

AC62 Meeting Minutes

MEETING MINUTES ZEP 62 ADVISORY COUNCIL MEETING

18 March 2020, 10-13 CET

Virtual meeting

Attendance

Name	Organisation
Graeme Sweeney	Chair
Vassilios Kougionas	DG RTD
Gabriele Morgante	DG GROW
Jan Steinkohl	DG ENER
Marion Perelle	DG CLIMA
Stale Aakenes	Gassnova
Lamberto Eldering	Equinor
Anne Cavendish	Equinor
Rob van der Meer	HeidelbergCement
Florence Delprat-Jannaud	IFPEN
Nils Røkke	SINTEF
Marie Bysveen	SINTEF
Helen Bray	Shell
Syrie Crouch	Shell
Mehmet Onal	Shell
Jonas Helseth	Bellona (proxy from Frederick Hauge)
Lina Strandvåg Nagell	Bellona
Isabelle Czernichowski	BRGM (proxy from Didier Bonijoly)
Joseph Dutton	E3G (proxy from Chris Littlecott)
Filip Neele	TNO
Stijn Santen	EBN
Stuart Hazeldine	SCCS
Charles Soothill	Sulzer
Constantin Sava	GeoEcoMar
Martin Snodgrass	BP (proxy from Liz Rogers)
Martijn Van de Sande	RVO / ZEP Government Group representative
Siri Eritsland	Norwegian Ministry of Petroleum
Brian Murphy	ERVIA
Jannicke Bjerkas	Fortum
Angus Gillespie	GCCSI
Annya Schneider	GCCSI
Eve Tamme	GCCSI
Anastasios Perimenis	CO2VE
Valentin Moens	ETN
Nora Hansen	IOGP
Hans Bolscher	Trinomix

Caterina de Matteis	IOGP
Luke Warren	CCSA
Giorgia Bozzini	ZEP
Per-Olof Granström	ZEP

1. Introduction and welcome

The Chair, **GS**, opens the meeting, welcomes everyone and highlights the meeting instructions. He informs that the quorum is present and gives feedback on ZEP membership, welcoming EBN as a new member. **GS** informs that a vote for the nomination of Stijn Santen as EBN representative to ZEP's Advisory Council has been conducted and he informs that the nomination was approved unanimously. He also welcomes Syrie Crouch (Shell) to the Advisory Council.

The agenda is adopted. The minutes from the December 2019 Advisory Council as well as the minutes from the ACEC calls in January and February are all approved.

GS shares some remarks from the engagement program rolled out in January, mentioning among other things that DG ENER will revise the TEN-E regulation and indicating the revision as a priority for ZEP. He highlights the upcoming first call of the Innovation Fund and the European Taxonomy for Sustainable Finance, asking ZEP networks to dedicate time to both topics.

2. Secretariat's Update

POG informs that ZEP secretariat will be working virtually for the foreseeable future, highlighting that the secretariat is following the instructions received from Belgian authorities. Online meetings will be privileged, including meetings with EU Institution stakeholders of the engagement plan.

POG follows up with an update on the actions from AC61. He indicates among other things that:

- The ZEP report on cost of storage is available on the website;
- ZEP has provided input to the European Commission on CCUS R&I priorities, together with EERA and with input from the SET-Plan Strategic Coordination Group;
- ZEP has received input from and met with CO2VE to discuss an update of the ZEP messages, where the participants concluded that the messages will stay as proposed during AC61.

POG gives an update on the recruitment procedure for a new staff member for ZEP. He informs that CCSA has proposed a service agreement that is now for decision with the ZEP-C Directors, that the employment procedure has led to the selection of a candidate, and that the start of work will be managed from a health and safety point of view in relation to the virus, most likely in May 2020.

He also informs that the ZEP mid-term review that was initially planned at the end of March, will be postponed until end of April.

LW gives an update on the ZEP and ZEP-C accounts.

Isabelle Czernichowski (**IC**) asks clarification about ZEP's position on utilisation of CO₂. **GS** proposes taking the comment under agenda item 6.

3. Commission's Update

DG ENER

Jan Steinkohl (**JS**) gives an update for DG ENER. He informs that the Commission is working on several communications to be ready in Q2 2020, among others, on offshore renewable deployment and on smart sector integration.

