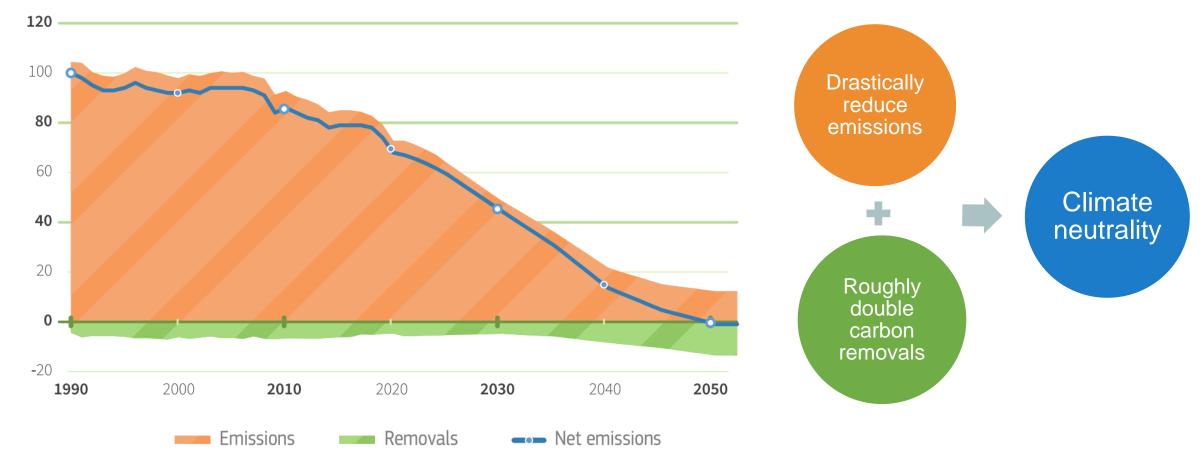


Voluntary certification of carbon removals in the EU

Christian HOLZLEITNER, Head of Unit, European Commission, DG CLIMA, Unit C3

21 March 2023

Towards climate neutrality



GHG projections for climate neutrality 1990 GHG emissions = 100 Source: EU 2030 Climate Target Plan



Carbon removal activities



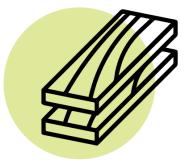
PERMANENT STORAGE

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 MtCO2 removed in 2030, and up to 200 MtCO2 in 2050





CARBON FARMING

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

Strong synergies with biodiversity

CARBON STORAGE IN LONG-LASTING PRODUCTS

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

New European Bauhaus

Contribute to LULUCF target of -310 MtCO2 removals in 2030 and climate-positive bio-economy in 2050



Starting up carbon farming

Benefits



Increased carbon removals



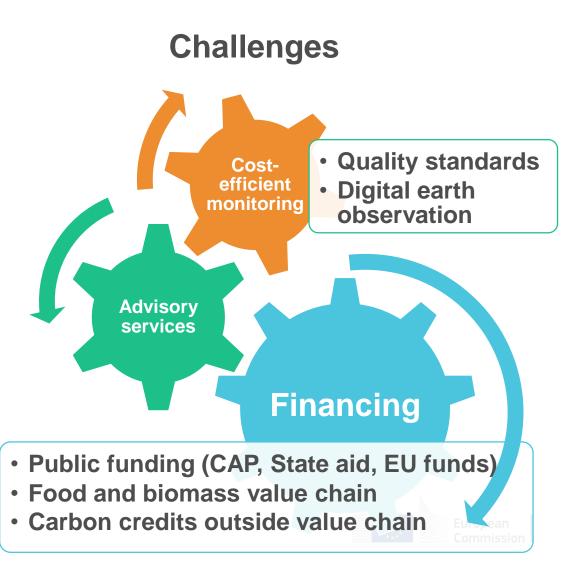
Additional income for land managers



More biodiversity and nature



Increased climate resilience of farm and forest land



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

Principles in the framework

- QU.A.L.ITY . criteria ·
- **QU**antification
 - Additionality
 - Long-term storage
 - Sustainabil-ITY
 - Third-party verification

Credible

- certification
- Public and private certification schemes
- Publicly accessible registries
- Comprehensive
 certificate

Tailored certification methodologies – to be developed together with expert group







