Legal Status Overview for CCS

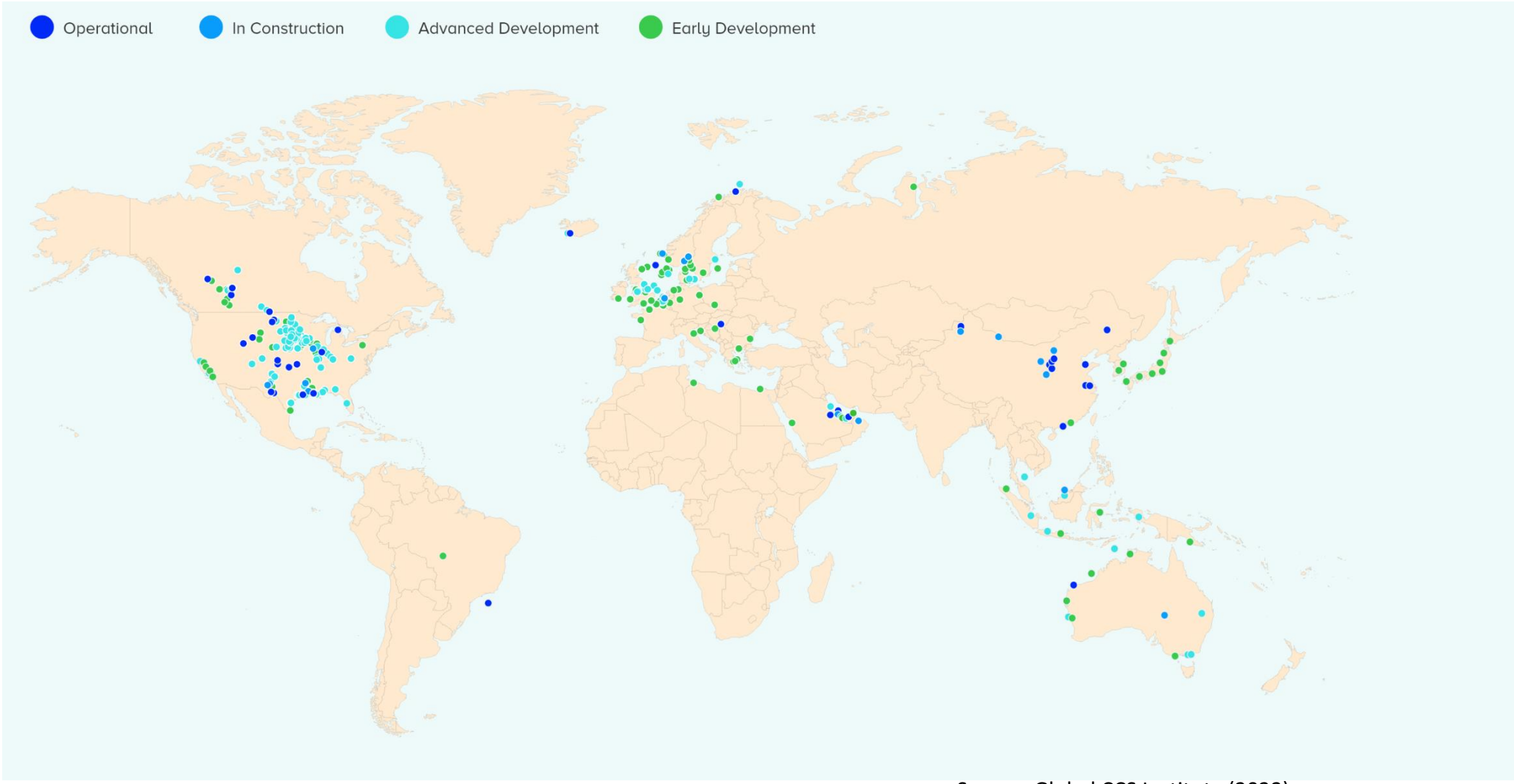
CO_2GeoNet Open Forum 2024

Lena W. Østgaard

IOM Law

- Founded January 2017.
- Specialized in CO_2 capture, transport, use and storage, including negative emissions, with extensive experience from oil and gas, international law and climate change policy.
- Seven team members, based in Son (Norway), Tasmania (Australia) and Copenhagen (Denmark).
- Formal education from Norway, England, Denmark, Belgium, Egypt, Hong Kong, Japan, Australia and the United States.