He invites ZEP to provide input to the discussion on smart sector integration, analysing how CCS would feed into the topic. He informs that online meetings will take place to inform stakeholders about the upcoming consultation and communication. He notes that a consultation on smart sector integration is expected in April 2020. In this respect, **POG** highlights the ZEP report on CO₂ transport, which will be ready in April-May.

DG RTD

VK thanks ZEP for their input on R&I priorities. He informs that DG RTD is holding meetings to continue the discussion about the R&I priorities ahead of the first call of Horizon Europe (Q3-Q4 2020). He reiterates that CCS and CCU are included in the Clean Energy Transition Partnership, as well as the co-creation groups, with several DGs involved in the process.

4. Industrial Strategy

Gabriele Morgante (**GM**), DG GROW, gives an overview on the Industrial strategy, where he highlights that there is an understanding of the importance of CCUS for the industrial decarbonisation. He shortly mentions the Clean Hydrogen Alliance and that it would include both blue and green hydrogen.

Action: ZEP to gain knowledge about the European Clean Hydrogen Alliance and how CCS/CCU can contribute.

5. Policy Update (European Green Deal, SET-Plan)

GB gives an update on the European Green Deal policy developments, highlighting the Just Transition Mechanism as a funding instrument and the European Climate Law, setting the objective of climate neutrality by 2050.

POG gives a short update on the SET-Plan work, giving feedback from the Strategic Coordination Group meeting in February. He informs that a revision of the CCUS SET-plan

targets will be discussed at Plenary on 30 April. He also highlights that a IAM modelling study on the pathway towards 2050 and the role of CCUS will be started and that this is planned to be followed by a CCUS roadmap to 2030.

LE asks ZEP to be prepared for a new narrative, communicating that all investments made to address the Coronavirus emergency will need to be in line with net-zero by 2050 and the role of CCS/CCU to achieve this goal.

Action: ZEP to prepare a narrative on EGD and CCUS in the context of economic crisis.

6. European Taxonomy for Sustainable Finance

GS gives an update on the European Taxonomy. He thanks the membership and, particularly, Equinor and Heidelbergcement for their direct contributions in the process. He stresses the guiding principles of the taxonomy: do-no-significant-harm principle, as well as the technology-neutral approach. He recalls that the Taxonomy defines CCS as applicable to all economic activities as a climate change mitigation activity, and informs that CCU could not be settled by the TEG, therefore a final decision is mandated to the Platform on Sustainable Finance. He asks ZEP's networks and TWGs to focus on unaddressed issues of the report such as CCU, waste-to-energy and BECCS.

GS also notes that:

- DAC is acknowledged for the purpose of Taxonomy,
- the manufacturing of blue hydrogen also qualifies as a sustainable activity under the taxonomy, with a higher threshold for direct emissions than in the previous report – he notes that this is a good development,
- multiple transport modalities are allowed by the Taxonomy, possibly linking to the ongoing discussions in the Innovation Fund,
- the matter of certificates of origins is yet to be clarified,
- the upcoming revision of the EU ETS, covering several transport modalities, will need to reflect the objectives of climate neutrality as well as the findings of the Sustainable Taxonomy.

Actions:

- TWG CCU Sink factor to settle the matter of LCA for CCU (noting that ISO14067 standard was not accepted by the TEG) and to prepare a position on CCU, providing scientific evidence to support the work of the Platform.
- Take a position on BECCS and waste-to-energy, providing input to the Platform. Use TWG Negative Emissions and the NWPE to support on policy and regulatory matters.
- Follow up on the matter of the thresholds referring to the average carbon intensity of the electricity for manufacturing of aluminium, hydrogen and chemicals, and the possible use of certificates of origin.

7. NW updates

LE gives feedback from NWPE meeting on 13 February, highlighting the priorities for the network: the revision of the TEN-E regulation, the Innovation Fund, Horizon Europe, CBAM and negative emissions.

He gives feedback from the Innovation Fund technical workshop on GHG avoidance methodology in February. He highlights that ZEP has provided input to DG CLIMA, stressing challenges with the design of the IF and making suggestions on how to solve these issues.

Marion Perelle (**MP**) from DG CLIMA gives an update on the timeline ahead of the first call for the Innovation Fund and shares some considerations. The workshop in March highlighted the criteria for the selection/eligibility (degree of innovation, project maturity and the due-diligence, scalability), adding that the Project Development Assistance will be in place for those projects that are not yet deemed mature.

