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Certification of carbon removals — EU rules

Fields marked with * are mandatory.

Introduction

Responding to the urgency of climate action highlighted in the successive assessments of the Intergovernmental Panel for Climate Change (IPCC), the European Union has set in law its objective of economy-wide climate neutrality by 2050. The European Climate Law requires greenhouse gas (GHG) emissions and removals to be balanced within the European Union at the latest by 2050, with the aim of achieving negative emissions thereafter. Each single tonne of CO2eq emitted into the atmosphere will have to be neutralised by a tonne of CO2 removed from the atmosphere. To scale up carbon farming and industrial solutions for removing carbon from the atmosphere, the European Commission is working towards a legislative proposal in 2022 on a regulatory framework for the certification of carbon removals.

As underlined in the Communication on Sustainable Carbon Cycles, the establishment of the certification framework will be an essential stepping stone towards the transparent recognition of activities that remove carbon from the atmosphere in an environmentally sound manner. The certification rules should therefore set scientifically robust requirements for quality of measurement, monitoring, reporting and verification of the carbon removed from the atmosphere, the duration of the storage, the risk of reversal and the risk of carbon leakage increasing GHG emissions elsewhere. Requirements should also be set for the amount and type of energy used for the carbon removal process. The certification rules should put in place robust safeguards to make sure that carbon removal activities do no harm to biodiversity and other sustainability objectives. This is important to ensure that the EU can claim domestic climate neutrality while helping to achieve other objectives οf the European Green Deal.

This public consultation invites public administrations, academic institutions, businesses, organisations and individuals to contribute to the preparation of an EU regulatory framework for the certification of carbon removals. The findings of the consultation (which will be summarised and published) will inform the impact assessment accompanying the Commission proposal on this initiative.

Guidance on the questionnaire

This public consultation consists of some introductory questions on your profile, followed by a questionnaire. Please note that you are not obliged to reply to all questions

At the end of the questionnaire, you are invited to provide any additional comments and to upload additional information, position papers or policy briefs that express the position or views of yourself or your o r g a n i s a t i o n.

The results of the questionnaire and uploaded position papers and policy briefs will be published online. Please read the specific privacy statement attached to this consultation stating how personal data and contributions will be dealt with.

In the interest of transparency, if you are replying on behalf of an organisation, please register with the register of interest representatives (if you have not already done so). Registering commits you to complying with a code of conduct. If you do not wish to register, your contribution will be handled and published with contributions received from individuals.

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Finnish
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Latvian
Lithuanian
Maltese
Polish
Portuguese
Romanian
Slovak
Slovenian
Spanish

Swedish

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Academic/research institution
Business association
Company/business organisation
Consumer organisation
EU citizen
Environmental organisation
Non-EU citizen
Non-governmental organisation (NGO)
Public authority
Trade union
Other
* First name
Hannu
* •
* Surname
Salo
* Empil (this worlt ha mublished)
*Email (this won't be published)
hannu.salo@bioenergia.fi
*Organization name
* Organisation name 255 character(s) maximum
THe Bioenergy Association of Finland
*Organisation size
Micro (1 to 9 employees)
Small (10 to 49 employees)
Medium (50 to 249 employees)
Large (250 or more)
Transparency register number
255 character(s) maximum

Check if your organisation is on the <u>transparency register</u>. It's a voluntary database for organisations seeking to

influence EU decision-making.

3

*Country of origin

Please add your country of origin, or that of your organisation.