Project overview from the Global CCS Institute

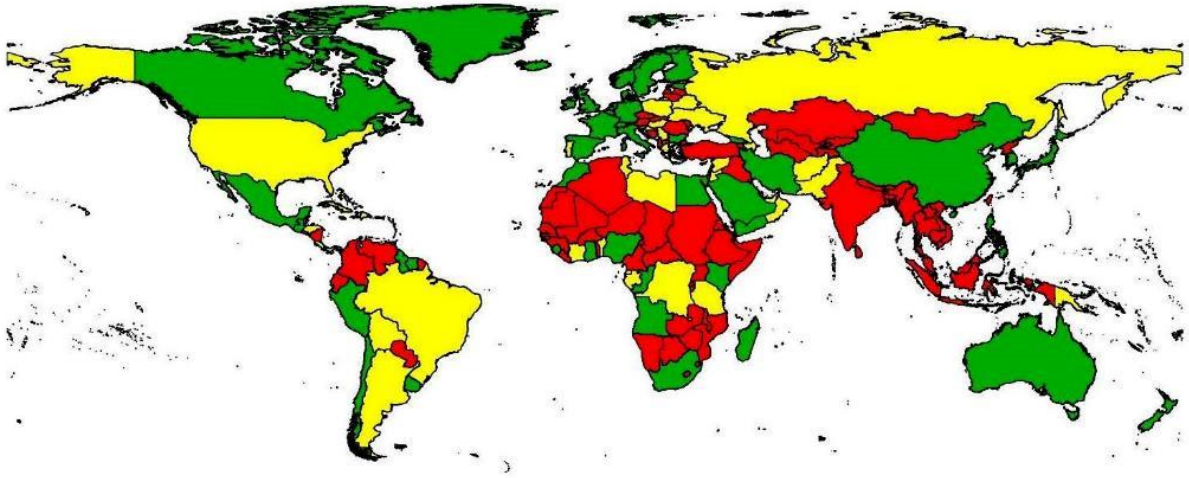


Source: Global CCS Institute (2023)
https://status23.globalccsinstitute.com/new-facilities/

Developments under the London Protocol

- The London Protocol is the only international regulatory instrument that contains criteria for CCS.
- 2009 Amendment & 2019 Resolution opened up for cross-border projects.

- 8 MoUs have been concluded:
  - Denmark-Belgium
  - Denmark-Netherlands
  - Belgium-Netherlands
  - France-Denmark
  - Norway-Sweden
  - Norway-Denmark
  - Norway-Netherlands
  - Norway-Belgium
  - Sweden-Denmark

