

PRESS RELEASE

EUROPEAN PARLIAMENT ADOPTS ENCOURAGING POSITIONS ON CARBON REMOVAL CERTIFICATION AND NET ZERO INDUSTRY ACT

Brussels, 21 November 2023 – **Today's votes on the Carbon Removal Certification Framework (CRC-F) and the Net Zero Industry Act (NZIA) demonstrate the European Parliament's support for scaling up carbon removal capacity in the EU, a necessary step in tackling climate change and reaching climate neutrality by 2050.**

An effective and scientifically sound CDR certification not only represents a significant step toward integrating carbon removal into EU climate policies, but also ensures the development of a strong carbon removal capability in Europe and achieves the potential for EU leadership in this space.

To accelerate the deployment of sustainable CDR methods, fostering investments in research and development across the member states is key. The inclusion of CDR technologies in the Parliament's position on the NZIA is a very positive step which must be confirmed in the final text.

"We appreciate the strides made by the Parliament towards a more robust CDR certification framework. In the pursuit of effective climate action, however, certifying units without a clear understanding of their use is like navigating unknown waters without a compass. Certification must be purpose-driven and strategically aligned with defined objectives. The upcoming EU trilogue negotiations offer a key chance to set guardrails on use, so we can avert greenwashing", says **Rodica Avornic**, Associate Policy Director.

"We are glad to see the Parliament endorsing the ITRE Committee's report on the NZIA. Key improvements to the Commission's proposal include the addition of CDR technologies to the scope, a reaffirmed and strengthened CO₂ storage target by 2030, and the related obligation for oil and gas entities to provide storage. Moving forward, we expect co-legislators to agree on these measures and adopt an ambitious regulation that ensures the EU make progress on its carbon management efforts", urges **Matteo Guidi**, Senior Policy Analyst.

CRC-F: MEPs ADOPT A MORE ROBUST FRAMEWORK, BUT STRONGER GUARDRAILS ON USES AND INCLUSIVE DEFINITIONS SHOULD BE ENSURED DURING TRILOGUES

In welcoming the European Parliament's adoption of the CRC-F report with 448 votes in favour, 65 votes against and 114 abstentions, Carbon Gap acknowledges the strides made towards a more robust framework. The introduction of four distinct and non-fungible types of certified units clarifying the confusion between carbon removal and emissions reductions, the inclusion of vital information in the EU Registry alongside strengthened liability requirements are some of the important improvements that the Commission and Council should now take on board.

As the CRC-F enters trilogue negotiations in the coming weeks, we call on the EU institutions to address a few remaining shortcomings:

Setting stronger and clearer guardrails on the uses of certified units

The Parliament's call for a distinction between the uses of the four different types of carbon removal units certified under the CRC-F leaves room for ambiguity. When organisations make compensation claims, specific rules must be established in the CRC-F and associated legislation (e.g., Green Claims Directive) to ensure that **only carbon removal units are allowed to be used to make net zero/climate neutrality claims**, not emissions reduction/avoided emission units, in line with IPCC [definitions](#). Moreover, carbon

removal certificates must be used solely to balance emissions that cannot be otherwise reduced (i.e., **only residual emissions**). Lastly, only highly durable, permanent carbon removal should be used to compensate for fossil emissions, ensuring that the long-term storage of carbon matches the long-term impacts of emissions (i.e., the **like-for-like principle**).

Ensuring that all safe and effective methods for removing carbon from the air are eligible for certification

The definitions of “permanent carbon storage” and “carbon storage in products” adopted by the European Parliament are overly narrow and specific, potentially impeding the inclusion of established and promising CDR methods under the framework. We call on the EU institutions to develop definitions that are inclusive, future-proof and based on criteria such as permanence and liability, providing a certification pathway for all safe and effective removal methods.

NZIA: PARLIAMENT CONFIRMS WELCOME INCLUSION OF CDR IN THE SCOPE, STRENGTHENS CO₂ STORAGE TARGET AND OBLIGATION ON OIL & GAS ENTITIES

Today, with 376 votes in favour, 139 votes against and 116 abstentions, the Parliament confirmed its position on the NZIA. Carbon Gap welcomes the addition of carbon removal to the list of net zero technologies supported by the act, as well as the recognition of CO₂ capture, infrastructure, and storage projects as “Net-Zero Strategic Projects”. These inclusions are necessary to support the scale-up of sustainable carbon removal methods, [needed to achieve climate neutrality in the EU by 2050](#).

MEPs strengthened the responsibility of oil and gas entities to contribute to developing CO₂ storage across the EU, extending it from producers to all suppliers. This addition reinforces the extended producer responsibility ethos of the obligation. At the same time, the new provisions calling on member states to directly support CO₂ storage projects raise the question of who will ultimately foot the bill of this obligation at the risk of passing it on to European taxpayers. To avoid this situation, Carbon Gap [has called](#) for a clear allocation of financial responsibilities on the oil and gas industry as the party responsible for producing emissions.

Finally, the report confirms the proposed EU annual CO₂ injection capacity target of at least 50 million tonnes to be reached by 2030, improving the overall transparency and strengthening the requirements for the Commission and member states.

Next steps

The adopted positions on the CRC-F and NZIA represent the Parliament’s mandate going into trilogue negotiations along with the Council and the Commission. Negotiations are expected to start before the end of the year, with an agreement expected by mid-March 2024.

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NOTES FOR EDITORS

[Carbon Gap](#) is a European environmental NGO focused on responsibly scaling up carbon dioxide removal, as an important complement to emission reductions.

For Carbon Gap’s analysis of the **ENVI CRC-F report**, see [here](#).

For Carbon Gap’s analysis of the **ITRE NZIA report**, see [here](#).

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