



EU certification framework for carbon removals

05.09.2023



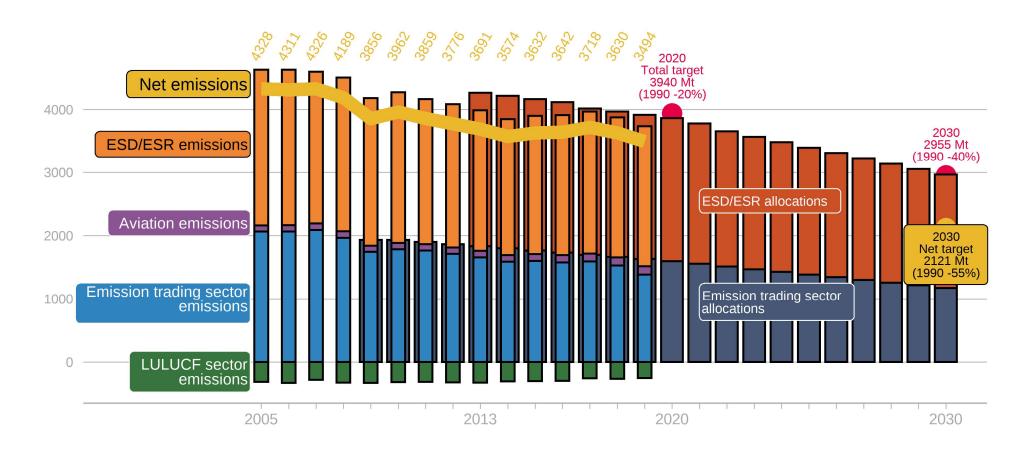






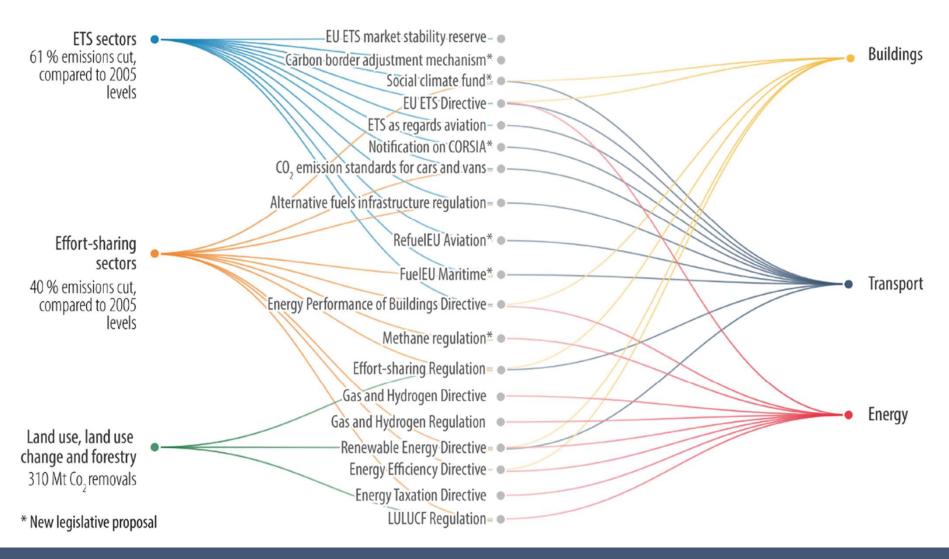


EU climate action: policies and achievements



European Parliament

Fit for 55 package



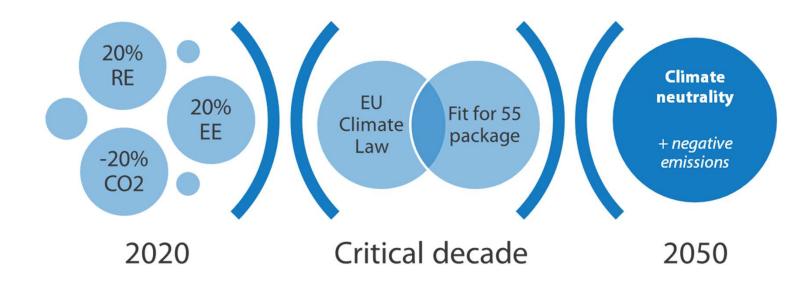


Fit for 55 – Land use and carbon removals

- Land-use, land use change and forestry LULUCF Regulation
 - > net removals: 310 Mt CO2e by 2030
 - > only 225 Mt are counted towards the 55 % target de facto raising overall 2030 net GHG reduction target to 57 %.
 - Commission's climate target plan projected a 2030 LULUCF net removal level of 225 Mt CO2e
 - > Status in 2021 data -> 211.8 Mt CO2e removals.
 - Land management measures and policies must assess biodiversity and other environmental trade-offs, as well as how the 'do no significant harm' principle.
 - 'Natural disturbances mechanism' contingent on adaptation measures.
 - Early planned review: Within six months of the close of the global stocktake exercise (UNFCCC 2023).
 - Include several aspects, including the possible extension of the scope to cover non-CO2 GHG emissions from agriculture and setting of post-2030 targets for the land-use sector.



Time is ticking to deliver improved carbon sinks





A Union Carbon Removal Certification Framework

Why?

