

MEETING MINUTES

ZEP 68th ADVISORY COUNCIL MEETING

22 September 2021, 10:00-13:00 CET

Virtual meeting

1. Introduction and welcome

Chair, **GS**, opens the meeting, declares quorum, and reminds all of the meeting instructions.

Chair announces that following a vote by AC members, two new ZEP AC members have been appointed: Winston Beck, HeidelbergCement, and Ludovic Voet, ETUC. Invites the new representatives to say a few words. Chair confirms that Winston Beck is also the ZEP Vice-Chair for the Industrial constituency.

Chair asks for approval of the meeting agenda – agenda is adopted. AC67 draft meeting minutes are adopted. ACEC July meeting minutes and ACEC August draft meeting minutes are adopted.

2. ZEP development and planning

POG notes that the end of the current ZEP grant is approaching and there will be a gap before the next grant begins. **POG** provides an update on the ZEP-C budget as well as the next ZEP grant and work programmes, and the work programme during the funding gap, to be funded by ZEP-C members. This funding gap work programme is presented for AC recommendation today and then for approval by ZEP-C board of directors.

ZEP-C 2021 budget was approved by AGM in June 2021. The finances show increased income and lower expenditure than budgeted during January through August. The ZEP-C financial reserves are expected to increase to €270,000 by the end of 2021.

The new combined ETIP ZEP/IWG9 grant is expected to start in May next year. The budget announced in the call for proposals has been decreased to approximately half of the current two grants for the three-year programme. Considering the decreased funding and at the same time the increased funding to ZEP-C due to growing membership, ZEP will have its own work programme – also decided at AC67. A description of the work programme will be presented at AC69 or AC70. ZEP has also highlighted the need to fund further resources or employ permanent staff to coordinate and drive the work programmes forward. **POG** presents the ZEP funding gap work programme and notes strengthening ZEP's role, support for the CCUS SET-Plan and 'market-ready' CCUS projects, as well as outlines the more detailed programme that is based on the EU policy agenda. **POG** also highlights the aim to include the Communications Group and the formal ZEP structure and coordinate this more direct with the ERG.

POG thanks all for contributions to ZEP as we reach the end of the grant, and thanks the ZEP Secretariat Giorgia Bozzini and Meghann Kissane. Chair notes that formal recommendation for the work programme will be sought as this is needed prior to approval by ZEP-C board of directors. Chair also thanks the secretariat and AC members for the work put in over the ZEP grant. **AT** echoes the support and thanks on behalf of Shell.

The AC formally recommends the funding gap work programme.

3. Updates from Networks

Chair notes several items for AC approval:

- consultations on revised Climate, Energy & Environmental Aid Guidelines (CEEAG),
- the call for feedback on draft report on Social Taxonomy by the Platform on Sustainable Finance, and
- Stakeholder Questionnaire, where ZEP gave input.

Chair notes the IWG9 work on the CCUS Roadmap 2030: if there are any questions, the ZEP Secretariat can respond.

LSN provides update from NWPE, highlighting the upcoming vote in ITRE Committee on TEN-E regulation, Fit for 55, and Carbon Dioxide Removals. The CDR working group has contributed to DG CLIMA consultation on CDR certification. The hydrogen and gas package and upcoming complementary delegated acts for the Taxonomy in Q4. **CSc** adds discussions on ZEP's support for CCS+ and how we can best support the process.

Before the NWT update, Chair notes significant work on drafting ZEP academic paper on hydrogen in response to the Cornell paper. Notes that the first presentation will be presented shortly, to be sent to AC members following the meeting for one week for any responses, and for Chair to approve the paper.

FN notes the ongoing working groups. The CO₂ transport by ship group began in the summer, with the aim to support development of CO₂ shipping and what parts could be of interest for standards. Input from the first meeting is now being processed into a report, aimed for next spring. Notes that work is continuing in working groups on carbon-neutral biomass, CCS Directive, and CCS for flexible clean power generation. **NR** highlights the upcoming work on 'Biodiversity and land use, the role of CCS and BECCS'.

FN presents the ZEP draft academic paper on hydrogen. Gives a background on 'How green is blue hydrogen' paper published earlier this year, which presents assumptions and conclusions that are not relevant for Europe. The ZEP paper will look at low-carbon hydrogen from a European perspective.

Chair opens the floor for general questions on Networks update and on the draft paper. **MV** poses a question regarding capture rate and fugitive emissions. **RdK** responds. Chair adds that sustainable Taxonomy led us to have a discussion on lifecycle and natural gas. We need to improve our capacity to know what the emissions associated with particular sources of gas are, otherwise, they cannot comply with the delegated act. We need to understand what the provenance is. **AT** comments that it is positive to see debate on this topic and keen to know how quickly we can respond and if any support needed from our side. Chair echoes this point that ZEP has moved as quickly as possible – AC members will have one week to provide comments and a delegated authority to Chair to approve and publish the paper. ERG will also coordinate communications around the paper. **JH** notes this is a problem not of technology but of colour-coding and appreciates the inclusion of the reference to the Taxonomy.