Afghanistan	0	Djibouti	0	Libya		Saint Martin
Aland Islands		Dominica	0	Liechtenstein	0	Saint Pierre and Miquelon
Albania		Dominican	0	Lithuania		Saint Vincent
		Republic				and the
						Grenadines
Algeria	0	Ecuador	0	Luxembourg	0	Samoa
American Samoa	0	Egypt	0	Macau	0	San Marino
Andorra	0	El Salvador	0	Madagascar	0	São Tomé and
						Príncipe
Angola	0	Equatorial Guinea	a [©]	Malawi	0	Saudi Arabia
Anguilla	0	Eritrea	0	Malaysia	0	Senegal
Antarctica	0	Estonia	0	Maldives	0	Serbia
Antigua and	0	Eswatini	0	Mali	0	Seychelles
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Argentina	0	Ethiopia	0	Malta	0	Sierra Leone
Armenia		Falkland Islands	0	Marshall Islands	0	Singapore
Aruba		Faroe Islands	0	Martinique	0	Sint Maarten
Australia		Fiji		Mauritania		Slovakia
Austria	0	Finland		Mauritius		Slovenia
Azerbaijan		France		Mayotte		Solomon Islands
Bahamas		French Guiana	0	Mexico		Somalia
Bahrain		French Polynesia		Micronesia		South Africa
Bangladesh		French Southern	0	Moldova		South Georgia
		and Antarctic				and the South
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Barbados	0	Gabon	0	Monaco	0	South Korea
Belarus		Georgia		Mongolia		South Sudan
Belgium		Germany	0	Montenegro		Spain
Belize		Ghana	0	Montserrat		Sri Lanka
Benin		Gibraltar	0	Morocco		Sudan

	Bermuda		Greece	0	Mozambique		Suriname
	Bhutan		Greenland	0	Myanmar/Burma	0	Svalbard and
							Jan Mayen
0	Bolivia		Grenada		Namibia	0	Sweden
	Bonaire Saint		Guadeloupe		Nauru	0	Switzerland
	Eustatius and						
	Saba						
0	Bosnia and		Guam		Nepal	0	Syria
	Herzegovina						
0	Botswana		Guatemala		Netherlands	0	Taiwan
0	Bouvet Island		Guernsey		New Caledonia	0	Tajikistan
	Brazil		Guinea	0	New Zealand	0	Tanzania
0	British Indian		Guinea-Bissau		Nicaragua	0	Thailand
	Ocean Territory						
0	British Virgin		Guyana	0	Niger	0	The Gambia
	Islands						
0	Brunei	0	Haiti		Nigeria	0	Timor-Leste
0	Bulgaria	0	Heard Island and	0	Niue	0	Togo
			McDonald Islands	3			
0	Burkina Faso		Honduras		Norfolk Island	0	Tokelau
0	Burundi		Hong Kong		Northern	0	Tonga
					Mariana Islands		
0	Cambodia	0	Hungary		North Korea	0	Trinidad and
							Tobago
0	Cameroon	0	Iceland	0	North Macedonia	0	Tunisia
0	Canada	0	India	0	Norway	0	Turkey
0	Cape Verde	0	Indonesia	0	Oman	0	Turkmenistan
0	Cayman Islands	0	Iran		Pakistan	0	Turks and
						_	Caicos Islands
0	Central African	0	Iraq	0	Palau	0	Tuvalu
	Republic						
0	Chad	0	Ireland	0	Palestine	0	Uganda
	Chile	0	Isle of Man	0	Panama		Ukraine
	China		Israel		Papua New		United Arab
0				0	Guinea	0	Emirates

	Christmas Island		Italy	Paraguay		United Kingdom
0	Clipperton		Jamaica	Peru	0	United States
0	Cocos (Keeling)		Japan	Philippines	0	United States
	Islands					Minor Outlying
						Islands
	Colombia		Jersey	Pitcairn Islands		Uruguay
0	Comoros	0	Jordan	Poland	0	US Virgin Islands
0	Congo		Kazakhstan	Portugal	0	Uzbekistan
0	Cook Islands		Kenya	Puerto Rico	0	Vanuatu
0	Costa Rica	0	Kiribati	Qatar		Vatican City
0	Côte d'Ivoire		Kosovo	Réunion		Venezuela
0	Croatia	0	Kuwait	Romania		Vietnam
0	Cuba		Kyrgyzstan	Russia		Wallis and
						Futuna
0	Curaçao	0	Laos	Rwanda	0	Western Sahara
0	Cyprus		Latvia	Saint Barthélemy		Yemen
0	Czechia	0	Lebanon	Saint Helena	0	Zambia
				Ascension and		
				Tristan da Cunha		
	Democratic		Lesotho	Saint Kitts and		Zimbabwe
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The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

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Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose

behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

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Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

