



POLICY RECOMMENDATIONS 2020 — 2024

WHO IS CO₂ VALUE EUROPE ?

CO₂ Value Europe is the industry association founded two years ago to foster the market deployment of a broad set of innovative technologies which can recycle CO₂ emissions into useful products such as chemicals, synthetic fuels and building materials.

In this short time, CO₂ Value Europe has become the legitimate representative of the Carbon Capture & Utilisation (CCU) industry to the EU Institutions. The association attracted over 70 pioneer companies covering the entire CO₂ value chain, and developed a vast network of many more organisations and individuals who believe that CO₂ recycling technologies are required to realistically reach the ambitious climate mitigation goals of the EU Green Deal.

WHY SUPPORT CARBON CAPTURE AND UTILISATION (CCU) ?

CCU technologies are available now and offer solutions to rapidly and significantly reduce CO₂ emissions from four crucial sectors of our European economy: energy, process industry, transportation and construction. Indeed, unlike other options, CCU technologies provide drop-in solutions which can be implemented without requiring any significant modification of existing production, distribution and use infrastructure. The rapid large-scale deployment of these technologies is therefore a key component to reaching the EU's climate objectives both in 2030 and in 2050, while at the same time creating job opportunities and strengthening the global leadership that Europe currently has on many CCU technologies.

In the current context where the environmental and social externalities of incumbent fossil-based technologies are not fully integrated in market prices, the speed of the commercial deployment of innovative CCU solutions will largely depend on the development of a strong supportive policy framework, composed of regulations and market incentives.

WHY THIS MANIFESTO ?

CO₂ Value Europe proposes three main policy areas where the new European Commission, the European Parliament and the Member States should work together with industry to ensure that CCU solutions can rapidly start to contribute to reaching the EU's goals.

POLICY RECOMMENDATIONS 2020 - 2024 REGARDING THE DEVELOPMENT OF CARBON CAPTURE AND UTILISATION (CCU)

I. RECOGNISE THAT CO₂ HAS VALUE

WHAT WE ASK OF POLICY MAKERS

1. Recognise that **CCU can make an important and rapid contribution to climate change mitigation** in four major sectors of the European economy: energy, process industry, transport and construction. Include **CCU as a key solution within the new Green Deal for these 4 sectors**, going much further than the Conclusions of the Council of 25 June 2019¹.
2. Recognise that **mineralisation is a way to permanently sequester CO₂** in construction materials (“CCS in a product”).
3. Recognise that **CO₂ must have a price that induces emitters to reuse it** as a resource, wherever fossil replacement technologies are becoming available. Develop mechanisms that effectively lead to a progressive increase of the price of CO₂ emissions.
4. **Ensure that all sources of CO₂ are addressed** in a comprehensive manner, via the Emissions Trading System (ETS) or other instruments, accounting for sector specific situations. **CO₂ utilisation activities should receive a fair recognition** (no double counting, no double penalty), in as much as they lead to a net reduction of CO₂ emissions over the whole life cycle.
5. **Support the use of the IPCEI** (Important Projects of Common European Interest) **instrument** for international CCU projects, in cooperation between policy makers at EU and Member States levels.

¹ 25 June 2019, doc. 10592/19, ENER 392, CLIMA 19622. Conclusion 22: RECOGNISING the Union's ambition for renewable energy and energy efficiency, TAKES NOTE that solutions that are based on carbon capture and storage (CCS) and carbon capture and use (CCU) technologies MAY PLAY A ROLE for decarbonisation, especially for the mitigation of PROCESS emissions in INDUSTRY, for the Member States that choose this technology.

II. STIMULATE THE DEVELOPMENT OF CCU TECHNOLOGIES

WHAT WE ASK OF POLICY MAKERS

6. Recognise that **European stakeholders in research and industry currently have a unique technology and business leadership** in many domains related to CCU, and develop measures to maintain such leadership.
7. Ensure that a significant share of the **Innovation Fund and EIB resources** are allocated to **support innovative demonstration and flagship projects** in CCU, replacing incumbent fossil-based alternatives.
8. Develop **harmonised LCA guidelines** to evaluate the environmental impact of CCU projects.
9. Continue to **support the research, development and upscaling** of dozens of innovative CO₂ utilisation technologies via Horizon Europe and Public-Private Partnerships.
10. Ensure that adequate resources are provided for the implementation of **radical innovation roadmaps** with a longer-term horizon (previously known as FET Flagships), e.g. for CO₂ conversion technologies making direct use of sunlight as sole energy source.

III. IMPLEMENT A POLICY FRAMEWORK THAT LEVERAGES CCU OPPORTUNITIES

WHAT WE ASK OF POLICY MAKERS

11. Develop **ambitious plans for the development of renewable electricity** sources, which are a key input for many CCU processes; and recognize that the conversion of intermittent electricity into liquid or gaseous CO₂-based fuels (so-called “e-fuels”) is a valid option for **flexible energy demand management** as well as **energy storage and transportation**.
12. **Implement** the revised Renewable Energy Directive (**RED II**), which includes mandatory targets for **CO₂-based fuels**, via a rapid and fair adoption of the required Delegated Acts.
13. Implement mechanisms to **boost the initial demand for CO₂-based products**, such as public procurement targets, auctions, minimum fuel blending quotas, green labelling of low carbon footprint products, etc.
14. Develop a regulatory framework that **favours the permanent sequestration of CO₂** into construction materials **by the carbonation of non-valorised mineral waste streams**.
15. Ensure that standardisation bodies (CEN and national bodies) work hand in hand with industry for the development of **required standards for the new CCU industry** (e.g. standards for the quality of captured CO₂).