

To: Mr Wopke Hoekstra
EU Commissioner-designate for
Climate, Net Zero and Clean Growth

Monday, 28 October 2024

SUBJECT: OPEN LETTER TO COMMISSIONER-DESIGNATE HOEKSTRA: CALL FOR ACTION TO SUSTAINABLY ADVANCE CARBON REMOVALS TO SUPPORT EU CLIMATE GOALS AND COMPETITIVENESS

Dear Commissioner-designate Hoekstra,

We, the undersigned, commend that your mission letter entrusts you with the important responsibility of **"enhancing carbon removals"** to tackle emissions from hard-to-abate sectors, as well as developing the needed **CO₂ transport and storage infrastructure** and overseeing the revision of the European Climate Law. It is encouraging to see that the European Commission will make carbon dioxide removal (CDR) a central pillar of the next mandate, signalling a strong commitment to achieving climate neutrality and addressing climate challenges head-on.

The science is clear: **climate neutrality is unattainable without carbon removal**¹. Alongside drastic emissions reductions, expeditious deployment of CDR is essential to address both residual and historical emissions, securing the EU's path to climate neutrality by 2050 and negative emissions thereafter. In fact, we are going to need to **remove up to 10 gigatonnes a year** of carbon dioxide from the atmosphere by 2050 globally if we are to meet our Paris Agreement obligations². Currently, we are only removing 2 gigatonnes a year, with over 99% of the CDR deployed today coming from temporary removals³. At the EU level, the European Scientific Advisory Board for Climate Change estimated that between **400Mt and 800Mt** of carbon removal, **from both the land sector and novel technologies**, will be needed to reach net zero emissions by 2050⁴.

The challenge ahead is massive – we need to rapidly grow this emerging sector into a gigatonne-scale industry and the next five years will be critical in putting the EU on track to meeting its climate objectives.

Beyond the climate benefits, scaling up the CDR sector offers a significant economic opportunity for the EU. By **2050, Europe's CDR industry could grow into a €220 billion annual market**, fostering innovation, sustainable growth, and positioning the EU as a global leader in the green economy⁵. The sector's expansion could also **create 670,000 high-quality jobs across Europe**, supporting communities while contributing to the EU's climate goals.

In addition to job creation, CDR can play a **key role in enhancing the EU's competitiveness**. Europe has the potential to lead in **CDR technology and expertise**, exporting its innovations

¹ IPCC, [AR6 Synthesis Report](#) (2023)

² IPCC, [AR6 Synthesis Report](#) (2023)

³ Oliver Geden et al., [2nd Edition State of Carbon Dioxide Removal](#) (2024)

⁴ ESABCC, [Scientific advice for the determination of an EU-wide 2040 climate target and a greenhouse gas budget for 2030-2050](#) (2023)

⁵ BCG & DVNE, [Carbon dioxide removal: Europe and Germany's role in Catalyzing a Trillion-Euro Industry](#) (2024)

globally. As capacity grows, the EU could even offer CDR services internationally, further reinforcing its leadership in the global clean transition.

To seize this opportunity and lead the global charge in CDR, the **EU must act now**. With the right policies, Europe can drive this vital sector into the future – one that not only protects the planet but drives prosperity for generations to come. To ensure the EU delivers the required CDR volumes by 2050 and beyond, we urge the European Commission to prioritise the following:

- 1 Setting separate targets.** The net 90% emission reduction target by 2040 should be underpinned by separate targets for gross emission reductions, LULUCF removals and permanent CDR. This would safeguard the integrity of the EU climate framework by providing clarity on the contribution of carbon removals, while no longer conflating temporary nature-based and permanent removals and signalling for policymakers and the wider CDR ecosystem to accelerate development and deployment.
- 2 Boosting CDR funding and financing in the near term** to support the development and deployment of both early-stage and later-stage CDR methods, adopting a **portfolio approach**. Some of the tools the EU can consider to that effect include the upcoming EU R&I Framework Programme, a pilot procurement programme, a dedicated EIC challenge for CDR, and facilitating EU member state efforts to fund national CDR initiatives (e.g., Carbon Contracts for Difference, state subsidies and tax breaks, a CDR-specific IPCEI).
- 3 Providing clarity for buyers of CDR in the Green Claims Directive.** The EU should ensure that companies engaging in the voluntary carbon market have clarity on claims that can be made with different carbon credits. To maintain climate integrity, the Green Claims Directive should enshrine the 'like-for-like' principle, where fossil emissions should only be balanced with permanent carbon removal credits.
- 4 Creating stable, long-term demand for CDR** by developing a policy mix that supports the scale-up of high-quality CDR. This should include a compliance market(s) for carbon removals, such as a careful integration into emissions trading schemes and/or a standalone removal obligation, to ensure a steady demand, aligned with the "polluter pays" principle. At the same time, it is crucial that any compliance market ensures that regulated entities continue their efforts to reduce emissions.

The EU's current approach to CDR is fragmented, with various pieces of legislation addressing only parts of this critical sector. To close any existing gaps and ensure a coordinated approach, building on the priorities outlined above, we urge the European Commission to develop a comprehensive **Carbon Dioxide Removal Strategy**, complete with a clear roadmap outlining key milestones from now until 2050.

The undersigned,



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