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Questions

Scope

Question 1: What in your view are the main challenges regarding the integration of carbon removal in EU climate policies?

at most 3 choice(s)

- Ensuring that strong action to reduce emissions is not undermined by shifting focus on carbon removals.
- Ensuring a net contribution from removals to the achievement of climate neutrality.
- Ensuring precise, accurate and timely measurement for removals.
- Providing sufficient guarantees for the duration of carbon storage and the prevention of reversals.
- Avoiding potential negative environmental impacts and complying with sustainability principles.
- Fostering cost-effective carbon removal solutions.
- Guaranteeing transparency of the benefits and costs of carbon removals.
- Setting appropriate baseline and demonstrating the additionality of removals.
- Other

Question 2: What should be the main criteria defining the types of carbon removals that EU climate policies should incentivise?

at most 3 choice(s)



	reconnical readiness and economic reasibility
1	Potential for deployment at large scale
V	Robustness of monitoring, reporting and verification aspects
	Affordability of monitoring, reporting and verification aspects
	Duration of carbon storage
	Risk of intentional or unintentional reversal of carbon removals
	Potential environmental co-benefits
	Potential social benefits
	Other

Question 3: Taking account of the aspects identified in the previous question, what carbon removal solutions should EU climate policies incentivise and in what time horizon?

Carbon farming solutions enhancing ecosystem removals

	As soon as possible	After 2030	Towards 2050	Never	No opinion
Afforestation under ecological principles	•	0	0	0	0
Reforestation and forest restoration	•	0	0	0	0
Sustainable forest management	•	0	0	0	0
Agroforestry and mixed farming	0	0	0	0	•
Increase of soil organic carbon on mineral soils	•	0	0	0	0
Increase of soil organic carbon on organic soils	0	•	©	0	0
Wetlands and peatlands restoration	•	0	0	0	0
Costal marine ecosystem restoration and preservation	0	0	0	0	•
Other	0	0	0	0	0

Industrial solutions for carbon removals

	As soon as possible	After 2030	Towards 2050	Never	No opinion
Biochar	•	0	0	0	0
Direct air capture with long-term or permanent carbon storage	0	0	•	0	0
Bioenergy with carbon capture and long- term or permanent storage	•	0	0	0	0

Geological storage of non-fossil CO2	•	0	0	0	
Bio-based products with long lifetime (including for construction)	•	0	0	0	0
Utilisation of non-fossil CO2 in long lifetime products	0	0	0	0	•
Enhanced rock weathering	•	0	0	0	0
Other	0	0	0	0	0

Would you have any additional comments on scope, please specify:

2500 character(s) maximum

All carbon removal methods should be incentivised as soon as possible. And the certification should identify all of them. However, for climate point of view there should be clearly separated approach on policy to long term permanence (+100 years) and short term permanence. Possible Incentives should be judged by additionality and permanence of carbon storage. Incentives should create additional activities and carbon storage.

The carbon removal certification framework should consider the potential of evolving technology and research, which is now developing fast due to growing markets and new research findings, which could lead to possibilities that are yet unidentified or considered otherwise difficult to bring to action, both in the development of technological methods and in natural sinks. Detailed criteria that may exclude this development should not be set. For example, the scope of the certification framework should not exclude individual project types or activities or define the scope in such a way that it would otherwise hinder the development of a range of instruments. Therefore, it is favourable to set criteria, that allow project evolution.

Additionality should be considered as an additional parameter in the certification. Certification should not be limited to defining only the amount of carbon sequestered, but additionality is important information when determining if the product should be subject to financial compensation or not. Allocating compensation to products that would be produced and used even without this compensation would only lead to higher costs to the consumer and distortion of the markets.

The benefits of a certification framework to scale up high-quality carbon removals over the coming years

Question 4: Would you agree 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?

