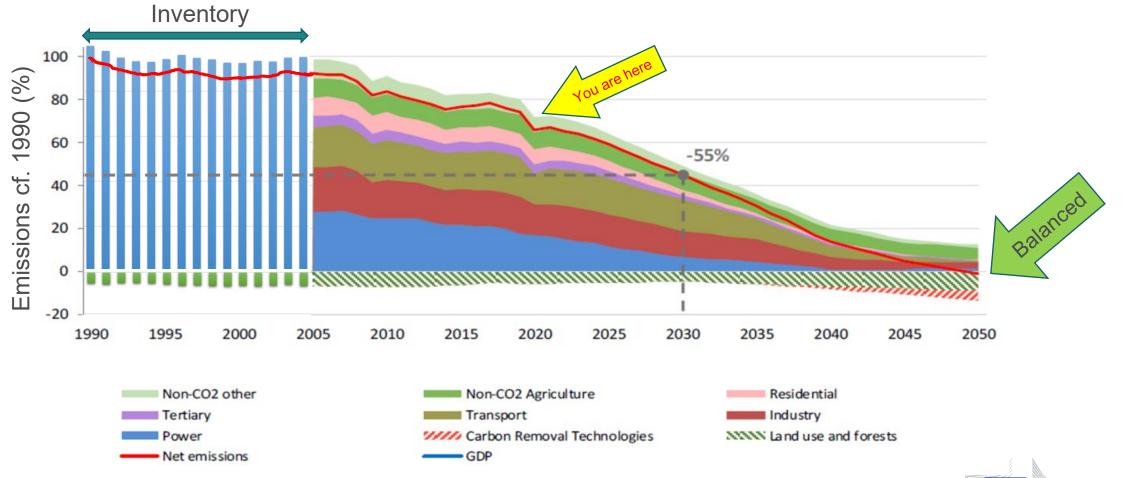


Sustainable Carbon Cycles

2 May 2022

Pathway to climate neutrality





Sustainable Carbon Cycles

More sustainable production of carbon

More sustainable use of carbon



Industrial capture, use, transport, and storage of carbon

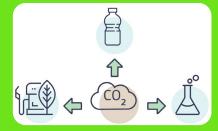


In addition to decarbonising its energy system, the EU will also need to rethink its sourcing of carbon as feedstock for industrial processes.

Creating an internal market for the sustainable capture, use, and storage of CO2:



Replace energy-intensive materials (cement, steel...) with **bio-based materials** which store carbon



Transform CO2 from a **waste product** to a resource, and use it to produce materials, chemicals and fuels



Remove carbon from the atmosphere



Sustainable capture, use, transport, and storage of carbon

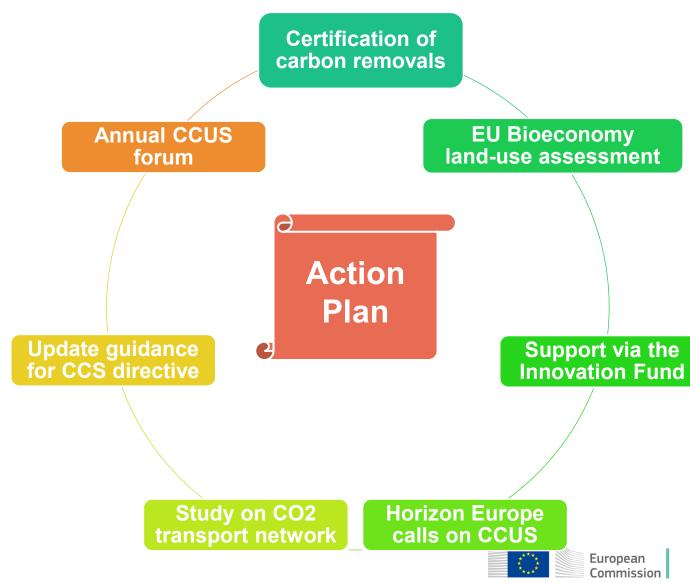
Challenges

By 2028:

 All CO2 captured, transported, used and stored should be reported and accounted

By 2030:

- 20% of non-fossil carbon used in chemicals and plastics
- 5Mt of industrial carbon removals



Innovation Fund

Production and use of Renewable energy

including manufacturing plants for components

Carbon Capture Use and Storage

Scaling up clean tech

Energy-intensive industries

including substitute products

Energy storage

including manufacturing plants for components



Innovation Fund grants of € 1145 million for seven first-of-a-kind projects

Kairos-at-C - Port	of
Antwerp (BE)	

• Carbon capture from hydrogen, ammonia and ethylene oxide production and storage in North Sea, innovative shipping

BECCS Stockholm (SE)

 Bio-energy carbon capture at a combined heat and power plant and storage in North Sea – negative emissions

K6 (FR)

 CCUS at cement plant with storage in North Sea and carbon use for concrete production

SHARC (FI)

 Green hydrogen from water electrolysis and blue hydrogen with CCS, storage in North Sea

Hybrit (SE)

 Hydrogen-based direct reduction for steelmaking, including electrolyser

ECOPLANTA (ES)

Bio-based methanol from municipal waste

TANGO (IT)

• Bifacial heterojunction photovoltaic cells production at GW scale

Open-access cross-border CO2 infrastructure



Connect CO₂ sources with sinks, including storage sites and production sites using CO₂ as a feedstock



Drive down costs through competition in an open EU market



CCUS hubs to leverage economies of scale across the EU



Open-access cross-border CO2 infrastructure

Allowing the provisional application of article 6 amendment of the London Protocol (bilateral agreements between MS)

Ensuring provision of transport and storage services at fair conditions (prices, openaccess, no obligation to bundle transport and storage)

Accelerating readiness of storage sites across the EU to increase the offer



Next step:

A regulatory framework for the certification of carbon removals

Conference on Sustainable Carbon Cycles – 31 January 2022

Call for Evidence* open until 2
May 2022

Legislative proposal (Q4 2022)

Set robust certification requirements

- Measurement and monitoring
- Additionality
- Duration of storage
- Environmental benefits and safeguards

Establish an effective governance framework for effective, cost-efficient and transparent implementation

Rules applicable for carbon farming and industrial carbon removal projects

^{*} Inception Impact Assessment open for feedback; Open Public Consultation.

Links

- Call for Evidence on Carbon Removal
 Certification <u>Certification of carbon removals EU rules (europa.eu)</u>
- Conference on Sustainable Carbon Cycles, 31
 January 2022 <u>Sustainable Carbon Cycles</u>
 <u>Conference About (b2match.io)</u>
- Our <u>webpage</u> and our <u>press release</u> on the Sustainable Carbon Cycles communication
- Our webpage on <u>Carbon Farming (europa.eu)</u>
- Commission list of potential eco-schemes https://europa.eu/!yb74nC

- Study on Carbon Farming: https://data.europa.eu/doi/10.2834/594818
- Study on Wood in construction: https://dx.doi.org/10.2834/421958
- Legislative proposal on a new Regulation for Land use, forestry, and agriculture <u>Delivering the</u> <u>European Green Deal | Climate Action</u> (europa.eu)



Where to find more information on the Innovation Fund?



All (past) call documents available on the Funding and Tenders Portal including:

✓ Guidance and calculation tools on GHG emissions and relevant costs

✓ Frequently asked questions



Further info, planning of new calls, recorded webinars and videos available on the IF Website:

Commission

https://europa.eu/!rx34Dt