- To build *trust* in removals and *counter greenwashing*.
- To deliver, in particular, on the 2050 and beyond EU climate targets per the *EU Climate Law*.
- JPCC states that carbon dioxide removal is *unavoidable* if we are to achieve global net zero CO² or GHG emissions.

but also:

- To create and scale *new circular economy markets*, as expanded on in the <u>Sustainable</u> <u>Carbon Cycles</u> communication
- To expand the *EU's toolbox* for climate action in the Agriculture, Forestry and Land Use sectors (AFOLU)



Details of the proposal -> QU.A.L.ITY criteria at the core

- A voluntary framework
- Registries and methodology criteria to be publicly available

Specifics:

- quality criteria ->
- rules for verification and certification
- rules for the fonctioning and recognition of schemes
 - details forthcoming in delegated acts

- QUantification (Article 4) (applying a formula with variations based on activity)
 - > Net carbon removal benefit = CRbaseline CRtotal GHGincrease > 0
 - > LULUCF Regulation accounting rules to apply to determine CRbaseline and CRtotals for carbon farming activities.
- Additionality (Article 5)
 - Due to incentive of certification and going beyond EU or national requirements
- Long-term storage (Article 6)
 - Monitor and mitigate risks defined monitoring period linked to type of CR
 - > Liability mechanisms foreseen but undefined in legislative proposal
- Sustainabil**ITY** (Article 7)
 - Neutral impact or generate co-benefits for all the following objectives;
 - (a) climate change mitigation beyond the net CR benefit; (b) climate change adaptation; (c) sustainable use and protection of water and marine resources; (d) transition to a circular economy; (e) pollution prevention and control; and (f) protection and restoration of biodiversity and ecosystems.
 - Comply with sustainability criteria laid down in certification methodology for the specific CR activity



Process in European Parliament

- The rapporteur's draft report should be voted in ENVI committee in October 2023 – the main amendments proposed include
 - One centralised public registry
 - Increased transparency by making public; certification methodologies, full audit reports, lists of accredited certification bodes and schemes' governance
 - obligation rather than aim to ensure long-term storage -> monitoring and liability mechanism
 - > A focus on ensuring direct emission reductions
 - The definition of carbon removal to follow IPCC's definition
 - > This amendment of the carbon removal definition in Article 2 deletes the text concerning 'reduction of carbon release from biogenic carbon pool'.
 - > The reduction of carbon release is still included in the definition of carbon farming activities with reference to peatland rewetting

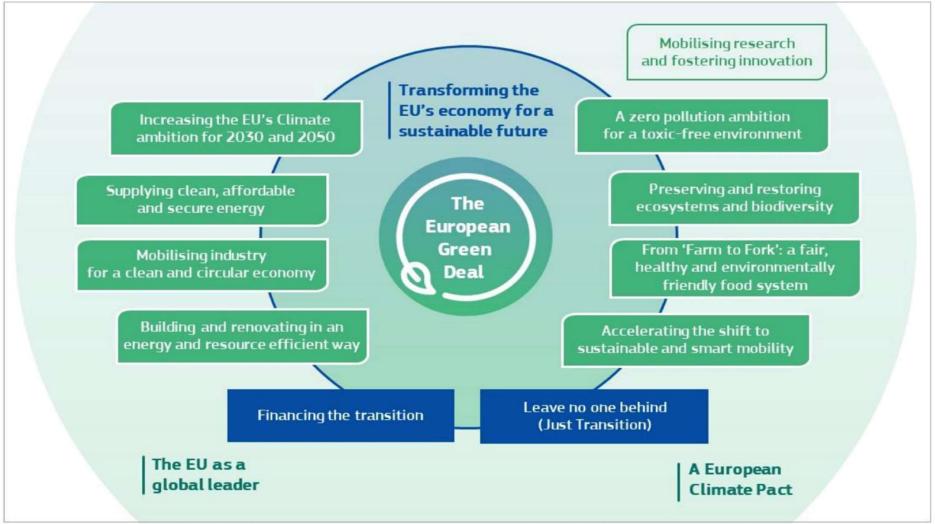


Other relevant policy initiatives with links to carbon sinks

- The <u>Soil Monitoring Law</u> proposal of 5th of July 2023
 - Monitoring framework for all soils across the EU
 - Making sustainable soil management the norm in the EU
 - Identify, investigate and address potentially contaminated sites with unacceptable risks for human health and the environment.
- The <u>Nature Restoration Law</u> proposal of 22nd of June 2022
 - The proposal sets multiple binding restoration targets and obligations across a broad range of ecosystems, from forests and agricultural land to urban areas, rivers and marine habitats, complementing existing legislation.
 - These nature restoration measures should cover at least 20 % of the EU's land and sea areas by 2030, and all ecosystems in need of restoration by 2050. To implement the proposed regulation, Member States would be required to develop nature restoration plans, to be assessed by the Commission.
 - In trilogue negotiations now after narrowly surviving a rejection proposal in Parliament in July 2023.

In conclusion





EPRS



EUROPEAN PARLIAMENTARY RESEARCH SERVICE



@EP_ThinkTank



www.linkedin.com/company/european-parliamentary-research-service



www.pinterest.com/epinfographics/eprs/



 $\frac{www.youtube.com/channel/UCpBeaEkpytvBHzHzcck0Vy}{Q}$



www.epthinktank.eu



www.europarl.europa.eu/thinktank



www.eprs.sso.ep.parl.union.eu



eprs@europarl.europa.eu



Members' Hotline: 88100



References and recommended sites for updates

A few relevant EPRS publications:

- A Union certification framework for carbon removals
- Carbon dioxide removal
- <u>European climate law</u>
- <u>EU climate target plan</u>
- EU climate action policy: Responding to the global emergency

Check out the <u>legislative train schedule</u> for up to date legislative progress reporting