- Yes
- No
- No opinion

Question 5: What would be the main objectives for the certification of carbon removals?

at most 3 choice(s)

- To increase the transparency and level playing field of voluntary carbon markets.
- ▼ To allow comparability and competition between different carbon removal solutions
- ▼ To provide better public incentives for nature-based and industrial carbon removals in EU and national funding programmes.
- To provide better financial incentives for land managers (e.g. purchasers of food and biomass products reward climate-friendly agriculture through price premiums or incentive payments often called 'in-setting').
- To provide better financial incentives for carbon-storage products (e.g. biobased products, woody construction material).
- To increase transparency in corporate sustainability reporting and foster the credibility of climate-neutrality claims.
- To support the labelling of sustainable products.
- Other

The role of the EU in the certification of carbon removals

Question 6: Which role should the EU take in the certification of carbon removals?

- Voluntary carbon markets work well. There is no need for an additional intervention by the EU.
- The EU should establish minimum standard requirements on reporting transparency for carbon removals.
- The EU should establish comprehensive standard requirements for carbon removals, e.g. on monitoring, reporting and verification, on the duration of the removal or baseline setting and additionality.

Question 7: What functions in the certification process should be carried out by private or public entities?

	Independent private entities	Public administration	No opinion
Establishment of certification methodologies	•	0	0
Establishment of the system for accreditation of certification bodies	0	•	0
	0	•	

Validation of the carbon removal project (ex-ante)	•	0	0
Verification of removals made (ex-post)	•	0	©

Would you have any additional comments on the role of the EU in the certification, please specify:

2500 character(s) maximum

The preparation of the framework should draw on experience with carbon offsetting standards in use and
critically examine the weaknesses of existing standards and identify the reasons for the regulatory failure
that occurred in for example CDM mechanism.

EU ITMO's & compatibility with LULUCF/AFOLU should be aligned and transparent methodology how double accounting is handled in the national GHG-inventories/registry so that producer of net-removal (credit) has the right to sell it to the international markets; quarantee of international market access for EU supply.

Certification methodologies

Question 8: Carbon removal solutions can differ significantly, for example as regards duration of removals or robustness of monitoring, reporting and verification. In this context, do you think an EU certification framework should allow different types of certificates for different types of removals?

- The EU certification framework should define only the minimum criteria for the certification and should not comprehensively define the certificates.
- The EU certification framework should only allow a single type of certificate to ensure equivalence of certified carbon removals.
- The EU certification framework should allow different types or sub-categories of certificates to better reflect the diversity of carbon removal solutions and their characteristics.

Question 9: Apart from diverging durations of existing carbon removal solutions, storage may also be prematurely interrupted and carbon may consequently be released back into the atmosphere. What approach could better manage this risk of intentional or unintentional reversal of carbon removals?

- Make removal providers liable for any reversal of removals and require them to offset any reversal.
- Encourage or require carbon removal providers to set up insurance systems or multi-project pooling mechanisms.

- Require commitment to multi-year monitoring plans at the outset of the certification procedure.
- Issue certificates with specific durations (e.g. 5, 7 or 10 years) that can be renewed.
- Require methods with a risk of reversal to be discounted or require a share of the removals to be stored in a buffer account (e.g. 10 to 25 per cent of the expected removals).
- Other

Question 10: In voluntary carbon markets, the use of baseline and additionality concepts aims to quantify and reward only additional removals, i.e. those that go beyond a pre-identified baseline and would not have occurred in the absence of the incentives from the carbon removal mechanism. To what extent do you think the EU certification framework should include the concepts of baseline and additionality?

- The EU certification should establish a single methodology to define the baselines and assess additionality.
- The EU certification framework should allow for a variety of baselines and additionality criteria to cater for different types of removals.
- To best adapt to the use of the certificates in a specific context, the certification framework should not prescribe definitions for baseline and additionality criteria.
- Other

Question 11: What information should the certification for carbon removal disclose?

- Type of carbon removals
- Quantity of carbon removed
- Information on the carbon removal provider
- ☑ Information on the certificate owner
- Information on monitoring, reporting and verification processes
- Duration of carbon storage
- Risk coverage and safeguards on sustainability objectives
- Environmental benefits
- Social benefits
- Information on the baseline and additionality of the removal

Information on the use of the certificate and its contribution to the Paris
Agreement with a view to avoiding double counting

Price if the certificate has been traded

Other

Would you have any additional comments on on certification methodologies, please specify:

2500 character(s) maximum

It is the utmost importance to only credit net-removals on land-based CDR. The baseline should be the measured starting level where a landowner/holder joins the crediting system or tehnical net-removal appliance is applied. If net-removals are achieved, they should be credited despite of the methods used. Only thing that matters for climate are the net-removals. It is useless to consider any modelled behaviour of people or possible natural phenomena as the baseline. Only achieved net-removals matter for climate. In this respect the certification system should be result-based.