PERMANENT STORAGE

ENT GE CARBON FARMING

CARBON STORAGE IN LONG-LASTING PRODUCTS

European

Commission

QUALITY removal certificates enable public and private support

No regret option

- QUALITY certificates are a tool for monitoring, reporting, and verification of carbon removals
- First steppingstone towards a post-2030 policy on carbon removals

Enable early financial support

- Support carbon removals with highest climate and sustainability benefits
- Contribute to Member States targets
 - LULUCF
 - Nature Restoration Law
- Harmonized criteria for public and private financing
- Public support, including
 - Innovation Fund
 - State aid for carbon farming

Fight greenwashing

- Corporate Sustainability Reporting
 - Draft Sustainable Reporting Standards on Climate -<u>Download (efrag.org)</u>
 - Delegated act to be adopted mid-2023

Green Claims

 Commission proposal planned for March 2023



Further steppingstones towards a post-2030 EU carbon removal policy



Climate Law

Proposal of 2040 target



Carbon farming

- > Art 17(2) new LULUCF Reg Assess options to ensure that land sector is well on track for climate neutrality
- Including implementation of Articles 6.2 and 6.4 PA



Permanent storage

Art. 30 new ETS Directive \succ Assess inclusion of permanent storage in ETS



Carbon storage products

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

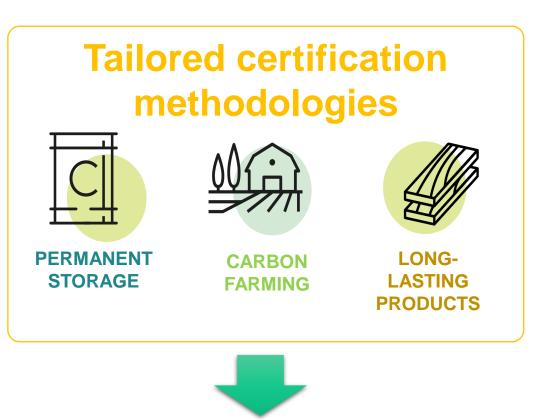


Next steps

EU certification framework for carbon removals

QU.A.L.ITY criteria

Credible certification rules



- Ongoing negotiations with Parliament and Council
- Aim for conclusion under this mandate

- First meeting of expert group on 7
 March
 - Workshop on carbon farming planned for 21 and 22 June Expert group on carbon removals (europa.eu)

Where can I find more information on carbon removal certification?

- Proposal: https://climate.ec.europa.eu/document/fad4a049-ff98-476f-b626-b46c6afdded3_en
- Impact Assessment: <u>https://climate.ec.europa.eu/document/ab53e63b-4b85-4d28-ac67-6bd742506bae_en</u>
- Press release: <u>Commission proposes certification of carbon removals (europa.eu)</u>
- Q&A: <u>https://ec.europa.eu/commission/presscorner/detail/en/qanda_22_7159</u>
- Factsheet: https://ec.europa.eu/commission/presscorner/detail/en/fs_22_7161
- Expert group on carbon removals (europa.eu)



More resources related to carbon removals

- More information on Sustainable Carbon Cycles: <u>https://ec.europa.eu/clima/eu-action/forests-and-agriculture/sustainable-carbon-cycles_en</u>
- Corporate Sustainability Reporting Directive: <u>EUR-Lex 32022L2464 EN EUR-Lex (europa.eu)</u>
- Draft European Sustainability Reporting Standards Climate Change: <u>Download (efrag.org)</u>
- New State Aid Guidelines for Agriculture and Forestry: <u>State aid (europa.eu)</u>
- Innovation Fund (europa.eu)
- LIFE programme: <u>Climate change mitigation and adaptation (europa.eu)</u>
- Soil Mission (europa.eu)



QU.A.L.ITY criteria for all carbon removals



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- Carbon removal activities are measured accurately and deliver unambiguous benefits for the climate
- Taking account of emissions increases
- Based on international standards like GHG Protocol

ADDITIONALITY

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- Carbon removal activities go beyond standard market practices and legal obligations of the individual operator
- Highly representative standardized baseline preferred – if sufficient data available
- Otherwise projectspecific baseline

LONG-TERM STORAGE

- Certificates clearly account for duration of carbon storage
- Rules for permanent storage building on the CCS Directive
- Temporary certificates for carbon farming are possible but validity of certificate expires at the end of the monitoring period

SUSTAINABIL

- Carbon removal activities shall not harm the environment
- Methodologies for certification of cobenefits such as biodiversity



Thank you



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