DISTRACT, DELAY, DECEIVE: FOSSIL FUELS, BIG TECH AND CALIFORNIA'S EMERGING CARBON REMOVAL ECONOMY

Key Takeaways from the Report

- **Expanding carbon markets into a new carbon removal economy**
  California has spent two decades building carbon markets to reduce emissions. But as those markets failed to deliver real emissions reductions, the state has not changed course, it has doubled down and expanded these further.

- **Building the infrastructure for a carbon removal economy through SB 905**
  Through policies such as SB 905 and the Manufacturing Decarbonization Incentive (MDI), California is building a new carbon removal economy centered on speculative and risky technologies like carbon capture (CCS) and carbon dioxide removal (CDR). This shift moves climate policy away from reducing emissions at source, towards accounting for and monetizing pollution after it happens.

- **MDI turns California's carbon market into an industrial subsidy**
  Through the Manufacturing Decarbonization Incentive (MDI), California's carbon market is shifting from limiting pollution to subsidising it. Polluting industries are rewarded with financial value for adopting technologies like CCS. Legislators, environmental justice organizations, and frontline communities have raised concerns about this.

- **Influence of Big Tech and Fossil Fuel industry lobbying**
  The result is a policy landscape increasingly influenced and shaped by fossil fuel corporations, Big Tech, and investors with profound implications for climate justice, communities, ecosystems, public accountability, and real emissions cuts.

- **Nature-based strategies can make the expansion of CDR more politically acceptable, while continuing a deeply contested history**
  Words like forests, restoration and ecosystems are being used to make carbon removal more acceptable. But these approaches carry a long history of contested impacts, from land rights violations to fraudulent carbon credits while helping normalise controversial geoengineering technologies.

- **Accountability in California's Carbon Removals Economy: Who decides, who benefits, and who bears the risk?**
  Critical questions remain unresolved: who is liable for CO_2 storage failures? Who monitors impacts? Who pays when projects collapse? As regulations evolve, frontline communities risk bearing the environmental and financial consequences, while corporations secure the benefits.

Read the full report

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