Chair asks the AC members to respond within coming week and delegate the authority to Chair to review inputs and allow publication for use by you and the ERG. We will return to formal approval in AC69. No objections.

Chair asks for AC approval of the three aforementioned consultations responses – approved. Chair asks for any questions on CCUS Roadmap – notes no matters arising.

4. Updates from External Relations Group

LB provides update from the ERG and feedback on activities. Highlights action plan for ZEP articles on TEN-E, for this week, and low-carbon hydrogen, aimed for October. Confirms that ERG will take action for communication around the ZEP paper on hydrogen. The CCUS Forum on 11 October will see ZEP moderate a session, and ERG has discussed how ZEP can contribute and give input to DG ENER on the Forum and a CCUS strategy for Europe. Notes a recent article regarding a CO₂ pipeline incident in Mississippi which was discussed in ZEP working groups and ERG. Limited information available, but the article will be standing item at upcoming ERG meetings and to be prepared to have a position ready if needed. COP26 and ZEP's planned activities.

MK provides an update on ZEP's planned communications and events activities, including ZEP Conference, ZEP session at CCUS 2021 conference, the COP26 EU Pavilion side event application, and ZEP articles on TEN-E regulation and low-carbon hydrogen. The ZEP CCS/CCU Facts & Information Toolkit was also presented for AC approval and to be made available as a resource on the ZEP website following approval.

LE asks question on CCUS vs CCS and CCU separated terms. Important to highlight the difference. Chair notes a general wish for good coordination at COP26 on CCUS between organisations.

Chair asks for approval and the AC approve the Toolkit – to be published on ZEP website and updated on an ongoing basis.

5. EU policy development and certificates for reductions and removals

MV provides update on the Innovation Fund. CINEA the implementing agency is busy with evaluating the 66 proposals received for second stage of the large scale call. Quite a lot of the proposals have a CCUS component. In July, concluded the small-scale evaluation and CINEA is negotiating the grants before signature. 32 projects selected from many different sectors and three of the projects have a CCUS element. Currently planning the next call for proposals, with the aim to publish on 26 October. Moving to one stage calls with volume of €1.5 bn. Second call for small-scale projects follows in March 2022.

AN updates on the Fit for 55 package and EU ETS Directive proposal. Notes several technical changes in the proposal. On transport, currently the directive explicitly mentions pipelines transport. Now, this will encompass transport by any means. Part of GHG emissions from transport activity may be covered under new section of Directive. Regarding CCU, the change provides a general solution to all CCU applications that do not allow CO₂ emissions to atmosphere. Added reference to renewable fuels.

FR provides short update on EC work on carbon removal certificates. On 9 September, published a roadmap – open until 7 October for feedback – for communication at end of year. This gives a presentation of what we aim to do in terms of carbon removals in coming years, addressing carbon removal from ecosystems, carbon farming, and carbon removals from industries. To be published on 14 December. Certification of carbon removals included as 2022 EC initiatives.

Chair opens the floor for comments and questions. **JH** asks about EU ETS Directive and CCU, notes that the wording 'normal use' is open for interpretation. **POG** asks question on Fit for 55 package regarding description on contracts for difference in the frame of the Innovation Fund – further clarification? **MV** responds that the Innovation Fund will get more allowances. With this,

they intend to develop carbon contracts for difference, however, this is a proposal which still needs to be adopted. **AT** notes that there remains reference to solid fossil fuels power generation, biogenic an important source of CO₂. What is the thinking on biogenic CO₂? **AN** regarding biomass provision – not sure if biogenic CO₂ is otherwise addressed in the ETS. Reporting will take place throughout the project.

Chair thanks all presenter for the updates and notes for the AC that previously ZEP made contributions to these programmes and are pleased to see transport modalities and definition on CCU. Asks AC for approval of draft outline in pre-reads and allow ERG and ACEC to respond on this basis – approved.

Chair notes that ZEP is a member of the CCS+ Initiative Advisory Group and gives the floor to **MKr**, who provides update on the CCS+ Initiative, the objectives, the work plan, as well as the membership.

6. TEN-E regulation

WvL provides update on TEN-E regulation and latest developments as ITRE Committee vote is scheduled for 27 September, referring to the published amendments.

Chair adds that we are really engaged on this matter and are always available for consultation if this can be of help.

