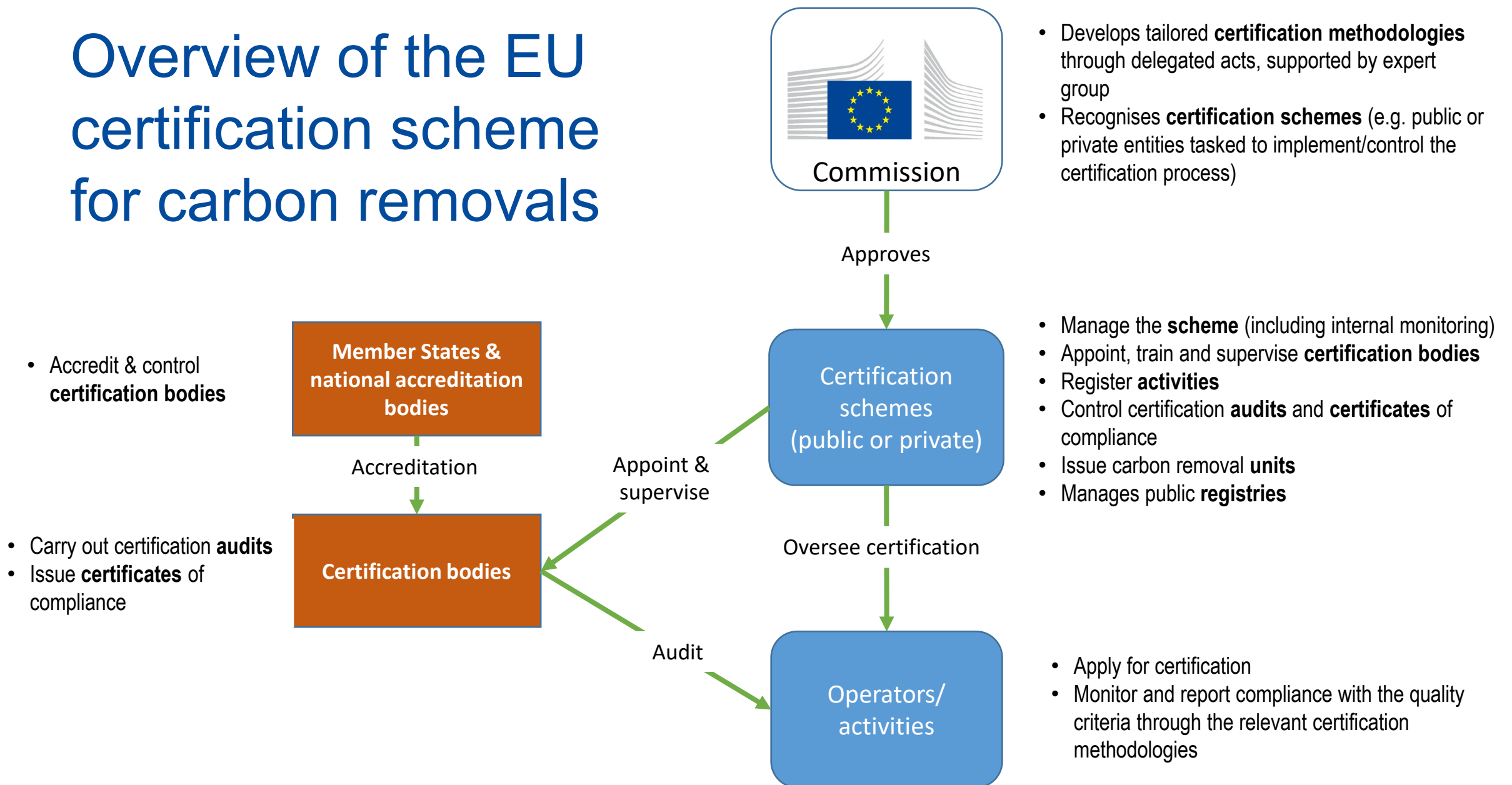
- Carbon removal units are recorded in certification registries to avoid double-counting
- Requirements for interoperability of certification registries



*Certificates will provide detailed information on carbon removals, e.g.:*

- *Type of carbon removal activity, amount of carbon removal units generated*
- *Duration and expiry date of the carbon removal units*
- *Sustainability requirements and co-benefits*

# Overview of the EU certification scheme for carbon removals



# Towards a EU carbon removals policy post-2030

## Climate Law

- Proposal of 2040 target

(GST = Global Stock Take)

By ~July 2024  
(GST + 6 months)



By 2025  
(CRC + 1y)



## Carbon storage products

- Assess their inclusion in scope of LULUCF Regulation  
(Art 17(3) new LULUCF Reg)

## Permanent storage

- Assess inclusion of permanent storage in ETS  
(Art. 30 new ETS Directive)

By 2026



2023-24



## Voluntary corporate claims

- EU Sustainability Reporting Standards
- Green Claims initiative

## Carbon farming

- Assess regulatory options to ensure that land is well on track for climate neutrality  
(Art 17(2) new LULUCF Reg)

By 2025



# More information:

- CRC Proposal: [https://climate.ec.europa.eu/document/fad4a049-ff98-476f-b626-b46c6afdded3\\_en](https://climate.ec.europa.eu/document/fad4a049-ff98-476f-b626-b46c6afdded3_en)
- Impact Assessment: [https://climate.ec.europa.eu/document/ab53e63b-4b85-4d28-ac67-6bd742506bae\\_en](https://climate.ec.europa.eu/document/ab53e63b-4b85-4d28-ac67-6bd742506bae_en)
- Press release: [Commission proposes certification of carbon removals \(europa.eu\)](https://ec.europa.eu/commission/presscorner/detail/en/qanda_22_7159)
- Q&A: [https://ec.europa.eu/commission/presscorner/detail/en/qanda\\_22\\_7159](https://ec.europa.eu/commission/presscorner/detail/en/qanda_22_7159)
- Expert Group on Carbon Removals: [https://climate.ec.europa.eu/eu-action/sustainable-carbon-cycles/expert-group-carbon-removals\\_en](https://climate.ec.europa.eu/eu-action/sustainable-carbon-cycles/expert-group-carbon-removals_en)