

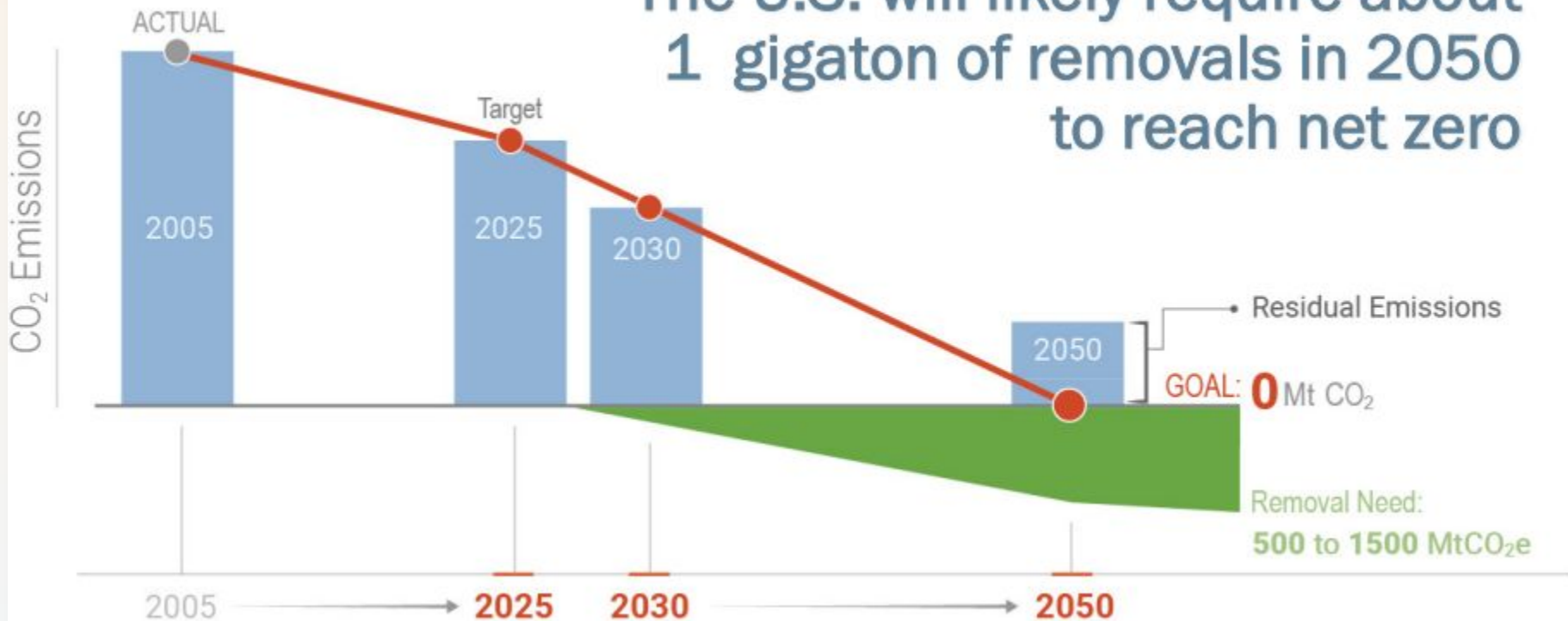
Exploring the Policy Landscape of CDR

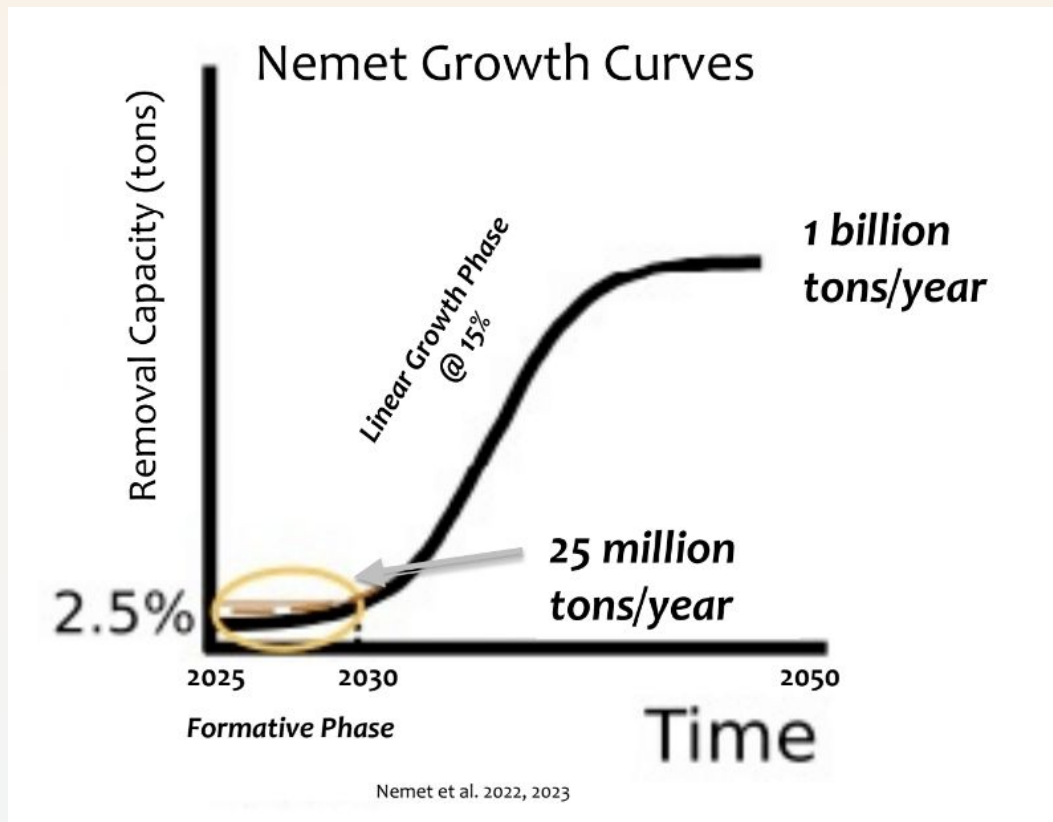


A large industrial facility, possibly a power plant or data center, featuring massive structures with a complex, faceted metallic facade. Two workers in high-visibility yellow and black safety gear are standing in the foreground on a dark, gravelly surface. The sky is overcast and grey. The text "What are we trying to do?" is overlaid in white, sans-serif font across the center of the image.

What are we trying to do?

The U.S. will likely require about 1 gigaton of removals in 2050 to reach net zero





A person with dark hair tied back is kneeling on a grey concrete floor, surrounded by numerous cardboard boxes and several white electronic devices. The person is focused on adjusting a device in the center. The devices are white, rectangular units with a circular top and various cables connected to them. Some boxes are open, showing the devices inside. The scene suggests a setup or testing environment for a network of devices. The text "How are we going to get there?" is overlaid in white, sans-serif font across the center of the image.

How are we going to get there?

Building a gigaton CDR sector

- Monitoring, Reporting, and Verification (MRV)
- Procurement
- Level playing field on tax
- We're just getting started...

Monitoring, Reporting, & Verification

Monitoring

Measuring carbon removal activities and effects over time to confirm that the carbon that was removed stays safely and permanently locked away.

Reporting

Collecting and sharing the full picture of a carbon removal project, including tons removed, energy consumed, public safety metrics, and ecosystem impacts.

Verification

