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4th Meeting of the Carbon Removals Expert Group

15 - 17 April 2024

European Commission, DG CLIMA, Unit C3

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2. ONLINE PARTICIPANTS: TURN ON YOUR VIDEO & MUTE YOURSELF

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3. ASK QUESTIONS & INTERACT (in the room + Webex & Slido)

We want to hear from you! Please ask questions & share comments! We will try to take at least one question from each Webex and Slido in the Q&A.

4. CONSENT FOR THE WEBSTREAM RECORDING & PICTURES

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5. SOCIAL MEDIA: #EUCarbonRemovals

Your posts and comments can help others learn more about the topic and connect with like-minded professionals in the industry.

Join via Webex



Objectives

DAY 1

Certification framework and process

- Presentation of the Regulation
- Certification process and third-party verification
- Existing approaches on certification registries

DAY 2

Carbon farming

- Agriculture
- Peatlands
- Forestry

DAY 3

Permanent storage and carbon storage in products

- BECCS & DACCS
- Biochar
- Carbon storage in products

AGENDA

Day 1: Certification framework and process

10:00	Opening remarks and update on activities
10:15	Presentation of the provisional agreement on CRCF Regulation
12:00	Lunch break
13:30	<i>Presentation:</i> Development of third-party verification rules and certification process
14:00	<i>Discussion session:</i> Review of existing approaches on verification rules and certification process
15:00	Coffee break
15:30	<i>Discussion session:</i> Review of existing approaches on certification registries
16:30	Round up and next steps
From 16:35	Networking drinks at Grand Central, Rue Belliard 190

AGENDA

Day 2: Carbon farming

9:30	Welcome and structure of the day
9:40	Scene setter: What's next for carbon farming in the EU?
10:00	Discussion session: Agriculture (agroforestry, soil organic carbon)
12:00	Lunch break
13:00	<i>Discussion session: Peatlands</i>
14:45	Coffee break
15:15	<i>Discussion session: Forestry</i>
17:00	Round-up and next steps

AGENDA

Day 3: Permanent carbon removals and carbon storage in products

9:00	Welcome and structure of the day
9:15	<i>Discussion session: BECCS & DACC</i>
12:30	Lunch break
13:30	<i>Discussion session: Biochar</i>
14:15	Coffee break
15:00	<i>Discussion session: Carbon Storage in products</i>
16:30	Round-up and next steps

What's the state of play?

**30
November
2022**

Adoption of
Commission
proposal for a
Regulation on
carbon removal
certification

**April-May
2023**

Call for input on
carbon farming
methodologies

**July-
September
2023**

Call for input on
industrial
carbon removal
methodologies

**November
2023 –
January
2024**

Focus group
sessions

**7 March
2023**

Kick-off meeting
of the Carbon
Removal Expert
Group

**21 and 22
June 2023**

Expert Group
meeting on
carbon farming
methodologies

**25-26
October 2023**

Expert Group
meeting on
industrial
removals

**February
2024**

Provisional
agreement
on the
Regulation

PRESENTATION

CRCF Regulation

Provisional agreement on the Union-wide certification framework for permanent carbon removals, carbon farming, and carbon storage in products

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Overview

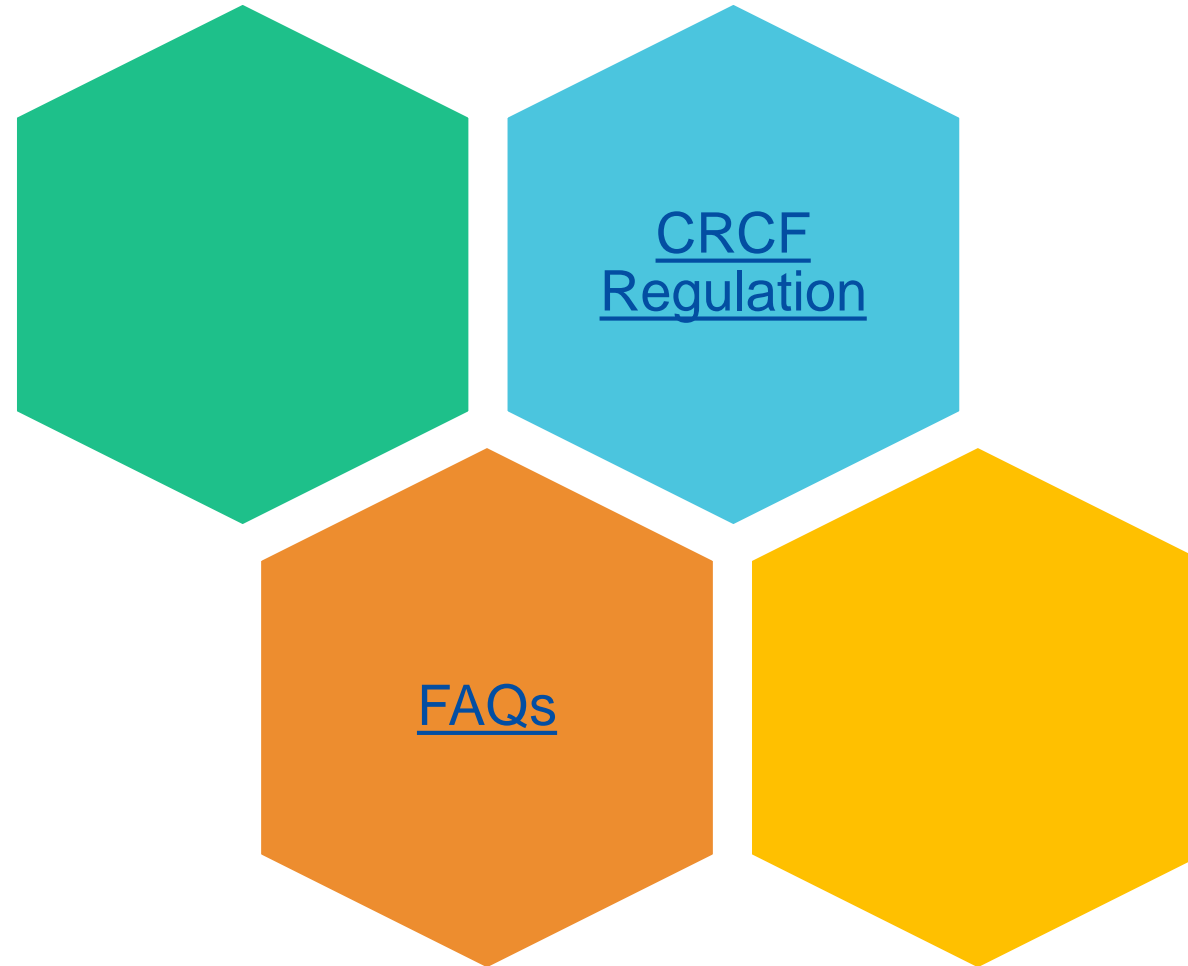
Certification methodology

- QUALITY criteria
- Development of certification methodologies

Certification process and CRCF registry

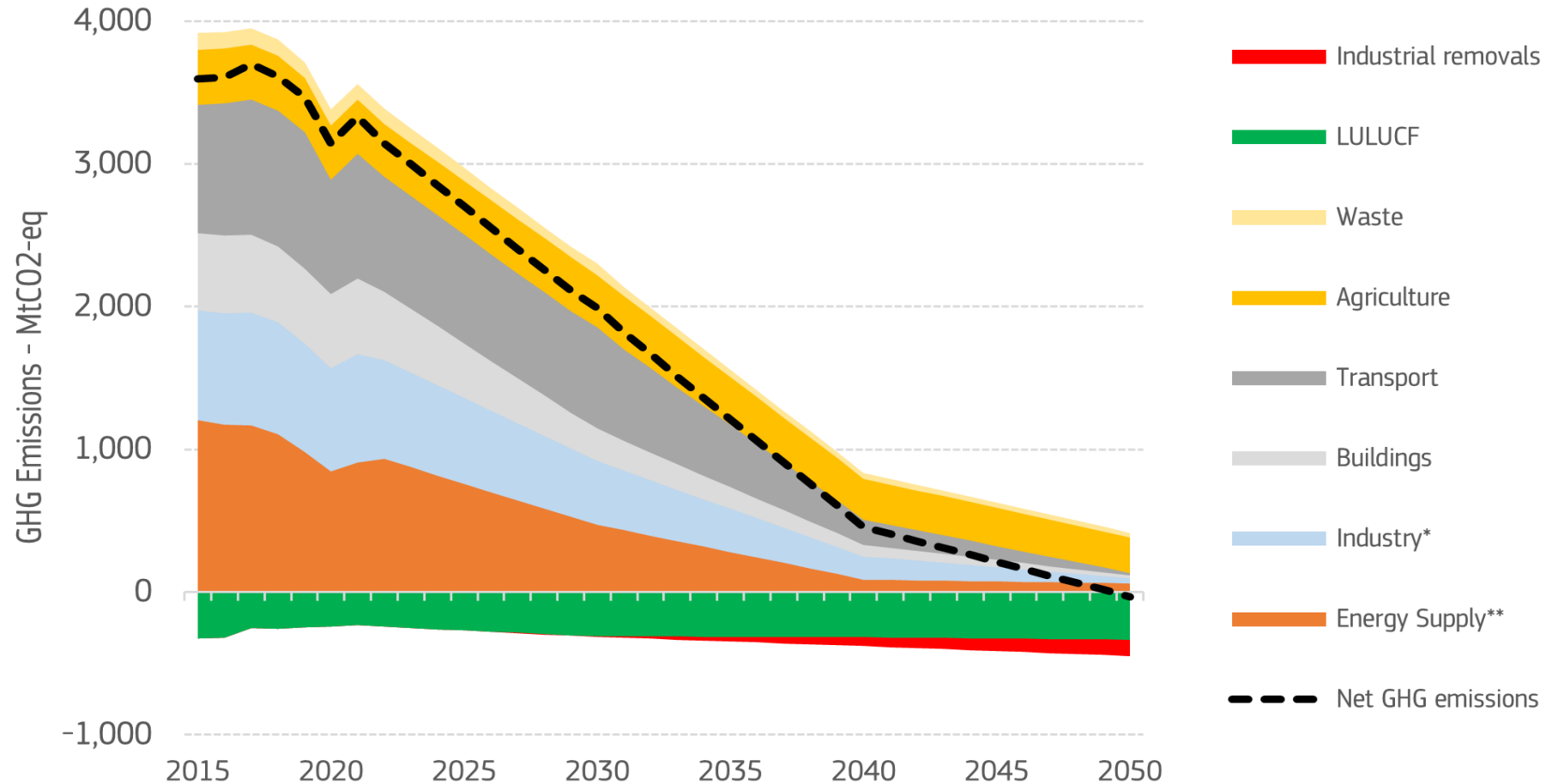
CRCF use cases and next steps

CRCF Regulation



Pathway to climate neutrality

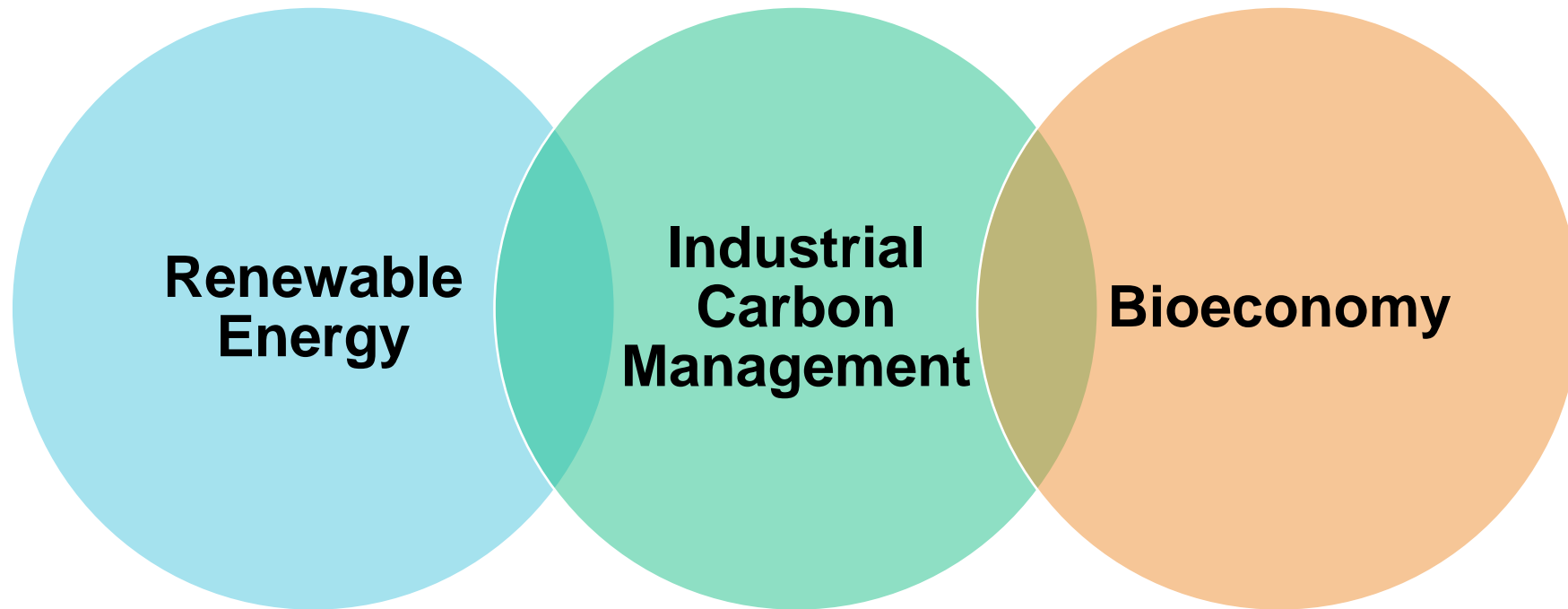
Historical and projected sectoral greenhouse gas emissions in the period 2015-2050



