Union certification framework for carbon removals

2022/0394(COD) - 06/12/2024 - Final act

PURPOSE: to promote the deployment of high-quality carbon removals and soil emission reductions while minimising the risk of greenwashing.

LEGISLATIVE ACT: Regulation (EU) 2024/3012 of the European Parliament and of the Council establishing a Union certification framework for permanent carbon removals, carbon farming and carbon storage in products.

CONTENT: this regulation establishes a **voluntary Union framework for the certification of carbon removals and soil emission reductions**. This voluntary framework will facilitate and encourage high-quality carbon removal and soil emission reduction activities in the EU, as a complement to sustained emission reductions. The regulation aims to support the achievement of the Union objectives under the Paris Agreement, in particular the collective achievement, at the latest by 2050, of the climate-neutrality objective.

Activities covered

The regulation covers the following activities across the EU:

- **permanent carbon removal** means any practice or process that, under normal circumstances and using appropriate management practices, captures and stores atmospheric or biogenic carbon for **several centuries**, including permanently chemically bound carbon in products, and which is not combined with enhanced hydrocarbon recovery;

- **carbon farming** means any practice or process, carried out over an activity period of at least **5 years**, related to terrestrial or coastal management and resulting in capture and temporary storage of atmospheric and biogenic carbon into biogenic carbon pools or the reduction of soil emissions (e.g. reforestation, restoring peatlands or wetlands, improved fertiliser use);

- **carbon storage in products** means any practice or process that captures and stores atmospheric or biogenic carbon for at least **35 years** in long-lasting products (such as wood-based construction products) and which allows on-site monitoring of the carbon stored and certified throughout the monitoring period.

Certification criteria

Carbon removal activities will have to meet four overarching criteria to be certified:

- they must bring about a **quantified net carbon removal benefit** or net soil emission reduction benefit;

- they must be **additional**, meaning that they go beyond statutory requirements at the level of an individual operator and they need the incentive effect of the certification to become financially viable;

- they must aim to ensure **long-term storage** of carbon while minimising the risk of carbon release;

- they should do **no significant harm** to the environment and should be able to result in co-benefits to one or more sustainability goals.

Certification schemes

To obtain certification of compliance with the regulation, an operator or group of operators will need to submit an application to a certification scheme. Activities eligible for certification will need to be independently verified by third-party certification bodies. All activities will need to undergo periodic recertification audits at least every five years, or more frequently.

Certification schemes will be in place for operators to prove compliance with the regulation. These will be subject to **robust and transparent** monitoring, verification and reporting rules to promote trust in the system and ensure environmental integrity. They must also ensure that certified carbon removal or land emission reduction units are correctly accounted for, in particular by avoiding double counting.

Liability mechanisms will also be in place for operators in order to address any release of captured carbon back into the atmosphere.

Only a certification scheme recognised by the Commission by means of a decision may be used by an operator or a group of operators to demonstrate compliance with this Regulation.

EU Registry

The Commission will establish, by 27 December 2028, and thereafter maintain a Union registry for permanent carbon removals, carbon farming and carbon storage in products, to make publicly available the information related to the certification process in an accessible way. The Union registry will be financed by annual fixed fees payable by users.

Certified units will be issued by certification registries or, once established, by the Union registry only after the generation of a net carbon removal benefit or net soil emission reduction benefit, based on a valid certificate of compliance resulting from a re-certification audit.

The Regulation will be subject to regular monitoring in all its aspects. By 27 December 2027, and within six months following the results of each global stocktake under the Paris Agreement, the Commission will report to the European Parliament and the Council on the application of the Regulation.

ENTRY INTO FORCE: 26.12.2024.