



**Final Report**



Support to Regulatory Activities for Carbon Capture and Storage

# **STRACO<sub>2</sub>**

Support To Regulatory Activities For Carbon Capture and Storage

January 2008-June 2009

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Daniel Krahl



# Final Report



Support to Regulatory Activities for Carbon Capture and Storage

## Project Overview

- ❑ 1 January 2008 to 30 June 2009
- ❑ Focus on Research and Outreach Activities
- ❑ Three Chinese and six European partners:





## Project Objectives

- Support development of regulation in the EU
- Research possible best practice for China
- Build a basis for future EU-China cooperation



## Work packages:

**WP 1 & 2: Project Management and Coordination**

**WP3:  
Safety and  
Liability**

**WP4:  
Site Qualification  
and Certification**

**WP5:  
Incentivisation  
and Financing**

**WP6: Crosscutting Issues**

**WP7: CCS policies in China**

**WP8: Overall Consolidating Activities**



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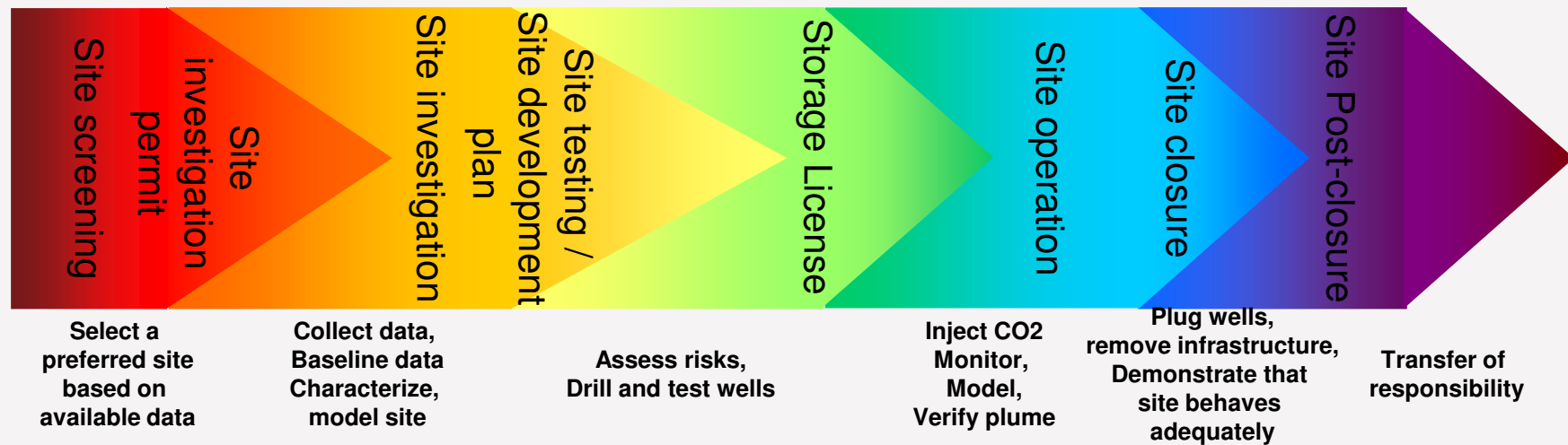
## Activities:





### WP3 Safety and Liability

- ❑ Identified three major safety issues:  
leakage, ground movement and displaced formation fluids
- ❑ Overview of liability during the CCS lifecycle  
(operational phase, closure phase and post closure phase)





## WP4 Site Qualification and Certification

- ❑ Need for new guidelines and standards for site screening, site characterization, modeling, site operation and closure and post-closure
- ❑ Need for research and development in the fields of storage assessment and management, especially in the long term
- ❑ Need for stronger public consultation and information



## WP5 Financing and Incentivisation

- ❑ Businesses will not move from pilots to larger demonstration plants without public funding
- ❑ Emissions trading is not a strong enough mechanism for incentivisation and financing
- ❑ CCS should not be included in CDM at present
- ❑ The many risks and costs of each stage of CCS need to be acknowledged – One CCS policy alone is not effective!
- ❑ More effort should be made to include non-energy CCS



## WP6 Crosscutting Issues

- Competition policy and industrial policy: regulation regarding access to CO<sub>2</sub> pipeline networks and storage sites
- IPR and development of capture technologies
- EU impact assessment policies and their role in future CCS regulation



## WP7 China CCS policies

- Overview of current energy and climate change policy in China and CCS development
- Identified gaps and barriers
- requirements for CCS development in China
- legal issues that CCS will face in the future



## China Applicability Research

- Dialogue with Chinese stakeholders from December 2008 to raise awareness with institutions
- Awareness of existing international regulation through STRACO<sub>2</sub> workshop
- Support for proactive regulatory process
- Demand for continuous dialogue with multiple institutions
- Include EU MS into discussions and twin European and Chinese regulators
- Storage Permit and Financing should be key-subjects of discussion



## Full Report

- In-depth analysis of European regulation + China policies + China applicability research
- Recommendations for the EC, China, International stakeholders, Academia for further research

## Synthesis Report

- Executive Summary of European regulation, China CCS Policies and China Applicability Research
- Recommendations to EC and China for further regulatory cooperation



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Thank you!

[www.euchina-ccs.org](http://www.euchina-ccs.org)