

Press release

Renewable Carbon Initiative (RCI)

www.renewable-carbon-initiative.com

Hürth, 22 November 2022

Industry calls for action on Sustainable Carbon Cycles

The Renewable Carbon Initiative strongly welcomes the European Commission's Communication on Sustainable Carbon Cycles and calls for implementation of important measures

Disclaimer: RCI members are a diverse group of companies addressing the challenges of the transition to renewable carbon with different approaches. The opinions expressed in this press release may not reflect the exact individual policies and views of all RCI members.

The Renewable Carbon Initiative (RCI), an interest group of leading companies and pioneers from the chemical and material sector, has a rich history of advocating for policies acknowledging the indispensable need of carbon in a broad range of chemical and material industries. The Communication on Sustainable Carbon Cycles, as published in December 2021, is a milestone in European policy as it acknowledges exactly this value of carbon as a feedstock and its unavoidability for certain sectors. The Communication aims to outline the necessary measures for achieving climate neutrality in 2050 including specific steps and targets for the manufacturing industries.

The paper contains many issues that are fully in line with RCI's objectives, which is why we strongly welcome and support the initiative. Up to this point in time, climate policy has been solely focusing on 'decarbonisation' for many decades. While this is a good strategy for the energy sector, chemicals and materials mostly consist of carbon. Hence, 'decarbonisation' is not possible – but in order to avoid fossil emissions contributing to climate change, 'defossilisation' is key.

The Communication outlines important strategic steps into that direction by stating that we must establish sustainable and climate-resilient carbon cycles, among others through "recycling carbon from 'waste' streams – recycling and carbon capture from flue gases, industrial off-gases and fermentation, from sustainable sources of biomass or directly from the atmosphere, to use it in place of fossil carbon in the sectors of the economy that will inevitably remain carbon dependent." This is exactly the objective of the Renewable Carbon Initiative and all of its members – more than 40 – are working towards this goal.

In the Communication, an "Industrial Sustainable Carbon challenge" is outlined that entails, among other targets, having 20% of all carbon in chemicals and plastic products from sustainable non-fossil sources by 2030.

While this specifically quantified goal of 20% sounds like a valuable step in the right direction, the RCI wants to point out several aspects that require clarification and follow-up. As of now, it is unclear what the baseline is (at how many per cent are we starting the development?), how the baseline should be calculated, which sectors of the chemical and material industries are included and which carbon sources are considered "sustainable non-fossil" sources. We call for

a clarification of the term and an investigation of methodology, preferably in the form of an officially mandated study by the Commission. Depending on the current baseline and the methodology used to calculate the status quo, the RCI also demands to re-evaluate the 20% goal transparently and then embed it in legally binding policies. We argue for an ambitious goal to be achieved in the next few years – at least 20% of renewable carbon sources in chemistry and plastics by 2030, but potentially going beyond to e.g. 30% by 2035.

A transformation of the chemical and material sectors towards renewable carbon use requires significant effort and clear political support. This is why the measures proposed in the Communication and even further-going measures have to be implemented in legally binding pieces of legislation and existing as well as upcoming EU policy must be in line with these goals. We therefore call EU policy-makers to enshrine a concrete objective of increased shares of renewable carbon in chemicals and plastics into EU law.

RCI further asks the Commission to add to its outlined ambitions by really moving towards complete carbon cycles instead of aiming to keep extracting fossil carbon from the ground and storing it afterwards – in line with the Circular Economy Action Plan, REPowerEU and the Ecodesign for Sustainable Products Regulation. For this, we need a recognition of the fundamental advantage that is given by replacing fossil carbon by CCU, biomass and recycling. Even if products are short-lived, they have already once replaced the utilisation of the required amount of fossil carbon – and with a mechanical and advanced recycling infrastructure, the technosphere can even serve as a long-time storage. Finally, sufficient capacities of CCU at waste incineration plants as well as DAC can complete carbon neutrality of these cycles.

RCI's full position paper on the Sustainable Carbon Cycles Communication is now available online at <https://renewable-carbon.eu/publications/product/the-renewable-carbon-initiatives-position-on-the-communication-on-sustainable-carbon-cycles-pdf/>.

Again, RCI wants to emphasise the significance of this Communication as a necessary and important first step towards renewable carbon sources replacing fossil carbon from the ground. However, it is also crucial to provide more substance to the fundamental framework of Sustainable Carbon Cycles and to further improve the truly appreciated first step in order to achieve the common goal of climate neutrality in 2050 together.

The Renewable Carbon Initiative (RCI), founded in September 2020, is a group of more than 50 pioneering companies from the entire chemical value chain from raw material to end-of-life. The aim of the initiative is to support and speed up the transition from fossil carbon to renewable carbon from biomass, direct CO₂ utilisation or recycling for all organic chemicals and materials. www.renewable-carbon-initiative.com

Find all press releases of the Renewable Carbon Initiative (RCI), visuals and more freefor-press purposes at www.renewable-carbon-initiative.com/media/press

Responsible for the content under German press law (V. i. S. d. P.):

Dipl.-Phys. Michael Carus

Renewable Carbon Initiative (RCI)

www.renewable-carbon-initiative.com

Offices at nova-Institut für politische und ökologische Innovation GmbH, Chemiepark Knapsack, Industriestraße 300, DE-50354 Hürth (Germany)

Internet: www.nova-institute.eu

Email: contact@nova-institut.de

Phone: +49 (0) 22 33-48 14 40