*Excluding non-BECCS industrial removals

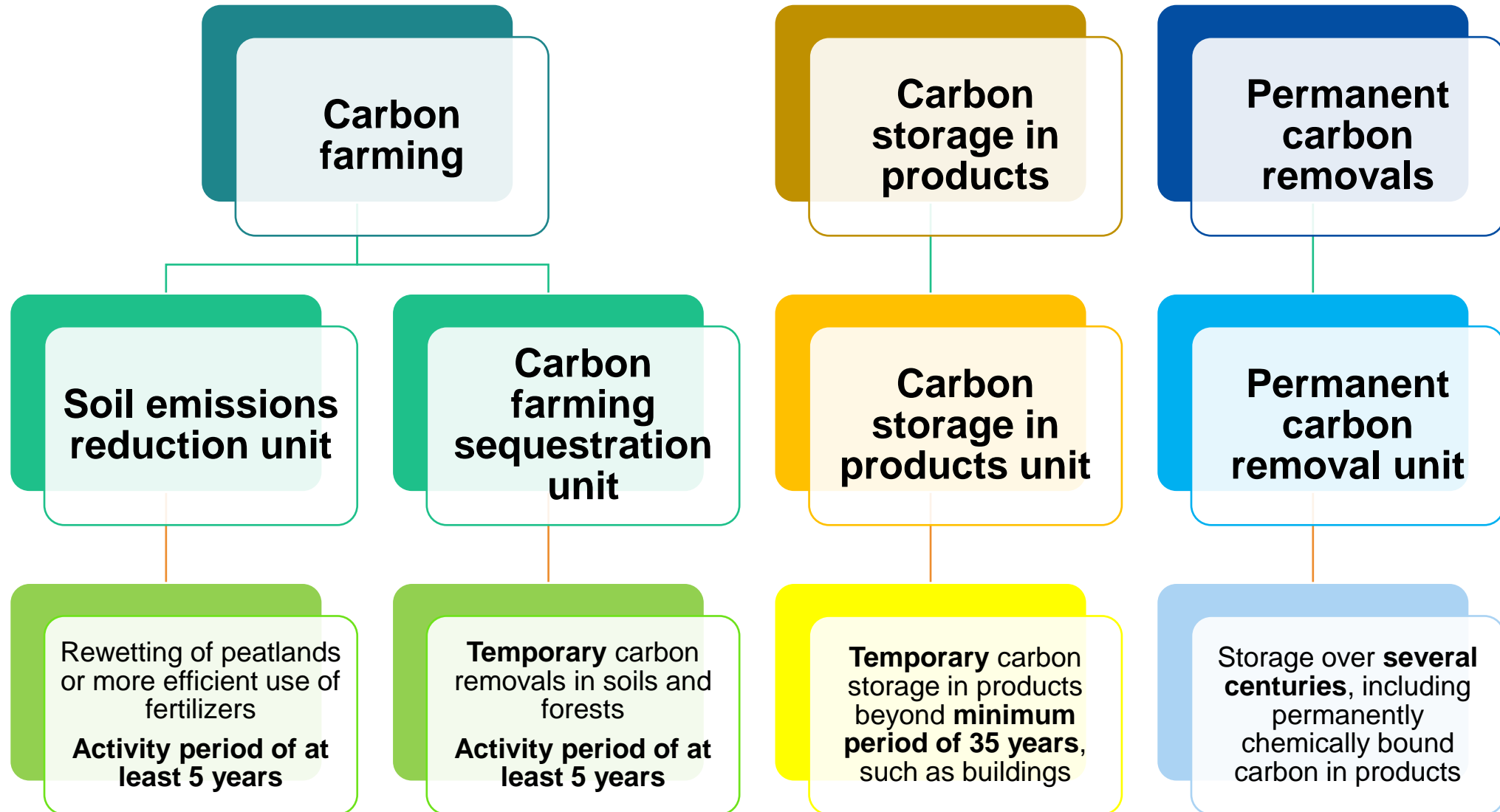
**Including bioenergy with carbon capture and storage (BECCS)

Three keys for climate neutrality



Scope of certification

Article 1 and 2 CRCF Regulation



Voluntary certification

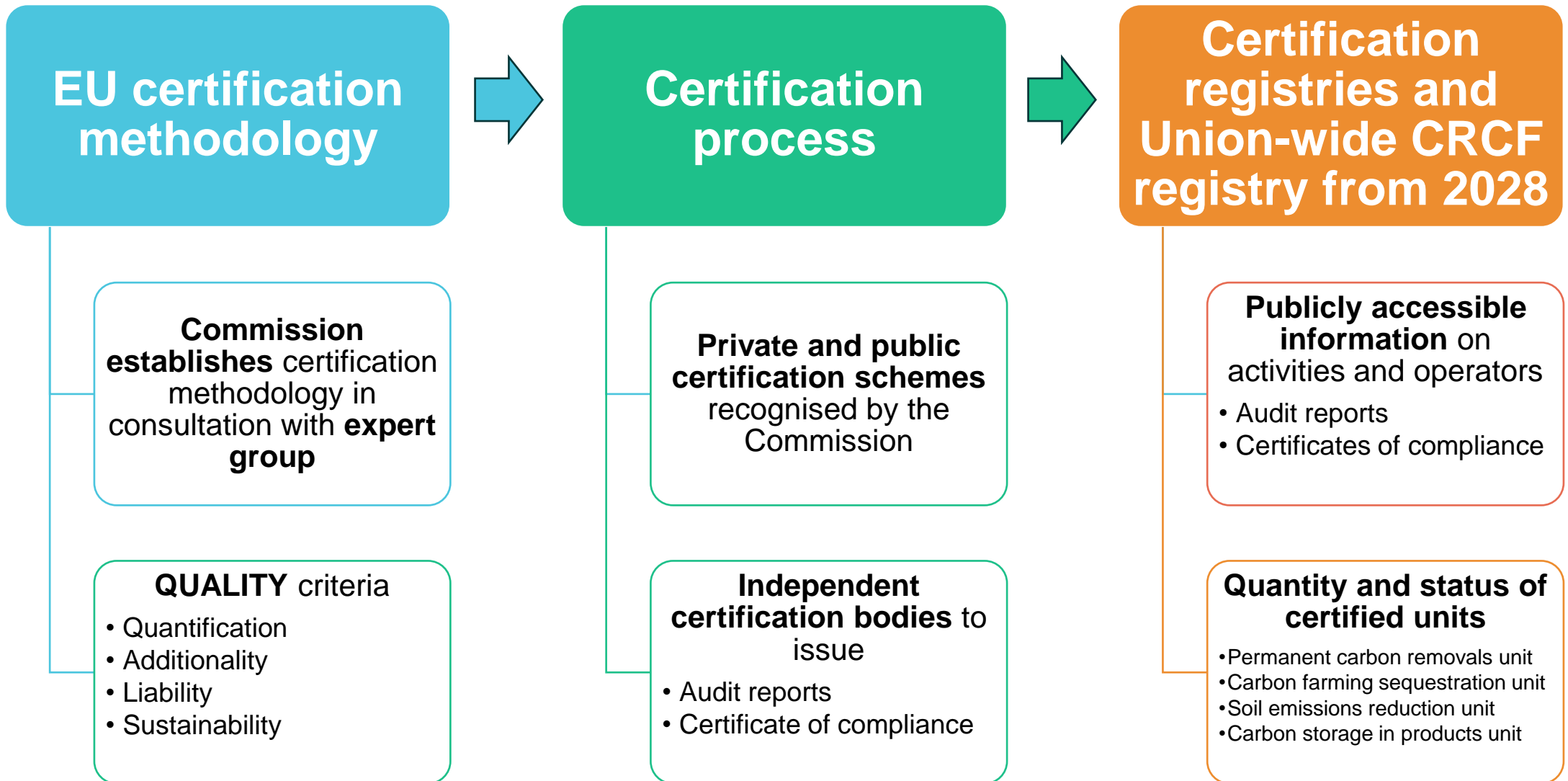


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Overview

Certification methodology

- QUALITY criteria
- Development of certification methodologies

Certification process and CRCF registry

CRCF use cases and next steps

QUALITY criteria

The QUALITY criteria will be operationalized through **EU certification methodologies** to be adopted by means of [delegated acts](#), in consultation with the [Expert Group](#)

Quantification

- Calculation of net benefit
- Monitoring
- Baseline

Additionality

- Additionality tests in case of activity-specific baseline

Liability

- Monitoring rules
- Liability mechanisms

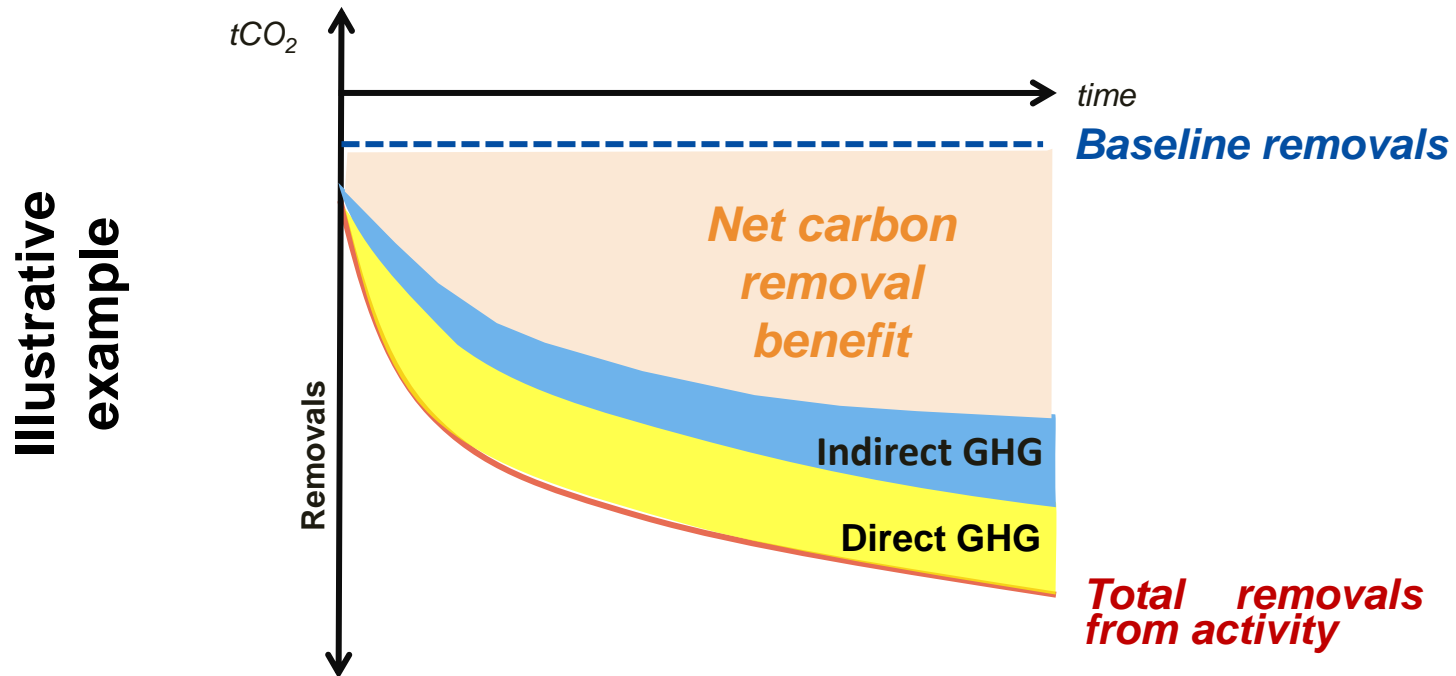
Sustainability

- Minimum sustainability requirements
- Monitoring and reporting of co-benefits

Quantification

Article 4 CRCF Regulation

Net carbon removal benefit = Carbon Removals under baseline – total Carbon Removals – GHG associated > 0



