Negative Emission Platform's Response to the European Investment Bank Group's Consultation on the Climate Bank Roadmap 2026-2030

August 7, 2025

Durable carbon dioxide removal (CDR) contributes to climate and economic goals. With removal capacity urgently needing to scale up—in terms of technology development and the creation of lead markets—the window for timely, effective investment is closing. We believe that the European Investment Bank (EIB) Group is uniquely placed to provide the financial and technical assistance required to facilitate both research and innovation and deployment-level investments aligned with the scale of durable CDR needed in the EU.

Scaling support for CDR today offers a tripartite opportunity:

- **Job creation:** It is projected to create up to 180,000 new jobs across Europe by 2035 through growth in clean-tech manufacturing and supporting services.[1]
- **Industrial resilience:** It reinforces industrial competitiveness by enabling hard-to-abate sectors to remain viable while aligning with net-zero requirements.[2]
- **Climate mitigation:** It helps address legacy emissions and manage potential climate overshoot through atmospheric CO_2 removal.[3]

Yet, carbon removal companies face persistent access to capital and market barriers. The sector remains underfunded relative to its potential impact and compared to other clean technologies. To address this interdependent challenge, public funders must help bridge the green premium through targeted cost support and stimulate demand in the absence of functioning markets.[4]

Public investment is therefore critical to unlock the scale-up of novel carbon removal methods. Funding is needed on two fronts: research, development, and innovation (RD&I) to bring multiple, viable CDR pathways to maturity, and large-scale deployment support to mobilise commercial investment and advance experience curves. Carbon Gap estimates that EUR 2.6 billion will be required for RD&I alone over the next years,[5] while NEP finds that approximately EUR 20-40 billion is needed in public support for deployment in this decade to scale CDR to required trajectories in net-zero scenarios.[6]

---

[1] BCG/DVNE, Europe and Germany's Role in Catalyzing a Trillion-Euro Industry, 2024.
[2] Schenuit, Böttcher, 'Carbon Management': Opportunities and risks for ambitious climate policy, SWP, 2023.
[3] Babiker, M. et al. Cross-sectoral perspectives (Chapter 12). In: Climate Change 2022: Mitigation of Climate Change. Contribution of Working Group III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change, 2022.
[4] ESABCC, 2025; Yang et al., 2024; Sovacool et al., 2022a; Fridahl et al., 2020; Bellamy et al., 2021; Fuss/Johnsson, 2021; Tamme/Beck, 2021; Zetterberg et al., 2021.
[5] Carbon Gap, Envisioning a Carbon Removal Strategy for Europe, 2024.
[6] Based on removal projections in climate-neutral scenarios by the European Commission and the European Scientific Advisory Board for Climate Change as well as allowance price projections and expert-elicited cost curves for permanent CDR in the scientific literature, we find that approximately €25-50 billion in gross funding is required in net-zero scenarios this decade to get CDR output on a net-zero aligned trajectory, with €20-40 billion coming from public sources across scenarios to mobilise private investments.

As the EIB requests feedback for its Phase 2 Climate Bank Roadmap (CBR2) and Energy Sector Orientation, dated 17 July 2025, we urge the EIB to strengthen its contribution for durable CDR as a strategic investment area taking into account below issues.

1. EIB Group's ambition in the 2026–2030 period

Transitioning from a fossil-based economy to a net-zero and ultimately net-negative carbon economic model will require extended periods of sustained CDR deployment, alongside rapid emissions reductions. These technologies are not fringe elements, but essential components of a credible and durable pathway to climate neutrality.

Firstly, permanent CDR technologies—such as biochar carbon removal, BECCS, DACCS, enhanced rock weathering, biomass sinking, ocean alkalinity enhancement, direct ocean capture, and in-situ CO_2 mineralisation—are vital to reach net zero by balancing residual emissions and addressing legacy carbon.

Secondly, carbon removal supports industrial competitiveness. On one hand, it enables legacy industries in hard-to-abate sectors—such as steel, cement, and chemicals—to reach climate neutrality and remain viable. On the other, it creates opportunities for a new generation of cleantech companies and services to emerge, offering export potential, innovation leadership, and high-quality jobs. By investing in CDR, Europe strengthens both its industrial resilience and its leadership in cleantech manufacturing.

The EU will need between 465-501 MtCO2e in removals by 2040, with a significant share from permanently stored CDR.[7] To this end, the 2026-2030 period is critical. Durable CDR must be rapidly scaled so that sufficient, certifiable supply capacity is in place when demand for high-integrity removals materialises, particularly as permanent CDR is integrated into the EU Emissions Trading System (ETS). This ramp-up is thus essential for climate policy to succeed.[8] Yet, market signals, funding mechanisms, and infrastructure remain underdeveloped. Without public leadership, Europe risks a supply crunch by the 2030s, undermining both its climate and industrial goals.[9]

The EIB, as a public bank and multi-lateral development bank, has a unique role to play in addressing this funding challenge: de-risking early-stage RD&I efforts and enabling first-of-a-kind deployments through risk-absorbing instruments. It should provide long-term capital and advisory support to help advance generations of bankable and marketable CDR projects and supporting infrastructure. We propose that the Bank:

- **Allocate a portion of its climate envelope to permanent carbon removal projects** across a broad range of technology categories.

