EU CCS Directive: Status of implementation & Review

IEA 6th International CCS Regulatory Review
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1. A 2030 Framework for Climate and Energy Policy

2. Implementation of the CCS Directive

3. Review of the CCS Directive
Progress towards the 2020 goals

Reduce Greenhouse Gas Emissions levels by 20%

- Reductions in 2012: -18%

Increase share of Renewables to 20%

- Share in 2011: 12.7%

Reduce energy consumption by 20%

- 2020 Projection

2020 Targets

2020 Projection
Why a new framework for 2030?

- Reducing Greenhouse Gas Emissions cost-effectively
- Competitive energy and new growth and jobs
- Security of energy supplies
- EU contribution 2015 agreement
Main elements

- **2020**
  - 20% Greenhouse Gas Emissions
  - 20% Renewable Energy
  - 20% Energy Efficiency

- **2030**
  - 40% Greenhouse Gas Emissions
  - ≥27% Renewable Energy
  - Review 2014
  - New Key Indicators

New governance system (National plans for competitive, secure and sustainable energy)
CCS specific elements

- Significant emissions cuts are needed in the EU's energy and carbon-intensive industries. As theoretical limits of efficiency are being reached and process-related emissions are unavoidable in some sectors, **CCS may be the only option available to reduce direct emissions from industrial processes on the scale needed in the longer term.** Increased R&D efforts and commercial demonstration are essential over the next decade.

- In the power sector, **CCS could be a key technology for fossil fuel-based generation.** MS with fossil reserves and/or high shares of fossil-fuels in their energy mix should support CCS through the pre-commercialisation stage in order to bring down costs and enable commercial deployment by the middle of the next decade. To include development of an adequate CO2 storage and transport infrastructure that could benefit from EU funding such as the Connecting Europe Facility.
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CCS Directive – state of transposition

- By 2013 all MS notified transposing measures
- Complete transposition in the majority of MS (incl. most CCS pioneers). Now conformity check
- 7 MS – partial non-communication of transposing measures
  - AT, CY, HU, IE, SE & SI: reasoned opinion in November 13
  - PL: reasoned opinion in April 14
Implementation report: general provisions


- Most MS:
  - New specific legislation + amendments
  - Multiple competent authorities (env; econ, ener & mining)
  - CO$_2$ storage allowed (but ban in FI, LU, AT, EE, IE, LV)

- Commission activities: transposition checks, permit review, guidance documents, IEG
Implementation report: specific provisions (1)

- Exploration mandatory in some MS. Exploration permits in CZ, ES, FR, IT, PL, UK
- Draft storage permit from NL reviewed by Commission
- Some MS stricter
  - DE: inspections every year even after closure; annually saving 3% of CO₂ value for financial contribution
  - Transfer of responsibility 30/40 years after closure
  - CZ: financial contribution to cover 50 years of post-transfer monitoring
Implementation report: specific provisions (2)

- **Financial guarantees:**
  - Financial security as adequate insurance cover, escrow bank account, bank guarantee, parent company guarantee.
  - HU: security min HUF 200 million (EUR 671 000)

- **Art 33 amending LCP Directive:**
  - UK: additional guidance – no permit unless criteria met
  - Practical implementation in DE, FR, HU, PL, RO, SI & UK

- **Some MS banning CO₂ storage transposed only**
  - Articles on CO₂ capture & transport
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Review of CCS Directive - intro

- Art 38 requests review report in March 2015
- REFIT exercise to assess effectiveness, relevance, efficiency, coherence and EU-added value
- Not only the mandatory Art 38 provisions, but consideration of broader EU energy & climate policy, CCS related policy & legislative activities by EU & MS
- Open-ended exercise
Roadmap of the Review

- **External study in place:**
  - Since 2 May: opening registration of stakeholders
  - Mid-May to mid-July: on-line consultation & interviews
  - 1st half of Sep: 1st stakeholder meeting
  - Early Dec: final recommendations

- **Commission:**
  - Tentatively March 2015: Commission report
  - If and where appropriate, followed-up by a proposal for revision or other CCS measures
More information

Evaluation by consultants:
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Thank you for your attention!