Monitoring and quantification

Article 4 CRCF Regulation

Monitoring

Monitoring shall be based on an **appropriate combination of on-site measurements with remote sensing or modelling** according to the rules set out in the certification methodology

With regard to carbon farming activities, where feasible, gather data based on the use of **Tier 3 methodologies** in accordance with the 2006 IPCC guidelines and compatible with national GHG inventories

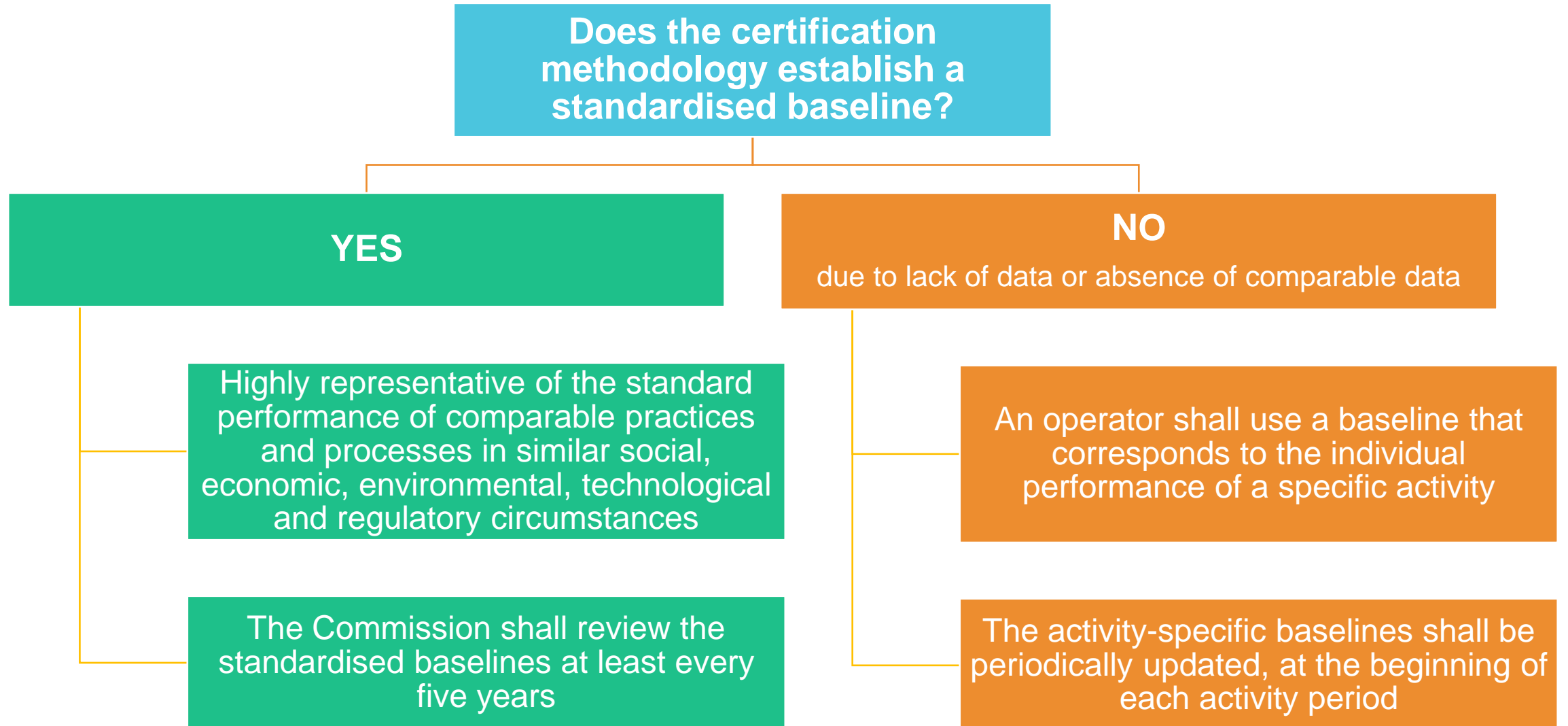
Quantification

Quantify in a relevant, conservative, accurate, complete, consistent, comparable and transparent manner, in accordance with the **latest available scientific evidence**.

Account for **uncertainties** in a conservative manner

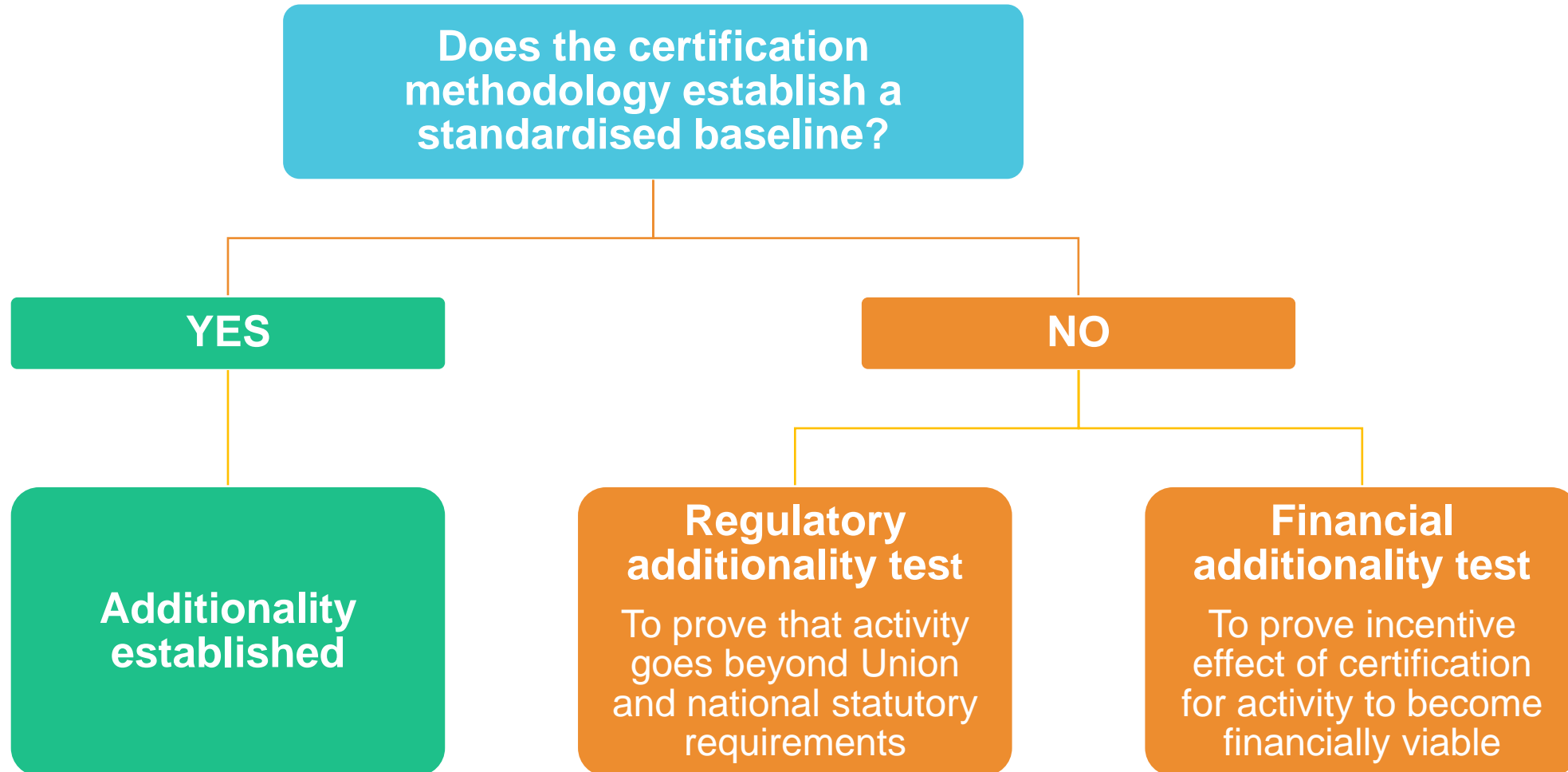
Baselines

Article 4 CRCF Regulation



Additionality

Article 5 CRCF Regulation



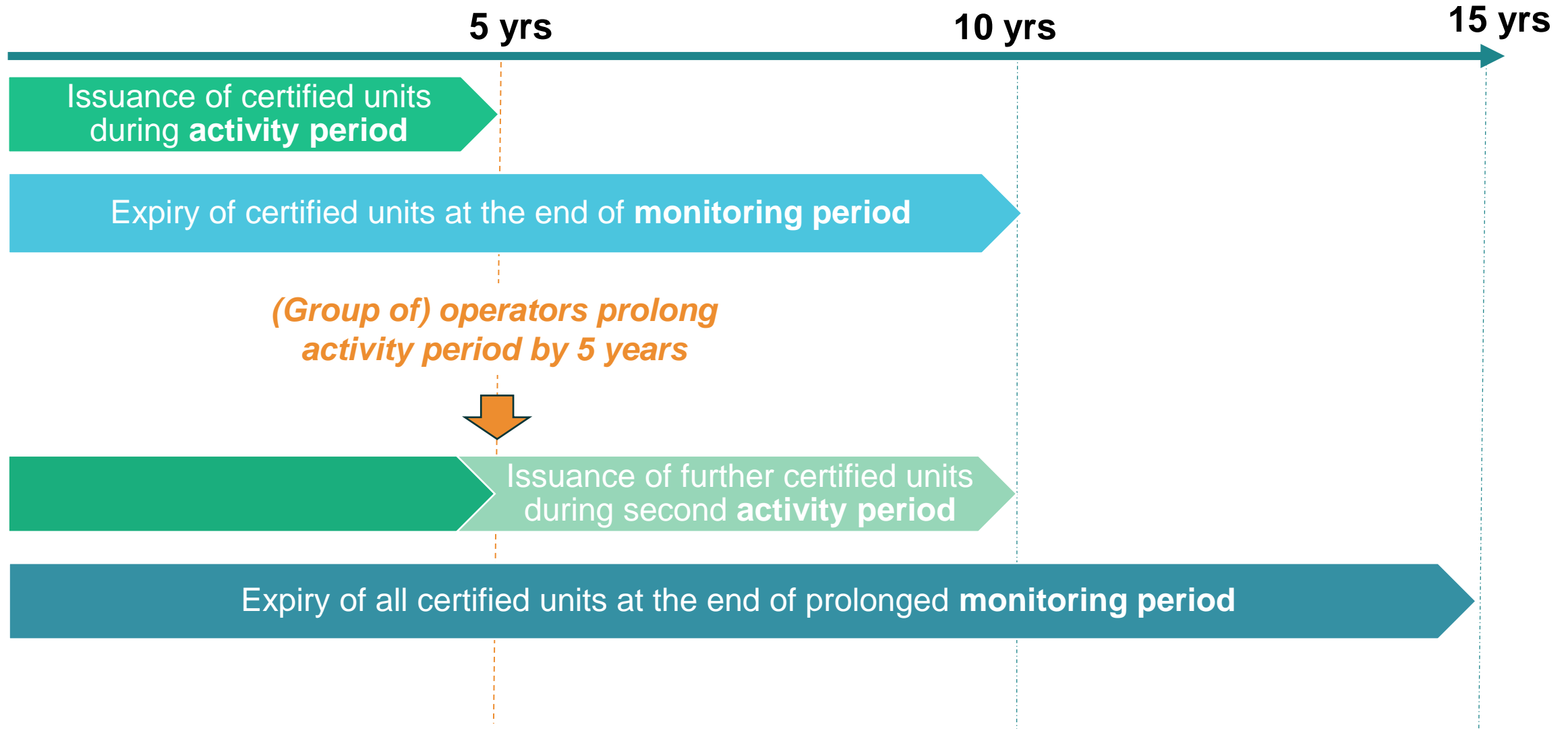
Liability and monitoring rules

Article 6 CRCF Regulation

		Validity of certified units
Permanent removals, including permanently chemically bound in products	Consistent with the rules and obligations pursuant to <ul style="list-style-type: none">• CCS Directive• Article 12(3b) of the EU ETS Directive	No expiry date
Temporary removals from carbon farming and carbon storage in products	<ul style="list-style-type: none">• To be set out in certification methodology, such as insurance or buffers• Full liability for reversal during monitoring period	Expiry at the end of monitoring period
Soil emissions reductions	<ul style="list-style-type: none">• To be set out in certification methodology	No expiry date

