

CEM Biofuture Platform Declaration on Sustainable Chemicals and Materials

This declaration has been developed under the auspices of the CEM Biofuture Platform. It reflects the shared vision and commitment of all member countries, with the exception of the United States¹, hereinafter referred to as the "Participant(s)".

The Participants, sharing in their ambition to accelerate the adoption of sustainable carbon feedstocks in the chemical industry, recognizing that:

- The adoption of sustainable carbon alternatives offers opportunities for economic growth and job creation, while addressing climate change and environmental degradation.
- Standard decarbonisation measures fall short in the chemical sector, which often depend fundamentally on carbon as an input for production.
- The chemical industry's products are integral to nearly every manufacturing value chain, making its transformation from fossil carbon to sustainable carbon feedstocks essential for achieving global climate neutrality.
- Fossil-based carbon is embedded in materials and products and can become CO₂ after disposal, contributing to climate change regardless of energy use.
- Process emissions as a result of fuel switching, such as electrification, may only address 1/3 to 2/3 of the emissions of a chemical industry product across its lifecycle^{2,3,4}. Scope 3 emissions from extraction of fossil resources for use as a material feedstock and at end of life may amount to global greenhouse gas emissions of around 1.5 GtCO₂e.⁵ To address this will require use of sustainable carbon feedstocks, such as bio-based, recycled, or captured carbon, and attention for chemical processes that avoid the use of fossil carbon altogether where available.
- To reduce climate impact, the carbon embedded in products and materials needs to transition towards carbon from sustainable sources, such as bio-based, recycled, or captured carbon.
- Current policy frameworks are insufficient to support this critical transition.
- Countries need to collaborate to ensure coordination, create enabling conditions, and develop common standards.
- International cooperation is essential to address the systemic challenges of fossil-based carbon dependency and to accelerate global adoption of sustainable carbon feedstocks.
- Early action is vital due to the long investment cycles and infrastructure needed to build a sustainable carbon supply chain.

¹ The United States rejects this CEM Biofuture Platform Declaration, which does not support the U.S. energy abundance agenda.

² Renewable Carbon Initiative. CO₂ reduction potential of the chemical industry through CCU. (2022) See https://renewable-carbon-initiative.com/wp-content/uploads/2022/05/22-05-03-CO2_Reduction_Potential_of_the_Chemical_Industry_Through_CCU.pdf

³ Royal Society. Catalysing change: Defossilising the chemical industry. (2024) <https://royalsociety.org/-/media/policy/projects/defossilising-chemicals/defossilising-chemical-industry-report.pdf>

⁴ Centre for Global Commons. Systemiq. Planet positive chemicals. (2022) See <https://www.systemiq.earth/wp-content/uploads/2022/09/Main-report-v1.20-2.pdf>

⁵ Meng, F. et al. Planet-compatible pathways for transitioning the Chemical Industry. Proceedings of the National Academy of Sciences, 120(8). (2023)

Have reached the following understanding:

1. OVERALL AMBITION

This Declaration sets out a statement of shared intentions and principles for a collaborative framework to support joint efforts of the Participants in developing a strong and competitive global market for sustainable carbon feedstocks in the chemical industry by:

- **Collaborating to remove barriers and clarify policy frameworks** that enable the adoption of sustainable carbon feedstocks;
- **Seizing joint opportunities** through research, innovation, knowledge exchange and joint projects to accelerate the transition;
- **Aligning approaches and creating enabling conditions** for resilient, sustainable, and inclusive supply chains; and
- **Establishing a shared international framework** that supports coordination while respecting national circumstances and priorities.

2. AREAS OF COOPERATION

To achieve these objectives, the Participants will collaborate on the following areas:

- **Policy and Regulatory Alignment**
 - Jointly develop and advocate for comprehensive policy frameworks that create a level playing field for sustainable carbon feedstocks, including a shared ambition to incentives, standards, and regulatory pathways.
 - Share best practices and lessons learned in policy design and implementation to accelerate uptake across regions.
- **Technology Development and Scale-Up**
 - Collaborate on research, development and demonstration (RD&D) projects for economically viable, environmentally sound, and socially acceptable technologies, with a focus on scaling up bio-based, CO₂-based, and recycled carbon solutions.
 - Facilitate technology transfer and capacity building among the Participants to ensure rapid dissemination of innovations, where there is mutual interest between signatories.
- **Sustainable Supply Chain Creation**
 - Develop and implement sustainable supply chains for sustainable carbon feedstocks that are environmentally sound and foster fair economic opportunities.
 - Promote the development of sustainable sources of carbon for the chemical industry in accordance with the principles of sustainable soil management, in order to avoid regrettable substitutions, while recognizing national circumstances and accounting for important issues — [including ensuring coherence with food security objectives, exploring synergies between food and biomass production, and promoting the sustainable recovery of degraded lands]
 - Support the creation of partnerships and shared investment frameworks to secure reliable, large-scale access to sustainable feedstocks, infrastructure and markets.
 - Promote transparency and traceability in supply chains to ensure environmental and social standards are met.
- **Market Development and Demand Stimulation**
 - Create and expand markets for chemicals and materials derived from sustainable carbon feedstocks.
 - Align product standards, certification schemes and sustainability criteria to build shared carbon accounting approaches that enable market confidence and facilitate international trade in products made from sustainable carbon feedstocks

