

#### POSITION PAPER

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# European beverage carton industry position on the certification of carbon removals

The Alliance for Beverage Cartons and the Environment and its members BillerudKorsnäs, Elopak, SIG Combibloc, Stora Enso and Tetra Pak support the proposed certification of carbon removals. We support the development of a strong sustainable circular bioeconomy, and we believe that the proposed certification mechanism can contribute to achieving the EU 2050 climate neutrality objective.

Considering the possible implications of the proposed certification framework for carbon removals for the forest-based downstream value chain and forest-based products, we would like to recommend the following:

- Recognise the key role of the sustainable circular bioeconomy in removing carbon from the atmosphere.
- Proof of prior carbon reduction initiatives, including the substitution of fossil-based materials, should be a pre-requisite for issuing carbon removal certificates.
- Clarify the impacts of the certification mechanism proposed and involve the stakeholders of the sustainable circular bioeconomy's in the development of a robust science-based methodology.

## Recognise the key role of the sustainable circular bioeconomy in removing carbon from the atmosphere

Healthy and well-managed forests capture and sequester carbon in growing trees. Fibre-based products are an inseparable part of the forest economic value chain using thinning and other residues as their main feedstock storing the carbon sequestered in the forest.

The sustainable carbon cycles policy promotes and rewards the use of wood as long-term carbon storage. We would like to stress that the forest production ecosystem involves producing timber and other long-lived wood products from certain parts of the tree, while products such as packaging are produced from other parts of the tree, not suitable for long-lived wood products. They are complementary from an economic and environmental perspective, notably as one should consider the substitution potential of fossil-fuel based products by non-fossil fuel materials.

The scheme should also recognize that renewable fiber-based products help to achieve our net-zero ambitions. Fiber-based packaging can be recycled at least 5-7 times, extending the life cycle (and carbon storage function) of the wood fibers in packaging including beverage cartons. Therefore, ACE recommends including renewable fiber-based products within the certified carbon removal solutions.

### Proof of prior carbon reduction initiatives, including the substitution of fossil-based materials, should be a pre-requisite for issuing carbon removal certificates

We welcome the EU commission's acknowledgement that GHG emissions mitigation should remain an absolute priority. Carbon removals should support, not replace, GHG emission reductions.

Substituting fossil-based materials with <u>renewable carbon</u> materials should be considered as a strategy to reduce emissions. The carbon positive potential of the substitution of fossil-based materials by non-fossil fuel-based materials was estimated at -806 million of Carbon Dioxide equivalent annually which corresponds to 20% of all fossil emissions in the European Union [1].

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Thus, before issuing carbon removals certifications, we believe that GHG reduction initiatives, such as, substituting fossil-based materials or other measures to reduce GHG emissions should be considered as a minimum standard.

### Bringing clarity on the impacts of this initiative on biomass use

We welcome the Commission's call for evidence to develop a detailed science-based impact assessment. As a major user of paperboard, our industry would welcome clarity on how this carbon removal certification mechanism will affect the use of biomass and how it will impact the wider biobased market. Furthermore, existing internationally recognised carbon certification schemes and standards should be considered when creating an EU certification scheme. We encourage the European Commission to take the same approach as with EU Renewable Energy Directive (RED) having approved voluntary schemes.

### **Bibliography**

[1] P. Holmgren, "Climate effects of the forest-based sector in the European Union," 2020.

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