Activity and monitoring period

Example for prolongation



Sustainability (2)

Article 7 CRCF Regulation

Minimum sustainability requirements

Shall, where appropriate, be consistent with technical screening criteria for the 'do no significant harm' principle

Shall lead for carbon farming activities to positive benefits for protection and restoration of biodiversity and ecosystems including soil health, as well as avoidance of land degradation

Shall promote the sustainability of biomass (i.e. used for BioCCS or bioproducts) in accordance with Article 29 of Renewables Directive

Co-benefits

Shall be reported according to rules to be set out in certification methodologies
Synergies with indicators from e.g. Forest or Soil Monitoring Law

Objectives for methodology development

Article 8 CRCF Regulation

**ROBUSTNESS AND
TRANSPARENCY**

**MINIMISE
ADMINISTRATIVE
AND FINANCIAL
BURDEN**

**APPROPRIATE
LIABILITY
MECHANISMS**

**PROTECTION OF
BIODIVERSITY AND
ECOSYSTEMS**

FOOD SECURITY

**COMPETITIVENESS
OF FARMERS AND
FORESTERS**

**SUSTAINABILITY
OF BIOMASS**

**CASCADING USE
OF BIOMASS**

**AVOIDANCE OF
UNSUSTAINABLE
BIOMASS DEMAND**

Priorities for methodology development

Article 8 CRCF Regulation

The Commission shall prioritise the certification methodologies for activities

Carbon farming

Carbon storage in products

that are the most mature

that have the potential to provide the largest co-benefits

where relevant Union legislation relevant has already been adopted

Activities that contribute to sustainable management of agricultural land, forests, and the marine environment

Wood-based and bio-based construction products

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Overview

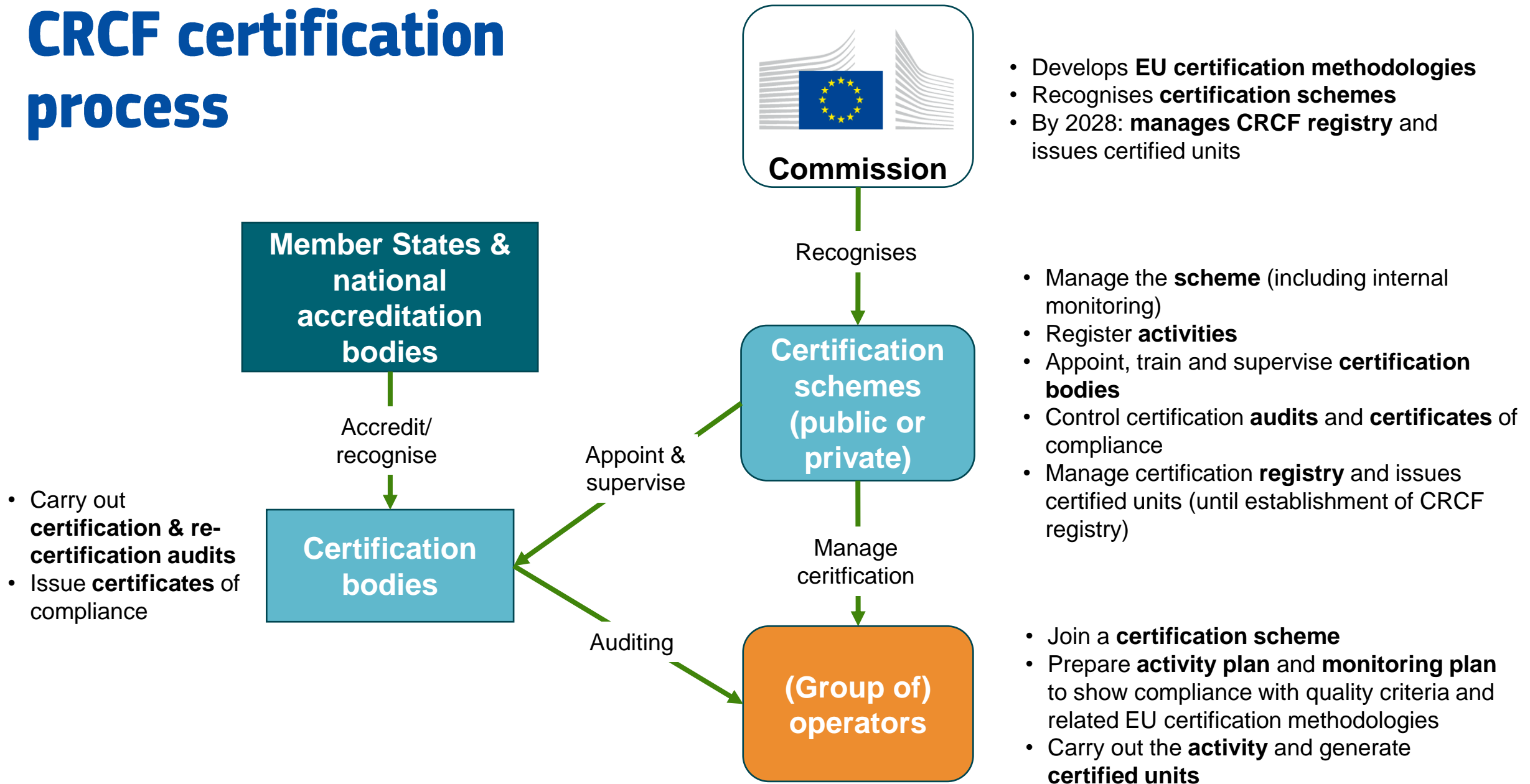
Certification methodology

- QUALITY criteria
- Development of certification methodologies

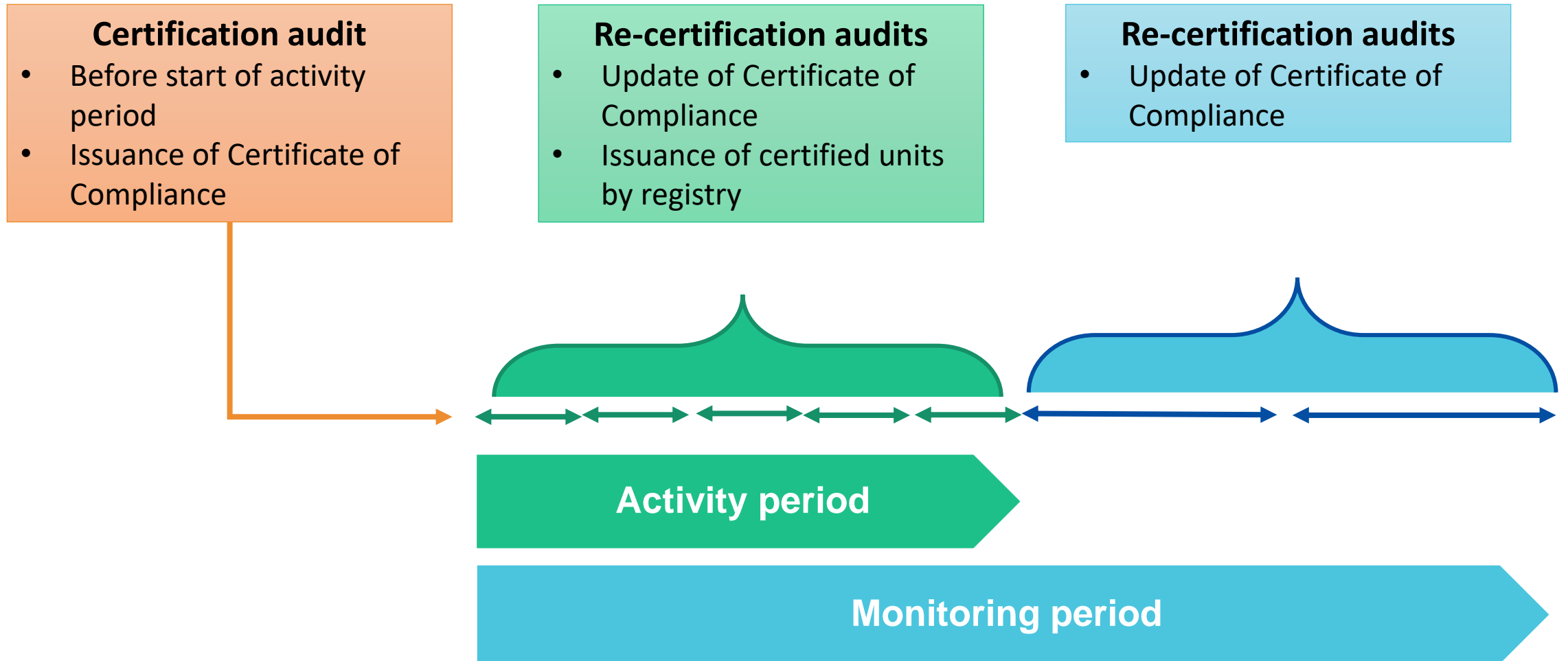
Certification process and CRCF registry

CRCF use cases and next steps

CRCF certification process



Certification audit and regular re-certification audits during activity and monitoring periods Article 9 CRCF Regulation



Comprehensive data publicly available in registry

Certification registries or Union-wide CRCF registry (from 2028 onwards)

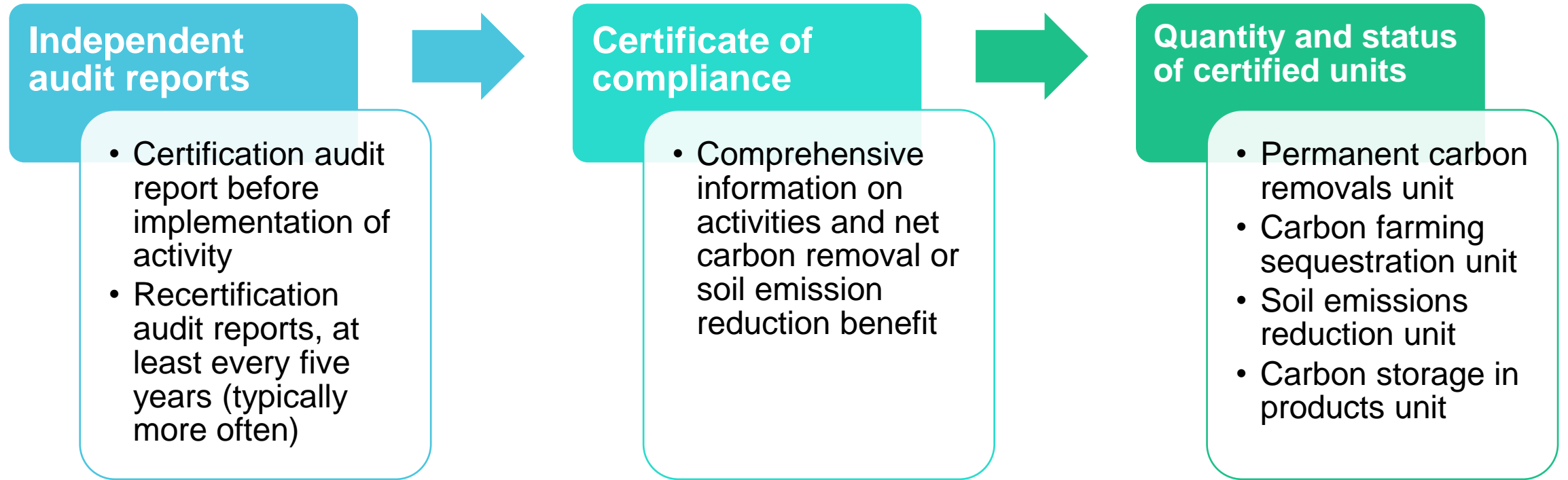


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Certification methodology

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Certification process and CRCF registry

