# CCS – OUTCOME FROM DURBAN AND NEXT STEPS

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#### Outcome from Durban

- CMP7 adopted modalities and procedures for CCS projects under the CDM
- CCS projects are eligible under the CDM
- Outstanding topics for resolution by CMP8:
  - Eligibility of trans-boundary projects
  - Establishment of a global CER reserve



# Key elements of the CCS modalities and procedures (1)

- Detailed specifications for site selection (Appendix B.1)
- Risk and safety assessment (Appendix B.2)
- Environmental and socio-economic impact assessments (Appendix B.6)
- Detailed provisions on monitoring (Appendix B.3)
- Financial provisions (Appendix B.4)
- Provisions for liability (Appendix B.5)
- Accounting for non-permanence / seepage (section K)
- Changes to the CDM registry



#### Key elements of the CCS modalities and procedures (2)

- Participation requirements for host countries:
  - Procedures for site selection
  - Rights for the project participants to access the storage site
  - Redress mechanism for affected entities, individual and communities
  - Remedial measures to stop unintended seepage
  - Liability arrangements
  - Decision whether the host country accepts responsibility for a net reversal of storage
- ⇒ Host countries need to review / change their legislation

# Liability and permanence – general approach

Geological storage risks d potential impacts

Impacts to ecosystems, health, property etc

Seepage at surface

- Human health & ecosystem impacts
- Damage to property and/or resources

#### Liability

Annex para 1 (j)

Geochemical effects

• Effects of reactive processes with CO<sub>2</sub> in the • Displacement of bride subsurface (e.g. groundwater)

Geomechanical effect

- Induced seismicity
- Damage to subsurface property (e.g hydrocarbons)

Permanence

Seepage at surface

• CO<sub>2</sub> back to the atmosphere/water column

Net reversal of storage

Annex para 1 (I)

Supporting elements for liability & net reversal

Host country laws established para 8

> **Transfer of liability** Appendix B.5

Obligation to submit *Verification Report* every 5 years

**CER reserve** ([5] percent) - para 21 (b)

Obligation for the PPs to cancel compliance units to address non-permanence - para 24

Obligation for either host or buyer country to cancel compliance units to address non-permanence – p. 26

Financial Provision Appendix B.4





## Next steps from UNFCCC perspective – A staged approach

- 1. Enabling the submission of methodologies and the accreditation of DOEs, e.g.:
  - Procedures and forms for methodology submissions
  - Revision of the accreditation standard
- 2. Enabling the registration of CCS project activities, e.g.:
  - Revision of the Project Standard, Validation & Verification Standard, etc
  - Procedures and forms for requesting for registration of projects
- 3. Enabling the issuance of CERs from CCS project activities
  - Procedures and forms for requesting issuance
  - Changes to the CDM registry and ITL enable accounting for nonpermanence



#### Conclusions: What needs to be done?

- CDM Executive Board / UNFCCC
  - Adopt relevant procedures, standards, guidelines, forms, IT systems
- Project developers
  - Develop and submit new baseline and monitoring methodologies
- Designated Operational Entities (DOEs)
  - Seek accreditation for CCS projects
- Designated National Authorities (DNAs)
  - Review and, where necessary, amend national legislation and regulations