- Engage with end-users and downstream sectors to stimulate demand and acceptance of sustainable carbon-based products.

3. DECLARATION APPLICATION

The application of this Declaration will be guided by the following principles:

- **Multilateral Coordination:** The Participants will establish a Coordination Committee, comprising representatives of the Participants, to oversee application, monitor progress, and facilitate regular dialogue.
- **Incremental Approach:** Recognizing the diversity of the Participants, this Declaration adopts a high-level, principles-based approach to allow flexibility during initial discussions. The Participants may refine detailed operational arrangements in subsequent stages.
- **Reference to Existing Initiatives:** This Declaration is designed to complement existing instruments—such as previous statements on energy transition and partnerships on sustainable feedstocks—and will make explicit reference to these initiatives where relevant. In its preparation, this Declaration has benefitted from close collaboration with the Integrated Biorefineries Mission (Mission Innovation).
- **Facilitation of Private Investment:** The Participants will place emphasis on stimulating joint private investments through mechanisms such as blended finance, off-take agreements, and risk mitigation tools, to stimulate market participation and efficiency.

4. CONFIDENTIALITY OF INFORMATION AND INTELLECTUAL PROPERTY

- Each Participant will not use or disclose any data or other information exchanged on the basis of this Declaration except for the purpose(s) for which they were provided and in accordance with the laws and regulations that apply to each Participant in its respective territory. Except as required by those laws and regulations, such data and information, including the results of any joint research, will not be disclosed to any third party without the prior written consent of the Participant who provided the data or information. This Paragraph will continue to have effect even after the expiration of this Declaration.
- Any intellectual property rights in data or other information provided by the Participants or otherwise arising out of cooperation activities under this Declaration will be protected in accordance with the laws and regulations in each Participant's territory and in line with the provisions of any international agreements to which each Participant has acceded. If further arrangements are considered necessary, they will be set out in a separate document to be formulated between the Participants and/or the persons or organisations involved.

5. FUNDING

- This Declaration does not involve or envisage the transfer of financial resources between the Participants.
- The Participants accept that all costs arising from the cooperation activities under this Declaration should be assumed by the Participant who incurs them, unless otherwise determined jointly by the Participants in writing.
- Each Participant intends to conduct the activities provided in this Declaration subject to all applicable laws, regulations and governmental processes in its territory, including processes applicable to budgetary assignment, resource availability and deployment of personnel. The Participants intend to establish jointly, in writing, the details for the financing of each particular cooperation activity before commencing such activity.

6. ADDITIONAL PROVISIONS

- **Review and Future Engagement:** The Participants will periodically review this Declaration to ensure it remains relevant and to update its provisions based on evolving

market conditions and technological advances. Amendments to this Declaration may be jointly determined in writing by the Participants at any time. The amendments will come into effect upon signature by both Participants.

- **Non-Binding Nature:** This Declaration serves as a statement of shared intentions and principles and does not constitute a legally binding agreement or create any rights of obligations under domestic or international law. Nothing in this Declaration affects the Participants' rights and obligations derived from international agreements and conventions to which they are parties or their obligations under domestic law. Any specific commitments may be jointly decided in potential future agreements separate to this Declaration as mutual trust and detailed operational plans are developed.
- **Communication and Transparency:** The Participants will promote regular updates, progress reports, and sharing of best practices to maintain transparency among them. The CEM Biofuture Working Group on Sustainable Chemicals and Materials, chaired by the Netherlands, will serve as the primary forum to monitor and discuss actions, outputs, and other matters related to this declaration.
- **Commencement:** This declaration is applicable from the date of its signature and will continue to have effect for a period of 5 (five) years. It will be extended automatically for successive periods of 5 (five) years, unless one of the Participants notifies the other in writing, no less than 5 (five) months before the end of the current 5 (five) year period of its intention to terminate its participation at the end of that period.
- **Termination:** A Participant may also end its participation at any time and should inform the other Participant writing of its intention to end its participation, giving no less than 3 (three) months' notice.