CRCF use cases and next steps

Use cases for CRCF certificates of compliance and certified units

Corporate claims

- **Corporate Sustainability Reporting Directive**
 - [Sustainable Reporting Standards on Climate](#) for non-financial reporting
 - Net-zero claims (within value chain)
 - Climate neutrality claims
- **Green Claims**
 - [Commission proposal](#) from March 2023 on environmental claims
 - Currently in co-decision

Energy Performance of Buildings Directive

- Carbon storage in buildings

Use cases for CRCF certificates of compliance and certified units

Post-2030 EU climate policy

- **EU ETS review in 2026**
 - Commission to assess inclusion of permanent removals in EU ETS
- **LULUCF review in 2026**
 - Carbon farming and carbon storage products
 - Study on Emissions and Removals Trading in the AGRI-FOOD value chain
 - *Kick-off event on 19 June*

Link to EU NDC and climate targets

Article 1 CRCF Regulation

Carbon removals and soil emission reductions generated under CRCF Regulation shall contribute to achieving EU NDC and its climate objectives

and NOT to third-party NDCs or international compliance schemes

CRCF Regulation does not mandate any corresponding adjustments to the EU NDC, including for corporate claims

Review in 2026

Reviews of CRCF Regulation

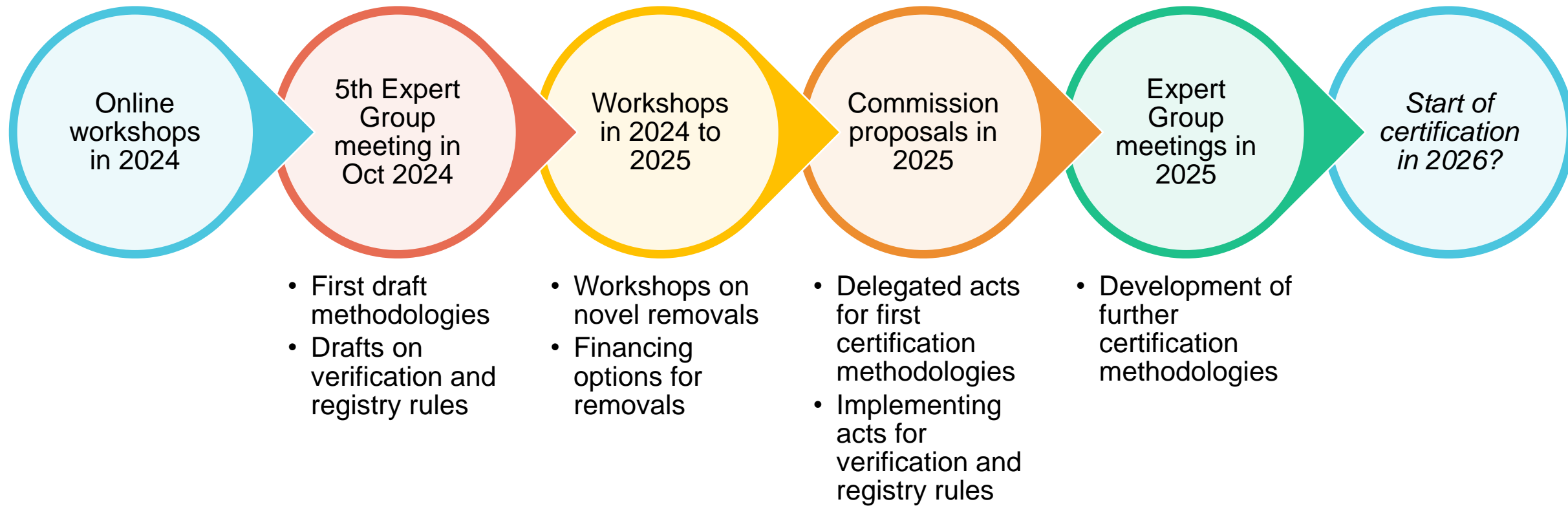
2026

- Review of inclusion of **livestock** emissions, including pilot methodology
- Review of the use of certified units to **compensate emissions generated outside of EU NDC**

2027

- Coherence with ETS, Effort Sharing and LULUCF
- Potential for carbon storage in third countries
- Environmental impacts of increased biomass use
- Impacts on food security
- Cost of certification

Timeline for certification



Links

[Provisional agreement on the CRCF](#)

[FAQ](#)

[Press release: Commission welcomes political agreement on EU-wide certification scheme for carbon removals](#)

[CRCF website](#)

[EU carbon removals and carbon farming newsletter](#)

OVERVIEW

Third-party verification rules and certification process

1. Introduction by the Commission
2. Presentation of the VERTA project (Verification of Carbon Removals - Technical Assistance)
3. Q&A session
4. Panel discussion and Q&A

PRESENTATION

Development of third-party verification rules and certification process



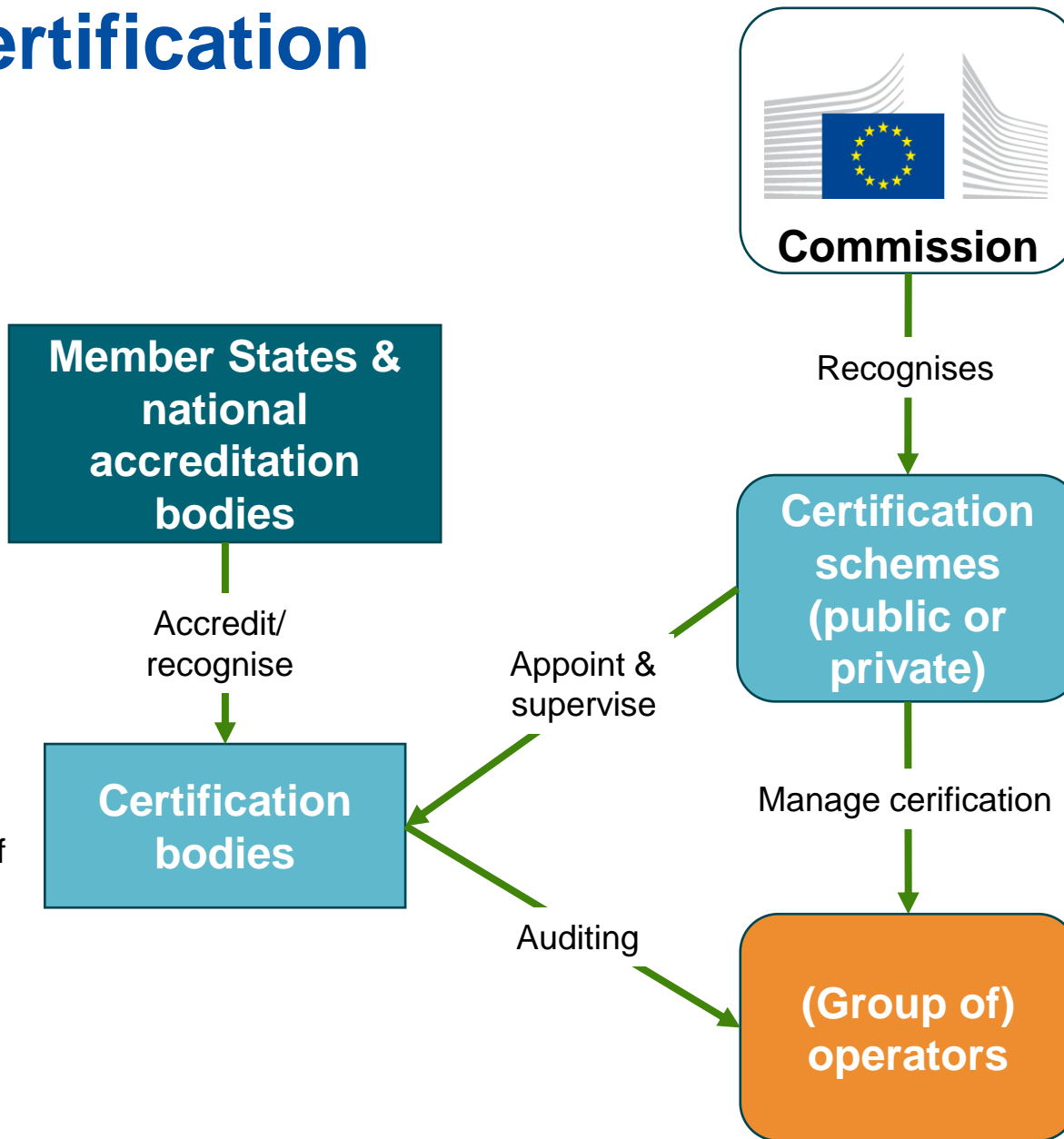
Verification rules & certification process

4th meeting of the Expert Group on Carbon Removals

16 April 2024

CRCF certification process

- **National bodies** accredit & control CAs
- **MS competent authorities** appoint CAs
- Carry out **certification & re-certification audits**
- Issue **certificates** of compliance



- **Implements** the Regulation
- Develops **EU certification methodologies**
- Recognises **certification schemes**
- By 2028: **manages CRCF registry & issues certified units** based on certificates of compliance

- Manage the **scheme** (including internal monitoring)
- Register **activities**
- Appoint, train and supervise **certification bodies**
- Control certification **audits** and **certificates** of compliance
- Manage certification **registry & issue certified units** (until establishment of CRCF registry)

- Join a **certification scheme**
- Prepare **activity plan** and **monitoring plan** to show compliance with quality criteria and related EU certification methodologies
- Carry out the **activity** and generate **certified units**

Definitions (article 2)

- ❑ **operator** = any legal or natural person or public entity who operates or controls an activity, or to whom decisive economic power over the technical functioning of the activity has been delegated, carbon farming operator definitions
- ❑ **groups of operators** = a legal entity that represents at least two operators
- ❑ **certification scheme** = organisation that certifies the compliance of activities and operators with the quality criteria and certification rules set out in this Regulation;
- ❑ **certification body** = an independent, accredited or recognised conformity assessment body that has concluded an agreement with a certification scheme to carry out certification audits and issue certificates of compliance;
- ❑ **certificate of compliance** = a conformity statement issued by the certification body certifying that the activity complies with this Regulation;
- ❑ **certification audit** = an audit carried out by a certification body;
- ❑ **re-certification audit** = an audit carried out in the process of renewing a certificate of compliance issued by a certification body;

CRCF certification process – next steps

1. Implementing act(s) on verification and certification rules

- Certification process (activity plan and the monitoring plan, the certification and re-certification audit reports) (art 9)
- Operation of certification schemes, reporting requirements and registries (art 11 -12 -14)
- Recognition of certification schemes by the Commission (art 13)

2. Delegated act(s) on CRCF registry

3. Implementing act (s) on annual amounts of registry fees

Thank you!

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Article 9: certification of compliance

1. To apply for a certification of compliance with this Regulation, an operator or a group of operators shall submit an application to a certification scheme. Upon acceptance of that application, the operator or group of operators shall submit to a certification body an activity plan that includes evidence of compliance with Articles 4 to 7, the expected net carbon removal benefit or the net soil emission reduction benefit generated by the activity, and a monitoring plan. (...)

2. The certification scheme shall appoint a certification body which shall conduct a certification audit to verify that the information submitted in accordance with paragraph 1 of this Article is accurate and reliable, and to confirm compliance of activity with Articles 4 to 7. When, as a result of that certification audit, the compliance of the information submitted in accordance with paragraph 1 of this Article has been verified, the certification body shall issue a certification audit report that includes a summary and a certificate of compliance containing, as a minimum, the information set out in Annex II.

3. The certification body shall carry out regular re-certification audits to reconfirm compliance of the activity with Articles 4 to 7 and verify the net carbon benefit or the net soil emission reduction benefit generated by the activity. The re-certification audits shall be carried out at least every five years, or more frequently as otherwise specified in the applicable certification methodology, depending on the characteristics of the relevant activity. (...)

