

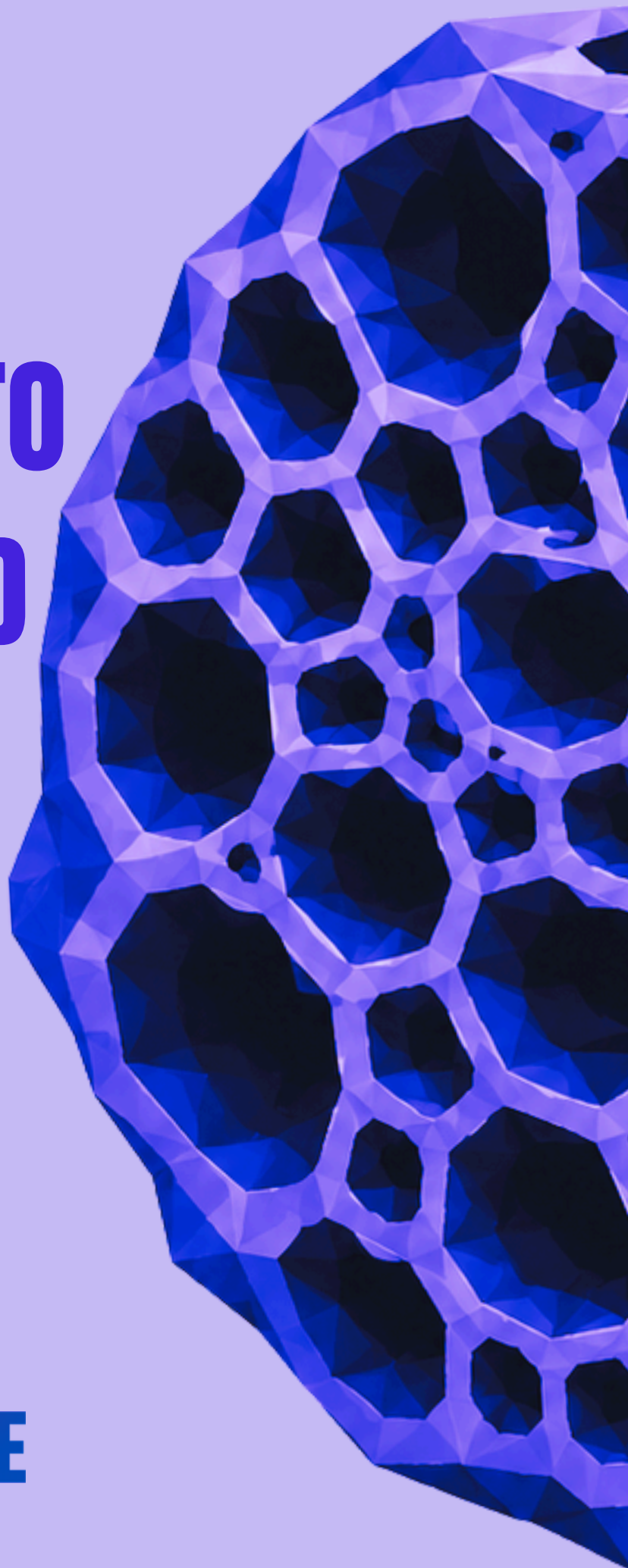
BCE RESPONSE TO THE REVISED EU-ETS DRAFT

BCE POLICY RESPONSE

17 JULY 2026



BIOCHAR EUROPE



EXECUTIVE SUMMARY

The European Commission's proposal does not yet establish a pathway for integrating CRCF-certified permanent carbon removals into the revised EU ETS.

Three pathways, BioCCS, DACCS, and Biochar Carbon Removal (BCR) are already recognised by the European Union as a permanent carbon removal activity under the Carbon Removal and Carbon Farming Certification Framework (CRCF). The forthcoming legislative process should ensure that any future ETS integration follows a technology-neutral approach.

If a removal pathway satisfies the permanence, monitoring, reporting and verification requirements established under EU law, there is no scientific or technical justification for excluding it from the ETS.

The ETS should therefore adopt a technology-neutral approach and provide eligibility, in principle, to all CRCF-certified permanent carbon removals, subject to any volume limits, safeguards or phased implementation measures that policymakers consider appropriate.

1. DIVERSIFICATION IMPROVES COST-EFFECTIVENESS AND RESILIENCE

Europe's transition to climate neutrality will require a substantial portfolio of permanent carbon removal solutions. If future ETS integration were limited to CCS-based pathways, Europe would unnecessarily narrow the available portfolio.

