

PRESS STATEMENT

EU ETS funding modalities crucial to CCS deployment

Brussels, June 20 – Today the Environment Council debated the reform of the EU Emissions Trading System (EU ETS) Directive.

The EU ETS, a central pillar of the EU's climate policy, is a key tool for achieving the EU's decarbonisation targets and for enabling the block's contribution to pursuing a 1.5°C limit endorsed in the Paris Agreement.

The system, intended to provide a predictable, meaningful and robust carbon price, would have been a key long-term driver for critical low-carbon technologies such as Carbon Capture and Storage (CCS). However, due to the currently low carbon price, additional funding support measures for CCS are vital to spur the deployment of CCS in power and industrial sectors. Commenting on the debate, Dr Graeme Sweeney, Chairman of the Zero Emissions Platform, said:

"The absence of a discussion on CCS in the context of the EU ETS reform and related funds is regrettable. The Innovation and Modernisation funds are absolutely key to the development of CCS projects and corresponding transport and storage infrastructure. We encourage policy-makers to ensure that these funds are [designed](#) to incentivise this critical breakthrough technology."

CCS is available now and action is needed to create the right incentives for this technology to flourish in Europe, otherwise the EU will simply fail to achieve its climate objectives. Without CCS, many energy intensive industries will not be able to decarbonise and it will cost the power sector an additional [€1.2 trillion](#) to reach the EU's 2050 CO₂ reduction objectives.

Notes to Editors:

[ZEP](#)

Founded in 2005, the European Technology Platform for Zero Emission Fossil Fuel Power Plants (ZEP) is a unique coalition of European, petroleum companies, equipment suppliers, scientists, academics and environmental NGOs united in their support for CO₂ Capture and Storage (CCS) as a key technology for combating climate change. ZEP serves as advisor to the European Commission on the research, demonstration and deployment of CCS.

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