The certification registry or, by [OJ: 4 years after the entry into force of this Regulation], the Union registry referred to in Article 12 shall issue units based on the updated certificate of compliance resulting from the re-certification audit.

Annex II: Minimum information included in the certificate of compliance

- (a) name and type of the activity, including contact details of the operator or group of operators;
- (b) location of the activity
- (c) duration of the activity
- (d) certification scheme;
- (e) certification body;
- (f) unique number or code of the certificate of compliance;
- (g) validity of the certificate of compliance;
- (h) EU certification methodology
- (i) permanent or temporary net carbon removal benefit or the net soil emission reduction benefit
- (j) carbon removals or soil emission reductions under the baseline
- (k) Total carbon removals or soil emission reductions
- (l) increase in direct and indirect GHG_{associated} emissions
- (m) breakdown by gases, sources, carbon sinks and stocks
- (n) duration of the monitoring period;
- (na) amount of sustainable biomass used
- (o) any sustainability co-benefits
- (oa) carbon farming co-benefits
- (p) any other international or national certification
- (q) type of liability mechanism;
- (r) quantity and validity of certified units;
- (s) uncertainties in the quantification of carbon removals and soil emission reductions

Article 12: Union wide registry (CRCF registry)

-1. By...[OJ: 4 years after the entry into force of this Regulation], the Commission shall establish and duly maintain a Union wide 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, containing, as a minimum, the information set out in Annex IIa, taking into account the reports referred to in Article 30(5a) of Directive 2003/87/EC and Article 17(3) of Regulation (EU) 2018/841 ('Union registry'). The Union registry shall use automated systems, including electronic templates, to make publicly accessible in a secure way the information related to the certification process, including the certificates of compliance and updated certificates of compliance, to enable the tracing of the quantity of certified units and avoid double counting. The Union registry shall be financed by annual fixed fees payable by users, proportionate to the use of the registry, to sufficiently contribute covering the annual operating costs of establishment and management of the Union registry, such as those for staff or IT tools. [...]

1. Until the establishment of the Union registry, a certification scheme shall establish and duly maintain a public certification registry to make publicly accessible and in a secure way the information resulting from the certification process, including the certificates of compliance and updated certificates of compliance, containing, as a minimum, the information set out in Annex IIa, to enable the tracing of the quantity of units certified in accordance with Article 9 ('certification registry'). A certification registry shall use automated systems, including electronic templates, and shall be interoperable with registries of other recognised certification schemes in order to avoid double counting. The Commission shall adopt implementing acts setting out the structure, format, and technical details of the certification registries, of the recording, holding or use of certified units, including as referred to in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17.

PRESENTATION

Development of third-party verification rules and certification process

By VERTA project

Project VERTA: Rules on verification and registries for carbon removals – technical assistance





Introduction to VERTA project

Overall project goal & objectives



The **goal** of the project is to help the Commission set the foundations for implementing rules for the verification of carbon removals and certification registries, under the CRCF Regulation



We will provide recommendations to DG CLIMA on each of the following areas:

- i. Third-party verification and certification
- ii. Operation of certification schemes for carbon removals
- iii. Options for interoperable certification registries for carbon removals
- iv. Initial scoping of the Union registry for carbon removals (CRCF registry)

Today's focus

1

Review and analysis of current initiatives and their approaches/rules

- 1.1 Technical rules on the verification and certification process
- 1.2 Technical rules on the operation of certification schemes
- 1.3 Technical rules on the operation of certification registries

2

Develop technical options papers

- 2.1 Technical options papers
- 2.2 Scoping paper for a Union registry for carbon removals

3

Consultation of relevant stakeholders and experts

- 3.1 Stakeholder workshop
- 3.2 Online public consultation
- 3.3 Reporting Stakeholder views

4

Final recommendations

Task 1: Review and analysis of current approaches

1

Objectives

- Provide a detailed overview and understanding of the existing rules and approaches to **verification and certification processes**, the operation of **certification schemes** and the operation of **certification registries**
- Analyse lessons learned for carbon removals certification

Verification and Certification of Operator Claims Analysed – ‘Reference Systems’

Certification of sustainable bioenergy under the Renewable Energy Directive 2018/2001 (REDII)

- Further details are set out in Implementing Regulation (IR) 2022/996

Certification of EU organic agriculture

- Regulation (EU) 2017/625
- Regulation (EU) 2018/848

EU Emissions Trading System (EU ETS)

- The Monitoring and Reporting Regulation (MRR)
- The Accreditation and Verification Regulation (AVR)

Existing certification schemes in the voluntary carbon market

- International: Verra, Gold Standard, Puro.earth
- National: Label bas-carbone, UK Peatland code

Task 1: Review and analysis of current approaches

Elements covered in the review

Task 1.1 Certification and verification process

- Workflow of the certification process
- Standard template of the carbon removal activity description
- Technical rules:
 - Timing, frequency, duration and modalities of certification and re-certification audits
 - Documentation management
 - Data collection and management
 - Procedures for non-conformities
 - Group auditing
 - Auditor competency
 - Accreditation / recognition of certification bodies
 - Assurance level
 - Min. content of auditing reports
 - Min. content of publishable audit summary
 - Standard template for certificates

Task 1.2 Operation of certification schemes

- Guidelines for internal governance of voluntary schemes to avoid conflict of interest
- Stakeholder participation and consultation
- Handling of complaints and appeals
- Internal monitoring
- Transparency and publication of information
- Information to be reported annually by certification schemes (CRCF - Article 14)
- Selection, training and monitoring of certification bodies
- Approaches to avoid certification scheme hopping and certification body hopping
- Assessment process for the EC recognition of certification schemes (CRCF - Article 13)

Task 1.3 Operation of certification registries

- Rules for operation of certification registries, including:
 - Data exchange standard
 - (Cybersecurity) safeguards
 - Emergency operation procedures (disaster recovery)
 - Technology(ies) for linking registries
 - Cost of registry set-up and participation for users
- Example of linked databases:
 - EU ETS and CDM registry (via ITL)
 - EU ETS and Swiss ETS
 - California and voluntary certification schemes
 - Label bas-carbone
 - Climate Action Data (CAD) Trust
 - UNFCCC mechanism under Article 6 of the Paris Agreement

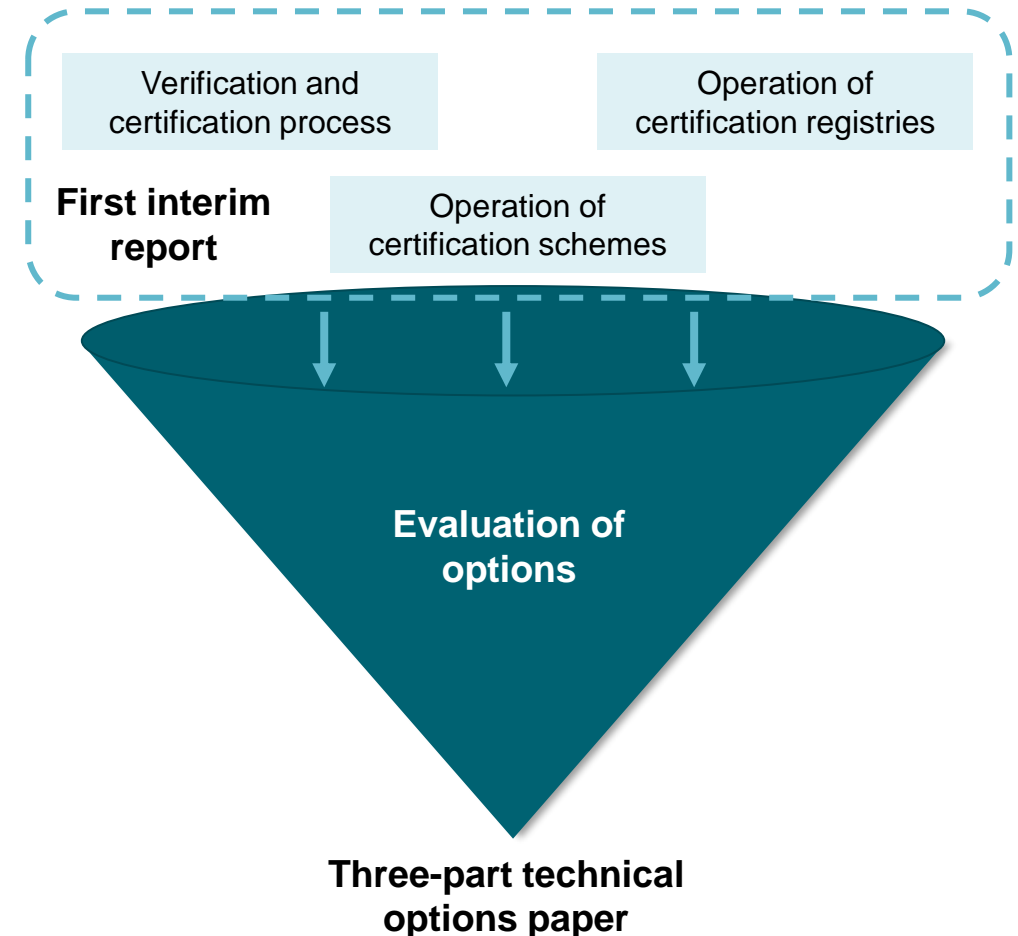
Task 2: Technical options papers

Task 2.1: Building on the outputs from **Task 1**, we will develop **recommendations or options** that can work for carbon removal for:

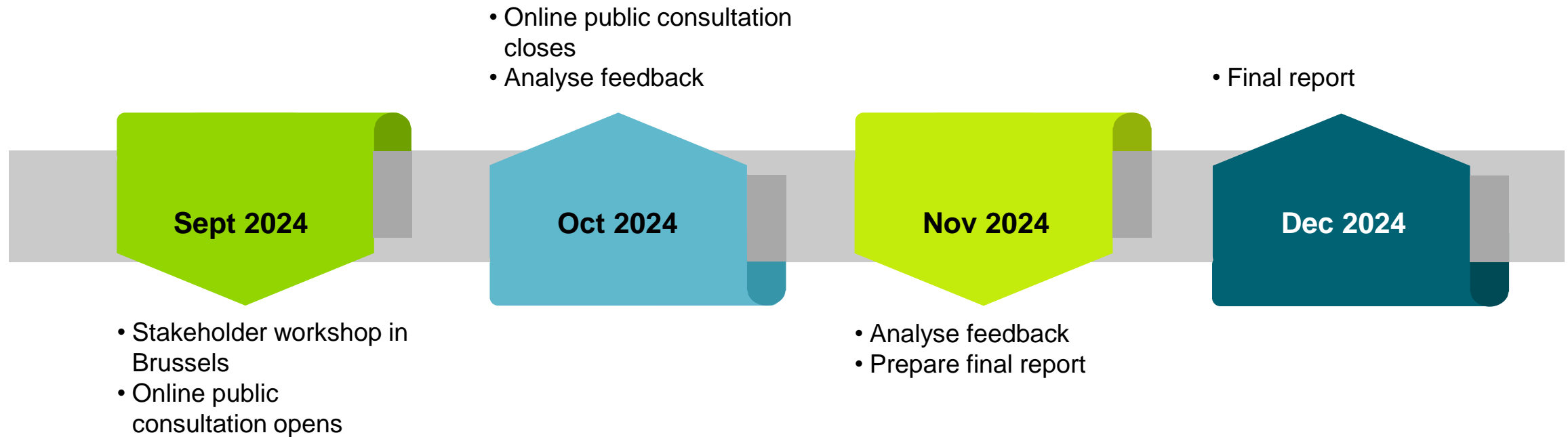
- verification and certification processes;
- the operation of certification schemes; and
- an interoperable certification registry

The result will be a series of **technical options papers** that will feed into the stakeholder consultation in Task 3.

