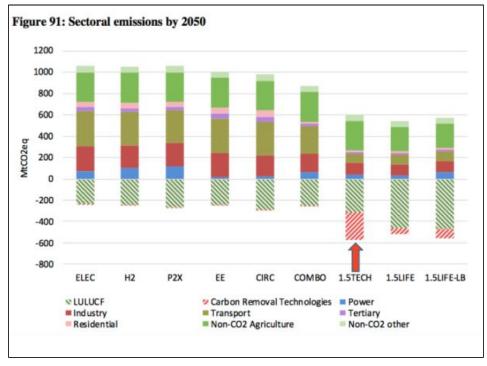


Statement on the Environment Committee draft report on Climate Law proposal

We welcome the Rapporteur's amendments to the Commission proposal. We fully support the inclusion of a concept of a separate target for removals by some Members of the Committee, which we believe requires further scoping in the final text. Ahead of the vote in the Committee, we would like to bring your attention the following considerations:

Separate targets for emissions and removals: The 2050 net zero target and the intermediate 2030 and 2040 targets should be explicitly divided into emission reduction targets and removal targets. This will have the advantage of dispersing doubts of mitigation deterrence as well as giving NETs developers a clear roadmap to plan with. Further, the integration of carbon dioxide removals should not remain limited to modelling but instead should be reflected in the upcoming policy actions. In particular, the upcoming discussion around an increase of the 2030 target, its structure and the level of increase, as well as the subsequent amendments to the EU ETS, ESR and LULUCF, and the upcoming EU-wide methodology to certify removals are an opportunity to introduce a formal separation of emissions reductions from removals. This would ensure continuous and ambitious mitigation efforts while at the same encouraging research into novel negative emissions solutions and the immediate scale-up of already existing carbon removal approaches. Implicitly, the EU has already committed to carbon removal by setting itself a 2050 net-zero target which according to the IPCC will require us to balance residual emissions. The Commission's own modelling also shows that the measures to remove CO2 from the atmosphere will be necessary to offset unavoidable residual emissions from agriculture, industrial processes and aviation.<sup>1</sup>

All the scenarios in line with the 1.5°C pathway rely heavily on both nature-based and technological removals. Among these, the 1.5TECH in the European Commission's long-term climate neutrality scenario illustrates the most proactive and advantageous approach by easing the transition in hard-to-decarbonise sectors and reducing the over-reliance on LULUCF sinks through a higher share of technological removals. These can be delivered by a portfolio of technologies and solutions such as bioenergy with carbon capture and storage, direct air capture with storage, biochar, enhanced weathering on land and potentially in the oceans, mineral carbonation and other methods currently still under development.



 $<sup>^{1}</sup>$  In-depth analysis in support of the Commission's Communication 'Clean Planet For All' COM(2018) 773 (November, 2018)

Separation of emissions reductions from removals will entail re-calibration of targets and long-term strategies, introduction of new incentive mechanisms, and revision of accounting methodologies. The **urgency of scale up of removals** should be reflected in the discussion around re-setting of the 2030 target. The science is clear that negative emissions will be needed at up to 6 gigaton scale by 2050. If we start scaling up now, removals will require an annual growth rate of over 55%. Delaying the scale-up to 2025s will already require a sustained growth of 80% per year, whilst scale-up starting in 2030 means that removal capacity will need to double every year (Nemet et al., 2018, Beuttler et al, 2019).

**Negative emissions post-2050**: We fully support the Rapporteur's proposal to complement the 2030 target of 65% and the 2050 climate neutrality target with a net negative emissions objective by 2051 in the EU and all Member States. This proposal should be now elaborated upon through an obligation on Members States to include in their **Long-term Strategies'** nearest update **a national trajectory towards net negative emissions** in the second half of the century. This trajectory should be based on an assessment of total long-term emissions reductions and capacity for enhancement of removals by both natural sinks and technological approaches. Consistent with these, the **national energy and climate plans** scheduled for an update by 2024 shall **include the estimates and plans** of long-term investment, and strategies for related research, development and innovation in the field of natural and technological removals that are deemed necessary to offset residual emissions in each Member State.

Carbon budget and sectoral roadmaps: We welcome the Rapporteur's amendments mandating elaboration and adoption of an EU carbon budget through legislative proposals to the European Parliament and the Council by 2021. Setting out the remaining total quantity of GHG emissions for the EU economy, broken down for each economic sector, would bring much needed clarity on the scale of removals necessary to stay in line with the commitments of the Paris Agreement. Therefore, we believe that each sector should have an obligation of establishing a roadmap describing how it can reduce emissions to close to zero and by when, with 2050 being the latest date, covering the capacity to manage its residual emissions through sectoral approaches or offsetting via removals in other sectors.

The European Panel on Climate Change: We support the idea to establish an independent scientific body to monitor on an annual basis both the GHG emission reductions and removals in the Union and all Member States. Similar entities have proven invaluable at Member States level. The Panel should have a broad mandate to advise on emission reductions and removal targets, ensuring their overall consistency and ambition. The Panel should report to the Council and European Parliament to empower them to hold the Member States accountable. One key task should be an oversight of the implementation of an EU-wide methodology to certify the removals. The work on this methodology has been recently initiated by the Commission. The robustness of the upcoming methodology will influence the operation of the planned pilot certification scheme and the future consideration of the potential carbon-take back obligation scheme which could spur pan-Europa market for removals.

**Legislative procedure:** We reject the idea to set the structure and design of a trajectory for achieving net zero objective through a delegated act. In order to ensure **predictability and inclusion** for all stakeholders, including businesses, workers and trade unions, investors, consumers and civil society, the legislative proposal by the Commission to the European Parliament and the Council should be preceded by **a thorough public consultation** to transparently assess all the options for the structure and design of potential pathways to achieve net-zero target.

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## About the author:

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