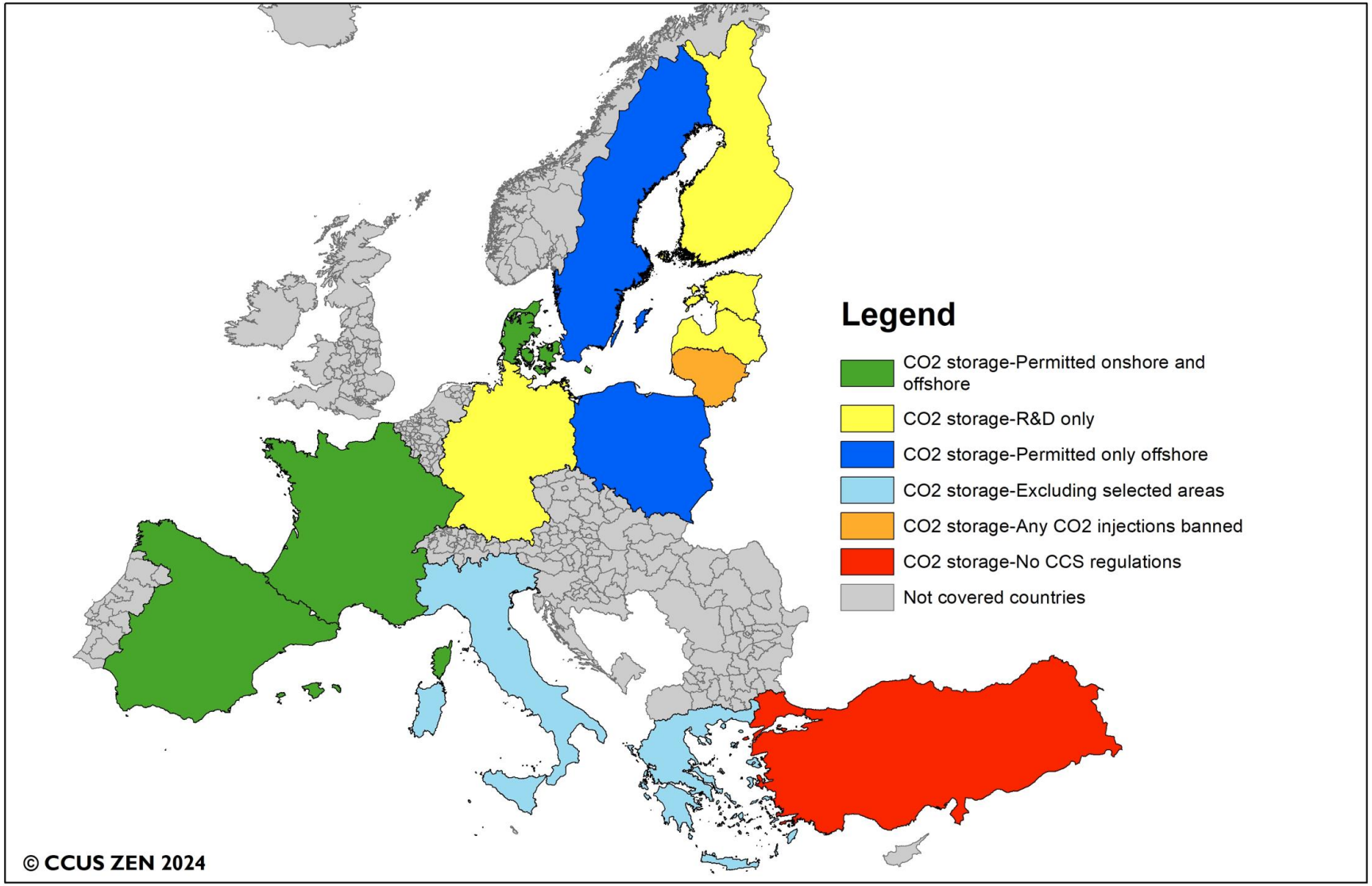


- We have yet to see a binding agreement, and an arrangement/agreement between a Contracting Party and a non-Contracting Party. How will the due-diligence obligation be satisfied?

CCS Directive (2009/31/EC)

- Creates a legal framework for the environmentally safe geological storage of CO_2 to contribute to the fight against climate change (Art. 1).
- Applies to both onshore and offshore storage exceeding 100 kilotonnes (Art.2).
- Does not require Member States to store CO_2 in their territories, but if the Member States open up for storage, the provisions of the CCS Directive are mandatory (Art. 4).
- The Directive is transposed in all the EU and EEA countries.
- The Directive is conceived to be in compliance with the London Protocol.

National implementation of the CCS Directive



Status in Europe

- **Poland**:
- Ongoing revision.
  - Storage is only permitted in the Cambrian reservoir (and the surrounding area) under the current framework and only demonstration projects were allowed. Changes have been made to facilitate commercial scale projects and they are looking into opening more areas for storage.
  - A licence for prospecting/exploring an underground storage complex is no longer required. Instead, you will need an approved geological works plan for such activities. Simpler exercise for the operator.

- **Norway**:
- Revision of the Storage Regulation.

- **Latvia**:
- New Climate Law (will replace the Law on Pollution which prohibits storage of CO_2).
  - However, the ban on the storage of CO_2 stays in place awaiting more research.

Status in Europe

- **Germany**:
- Upcoming carbon management strategy, which is expected to provide greater clarity as to the intended role of CCS and CCU and carbon removal. The Carbon Dioxide Storage Act is being amended, and a Bill was presented earlier this year.
  - Offshore storage sites will be explored.
  - Looking to enable border transportation under the London Protocol.

- **France:**
- Under revision. Some changes have already been made. For example, from now on:
  - the exploration permit would be issued only once but for a maximum period of 15 years (previously 5 years max but could be renewed twice). An additional period of 2 years, called “development phase”, is also possible before requesting a storage permit to focus on public acceptance.

- **Denmark:**
- Developing a regulatory framework for onshore storage.

Status in Europe

- **Italy:**
- New Energy Decree.
  - Amends the CCS Decree and covers, inter alia, experimental storage and the issuance of permits for CO_2 storage.

- **UK**:
- New Energy Act 2023.
  - Establishes the legislative framework for, inter alia, the economic regulation of CO_2 transport and storage.
  - Ofgem (the Office of Gas and Electricity Markets) named as the independent economic regulator.

Standardisation efforts in Europe

- In the Industrial Carbon Managment Stratergy (February 2024) it was noted that the Commission forsees to work with the European standardisation bodies to e.g. establish minimum standards for CO_2 streams to be used in a network code, applicable to all industrial carbon management solutions.
    - Also *«from 2024, initiate preparatory work in view of a proposal for a possible future CO_2 transport regulatory package…»*
- European Commission is establishing this year a Working Group on CO_2 standards which will draft a report on a defined topic regarding CO_2 standards for transport and storage.
- Regulators and project developers are already using e.g. ISO technical standards in CCS frameworks and projects.

CEN/TC 474: New standardisation efforts in Europe

- European (EN) standards are a key component of the European Single Market.
  - EN standards are automatically adopted as national standards.
- 34 countries are part of CEN; European Committee of Standardization.
- European Technical Committee (CEN/TC 474) initiated by the Netherlands to develop European Standards across the CCUS value chain.
  - First plenary in Brussels 5-6 February 2024.
  - More focus on the "U" than ISO/TC 265.
  - Will collaborate and interact with ISO/TC 265.
  - In the coming months, new work items and working groups may be established, as experts recruited.
  - Currently proposed standardisation activities focus on CO_2 stream composition and quality, pipeline transportation, and transportation by shipping.

CEN/TC 474: Title and draft scope

Carbon dioxide Capture, transportation, Utilization, and Storage (CCUS)

Draft scope

- Standardisation within CEN/TC 474 includes but is not limited to:
  - the full lifecycle of CCUS projects;
  - design, construction, commissioning, operation, inspection and maintenance, abandonment / end of life / post-closure handover, storage and retrieval;
  - specific health, safety, and environmental aspects;
  - risk and integrity management and lifecycle assessment of the project or technology;
  - CO_2 stream composition and quality;
  - measurement, monitoring, verification (MMV) and quantification, including accounting of the CO_2 across the CCUS value chain.

Acknowledgements

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Thank you!

- Lena Wammer Østgaard
- lwo@iomlaw.no
- +47 471 44 004