

ZEP supports interim solution to the London Protocol – unblocking regulatory barrier to CCS!

The Zero Emissions Technology and Innovation Platform (ZEP) is the technical adviser to the EU on the deployment of Carbon Capture and Storage (CCS), and Carbon Capture and Utilisation (CCU), a European Technology and Innovation Platform (ETIP) under the Commission's Strategic Energy Technologies Plan (SET-Plan).

The Contracting Parties of the London Protocol will have the opportunity to unblock a significant regulatory barrier to the development of CCS at their meeting on 7-11 October 2019. Norway and the Netherlands have proposed an interim solution on the 2009 amendment to article 6 of the protocol, to allow for the export of CO2 for the purpose of permanent geological storage offshore.

ZEP strongly supports this interim solution and would urge the Contracting Parties to adopt the proposal.

The London Protocol and CCS

The <u>London Protocol</u>, the modernisation of the London Convention entered into force in 2006 with the aim to protect and preserve the marine environment from all sources of pollution by banning the unregulated dumping of wastes. Article 6 of the protocol, primarily aimed at preventing export of wastes to non-Parties, has the unintentional consequence that it effectively prohibits cross-border transfer of CO2 for the purposes of geological storage offshore.

The intention of the London Protocol was and is not to hinder the use of CCS as a climate mitigation technology and in 2009 an amendment to article 6 was adopted to allow for the export of CO2 for the purpose of permanent geological storage offshore. This amendment has so far only been ratified by six countries. However, for the amendment to enter into force, it needs to be accepted by two-thirds of the 53 Contracting Parties.

As highlighted several times by the Intergovernmental Panel on Climate Change (the IPCC), CCS is crucial to meet the targets set in the Paris Agreement. CCS offers the possibility to decarbonise Europe cost-efficiently, delivering substantial emission reductions across a range of industries and thus being a catalyst for economic growth, creating and preserving jobs.

For this to happen, cross-border CO2 transportation and storage infrastructure will be extremely important, particularly at an early stage, to help de-risk early development of the CCS value chains and reduce cost by creating economies of scale by establishing shared CO2 transportation infrastructure. The possibility to store CO2 is not spread evenly between countries so not having the possibility to transfer CO2 across borders for the purposes of geological storage is a significant regulatory barrier to the development of CCS. It effectively prevents progress on several maturing European CCS demonstration projects by hindering

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- cross-border collaboration;
- cost reduction through economies of scale;
- risk sharing for countries without access to offshore storage sites to deploy CCS.

There are multiple cross-border CO2 infrastructure projects on the European Commission's list of Projects of Common Interest.

ZEP supports the ratification of the 2009 amendment to article 6 but understands that it will take time.

Interim solution to unblock the regulatory barrier to CCS

Norway and the Netherlands have submitted a "proposed resolution on the provisional application of the 2009 amendment to article 6 of the London Protocol" that will be discussed at the 41st meeting of Contracting Parties to the London Convention and the 14th meeting of Contracting Parties to the London Protocol on 7-11 October 2019.

This is a proposal to adopt an interim solution that will give those parties who wish to use the amendment of article 6 from 2009 the possibility to do so, whilst having no legal bearing on those parties who do not wish to export or import CO2 for the purpose of permanent geological storage offshore. The proposed solution, which has clear legal basis within the Vienna Convention, is strictly limited to the 2009 amendment and explicitly states that it should not set any precedent.

This interim solution would remove the regulatory barrier to the deployment of carbon capture and storage technologies. The use of shared infrastructure across borders will be extremely important for risk sharing and cost reductions through economies of scale for projects.

The importance of the upcoming London Protocol meeting in October

While the ratification of the 2009 amendment will take time to come into force, there is now an opportunity to support the interim solution proposed by Norway and the Netherlands, giving the parties that would like to export or import CO2 for the purpose of permanent geological storage offshore the possibility to do so.

This will unblock the regulatory barrier and make it possible for maturing European CCS demonstration projects to collaborate across-borders, facilitate risk sharing for countries without access to offshore storage sites allowing them to deploy CCS and reduce cost through economies of scale.

The interim solution would also pave the way for the final ratification and give legal certainty for both governments and industries that are looking into CCS to mitigate climate emissions.

ZEP would therefore urge the London Protocol Contracting Parties to adapt the proposal.

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