

March 21, 2023

The European Parliament and of the Council and The European Commission  
RE: Feedback for the Commission Adoption for the [Certification of Carbon Removals](#)

To whom it may concern:

Thank you to you and the European Commission for advancing critical climate action and for proposing rules on certifying carbon removals. We agree that the introduction of a regulatory framework for the certification of carbon removals is a significant step forward and commend the European Commission for scaling the carbon dioxide removal industry. The [Carbon Business Council](#), a tech-neutral trade association of more than 80 leading carbon management companies, appreciates your invitation to respond to the commission adoption feedback period. We support a level playing field in policymaking to spur innovation across multiple forms of carbon dioxide removal (CDR). More than twenty percent of our member companies are located within the European Union and CDR leadership from the European Commission can help to scale CDR globally.

Given the [imperative](#) for carbon removal and the challenges of reaching gigaton scale, we appreciate the Commission's development of the Q.U.A.L.I.T.Y criteria. Below, we comment on problem and opportunity areas that can help to accelerate the growth of CDR:

- I. Clarifying the definition of CDR
- II. Measurement, reporting, and verification
- III. Difficulties to assess and compare the quality of carbon removals
- IV. Stakeholder trust in carbon removal certificates
- V. Project developer barriers to finance

## **I. Clarifying the definition of CDR**

Some of the definitions put forward in the framework proposed by the Commission do not all constitute carbon "removals," noticing the inclusion of emissions reductions projects that are not 'removals' themselves. It is critical that the terminology and global understandings surrounding "removals" is maintained, as already [recognized by the IPCC](#) and other actors in the carbon management space. Having clear definitions of carbon removal and proper carbon storage mechanisms is key, and these classifications will alleviate part of the burden of removals assessments. While emissions reductions efforts are crucial, they should stay separate from removal certifications.

Solutions such as biochar carbon removal (BCR), mineralization, enhanced weathering, ocean-based CDR, and other CDR approaches are crucial to the climate fight- and we urge the European Commission to consider a more tech-neutral definition. To mirror the Carbon Removal Certification Framework (CRCF) terminology, anything that sequesters carbon for "several centuries" (ie biochar carbon removal, mineralization in basalt aquifers) should qualify as "permanent". A mechanism created within the CRCF could help tackle these current gaps in definitions. In light of the many attractive solutions such as these,

we continue to advocate for a technology-neutral framework that supports novel methodologies as they continue to develop. We encourage that the Commission develop appropriate liability schemes for other permanent solutions in addition to DACCS and BECCS. There are additional solutions that have quantifiable sequestration for several centuries but don't inherently need geological storage (as currently defined in the CCS Directive). We recommend decoupling the definition of permanence as being tied to storage location.

To expand upon this concept, we encourage a continued evaluation into other carbon removal technologies. Biochar carbon removal (BCR), for example, continues to gain traction globally as an efficient technology with high durability, a myriad of co-benefits including with development projects, and encompasses the lowest cost per ton of any novel CDR method at \$179/ton in 2022 (see [cdr.fyi](#)). This technological method is also deployable now, which can substantially help the EU achieve the goal of removing at least 5MtCO<sub>2</sub>eq/yr by 2030. Globally, biochar carbon removal processes accounted for [40% of all purchases and 87% of all deliveries](#) of carbon removal as of 2022 and can help both the EU and world achieve climate targets.

## II. Measurement, reporting and verification

We recognize the difficulties around monitoring, reporting, and verifications (MRV) with and around the carbon management space as well as the responsibilities of preventing reversals. We are in agreement that “establishing a robust and credible certification system for carbon removals is the first essential stepping stone towards achieving a net contribution from carbon removals in line with the EU climate-neutrality objective” and support the notion that removals programs should be conducted in tandem with continued emission reduction efforts. We also recognize that transparency, monitoring, and continued discussions around the evolution of carbon removals are critical components to growing the sector. However, these criteria cannot be created so narrowly as to create further barriers to entry for developers during a critical time to meet climate change goals of our time, especially as novel technologies continue to form.

## III. Difficulties to assess and compare the quality of carbon removals

We recognize that there are differences between durabilities across carbon management approaches. We also recognize that different forms of removals offer different and unique benefits, while weighing cost, length of storage, and immediate or future deployability classifications. Additionally, not all removals should be priced uniformly; as technology types and storage varieties have significant ranges, it is important to avoid a race to the bottom on the cost of removal. There are a variety of co-benefits that come with many of these approaches that can be reflected in cost differentiations; not all carbon removals are created the same and therefore should be priced as such.

## IV. Stakeholder trust in carbon removal certificates

In 2022, we produced a [white paper](#) on the future of the voluntary carbon market which included areas for expansion with carbon removal crediting mechanisms. Similar to the goals produced thus far in the

CRCF, there needs to be increased transparency across sectors to mitigate double-counting and other areas for error, as proposed with the EU's Impact Assessment Report.

Decreases in double counting and continued transparency in the registry will be important. It can allow for a continued cradle-to-grave evaluation of removed carbon as an integral aspect to ensuring emissions are and continue to be removed, further solidifying trust in the process in both the EU and the greater global community. As MRV develops and is standardized globally, it will create provisions for the industry to recognize and trust these standards and regulations, as well as via certifications across value chains if performed consistently and transparently.

## V. Project developer barriers to finance

Continued research on areas for funding mechanisms, in order to build a pipeline of project developers, is critical to build the CDR industry. Some developers already receive support for their CDR approaches, however the identification and addressing of additional needs will help catalyze more high-quality CDR solutions. This may include, for example, credit actions to support CDR in early-stage research and development or during the verification process. A variety of demand-side methods can help to scale the removals market, including but not limited to advanced market commitments, direct procurement, guaranteed offtakes, reverse auctions, and/or guaranteed price floors.

The Commission already has numerous resources that could be dedicated towards methodology and certifications developments as well as regulatory initiative; we propose that the Commission consider providing an open-access component for companies seeking to partake in removals but from countries that do not yet have the research, funding, or capacity for monitoring or developing such regulatory mechanisms in their respective states and from those located outside of the European Union. The world is ripe for climate action and the Commission has the potential to be a leader in this space; not limiting availability to just EU companies could evolve the global industry and better help the world meet the collective 1.5° Paris Agreement goal, particularly as there are a myriad of companies that would be interested in joining European markets within the international space. We encourage further that a greater scope of how the CRCF applies to the voluntary carbon market and other compliance markets be provided as continued implementation initiatives occur.

Based on the challenges and constraints in today's markets, we see a great opportunity for the European Commission to help champion the carbon removals. We request that the classifications constituting "carbon removals" in the proposed framework be modified to align with global normative understandings of carbon removals. We appreciate the European Commission's climate leadership and thank you for the invitation to submit our response.

Sincerely,

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