CORPORATE CARBON REMOVAL DEMAND IS BEING PARKED

WHAT 25 INTERVIEWS WITH SUSTAINABILITY LEADERS TELL POLICYMAKERS ABOUT WHERE THE CDR MARKET IS HEADED

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WHY THESE RESULTS MATTER NOW

Carbon dioxide removal (CDR) has a demand problem. High-quality supply will not scale on future intent alone. Project developers, investors and infrastructure providers need buyers well before the end of the 2030s. That demand is not yet showing up.

Carbon Business Council worked with Bellwether Research to conduct 25 in-depth interviews with senior sustainability leaders in the United Kingdom, Germany, France and the United States. The focus was on large companies with net-zero commitments, but no formal CDR purchasing strategy. The research focused on why corporate demand for CDR remains thin despite awareness of net-zero requirements, and most importantly what policy could do to help.

Three blind spots come through clearly in the interviews:

- Companies **expect CDR to matter later**, but do not treat it as a near-term planning issue.
- Many understand the category in broad terms, but **not at the level needed for procurement, claims and internal approval.**
- **Policy uncertainty makes waiting look safer** than moving.

This brief sets out the findings, what they mean for the market, and the policy options now in play.

THE POLICY ASK

Policymakers should focus on the conditions that make a CDR purchase approvable inside a company. The near-term task is to make high-quality CDR easier to evaluate, approve, report and defend, while keeping emissions reductions at the centre of net-zero delivery.

FOUR SHORT-TERM POLICY ASKS TO HELP UNLOCK CORPORATE CDR DEMAND

1 Publish interim use-case and claims guidance

Set out what removal types can be used for, how they should be reported, what claims are safer, and where they don't count.

2 Build low-friction demand tools

Buyers clubs, model contracts, pooled due diligence and standard procurement language for repeat purchasing.

3 Reward early demand via procurement

Procurement preferences, advance purchase pilots, carbon contracts for difference and challenge funds for early high-integrity buyers.

4 Prepare phased minimum requirements

Modest, technology-neutral within quality bands, and explicitly secondary to direct emissions reductions — once claims and liability rules are credible.

WHAT THE INTERVIEWS SHOW

When asked to name the single most important factor in a potential CDR purchase, respondents' answers concentrated sharply around a key few. Three factors took 23 of 25 votes. The table below summarises what drove those choices, and what each reveal about the barriers policymakers need to address.

The data points to a clear hierarchy of concern. The sections below unpack each factor in turn, drawing on what respondents said about their internal decision-making processes and the conditions that would need to change.

QUALITY, COST, AND POLICY CERTAINTY DRIVE 23 OF 25 PURCHASE FACTOR CHOICES

BELLWETHER STUDY, *FEB–MAR 2026*

25 leaders

Senior sustainability leaders at large companies in the UK, Germany, France and the US.

Each respondent picked the single most important factor in a potential CDR purchase. Three factors took 23 of 25 votes.

Once quality clears, price and policy certainty decide whether a voluntary purchase survives the board.

Take-away: Fix what buyers said is broken: claims rules, procurement infrastructure, and a credible policy signal.

Quality	**11 / 25**	buyers want real, durable, measurable, independently verified removals
Cost	**7 / 25**	respondents said that without a mandate, CDR competes with electrification, renewables and supplier programmes
Policy certainty	**5 / 25**	EU/UK buyers fear today's credits won't pass tomorrow's claims rules; US buyers face political volatility
Reputation	**Cross-cutting**	Survey participants perceived that the downside of getting CDR wrong outweighs the upside, especially at consumer-facing firms.

Source: Bellwether Research, Analysis of 25 In-Depth Interviews with Corporate Sustainability Leaders, commissioned by Carbon Business Council, with input from Carbon Gap, 2026.

1 Companies are doing the familiar work first

Near-term net-zero plans focus on internal operations, be it energy efficiency, renewable electricity, electrification of fleets and buildings, or supplier engagement. CDR is treated as a residual-emissions tool for later stages, often "10 to 15 years out". Several respondents used the language of last resort. **No respondent described CDR as a near-term priority.**

This sequencing is reinforced by design by the SBTi. Its Corporate Net-Zero Standard keeps rapid value-chain emissions cuts as the near-term priority and requires permanent removals to neutralise residual emissions after long-term targets are met.

2 Understanding is broad but shallow

Many sustainability leaders know what CDR is at a high level. **Fewer feel ready to compare pathways, registries, verification bodies, liabilities, or reporting.** One respondent rated their organisation at four or five out of ten on CDR understanding. Better-informed respondents still flagged practical due diligence as a problem.