Using open-source, peer-reviewed, third-party protocols to reduce the risk of fraud and make sure that projects meet the principles of quality carbon removal.

TLDR: The process of proving the climate benefit of carbon removal work.

What is MRV?



Revealed: more than 90% of rainforest carbon offsets by biggest certifier are worthless, analysis shows

Carbon Market Faces Upheaval as 32% of All Credits Fail Test

(Bloomberg) -- The market for carbon offsets faces renewed upheaval after a major category of credits failed to win approval from a key oversight body.



Bloomberg News
Natasha White and Akshat Rathi

Voluntary Carbon Market (VCM)

Have I gotten what I paid for?

Do my climate goals mean anything?

Nationally Determined Contributions (NDCs)

Are we/other international players meeting their climate goals?

Compliance markets

Are businesses meeting their obligations under the law?

Monitoring, Reporting, & Verification

The diagram consists of three white rectangular boxes with teal borders, each containing a market type and a question. Below these boxes is a wide teal bar with the text 'Monitoring, Reporting, & Verification'. Three white arrows point downwards from the bottom of each box to the teal bar.

Our Forthcoming Recommendations

MRV needs a systemic overhaul. CRA's recommendations coming this October are in 5 key areas

Standards

A set of requirements a protocol must meet to accurately quantify removals for a given pathway

Protocols

industry-specific project design, operating requirements, and methods for quantifying mitigation outcomes and reaching identified standard criteria

Data, Collection, Reporting, & Transparency

Aligning data reporting expectations can both streamline project delivery and increase our trust and understanding of carbon removal projects.

