

Brussels, 5 July 2021

Reaction to the draft of the EU ETS Directive

To the attention of:

Mr. Frans Timmermans, Executive Vice-President, European Commissions

Mr. Mauro Petriccione, Director General, DG Climate Action

Following the recent early publication of a draft of the EU ETS directive in Brussels media we would like to share with you our concerns regarding the plan to include the GHG emissions pertaining to the EU ETS under the regulatory framework for the certification of carbon removals, as outlined in draft recital 9.

- (9) Greenhouse gases that are not directly released into the atmosphere should be considered emissions under EU ETS and allowances should be surrendered for those emissions unless they are stored in a storage site permitted under Directive 2009/31/EC of the European Parliament and of the Council⁴⁰, or they are permanently chemically bound in a product so that they do not enter the atmosphere under normal use. The Commission should be empowered to adopt implementing acts specifying the conditions where greenhouse gases are to be considered as permanently chemically bound in a product so that they do not enter the atmosphere under normal use, including obtaining a carbon removal certificate where appropriate in view of legislative developments on the regulatory framework for the certification of carbon removals.

We have been engaging with the services of the Commission and the members of the consortium tasked with the design of the Carbon Removal Certification Mechanism (CRC-M) to clarify that the scientifically accepted definition of carbon removal includes only atmospheric and biogenic sources of CO₂/carbon.

Capture of fossil point source CO₂ and its storage, either in geological formations or via permanent chemical binding in durable materials, constitutes emissions reduction/avoidance process, which from the climate-effect perspective is distinct from removal and storage of atmospheric/biogenic CO₂ and should be regulated and incentivised outside of the scope of the CRC-M.

The scope of the CRC-M should be restricted to the technologies and methods as listed in the accompanying documents to the Commission's Long-term climate strategy 2050, namely: restoration, afforestation, reforestation, improved forest management and enhancing soil carbon sequestration, the use of biomass for energy coupled with carbon capture and underground storage technologies (BECCS), direct air CO₂ capture and



subsequent underground storage (DACCS), biochar, enhanced weathering, ocean alkalinisation.¹

The below definition, endorsed by other industry players, explains the conditions under which a process can be qualified as carbon removal.²

- 1. Carbon dioxide is physically removed from the atmosphere.*
- 2. The removed carbon dioxide is stored out of the atmosphere in a manner intended to be permanent.*
- 3. Upstream and downstream greenhouse gas emissions, associated with the removal and storage process, are comprehensively estimated and included in the emission balance.*
- 4. The total quantity of atmospheric carbon dioxide removed and permanently stored is greater than the total quantity of carbon dioxide emitted to the atmosphere.*

Conflation of carbon removals and emission reductions/avoidance via reuse and recycling of fossil carbon under the CRC mechanism will hinder development of a market for genuine carbon removal solutions. It will also prevent creation of a level-playing field for large-scale deployment of negative emission technologies versus fossil-based CCU methods with permanent storage, with the latter being remunerated already under the EU ETS directive in line with the Art. 49 b) of the amended Monitoring and Reporting Regulation..

We remain at your disposal for any questions you may have.

On behalf of the members of Negative Emission Platform

Yours sincerely,

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Secretary General

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¹ [In-depth analysis in support of the Commission Communication “A Clean Planet for All”](#), November 2018, p. 187

² Zero Emissions Platform, [“Europe needs a definition of Carbon Dioxide Removal”](#) July 2020