

Brussels, 13 October 2009

The Commission and 22 world leaders explore ways for the viability of Carbon Capture and Storage

The European Commission, along with leaders from 22 world countries, explored today the best ways to accelerate the commercialisation of Carbon Capture and Storage (CCS) at the 3rd Ministerial Meeting of the Carbon Sequestration Leadership Forum (CSLF) in London. Carbon capture and storage is a technology that allows reduction of fossil fuel emissions by capturing CO₂ from large emitters (such as coal or gas power plants and the steel industry) and store it underground. Bringing down the costs of the new technologies will enable CCS to exploit its full emission abatement potential and contribute to sustainable, secure and competitive energy.

"Public authorities must continue to support promoting the development and deployment of CCS technologies if we want to be successful in fighting climate change. However, it is also time for significant private sector investments in order to commercialise demonstration projects and bring CCS technologies to the level of economic feasibility", said Energy Commissioner Andris Piebalgs.

The Forum adopted a Ministerial Declaration elaborating on project support, knowledge sharing, capacity building and other priorities of the CSLF. The actions of the Forum will be integrated in the global energy and climate agenda including the process towards the UN Framework Convention for Climate Change.

The European Union has developed a comprehensive package of legal, financial and industrial support elements designed in successive initiatives approved since December 2007 by the European Council.

Firstly, the CCS Directive provided for a framework which helps considerably to ensure public confidence in CCS installations and gives legal certainty to operators. Secondly, the treatment of CCS in environmental state aid guidelines and emissions has been clarified in the context of the European Emission Trading Scheme. Thirdly, the financing of demonstration projects is being supported by €1.05bn from the European Economic Recovery Plan (EERP). Evaluation of project proposals under this instrument is underway. Also, 300 million allowances under the European Emission Trading System form a second source of funding for projects. These allowances will have a monetary value based on the cost of carbon; they can therefore be auctioned by Member States on the EU-wide carbon market.

On the industrial side, the Commission has prepared for a Project Network of European early-movers involved in large-scale CCS demonstration projects. The European Industrial Initiative on CCS completes the picture with an aim to mobilise development and deployment of technologies such as CCS to significantly reduce CO₂ emissions from Europe's power generation.

CSLF

The Carbon Sequestration Leadership Forum is an international climate change initiative focussed on the development of improved, cost-effective technologies for the separation and capture of carbon dioxide (CO₂), its transport and long-term safe storage.