7. CCUS development

Chair notes EU-Norway Energy Conference on 1 October. **CB** provides update on CCUS Forum. Taking place online on 11 October. There will be five, 30-minute sessions and will be opened by Commissioner Simson. Five sessions focus on (i) gaining political momentum (ministers of leading CCUS countries), (ii) if we can decarbonise without CCS, (iii) CCS role in decarbonising industry (ZEP moderating), (iv) CCUS hubs, and (v) how to learn from past and move forward with CCUS. Keynote by EVP Timmermans will conclude the Forum. **CB** notes this aims to be an annual event. **LB** asks if registration will be open to everyone? **CB** notes that registration will be open to everyone but may have a limit on capacity. Hope for an update next week. Chair notes that ZEP supports ambition to have an ongoing activity and work associated with the Forum and delighted to assist. **CB** adds that we have very good experience with Dublin Forum, consumer energy forum, where stakeholders help with co-organising working groups. Hopes to set up something similar for CCUS Forum.

VK provides update on Horizon Europe. Working for the next calls for 2023/24 and discussing new proposals. **VK** took part, together with **CB**, in a workshop with Saudi Arabia on CCUS and blue hydrogen. Chair highlights the current ETIP grant comes to an end in October and have put in place robust plans for ZEP to continue to operate until next grant in May 2022. Thanks him for the support, the call, and sees the need for convergence around various programme and agree a cooperative approach to the work programme with IWG9. **CV** asks about upcoming calls and technology readiness levels. **VK** responds. **MB** notes continued dialogue between EERA and ZEP and DG RTD.

8. Closing remarks and next meeting

Chair opens the floor for AOB. Reminds all of upcoming meeting dates. Reminds all that the ZEP Conference takes place this afternoon and invites all to attend. Thanks all for contributions, discussions and support. Closes the meeting.

List of participants

AC members		
1	Vicente Cortes-Galeano	AICIA/University of Sevilla
2	Jonas Helseth	Bellona
3	Shirley Oliveira	bp
4	Isabelle Czernichowski	BRGM
5	Stijn Santen	EBN
6	Salvatore Giammetti	Eni
7	Lamberto Eldering	Equinor
8	Jannicke Gerner Bjerkas	Fortum Oslo Varme
9	Winston Beck	HeidelbergCement
10	Florence Delprat-Jannaud	IFPEN
11	Kim Bye Bruun	Northern Lights JV
12	Stuart Haszeldine	SCCS
13	Syrie Crouch (<i>Proxy to Alistair Tucker</i>)	Shell
14	Nils Røkke	SINTEF
15	Charles Soothill	Sulzer
16	Filip Neele	TNO
External speakers		
17	Matthias Krey	CCS+ Initiative
18	Chris Bolesta	European Commission
19	Adrian Nicolae	European Commission
20	Vassilios Kougiouas	European Commission
21	Fabien Ramos	European Commission
22	Maria Velkova	European Commission

23	Willem van Laatum	Parliamentary Assistant to MEP Berendsen
Guests		
24	Léa Chauvin	Air Liquide
25	Hanne Rolén	Aker Carbon Capture
26	Adrien Berthier	Alvance Group
27	Eric de Coninck	ArcelorMittal
28	Lina Strandvåg Nagell	Bellona
29	Mark Preston Aragonès	Bellona
30	Ceri Vincent	CO2 Geo Net
31	Esme Brandon	bp
32	Helen Bray	Carbon Engineering
33	Georgina Kataros	CCSA
34	Ross Kennedy	CCSA
35	Eadbhard Pernot	Clean Air Task Force
36	Alessia Virone	Clean Air Task Force
37	Eve Tamme	Climate Principles
38	Anastasios Perimenis	CO2 Value Europe
39	Tom Mikunda	Dutch Government
40	Domien Vangenechten	E3G
41	Roberto Ferrario	Eni
42	Lucie Boost	Equinor
43	Maria Moragues Canovas	CINEA
44	Markus Hole Sebastian	Fortum Oslo Varme
45	Paul Bonnetblanc	French Government
46	Ståle Aakenes	Gassnova
47	Caterina de Matteis	IOGP
48	Stig Svenningsen	Norwegian Ministry of Petroleum & Energy

49	Cedric de Meeûs	Lafarge Holcim
50	Raphael De Loenen	Port of Antwerp
51	Marleen Ramakers	Port of Antwerp
52	Mark Driessen	Port of Rotterdam
53	Bram Sommer	Port of Rotterdam
54	Chris Davies	Rud Pedersen
55	Christian Schwarck	Shell
56	Marie Bysveen	SINTEF
57	Kristin Jordal	SINTEF
58	Luca Riboldi	SINTEF
59	Svante Söderholm	Swedish Energy Agency
60	Tim Peeters	Tata Steel
61	Chris Gittins	TAQA
62	Robert de Kler	TNO
63	Ludger Radermacher	Wintershall Dea
64	Sabine Schatzmann	Wintershall Dea
ZEP Secretariat		
65	Per-Olof Granström	ZEP Secretariat
66	Giorgia Bozzini	ZEP Secretariat
67	Meghann Kissane	ZEP Secretariat
68	Dr Graeme Sweeney	Chairman of ZEP