

Ursula von der Leyen  
President of the European Commission

Frans Timmermans  
Executive Vice-President of the European Commission

Thierry Breton  
Commissioner

Christian Ehler  
Member of the European Parliament, Rapporteur for the Net Zero Industry Act

Attachés for Energy and Climate at the Permanent Representations of Member States to the European Union

Brussels, 6 July 2023

**Strong support for an implementable and pragmatic Net Zero Industry Act Article 18 – solutions to make CCS work**

Dear President,  
Dear Executive Vice-President,  
Dear Commissioner,  
Dear Rapporteur,  
Dear Sir or Madam,

We welcome the European Commission's proposal for a Net Zero Industry Act regulation. It is a landmark political recognition of the contribution of carbon capture and storage (CCS) technologies to the Europe Union's climate neutrality target. All reliable modelling scenarios, including those from the Intergovernmental Panel on Climate Change and the International Energy Agency, consider the deployment of CCS critical to reaching climate neutrality by 2050<sup>12</sup>. Europe will not reach climate neutrality by 2050 without CCS.

The proposed Net Zero Industry Act requires oil and gas companies holding licenses for the prospection, exploration, or production of hydrocarbons in the European Union to contribute to the annual injection capacity of at least 50 million tonnes of CO<sub>2</sub> by 2030 under Article 18. The signatories to this letter recognise and support the crucial role of this Article for oil and

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<sup>1</sup> [Climate Change 2022: Impacts, Adaptation and Vulnerability](#), Intergovernmental Panel on Climate Change, 2022.

<sup>2</sup> [Carbon capture, utilisation and storage](#), International Energy Agency, 2022.

gas producers to unlock the needed CO<sub>2</sub> injection capacity in order to ensure that the EU climate objectives are met. We, at the same time, find important to highlight that enabling measures must be in place for the set injection capacity objective to be met. The signatories urge the European Commission and Member States to work towards:

- sufficient number of licensing rounds issued by Member States to meet the annual injection capacity obligation by 2030;
- funding and de-risking mechanisms along the value chain;
- public awareness of CCS and clear political decision-making processes on CCS across Europe; and
- sufficient CO<sub>2</sub> transport infrastructure and captured volumes.

If these measures are not addressed, circumstances may arise that are outside of the license holders' control. The signatories therefore propose to include provisions in Article 18 to grant time extensions to license holders, based on consultations between the European Commission and competent authorities. These extensions should only be granted upon request and if circumstances, outside of the entities' control, prevent them from fulfilling their initial contribution. Any such delay in injection capacity must be limited in time.

The signatories would be pleased to further describe this proposal.

Signed by,