[7] ESABCC, Scientific Advice for Amending the European Climate Law, 2025.
[8] NEP, A Phased Approach to Integrating Permanent Carbon Dioxide Removals in the European Union Emission Trading System, 2025.
[9] World Business Council, Carbon Dioxide Removal and the Journey to Net Zero, 2024; BCG, Scaling CDR: Demand Drivers for Durable Carbon Removal, 2024; McKinsey, Carbon removal: How to scale a new gigaton industry, 2023.

- **Provide supply-push financing** through concessional loans, loan guarantees, grants, equity/quasi-equity, sub-ordinated debt and other blended finance instruments.
- **Catalyse demand-pull** through procurement (e.g. advance market commitments) or revenue support (e.g. Contracts for Difference) for CDR scale-up. This should include active involvement in the setup and execution of an EU-level purchasing programme utilising a Removals Fund and Procurement Agency, as currently being explored in DG CLIMA's study on public-private purchasing.[10]
- **Prioritise infrastructure for transport, storage, and MRV** of CO_2, especially where market incentives are absent or fragmented.[11]

Investing now will prevent future cost escalations, deliver green jobs, and reinforce Europe's clean-tech leadership. CDR is not an alternative to decarbonisation, but a necessary complement. The EIB must help de-risk and shape this emerging sector.

2. Impact and focus for the EIB Group

The EIB should continue to lead in both mitigation and adaptation, while recognising that CDR fills a unique role in climate policy: supporting businesses and countries in their transition plans while helping to manage overshoot.

The CDR sector comprises a wide range of technologies that require support to put them on a net-zero aligned growth trajectory. Despite CDR's essential role for both climate mitigation and industrial transformation, the sector remains underfunded relative to its impact and compared to other clean technologies.[12]

A broad portfolio of carbon removal methods is essential to avoid technological lock-in, maximise environmental and social co-benefits. In its financial and advisory work, the EIB should therefore support multiple CDR pathways (verticals), including oceanic, terrestrial, and geologic approaches (e.g., DACCS, BECCS, ERW, biochar removal, biomass burial, ocean alkalinity enhancement, direct ocean capture, and in-situ CO_2 mineralisation). Accordingly, funding support must be:

- **Comprehensive**: diversify EIB programmes and instruments to cover a range of CDR technologies.
- **Explicit**: address CDR technologies explicitly, distinguishing them from CCS applications for decarbonisation.
- **Specific**: adjust conditions to the technical and financial specificities of CDR projects taking into account capital and operational expenditure requirements.

[10] NEP, Positioning the Industrial Decarbonization Bank for Climate and Competitiveness, Position Paper, 2025.
[11] NEP, Industrial Decarbonization Accelerator Act, Position Paper, 2025.
[12] NEP / AFEN / CDR.fyi, Scaling Carbon Dioxide Removal. A Toolkit to Unlock the Next Generation of Clean Tech and Strengthen Industrial Decarbonisation and Competitiveness, 2025.

- **Proportionate**: apply eligibility and assessment criteria that are appropriate to the maturity of CDR projects (more on this point below).

For example, the EIB Group should ensure that CDR is explicitly and specifically included in the scope and design of the TechEU programme with which, complementing the Commission's Startup and Scaleup Strategy, it intends to provide EUR 70 billion in equity, quasi-equity, loans and guarantees including for green tech during 2025-2027.[13]

Beyond that, EIB support should focus on the enabling infrastructure and services that would give systematic impetus to the CDR sector including cross-border supply chains (horizontal issues).[14] This includes:

- **Physical infrastructure:** CO_2 transport (pipelines, shipping terminals), permanent storage (geologic reservoirs, in-situ mineralisation), and industrial hubs for capture (combining point-source CCS and CDR).
- **Data and MRV systems:** Digital platforms, sensor technologies, and certification services that ensure transparency and integrity.
- **Value chain support:** Ecosystem service providers, logistics, engineering, and capacity-building entities, especially SMEs and mid-caps.

Technical assistance and project development advisory will be critical as bankable business models are still maturing. CDR projects often face fragmented permitting, unfamiliar risk profiles, and low investor familiarity. The EIB's expertise can help overcome these hurdles and accelerate deployment.

Internationally, the EIB should extend CDR support to partner countries, especially where Europe can play a role in catalysing climate-positive value chains, including through development finance and technology partnerships.