Task 2.2: We will also prepare an initial scoping paper for the **Union Registry for carbon removals**



Tasks 3 & 4 timeline: stakeholder consultation feeds into final recommendations on the technical rules



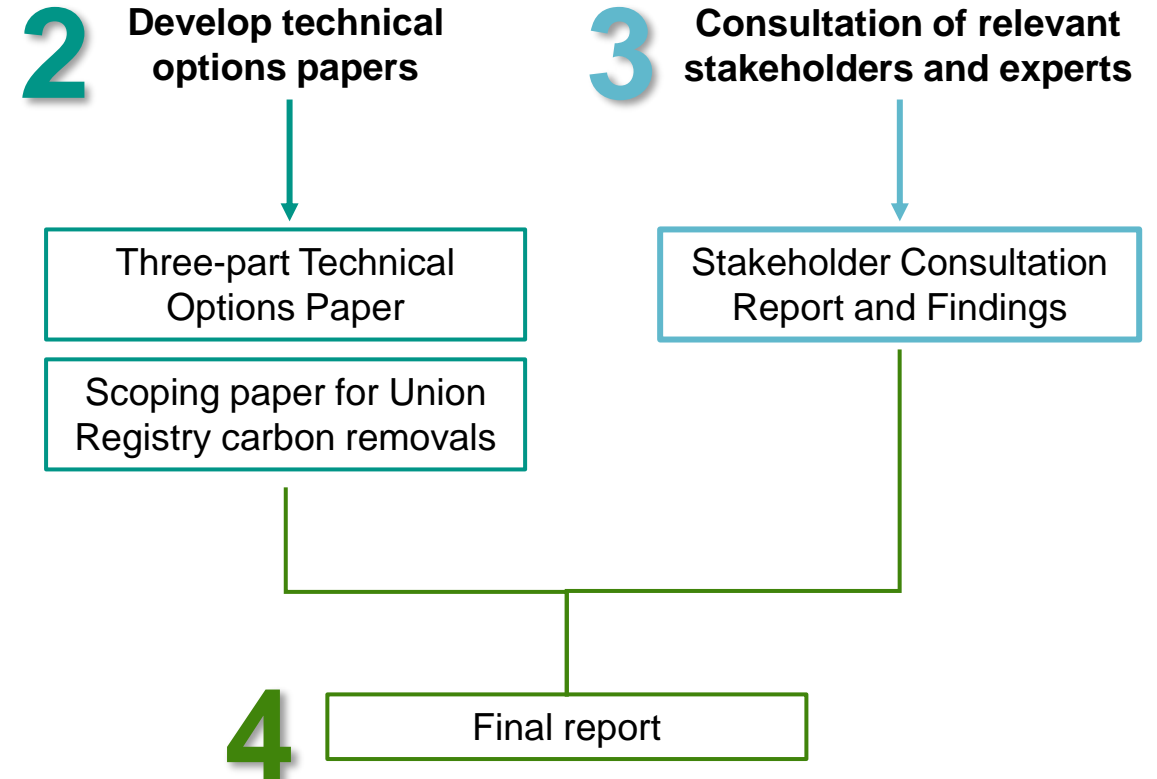
Task 4: Final recommendations on the technical rules


The goal of this task is to **provide final recommendations to the Commission** on the technical rules for each of the following three areas:

- i. Third-party verification and certification
- ii. Operation of certification schemes for carbon removals
- iii. Technical requirements for the operation of certification registries for carbon removals

The report will be based on the outputs from **task 2** and take on board feedback from stakeholders from **task 3**

The final report will support the Commission preparation of an **Implementing Regulation** on technical rules for the third party verification of carbon removals and recognition of certification schemes, including their certification registries. The adoption of the Implementing Regulation will take place only after the official adoption of the Commission proposal and its legal entry into force.






The top-left corner of the slide features several thin, light blue lines that intersect to form a series of overlapping, irregular polygons, creating a modern, architectural feel.

Review of existing approaches on verification rules and certification process

What does the final CRCF text say?

A voluntary certification framework that supports the development of carbon removal activities or an unambiguous net carbon removal benefit, while avoiding greenwashing

Scope	Activity period	Generation & issuance of units	Unit	Wider sustainability requirements	Biomass criteria	Durability
 Carbon farming	> 5 years	Generation of units during activity period	t/CO ₂ of certified temporary net carbon removal benefit <i>and</i> t/CO ₂ of certified net soil emission benefit from carbon farming	Do No Significant Harm principle (DNSH) & mandates co-benefits for biodiversity and soil quality	REDIII sustainability requirements for operators	> 5 years unit expiry at the end of monitoring period (to be set in the methodology)
 Storage in products	To be set in the methodology	Issuance of units only ex-post, based on valid certificate of compliance	t/CO ₂ of certified temporary net carbon removal benefit	Do No Significant Harm principle (DNSH) & option to report sustainability co-benefits	Application of cascading principle as per REDIII implementation	> 35 years for storage in products unit expiry at the end of monitoring period (to be set in the methodology)
 Permanent removals	To be set in the methodology		t/CO ₂ of certified permanent net carbon removal benefit			> 200 years for permanent removals

Review of technical options

Today's focus

Key topics

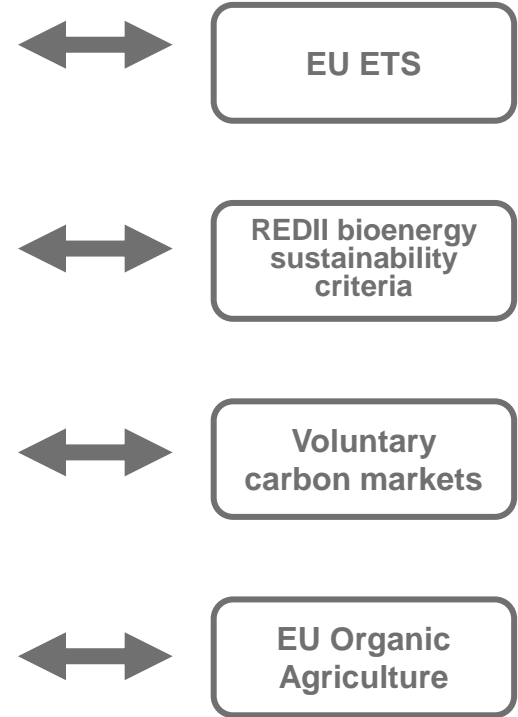
1. Certification and verification process

- Key stakeholders and their roles
- Process of (re-)certification, issuance, crediting period renewal
- Accreditation of CBs and auditor competency
- Group auditing

2. Operation of certification schemes

- Scheme recognition process and ICVCM principles
- Avoiding scheme hopping
- Scheme governance
- Stakeholder consultation
- Transparency / annual reporting
- Certification bodies – selection and monitoring

Lessons drawn from



Technical options

Goal:
input for technical options based on the agreed CRCF text and your expert input

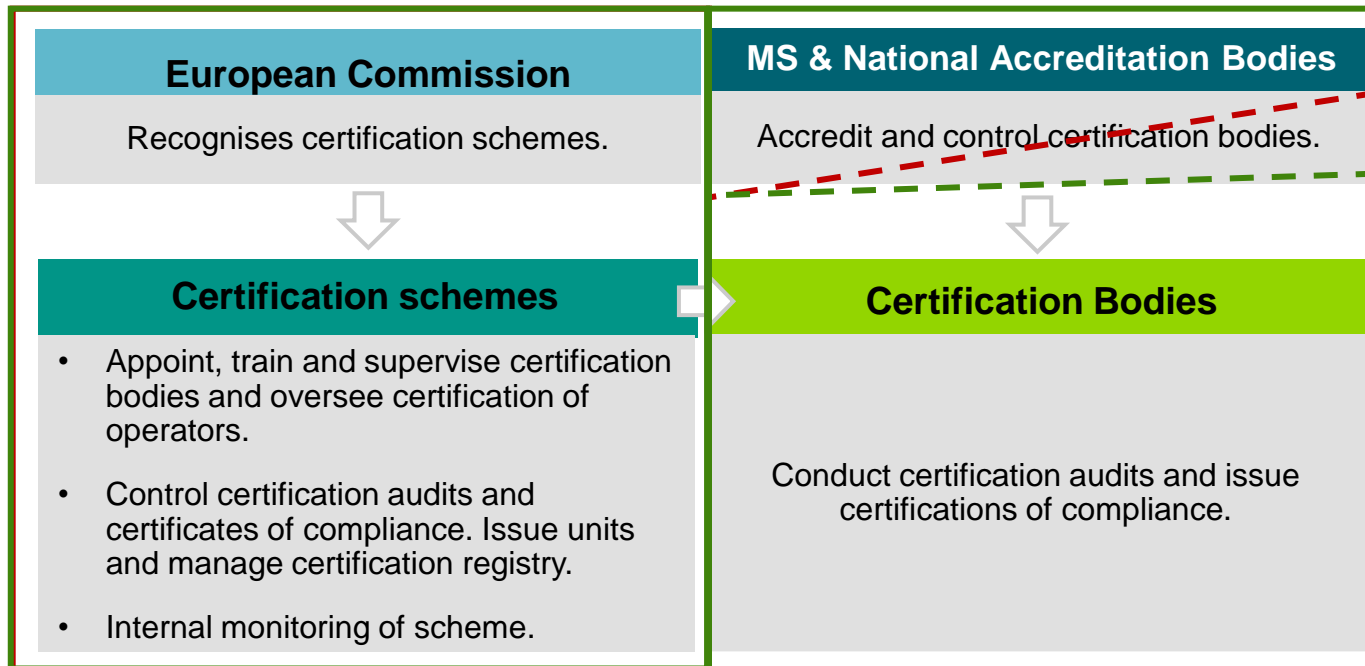
Key stakeholders and their roles in the CRCF certification process



Review of technical options

1. Certification and verification process

CRCF: Auditor competency and accreditation of certification bodies and schemes



Looking to other systems:

1. Recognition of schemes:

- EU Organic / EU ETS: recognition of schemes by EC “is not necessary” as standards are set out in the legislation
- REDII: EC sets sustainability criteria and recognises schemes that cover the criteria

2. Accreditation of certification bodies:

- EU Organic: Competent authority ensures that certification bodies* fulfill minimum control requirements and conduct yearly controls. Standard: ISO 17065
 - REDII: Accreditation of certification bodies:
 - Accredited to ISO 17065 / 14065, additionally
 - Accredited by a national accreditation body or recognised by a competent authority to the REDII or scheme scope
- Learning: accreditation to ISO standards may not be sufficient, as these standards are broad. Accreditation should cover the specific scope of what is certified.
- EU ETS: Accreditation requirements set out by National Accreditation Bodies according to the AVR**. Accreditation of verifiers valid across all MS. Verifier independence is maintained as accreditation by National Accreditation Bodies is independent of Competent Authorities approving operator reporting.

Review of technical options

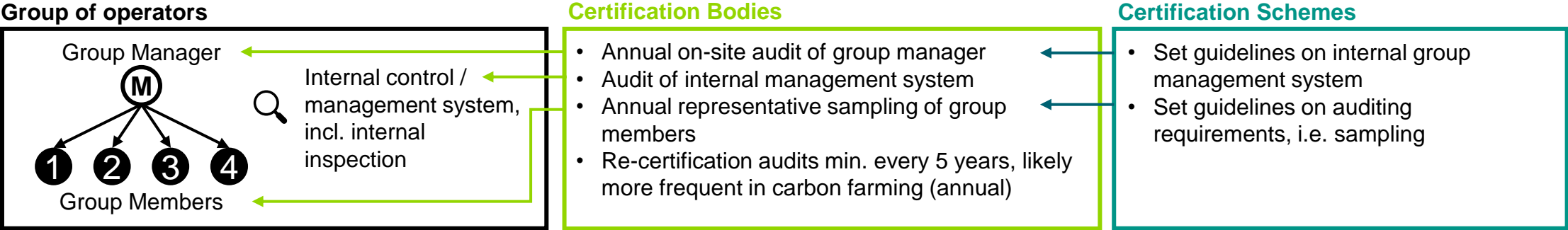
1. Certification and verification process

Group auditing in carbon farming

Mandate: simplify and reduce administrative burden for operators, especially in carbon farming

→ Group auditing can reduce the administrative burden of certification, especially for small scale farmers or operators

Drawing from other systems* group auditing could take the following form:



REDII

EU
Organic

Review of technical options

1. Certification and verification process

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Group auditing in the voluntary carbon market:

- **Label bas-carbone** (collective projects), **Verra** and **Gold Standard** (programs of activities (PoAs)) **allow grouped projects**, in which multiple component project activities (CPAs) are grouped into a single, combined project that can add new CPAs over time.
- **Verra: projects that have been validated and verified can add additional project activity instances, without undergoing a full validation process** again, as long as they meet the eligibility criteria and fall within the geographic boundary. However, the scheme requires all activity instances within a collective project/program of activities to be verified.
- Under the **Gold Standard**, the PoAs are to be submitted for validation using a specific PoA design document, as such are able to be registered initially as a grouped project. As part of PoA validation, the **Validation/Verification Body must also validate the appropriateness of the sampling approach** (including approach proposed for site-visits) as part of the validation report, this will follow a risk-based approach.
- Under **Label bas-carbone collective projects can be verified either considering the collective project as a whole, or by verifying each individual project**. The request for the type of verification process is made by the party being certified. In the case of the collective approach, the verification is called “shared” and the verification report is required to justify the sampling method used.

