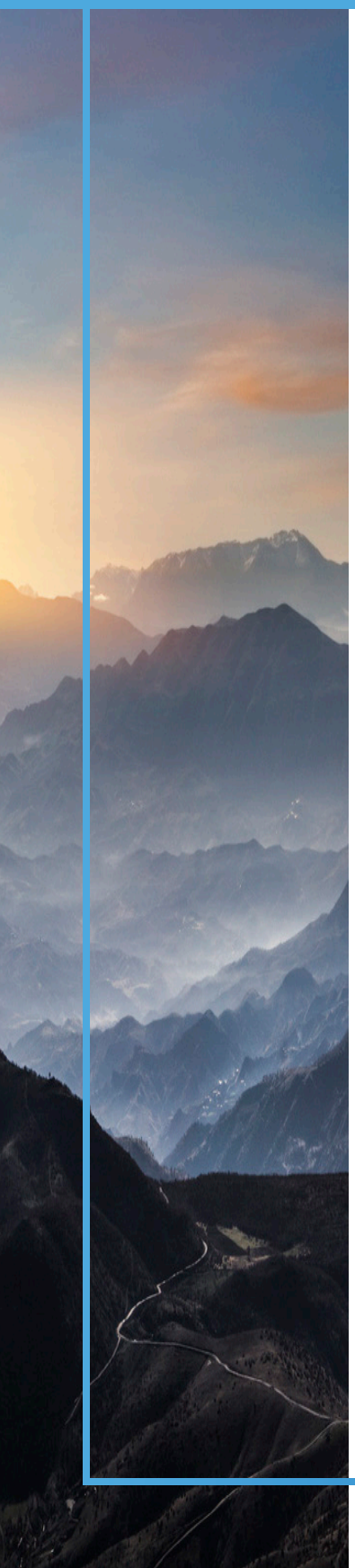

Toward a science-based integration of carbon removal in SBTi's Corporate Net-Zero Standard v2

Position Statement

The Science Based Targets Initiative (SBTi) opened a public consultation on revisions to the Corporate Net-Zero Standard, which includes proposed options for integrating carbon dioxide removal (CDR) into corporate net-zero targets.

To support this effort, academic and civil society groups have developed a robust set of design recommendations that SBTi can adopt to create a science-based framework. These recommendations reflect an independent review of the best available scientific evidence and an extensive stakeholder outreach effort to understand the perspectives of industry, including corporates with SBTi net-zero targets.

CORE PREMISES

The need for scaled, durable CDR in 2050. Carbon dioxide removal will be needed globally to reach net zero in 2050. Furthermore, high-durability CDR (1,000+ years of durability) will be needed to sustain net zero over time and to minimize global temperature increase.

The value of all forms of CDR on the road to 2050. Low-durability CDR methods are affordable and scalable today in many cases, which may be useful to minimize risks associated with overshoot and climate tipping points. However, they carry higher risks of reversal and the need for replacement in perpetuity if being used to compensate for long-lived emissions in a science-based manner. High-durability CDR methods typically have a lower risk of reversal, making it an important solution for compensating for long-lived emissions, but most approaches need support to down-cost and scale. On the road to 2050, CDR of all durability levels has a role to play.

The scale limitations of every individual approach and the need for a portfolio. To reach the scale of CDR required, targeted actions across the CDR ecosystem are needed. Cultivating a portfolio of high-durability CDR approaches is especially important due to the scaling limits all CDR pathways face. All of this will take time. As a consequence, funding is required now for all known high-durability CDR pathways to support further technology development and deployment to enable scaled deployment at a reasonable cost in mid-century.

Recommendations

Increasing ambition. Interim removal targets should require gradually increasing *annual* targets for CDR procurement, rather than *cumulative* targets, to provide a clear demand signal to the market for the volumes that will be needed to serve SBTi companies at net zero.

Interim removal targets to address residual emissions. Interim removal targets should be *required* starting in 2030 for companies with net-zero targets. If companies begin procuring removals before 2030, they should be *recognized* for doing so.

Minimum durability threshold. To fully address the atmospheric impact of residual emissions in a science-based way at the point of net zero, removals should be matched to emissions on a "like-for-like" basis such that the durability of the removals counterbalances the atmospheric lifetime and warming effect of the original emissions. We propose to phase in like-for-like by 10 years before a company's net zero date to create a more gradual ramp up while still charting a course to a science-based framework.

CDR quality criteria. CDR used to meet interim removal targets must be verified by an unconflicted third party, and other widely accepted quality criteria should be required. Some quality characteristics that SBTi should consider include additionality, net negativity, reverse traceability, data transparency, and adherence to sustainability, environmental impact, and equity criteria.

Addressing Scope 3 emissions. SBTi should require aviation emissions in companies' Scope 3 to be addressed by interim removal targets. Additionally, SBTi should *recognize* companies that choose to include Scope 3 emissions within their Interim Removal Targets and express intent to review the question of removals that address Scope 3 emissions in the future.

Fostering innovation. The world will need a portfolio of CDR approaches; investing in innovation and learning through deployments is therefore critical to achieving long-term climate targets, but procurement from nascent approaches may not yet meet all quality criteria. SBTi should support the need for innovation in CDR, for example by recognizing purchases and investments in nascent CDR approaches under the Beyond Value Chain Mitigation category.

Learn more about these recommendations and see supplementary recommendations in our working paper on integrating CDR into the updated Corporate Net-Zero Standard.

Signatories

accend · AFEN · Carbon Gap · Carbonfuture · Carbon Balance Initiative · Carbon Removal Alliance · carbon removal canada · CRIA Carbon Removal India Alliance · Carbon Removal Standards Initiative · Cascade Climate · TCHAR · Carbon180 · climeworks · Direct Air Capture Coalition · Evident. · Inherit · Mijndert van der Spek Heriot Watt University · OTC FLOW · rethinking REMOVALS · RMI