3. Reconciling access to finance with integrity

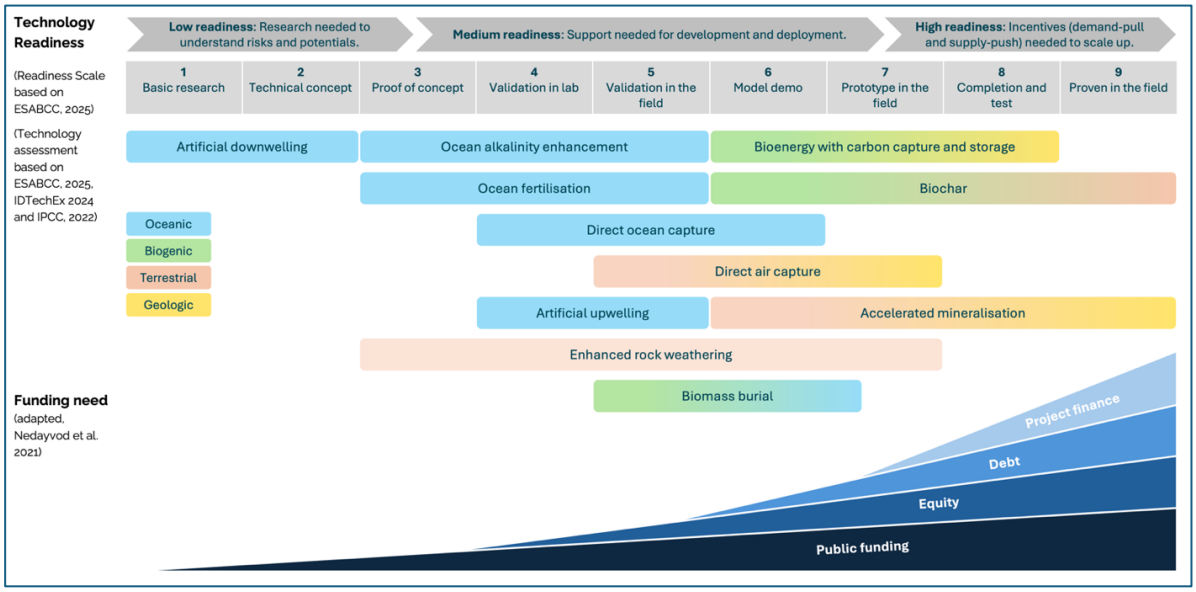
Carbon removal methods are diverse, spanning a wide range of technology readiness levels (see Figure). Carbon removal projects either remain in early-stage development and require significant R&D support, or they face a challenging mix of capital intensity, long payback periods, and market risks that ultimately prevent them from reaching commercial viability.

To overcome these hurdles, the EIB should apply a tailored and proportionate approach. Rather than treating simplified access and integrity standards as a trade-off, financing instruments should be calibrated to match the specific risks and maturity of CDR projects. Support must evolve with the technology—from lab to deployment—while ensuring environmental integrity.

---

[13] EIB, EIB Group increases 2025 financing ceiling to record €100 billion to step up investments in security and defence, energy grids and Europe's tech leadership, Press Release, 2025.
[14] NEP et al., Open Letter on the Clean Industrial Deal, 2024.

Figure: Development stages and stylised funding needs of carbon removal technologies.



Source: NEP / AFEN / CDR.fyi, Scaling Carbon Dioxide Removal, 2025.

We recommend the EIB adopt instruments tailored to the different stages of CDR development:

- **Early-stage and R&D support** through grants, innovation funding, and technical assistance with proportionate screening criteria to ensure accessibility while supporting quality.
- **First-of-a-kind and next-of-a-kind project support** using concessional loans, guarantees, subordinated debt, and blended finance to de-risk investment and crowd in private capital.
- **Market-scale delivery incentives** such as pilot tenders, advance purchase agreements, or other procurement mechanisms to drive volume and accelerate experience curves.

At later stages, support should be guided by robust standards, notably the EU Carbon Removal Certification Framework (CRCF), which provides a science-based baseline for assessing permanence, additionality, and feedstock sustainability. CRCF-aligned criteria should guide the EIB's due diligence and monitoring commensurate with project scale and complexity.[15]

The EU must act with urgency to scale up CDR as markets fall short. The EIB should lead by embedding long-termism and risk-absorbing innovation and deployment support into its climate bank roadmap strategy.

[15] NEP, A Phased Approach to Integrating Permanent Carbon Dioxide Removals in the European Union Emission Trading System, 2025.

Conclusion

Europe cannot achieve its 2040 climate target and meet its ambition for industrial competitiveness without high integrity, durable carbon removals at scale. The EIB must actively support this emerging sector through leadership in project financing, infrastructure development, and advisory support. Only by integrating CDR into its next Climate Bank Roadmap, will the EIB fully deliver on its climate bank ambition and the EU have a winning chance to meet both its economic and climate goals.

About NEP

The Negative Emissions Platform (NEP) is a non-profit organisation and coalition of over 55 project developers, suppliers, investors, service providers, and buyers committed to scaling durable carbon removals, an essential component of credible net-zero strategies. It is the originator of the CDR Industry Commitments, supporting permanent CDR based on scientific consensus and robust monitoring, reporting and verifications standards.