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RE: Public Consultation for the SBTi Net-Zero Standard

Dear SBTi constituents,

We are writing to express our support for SBTi's efforts to create robust corporate net-zero standards that prioritize deep mitigation and ensure that residual emissions are balanced out by permanent carbon removals. However, we feel that the current standard lacks mechanisms to ensure that permanent removals are available for companies to effectively achieve their net zero goals. We want to underscore the urgency and importance of including specific, near-term permanent carbon removal requirements in this program. In order to meet Paris Agreement goals, we need gigaton-scale carbon removal. Though we generally hear agreement that high-quality, permanent carbon removal will need to occur at scale in the future, we are concerned that there hasn't been meaningful action to bring that supply to life. There is no requirement that companies that will have residual emissions invest in scaling up neutralization as part of their near-term SBTs, and little guidance on how, where, and why organizations can or should buy nascent, permanent carbon removal today. Without this guidance, we are worried that companies will solely focus on the lowest-cost beyond-value-chain-mitigation offset opportunities in the near-term (if they pursue anything incremental to emissions reduction) and they will underinvest in permanent carbon removal technologies. Without robust customer demand, permanent carbon removal companies will struggle to scale to the volumes required to achieve global Net Zero by 2050.

SBTi is the leader in driving and shaping corporate climate action, and its guidance on carbon removal has the potential to catalyze this critical investment. We recommend that [SBTi's Corporate Net Zero Standard](#) require organizations to plan ahead to quantify their likely residual emissions and have interim permanent carbon removal purchase commitments as part of their near-term SBTs. Specifically, we want the inclusion of permanent removals in near-term SBTs – as indicated in Figure 2 of the SBTi Corporate Net-Zero Standard – to be reflected directly in the text of the standard.

Why is high-quality, permanent carbon removal important?

In order to reach the Paris Agreement targets, **we expect the world will need [1.5-3.1 Gt CO2/year](#) of permanent carbon removal to offset just the hardest-to-abate emissions from difficult sectors of the global economy, such as agriculture and long-distance air travel. This is likely the lower bound of removal required to hit our targets.** Models in the recent IPCC AR6 WG3 report that limiting warming to 1.5C by 2100 requires deploy around 3 Gt CO2/yr permanent removals by 2050 and 10 Gt CO2/yr by 2100 on average (albeit with a wide range across models). Even with best-case-scenario emissions reduction, permanent carbon removal will be a critical component of the portfolio of technologies required to get the world to Net Zero by 2050 and net negative thereafter.

However, the portfolio of solutions needed to remove this much carbon from the atmosphere does not yet exist. Existing nature-based solutions such as reforestation and soil carbon storage, may be part of our portfolio, but these solutions lack permanence of >100 years and [will not scale to the size of the problem](#).

Why is it important to invest today?

Promising new carbon removal solutions are emerging, but far too slowly. **High costs, extremely limited capacity, and a lack of standards and protocols for buying carbon removal** mean most organizations don't participate in the market today at all. With no customers, new carbon removal technologies cannot grow to the scale the world needs to achieve Net Zero in the coming decades. SBTi has the opportunity to clarify the path forward on carbon removal purchasing as part of its Net Zero Standard. In doing so, they will accelerate the market in a meaningful way by enabling many corporate actors to start purchasing permanent removals. These early customers are critical to support nascent technologies as they develop. SBTi has done a remarkable job onboarding 1,300+ companies to rigorous, scientifically-robust corporate climate action programs. And, with the rise of Net Zero pledges, it has an enormous opportunity to issue clear guidance that will ensure the carbon removal market develops.

What can SBTi do?

This letter's signatories represent different parts of the emerging carbon removal ecosystem. We have come together to collectively urge SBTi to adopt the following policies as part of its Net Zero Standard to ensure the rapid and robust development of a carbon removal industry:

- **Define permanent carbon removal for an SBTi Net Zero target as >1,000 years, while maintaining standards for being additional, scalable, verifiable, sustainable, and safe:** Approved carbon removal for an SBTi Net Zero target should be defined to include only those removals that support long-term climate goals. Thus, we propose that any permanent carbon removal used

in a Net Zero program has durability of >1,000 years when used to neutralize fossil CO2 emissions. We are aligned with SBTi that approved removals should “ensure storage permanence for a timeframe that is commensurate with the duration that atmospheric GHG concentrations would be affected by the unabated emission.” Fossil carbon emissions are functionally permanent, and, therefore, any removal effort must similarly be permanent.

Additionally, it's critical that SBTi be flexible in the delivery window for these purchased permanent carbon removals. The carbon removal supply to support in-year removal purchases simply doesn't exist today. To create *new* supply, rather than compete for existing supply, organizations must be able to commit to future delivery.

- **Require organizations to have interim carbon removal commitments ahead of their Net Zero target date:** Emissions reduction must be the critical and non-negotiable first step for every organization. However, it is not enough to allow organizations to focus solely on abatement until the date of their Net Zero target. We need continuous investment in carbon removal starting today, if we are to have the carbon removal capacity required when Net Zero targets come due. We recommend SBTi require that organizations begin and ramp up carbon removal purchases as part of their near-term SBTs (in line with the [Oxford Guidelines](#)). This recommendation is consistent with what is shown in Figure 2 of the SBTi Corporate Net-Zero Standard but not currently reflected in the text of the document. These purchases ensure that next-generation carbon removal technologies that are expensive and small-scale today have the chance to mature by the time companies will need to fully neutralize residual emissions.

We do not believe emissions abatement and neutralization is an either/or tradeoff. We urge SBTi to set separate targets (as recommended by [Lancaster University](#)). Organizations should be held to rigorous, ambitious abatement goals *and* to interim, permanent carbon removal purchase requirements as outlined above.

There are [>1,180](#) Net Zero pledges today that cover [>80%](#) of global emissions. Ensuring that permanent carbon removal is a component of these programs will unlock a massive removal market, and, by doing so, help create the conditions for carbon removal to achieve the scale required to hit Net Zero globally by 2050.

We welcome your comments and questions.

Sincerely,



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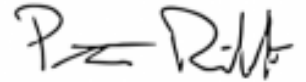
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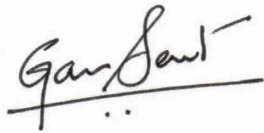
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