PoAs = programs of activities

PANEL DISCUSSION

Review of existing approaches on verification rules and certification process

OVERVIEW

Review of existing approaches on certification registries

1. **Presentation** by the VERTA project (Verification of Carbon Removals - Technical Assistance)
2. **Q&A session**
3. **Panel discussion and Q&A**

PRESENTATION

Review of existing approaches on certification registries

By VERTA project

Project VERTA: Rules on registries for carbon removals – technical assistance





Approaches to certification registries

Overview of review (Task 1.3)

Task 1.1 Certification and verification process

- Workflow of the certification process
- Standard template of the carbon removal activity description
- Technical rules:
 - Timing, frequency, duration and modalities of certification and re-certification audits
 - Documentation management
 - Data collection and management
 - Procedures for non-conformities
 - Group auditing
 - Auditor competency
 - Accreditation / recognition of certification bodies
 - Assurance level
 - Min. content of auditing reports
 - Min. content of publishable audit summary
 - Standard template for certificates

Task 1.2 Operation of certification schemes

- Guidelines for internal governance of voluntary schemes to avoid conflict of interest
- Stakeholder participation and consultation
- Handling of complaints and appeals
- Internal monitoring
- Transparency and publication of information
- Information to be reported annually by certification schemes (CRCF - Article 14)
- Selection, training and monitoring of certification bodies
- Approaches to avoid certification scheme hopping and certification body hopping
- Assessment process for the EC recognition of certification schemes (CRCF - Article 13)

Task 1.3 Operation of certification registries

- Rules for operation of certification registries, including:
 - Data exchange standard
 - (Cybersecurity) safeguards
 - Emergency operation procedures (disaster recovery)
 - Technology(ies) for linking registries
 - Cost of registry set-up and participation for users
- Example of linked databases:
 - EU ETS and CDM registry (via ITL)
 - EU ETS and Swiss ETS
 - California and voluntary certification schemes
 - Label bas-carbone
 - Climate Action Data (CAD) Trust
 - UNFCCC mechanism under Article 6 of the Paris Agreement

What does the final CRCF text say?

Article 12 establishes a Union Registry and requires interoperability of registries until then

Article 12

Union wide registry for permanent carbon removals, carbon farming and carbon storage in products

-1. By...[OJ: 4 years after the entry into force of this Regulation], the Commission shall establish and duly maintain a Union wide 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, containing, as a minimum, the information set out in Annex IIa, taking into account the reports referred to in Article 30(5a) of Directive 2003/87/EC and Article 17(3) of Regulation (EU) 2018/841 ('Union registry'). The Union registry shall use automated systems, including electronic templates, to make publicly accessible in a secure way the information related to the certification process, including the certificates of compliance and updated certificates of compliance, to enable the tracing of the quantity of certified units and avoid double counting. The Union registry shall be financed by annual fixed fees payable by users, proportionate to the use of the registry, to sufficiently contribute covering the annual operating costs of establishment and management of the Union registry, such as those for staff or IT tools. [...]


1. Until the establishment of the Union registry, a certification scheme shall establish and duly maintain a public certification registry to make publicly accessible and in a secure way the information resulting from the certification process, including the certificates of compliance and updated certificates of compliance, containing, as a minimum, the information set out in Annex IIa, to enable the tracing of the quantity of units certified in accordance with Article 9 ('certification registry'). A certification registry shall use automated systems, including electronic templates, and shall be interoperable with registries of other recognised certification schemes in order to avoid double counting. The Commission shall adopt implementing acts setting out the structure, format, and technical details of the certification registries, of the recording, holding or use of certified units, including as referred to in paragraph 1 of this Article. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 17.


Introduction to certification registries


Main provisions related to certification registries / the CRCF registry

 CRCF registry to be **established 4 years after entry into force** of CRCF Regulation.

 Registry will **be managed by EC and will be financed by annual fees** proportionate to the use of the registry.

 Until the establishment of the CRCF registry, recognized certification schemes should **establish and maintain interoperable certification registries**. Interoperability of certification registries is required to **avoid double counting**. EC to adopt implementing acts on structure, format and technical details of certification registries.

 Registries will also play an important role in **ensuring transparency** of EU carbon removals and they will need to publish certificates of compliance, certification and re-certification audit reports and non-conformity notices. In addition, rules for handling complaints and appeal and appointed certification bodies should also be made public in registries

 **Certified units should be issued by certification registries** until the establishment of the CRCF Registry. Certain certified units will need to be cancelled by registries upon expiry of the monitoring period.

Options for registry interoperability

Approach	Existing example	Preliminary assessment
Link via a transaction log	Architecture created for the different types of emissions credits under the Kyoto Protocol system of registries .	Possible, but development of transaction log will at least partially duplicate efforts to develop CRCF registry and it does not seem feasible from a timing perspective.
Direct link between registries	End-state goal of the link between the Union Registry (EU ETS) and the Swiss ETS registry . For the time being, there is only a provisional solution with regular batch transfers between the registries.	Possible, but requires budget and time to develop and link may be obsolete in 4 years once the CRCF registry is established.
One-way link to a central platform	The link that the CAD Trust is establishing with VCM registries to be able to aggregate market information in one place.	Possible, but development of central platform will at least partially duplicate efforts to develop CRCF registry and it does not seem feasible from a timing perspective. It is also not clear how this approach will limit double counting.
A document-based solution	The approach taken in the California Cap-and-trade system where the “link” is essentially an exchange of documents.	Possible, provided robust approach to documentary exchange is applied.

Considerations on interoperability

Discussion topics

1 Interoperability may not be sufficient to **prevent or minimize double use/claiming risk** in practice

Registries could check for geolocations or operators to confirm a lack of previous project activity or application for certification. Likely, manual checks are needed. Suggests interoperability may not be sufficient.

2 Interoperability requirement may **increase costs for creating carbon removals in the EU** without reducing risks in the long run

It is expected that costs will be passed through to end-buyers of units. It may not be feasible to implement interoperability for existing certification schemes that have had registries in operation for decades, especially since this may be a temporary measure only.

3 Existing **VCM registries are not interoperable**

Protection against double counting is included in certification schemes' procedures. Integrity concerns have been linked to methodological loopholes and the claims made, but not to double counting. A robust system based on documentation of contractual arrangements and clearly defined project ownership could mitigate the raised concern.

4 **Documentary linking of registries could offer sufficient protection** against double counting for the first 4 years

Noting the work still needed to develop methodologies, the time it will take to get schemes certified and develop projects that generate a significant number of removal units, it is considered unlikely that there will be a significant risk of double counting even without interoperability during the transitional period before the CRCF registry is established.

Additional considerations on registries

Transitional period (no CRCF registry)

- Units will need to be held within the relevant registry and cancelled once they are “used” i.e. a claim is made based on **instructions from the unit owner**.
- For transparency within existing registries, **CRCF units will need to be tagged** so that they can be distinguished from other credits held in registry accounts. This could also be achieved by tagging the relevant projects.
- Registry fees may need to be aligned somehow for schemes approved under the CRCF or they could be one way for schemes to compete.

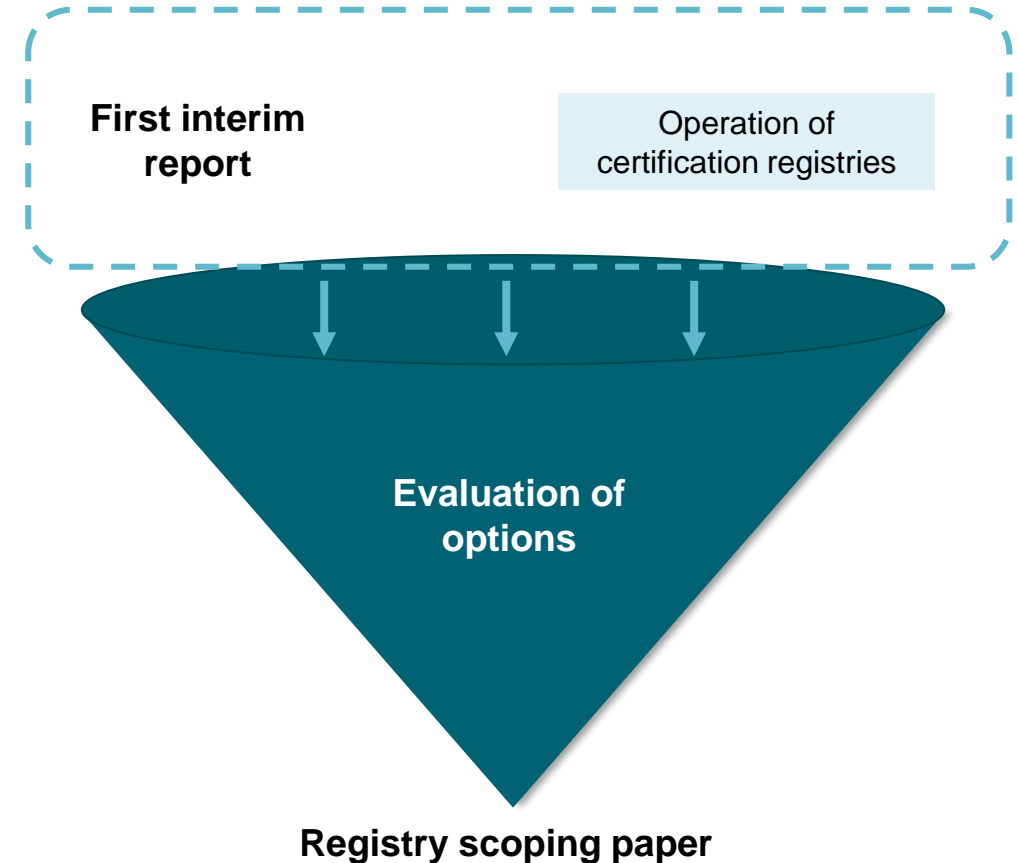
Post CRCF registry

- Units are issued within CRCF registry. In practice this will still **rely on documentation** largely controlled by the certification schemes.
- CRCF Registry design should **anticipate eventual need to integrate the CRCF registry for removals and the registry of the EU ETS** in case removals are eventually allowed in the EU ETS.
- Registry fees are part of existing certification schemes' revenues, so **there will likely be an increase in project activity assessment fees** if CRCF registry fees are collected by the EC.

Task 2.2: Scoping paper for centralised registry

Task 2.2: We will also prepare an initial scoping paper for the **Union Registry for carbon removals**. The paper will cover the following elements

- A. Scope and design** of the EU carbon removal registry
 - Scope (application and scope, transaction method)
 - System architecture
 - Database ownership and management
- B. Set-up and operation** of the EU carbon removal registry
 - Registry set-up
 - Processes
 - System architecture (detailed)



PANEL DISCUSSION

Review of existing approaches on certification registries

Puro.earth - enabling transparency & building trust

Rules for durable carbon removals activities - methodologies / protocols

Issue credits based on independently verified removals – certification scheme

Lifecycle of the credit from issuance to retirement - registry

<https://registry.puro.earth/carbon-sequestration/projects>

<https://registry.puro.earth/carbon-sequestration/retirements>

DATE ▾	RETIRED CORCS ▾	CERTIFICATE NUMBERS (FROM - TO) ▾	CREDIT TYPE ▾	METHODOLOGY ▾
2023-12-21	11	6430024068010000100000000182641 - 6430024068010000100000000182651	CORC 100+	Biochar

BENEFICIARY ▾	RETIREMENT PURPOSE ▾	COUNTRY OF CONSUMPTION ▾	PROJECT COUNTRY ▾	PROJECT NAME ▾
PwC International Limited	Retired on behalf of PwC International Limited (Carbon credits were retired to offset FY24 emissions for PwC network firms)	Canada	France	Sylva Fertis, Argentina, FR