The next meeting will be the IF Expert Group meeting (no date yet), possibly at the beginning of May. This meeting would be the last one before the first call, expected in mid-2020.

FN gives update on NWT, touching upon TWG Hydrogen and TWG Negative Emissions. He informs that the work on the report on CO₂ Transport is ongoing, and the report is expected to be concluded in April-May 2020. The network will take on board previous comments made during the meeting and it will liaise with NWPE to make sure that policy and regulatory sides of negative emissions are also covered. NWT will allocate tasks and propose a timeline for the work.

FN informs that a call of the TWG Hydrogen took place to kickstart the work. Co-chairs of the TWG are Robert de Kler from TNO and a representative from AirLiquide. **FN** highlights that cooperation with NWPE will be important to support the European Commission by providing input on the role of blue and green hydrogen in reaching climate goals.

8. ERG Updates

POG gives an update from the ERG on behalf of the Co-chairs. He recalls the ZEP conference at the European Parliament and recent press releases on Climate Law and the Industrial Strategy/Circular Economy Action Plan. Referring to the new situation, he mentions that engagements with the institutions has been postponed and rescheduled to online meetings. Looking ahead, he highlights the need for prioritisation and coordination between ERG and the ZEP network. He also mentions that ZEP will co-host a session on climate neutrality for industry at the EU SEW in June.

GS asks that the AC mandates the ACEC to look at the revision of the TEN-E regulation and allows the ACEC to consider a range of modalities to enable to progress on the report. The ACEC shall look at the use of pipelines (repurposing) and at how pipelines will comply with net-zero GHG emissions by 2050. The AC accepts to mandate the discussion on TEN-E to the ACEC.

IC comes back to her comment on CCU in the ZEP messages and notes that it is difficult to establish a long-term timeline for CO₂ use in products. She highlights that, however, CCU is important for industrial clusters and some other sectors. **GS** proposes that the CCU Sink factor TWG, in the work on CCU methodology, will follow up with a telephone call to address the matter of a ZEP position on CCU.

Action: ACEC is mandated to look at the TEN-E regulation. ZEP input on the TEN-E regulation is to be prepared.

Action: ZEP secretariat/TWG CCU Sink factor will follow up with a telephone call on the ZEP position on CCU with interested members and observers.

9. AOB

No items noted.

Actions

Agenda item	Action	Owner	Timeline
4	Gain knowledge on and find a way to contribute to the Alliances on Clean Hydrogen and Low-carbon Industry.	ZEP secretariat	As soon as further information is available
5	Prepare narrative for ZEP communication on how CCS and CO ₂ infrastructure to achieving net-zero by 2050 in times of economic crisis.	ZEP secretariat/ERG	End-March 2020
6, 8	Prepare a position on CCU, providing scientific evidence to support the work of the Platform. Set up a telephone call on the ZEP position on CCU with interested members and observers.	TWG CCU	May 2020
6	Take a position on BECCS and waste-to-energy, providing input to the Platform.	NWT, NWPE	May 2020
6	Follow up on the matter of the thresholds referring to the average carbon intensity of the electricity for manufacturing of aluminium, hydrogen and chemicals, and the possible use of certificates of origin.	ZEP secretariat	As soon as possible

8	ZEP input on the TEN-E regulation – prepare ZEP input – ACEC is mandated to make decision.	ZEP secretariat	May 2020
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Luke Warren	CCSA
Stale Aakenes	Gassnova
Lamberto Eldering	Equinor
Rob van der Meer	HeidelbergCement
Graeme Sweeney	Chair
Florence Delprat-Jannaud	IFPEN
Jannicke Bjerkas	Fortum
Nils Rokke	SINTEF
Filip Neele	TNO
Helen Bray	Shell
Syrie Crouch	Shell
Mehmet Onal	Shell
Jonas Helseth	Bellona (proxy from Frederick Hauge)
Angus Gillespie	Global CCS Institute
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Martin Snodgrass	BP (proxy from Liz Rogers)
Annya Schneider	GCCSI
Eve Tamme	GCCSI
Siri Eritsland	Norwegian Ministry of Petroleum
Brian Murphy	ERVIA
Lina Strandvåg Nagell	Bellona
Giorgia Bozzini	ZEP



Per-Olof Granström

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