3 Quality is the core condition for entry

Asked to select the single most important factor in a potential CDR purchase, 11 of 25 respondents chose quality and integrity. **They want removals that are real, durable, measurable and independently verified.** Past failures with avoidance credits in the voluntary carbon market have made quality and integrity a hard threshold. Cheap, weak credits are not seen as a serious option.

4 Cost is the broad problem

Seven respondents selected total cost relative to other options. The logic is simple. Once quality clears the bar, **price and recognition decide whether a voluntary purchase survives board scrutiny**. In the absence of a regulatory mandate, CDR competes with electrification, energy efficiency, renewable power, supplier programmes and other known abatement options.

5 Policy uncertainty is freezing demand

Five respondents spoke about the **certainty of government policy as the most important factor**. EU and UK companies worry that credits bought today may not be recognised under final reporting or green claims rules. U.S. companies face a different problem, that being political volatility, weaker federal demand signals, and the risk that climate investments become harder to defend internally.

6 Greenwashing risk changes the risk-reward calculation

The perceived downside of getting CDR wrong is larger than the reputational upside of getting it right. This perception is especially true for consumer-facing firms and financial institutions, but the concern appears across respondents. Companies want to know what they can say, how they can say it, and what happens if a project under-delivers.

WHAT THESE CONCERNS SAY ABOUT THE MARKET

A net-zero target does not create a purchase order. The interviews show awareness, some exploratory activity, and almost no repeatable demand machinery. The gap is between eventual need and present procurement.

Certification answers one question: whether a removal meets a defined quality standard. Corporate buyers need the next question answered: what can the credit be used for? A target? A contribution claim? Residual emissions? A disclosure line? A public procurement score? A future compliance obligation?

Voluntary demand will stay thin while those answers are improvised company by company. First purchases may continue. Repeat purchasing requires a use case that a CFO, lawyer, and board can sign.

The data points to a clear hierarchy of concern. But numbers alone do not explain why each factor blocks action. The sections below unpack what sits behind each barrier; and why a CDR purchase currently must clear six separate internal gatekeepers before it can proceed.

EVERY CDR PURCHASE HAS TO CLEAR SIX INTERNAL DECISIONMAKERS

HERE'S WHAT EACH ONE DEMANDS

1. **Legal**
Legal teams seek rigorous and legally-defensible wording for contribution, residual or neutralisation claims. There is liability if a project under-delivers, so teams review contract against evolving green-claims rules.

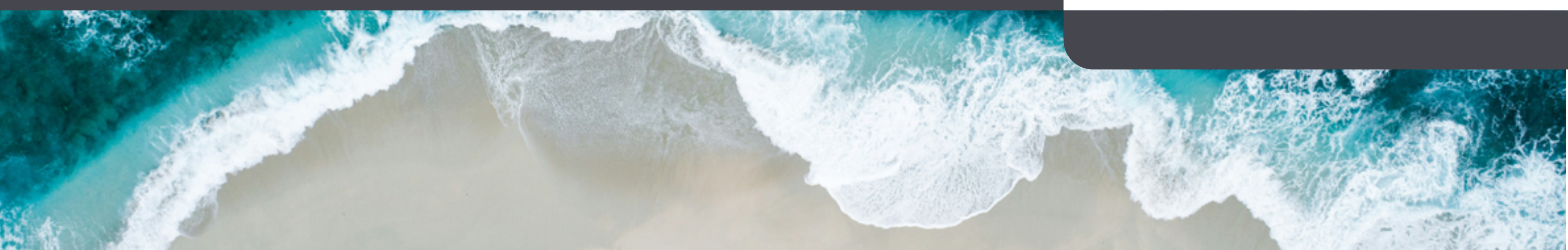
2. **Finance**
CFOs must defend a voluntary spend with no mandate; CDR competes with electrification, renewables and supplier programmes, all of which have shorter payback and clearer ROI.

3. **Procurement**
Teams look for standard diligence, model contracts, ways to compare pathways and verifiers. 11/25 of respondents named quality the #1 factor — most teams have no playbook to evaluate suppliers.

4. **Sustainability**
Teams look at fit with SBTi sequencing but avoid signalling that CDR substitutes for near-term abatement. CDR is seen as a residual-emissions tool inside a 10–15-year horizon.

5. **Communications**
Teams look at what the company can say, how can it say it, and what happens if delivery fails. The downside of getting CDR wrong outweighs the upside, especially at consumer-facing firms.