Innovation

Federal investments in innovation on MRV can help reduce these costs while improving accuracy and unlocking the full potential of the carbon removal market

Coordination & Oversight

Interagency government oversight structures balanced with private sector self-regulation

Procurement

The USG buys carbon removal!

Energy & Water Appropriations

- **FY23** DOE Pilot Purchase Prize - \$35 million
- **FY24** - \$20 million
- **FY25** - \$40 million (Senate)

CDR Leadership Act (S. 3615/HR 7054)

- Scales to 10 million tons of CDR by 2035 and beyond
- Cost controls
- Set asides for small projects

CREST Act (S. 1576)

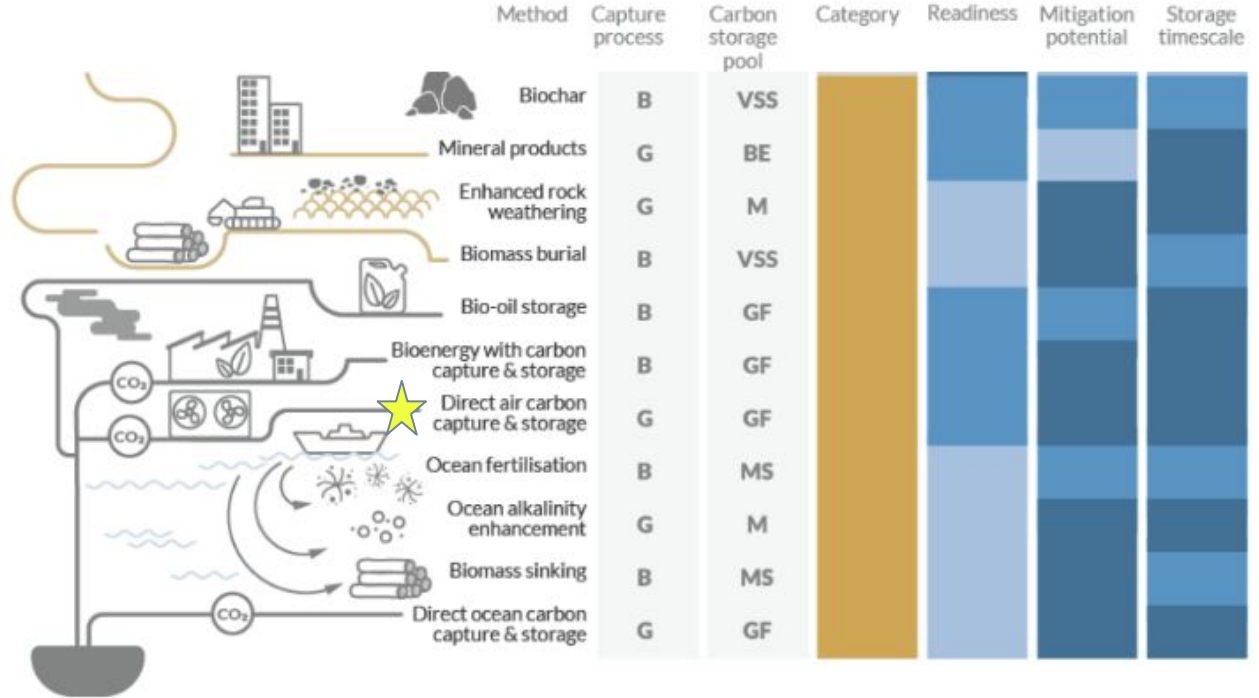
- R&D Programs
- 5-year pilot purchasing program
- Medium durability and permanent(> 1000 years) categories
- Up to \$60 million worth of CDR

Level the playing field on tax

45Q Eligibility

45Q PTC for CDR at \$180 per ton.

Only applies to DAC and is insufficient to scale the sector.



Legend:

- B Biological
- VSS Vegetation, soils and sediments
- Conventional
- High
- Large
- > Ten millennia
- G Geochemical
- BE Built environment
- Novel
- Medium
- Moderate
- Centuries to millennia
- GF Geological formations
- MS Marine sediments
- Low
- Small
- Decades to centuries
- M Minerals

Image from State of CDR

Thank you.

For any additional information or questions please
contact Laura@carbonremovalalliance.org.



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Removal
Alliance**