

## **ENVIRONMENT**

PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ESTABLISHING A UNION CERTIFICATION FRAMEWORK FOR CARBON REMOVALS





January 2023



## Proposal for a Regulation of the European Parliament and of the Council establishing a Union certification framework for carbon removals

The aim of the proposed Regulation is to develop a voluntary EU-wide certification framework for carbon removals. This may be considered a relevant step to drive investment in carbon removal activities and contribute to the European climate goal of achieving carbon neutrality by 2050.

The adoption of a legal framework for the certification of carbon removals aims to accelerate the deployment of high-quality carbon removals, build trust with stakeholders and industry, ensuring transparency and a quantification methodology, and enable a wider variety of financing options.

In view of this, the scope of the Proposal includes a voluntary framework for the certification of carbon removals, establishing:

- (i) Quality (QU.A.L.ITY) criteria for carbon removal activities that take place in the Union

   such as carbon farming, permanent carbon storage, and carbon storage in long-lasting products;
- (ii) Rules for the verification and certification of carbon removals; and
- (iii) Rules for the functioning and recognition by the Commission of certification schemes.

#### (i) Quality (QU.A.L.ITY) criteria

The Proposal sets out specific QU.A.L.ITY criteria for carbon removal, which correspond to the following four requirements:

- QUantification a positive climate impact quantifiable through a specific formula that provides the net carbon removal benefit resulting from a carbon removal activity.
- Additionality carbon removal activities must go beyond the Union and national requirements and shall take place due to the incentive effect of the certification

- Long-term storage evidence that the carbon removal activity aims to ensure the long-term storage of carbon, through monitoring activities and mitigation of the risk of carbon being released into the atmosphere, and the provision of liability mechanisms to address any release of carbon during the monitoring phase.
- SustainabilITY carbon removal activity must have a neutral impact or generate co-benefits for the sustainability objectives of climate change mitigation and adaptation, as well as the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention, and the protection and restoration of biodiversity and ecosystems.

### (ii) Certification and verification of carbon removals

The development of detailed certification methodologies for the different carbon removal activities is considered the best way of achieving standardised, verifiable, and comparable quality criteria. These methodologies seek to ensure a robust and transparent certification of the net carbon removal benefit.

#### (iii) Certification schemes

The Proposal provides for independent verification, which should be made by a third-party auditor. Such certification bodies should be verified by the national accreditation authorities.

The certification scheme to be established shall be built upon a public registry providing accessible information related to the certification process, including the certificates and their updated versions, as well as the quantity of carbon removal units certified.

The certification scheme management will operate on the basis of reliable and transparent procedures and rules, ensuring accuracy, reliability and integrity of the information.

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The Carbon Removal Certification
Framework is a key tool to achieve the EU's
carbon neutrality goal. Emission reductions
need to be combined with the removal of
CO2 from the atmosphere to balance out
remaining emissions.

The scope of this Proposal is limited to carbon removal activities within the EU and does not include Capture of fossil carbon for Storage (CSS) or Utilisation (CCU).

#### Next steps

The Proposal will be discussed by the European Parliament and the Council and then follow the ordinary legislative procedure.

#### Secondary legislation

This legislative proposal will require the adoption of the following secondary legislation:

- Delegated acts establishing technical certification methodologies for the different carbon removal activities; and
- Implementing acts setting out the rules on the certification modalities and procedures and on the recognition of certification schemes and public registers.

#### Related frameworks

As a last note, we highlight that, in its "General Provisions", the Proposal provides for specific definitions such as "carbon removals" and "carbon farming", which are related to the Land Use, Land-Use Change and Forestry activities as well as the Commission's Communication on Sustainable Carbon Cycles.

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