The ticked information should be made compulsory for market registry providers. Voluntary market schemes may add additional quality requirements for their schemes, but those information should not be made mandatory in the EU registry/EU ITMO's.

There is clear misunderstanding of the roles of different parties in the process. The market platforms can only establish an open registry of the credits what they have credited. It is public authorities' role to keep the national ghg-inventories and the corresponding registry where the market platforms can inject the information of traded credits. The only parties who can describe the credits contribution to the Paris Agreement are the Parties of the Paris Agreement. So in EU case the member states and the EU need to figure out how double accounting is solved in the transparent registry book keeping. The rules how to do corresponding adjustments need to be decided by the law and at least on the EU-level. UNFCCC level would be the best to establish a level playing field for parties of the Paris agreement. EU member states cannot do these rules by their own. If they do so by their own, there is a risk that those national decisions lead to counterproductive policy incentives in the member states LULUCF/AFOLU targets.

Mandatory information should be recorded only for those factors that are relevant to the climate impact and the transparency of the process. Information regarding quantity of carbon removed should also account robust estimation of carbon leakage. Although the certification framework is so far limited to the EU, carbon leakage should be considered globally.

Separate voluntary certification can provide additional information on, for example, other benefits or impacts of the activity.

Final remarks

Finally, are there any other important aspects that should be considered in establishing a regulatory framework for the certification of carbon removals in the EU?

Yes

Please provide your additional remarks:

5000 character(s) maximum

The role of the EU certification scheme is very unclear in the overall climate architecture of EU. The COM should focus on making this role clear. The main task is to guarantee EU originated ITMO's a market access to international markets by the Paris article 6 rules.

In this process it is important to clear the roles of different parties in the process.

For example, a voluntary carbon market platform can only establish an open registry of the credits what they have credited. It is public authorities' role to keep the national GHG-inventories and the corresponding registry where the market platforms can inject the information of traded credits. The only parties who can describe the credits contribution to the Paris Agreement are the Parties of the Paris Agreement. it is not a job for voluntary carbon market players, even they may wish to do so. So, in EU case the member states and the EU needs to figure out how unavoidable double accounting is solved with the transparent registry book keeping rules. The rules how to do corresponding adjustments need to be decided by the EU law and at least on the EU-level. UNFCCC level would be the best to establish a level playing field for parties of the Paris agreement. EU member states can't do these rules by their own. If they do so by their own, there is a risk that those national decisions lead to counterproductive policy incentives in the member states LULUCF /AFOLU targets. The double accounting is unavoidable, if national GHG-inventories are economywide. In this respect the issue is an issue for all the Parties of Paris agreement.

Certification system should be technology neutral to ensure a transparent and equal opportunity for various carbon removal methods and processes.

The certification system is a prerequisite for creating a compensation system. Without any compensation, there will be no significant number of removals. The future compensation system should be market-based to increase interest towards long-term investments. Fixed and competion-based subsidy systems may be needed to start a market, but on long term are not favoured policy option. Subsidies tend to be set for a fixed period, and thus do not work well in this respect.

Should you wish to provide additional information (for example a position paper) or raise specific points not covered by the questionnaire, you can upload your additional document here.

Any document you upload will be published alongside your replies to the questionnaire, which is the essential input for this public consultation. An uploaded document is an optional addition and will serve as further background reading to better understand your position.

Please upload your file(s)

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

2f80d84c-1c85-4e7d-9d2a-98aceee61ead/CarbonRemoval-call-for-evidence final 2-5-2022.docx

 $3d39d6a6\text{-}1635\text{-}44a6\text{-}8b10\text{-}36dfbaae609a/Feedback_Certification-of-carbon-removals-EU-rules_final_2.}\\ 5.2022.docx$

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