The primary purpose of the ETS is not technology selection or R&D, but cost-effective emissions reduction. Stakeholders subject to ETS will have to pay per ton of CO₂e emitted. Obliging them to pay more for their emission compensation than what is possible through BCR or a portfolio approach respectively, is an unnecessary and unjustifiable burden.

A diversified removal portfolio improves resilience, promotes competition and supports cost-effective compliance. BCR complements rather than competes with DACCS and BioCCS. Each pathway has different feedstocks, infrastructure requirements, geographic constraints and deployment profiles. The inclusion of multiple certified removal pathways is therefore the most prudent strategy for achieving long-term climate objectives while preserving a range of options and industrial competitiveness.

2. BCR IS DEPLOYABLE TODAY

Unlike several removal pathways that remain dependent on future infrastructure build-out, Biochar Carbon Removal is already operating at commercial scale across Europe and globally. BCR facilities are producing certified carbon removal credits today and are supported by established monitoring, reporting and verification methodologies.

With a Technology Readiness Level (TRL) of 8-9, BCR is among the most mature engineered carbon removal technologies currently available. Its inclusion in the ETS could therefore provide immediate removal capacity, enabling Europe to begin integrating permanent removals into compliance markets without waiting for future deployment milestones.

As policymakers seek solutions that can contribute during the critical decade ahead, readiness and scalability should be considered essential criteria. BCR satisfies both.

3. “MADE IN EUROPE” INDUSTRIAL STRATEGY

The Commission itself presents carbon removals and carbon farming as part of EU competitiveness, bio-based value chains, resource independence and climate neutrality. Pyrolysis units are integrated biorefineries as defined in the EU Bioeconomy Strategy. Biochar and BCR are a European industrial and bioeconomy play, not just a climate niche. We are asking the EU Commission, Council and Parliament to support European technology leadership in this domain.

4. REWARD INDUSTRIAL FIRST MOVERS WITH A TECH-NEUTRAL ETS

Europe's industrial transition depends on companies that have already chosen to invest in low-emission production, circular value chains, electrification and clean energy procurement. These first movers have made long-term capital decisions on the basis that the EU ETS will remain a credible, predictable and ambitious framework. Weakening the ETS would not solve Europe's competitiveness challenge; it would undermine investment certainty and penalise companies that acted early. The correct response is to preserve the ETS carbon price signal, strengthen CBAM to prevent carbon leakage, and use ETS design to expand credible decarbonisation options for hard-to-abate sectors.

This is where Biochar Carbon Removal has a direct role to play. Including BCR alongside other CRCF-certified permanent removals would broaden the portfolio of available compliance solutions, reduce artificial scarcity, improve cost-effectiveness and support industrial first movers facing residual emissions.

Europe should not ask its clean industrial leaders to invest, compete globally and remain in Europe, while at the same time limiting their access to certified permanent removals that are available today.

A technology-neutral ETS framework that includes BCR would strengthen climate ambition, industrial resilience and investment certainty at the same time. It is key to supporting the EU's climate ambitions.

5. A EUROPEAN INDUSTRIAL AND RURAL OPPORTUNITY

Agriculture remains politically difficult because it is hard to decarbonize. The Commission says non-CO₂ emissions from agriculture are around 11% of total EU GHG emissions, and the EEA says current and additional measures still only bring agricultural emissions to around 10-13% below 2005 by 2030. In the Effort Sharing sectors, agriculture is 18% of ESR emissions. That makes farmers a key constituency for a “residual emissions need complementary removals” argument.

6. SCIENTIFIC EVIDENCE CONFIRMS LONG-TERM CARBON STORAGE

The scientific basis for the permanence of biochar carbon storage is well established. A substantial body of peer-reviewed literature demonstrates that a large proportion of carbon contained in biochar remains stable over centennial to millennial timescales when produced according to recognised standards and applied in appropriate conditions.

This scientific evidence formed the basis for the Commission's own decision to adopt certification methodologies for Biochar Carbon Removal under the CRCF. The durability requirements expected from permanent removals are therefore already reflected in the EU's regulatory framework and there is no scientific motivation or justification given to exclude BCR.

While scientific research continues to refine permanence estimates for all carbon removal pathways, the current state of knowledge clearly supports the classification of BCR as a durable and permanent carbon removal solution.

RECOMMENDATION

The European Parliament, Council and Commission should ensure that the revised EU ETS recognises all CRCF-certified permanent carbon removals, including Biochar Carbon Removal.