6. **Board**
Boards often see CDR as a future obligation, not a current line item. CDR sits in the plan but not in the budget cycle and is rarely owned by a single team. 5/25 respondents named policy certainty as the #1 factor.



POLICY OPTIONS

There are three distinct levers policymakers can use to make the decision-making journey smoother: wait, clarify, or require. Waiting lowers near-term administrative risk but does not solve demand. Interim use case guidance is the fastest way to make CDR usable inside corporate decision-making. Phased demand requirements provide the strongest signal, but only if they are built on usable certification, claims and liability rules.

The table below assesses each option across four dimensions; demand effect, market confidence, speed of execution, and complexity; to show what each lever can and cannot deliver.

Each option is described in full below, with guidance on how it should be sequenced and where the design risks lie.

OF THREE POLICY OPPORTUNITIES, ONLY INTERIM GUIDANCE UNBLOCKS DEMAND IN 2026

Factors to consider in policy design	Option 1: Wait for the full rulebook	Option 2: Issue interim guidance and buyer infrastructure	Option 3: Design phased demand requirements
Demand effect	**Very limited**. Keeps current deferral intact; no budget signal.	**Medium-high**. Moves firms from monitoring to evaluation and early purchase.	**High once active**. Creates budgets and repeat demand.
Market confidence	**Mixed**. More legal certainty later; little investor signal now.	**High**. Gives legal, finance and procurement teams common language.	**Very high** if tied to certified credits and clear claims.
Speed of execution	**Slow**. Depends on final rules and implementation.	**Fast**. Guidance, FAQs and templates can be issued in months.	**Design now**; activate in stages.
Complexity/ design risk	**Low** admin burden; high opportunity cost.	**Medium**. Needs careful drafting and clear ownership. RECOMMENDED APPROACH	**High**. Scope, eligibility, liability and cost control all matter.

Wait for the full rulebook. This institutional path is currently the default: let certification, claims, reporting and future compliance rules settle before giving companies detailed direction on CDR use. It reduces the risk of guidance that later needs to be revised. It also leaves the current holding pattern untouched. Companies that already see CDR as a 2035-2050 issue will have little reason to build budgets, approval routes or supplier relationships earlier. This is the current legal baseline and should not be considered a demand-generating strategy

Issue interim use case guidance. This route is the practical near-term fix. Policymakers can publish non-binding guidance that turns high-quality CDR from a concept into a usable corporate decision: model claims language, reporting examples, procurement checklists, residual-emissions use cases, and guidance on delivery risk if a credit under-performs. The point is not to pre-judge final law; it is to give sustainability teams enough material to brief legal, finance, procurement and boards without asking each company to invent its own rulebook.

Design phased demand requirements. This is the strongest demand lever. The interviews are clear that a requirement changes the board conversation because it turns voluntary spend into compliance planning. It should not arrive as a blunt immediate obligation. Design should start now, with activation sequenced after the basic claims, certification and liability questions are usable. Start with defined use cases such as public procurement, residual-emissions claims, net-zero claims, or sectors with persistent hard-to-abate emissions. Set low initial volumes, restrict eligibility to high-quality certified removals, and ratchet requirements as supply, prices and governance mature.

WHAT COMPANIES SHOULD DO NOW

Companies do not need to wait for final rules to prepare. They should map likely residual emissions, identify who would approve a CDR purchase, create a small readiness budget, test quality criteria with vendors, and agree claims discipline before any public announcement.

The work is internal and someone needs to own the budget, delivery risk, legal review and board sign-off process. Companies that do that homework early will be able to move when policy becomes clearer.

FINAL WORD ON BUILDING THE BUYER ROUTE

The Bellwether interviews show a market stuck between acknowledgement and action. Companies can see a future role for CDR. Most have not built the internal route to buy it.

This gap has real consequences. We risk a scenario where supply will not scale, investors will struggle to measure and mitigate risk, and corporate demand will arrive late and under pressure if companies wait until the final years of their net-zero pathways.

The immediate job for policymakers should be to give companies usable guidance, lower transaction costs, and back early demand where public tools can help. Sequencing any future requirements or mandates would also help policymakers land on a market with clear rules rather than a market still finding its footing.

Europe and the UK still have time to do drive this market properly. By building the buyer route now, it will allow demand to mature before late-stage net-zero planning turns into a rush for scarce, high-quality supply.

Carbon Gap is an independent, Brussels and UK-based non-profit organisation supporting Europe's unique opportunity to lead the responsible deployment of carbon dioxide removal (CDR) to fight climate change through independent and science-led advice.