At a minimum, if a phased approach is adopted initially, the legislation should contain a clear review clause and pathway for the inclusion of BCR within a defined timeframe. The creation of a CCS-only architecture would unnecessarily limit innovation, reduce competition and contradict the technology-neutral principles that underpin effective climate policy.

Europe requires all credible, scientifically validated and certified permanent carbon removal solutions. Biochar Carbon Removal is one of them and should be treated accordingly.

SOURCES/LITERATURE: PERMANENCE OF BCR

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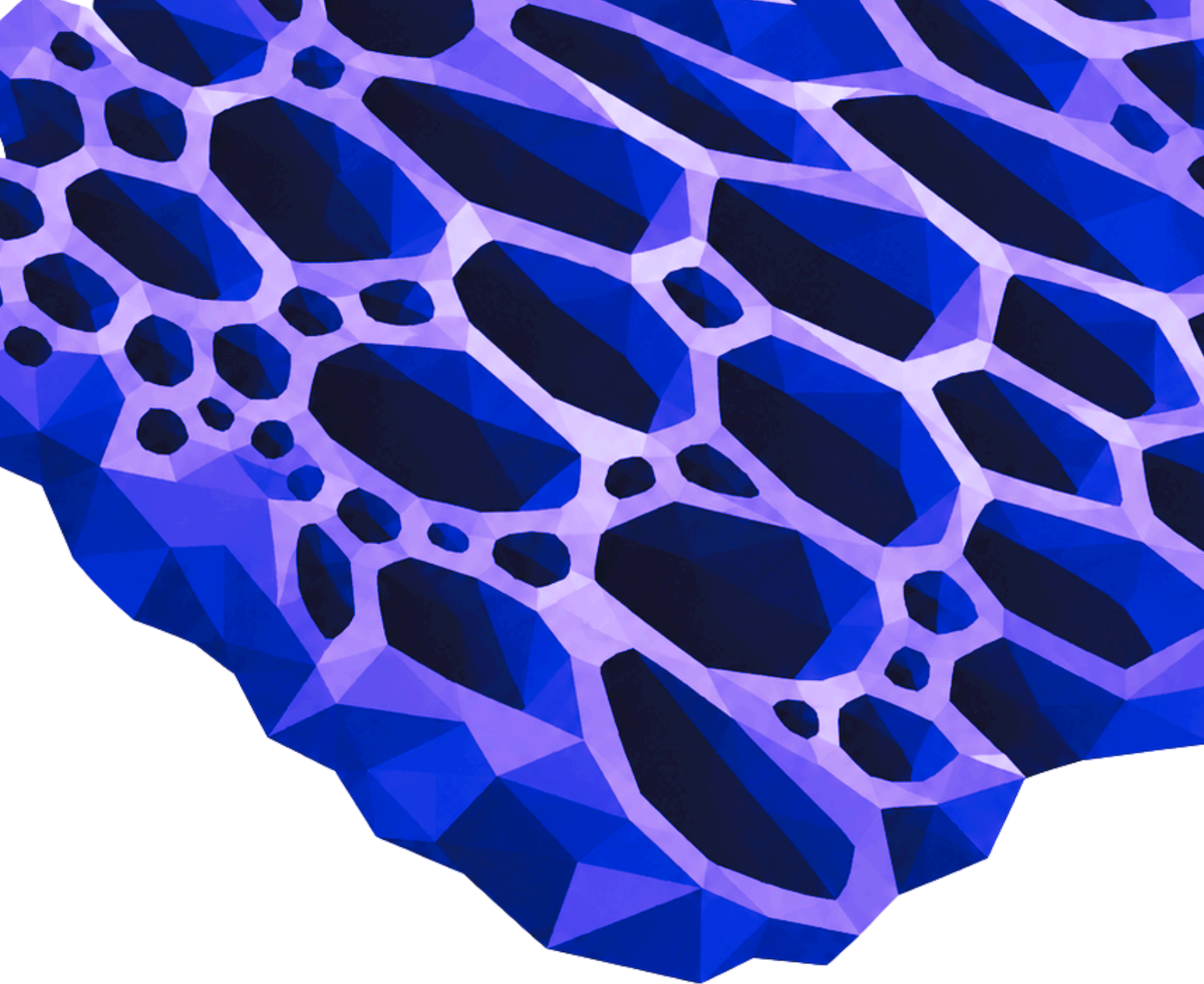
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EUROPEAN INDUSTRIAL FIRST MOVERS

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