Monday 23 September 2019

Joint declaration on accelerating the CCUS industry

1. Carbon capture, utilization and storage (CCUS) is an essential part of a broad set of solutions needed to create more sustainable low-carbon energy and industrial systems in support of the Paris Agreement climate goals. It can reduce emissions on a significant scale in both the industrial and power sectors, and support the emergence of key technologies, such as clean hydrogen, direct air capture and biomass with CCUS, crucial to meet net zero ambitions.

2. Investment in CCUS must be scaled-up urgently to support achieving global climate and energy goals. Accelerating CCUS will require governments and industry as well as other stakeholders to work collaboratively to develop and deploy investable business models and supportive policies.

3. The Clean Energy Ministerial Carbon Capture, Utilization and Storage Initiative (CEM CCUS Initiative) countries\(^1\) and the Oil and Gas Climate Initiative (OGCI) member companies\(^2\) support the global development of an economically viable, environmentally responsible and safe CCUS industry, and recognise the need for strong public-private co-operation in this respect. At the Tenth Clean Energy Ministerial (CEM 10) in Vancouver on 29 May 2019, CEM CCUS Initiative countries and OGCI agreed to explore ways to collaborate to accelerate CCUS\(^3\).

4. Today, we crystallise our intent to work together to drive strategic CCUS deployment forward as a step in the development of an economically viable, environmentally responsible and safe CCUS industry. The collaboration between the CEM CCUS Initiative and OGCI aims to catalyse and facilitate commercial-scale CCUS opportunities worldwide.

5. CEM CCUS Initiative countries and OGCI member companies intend to explore opportunities to support the commercial development of CCUS through the various stages of development. This will notably include sustained dialogue on policy and regulatory frameworks, aiming for commerciality of identified hubs and projects. This could also consider, as appropriate, mechanisms for risk management at each operational phase, knowledge sharing, storage appraisal activities, corporate and project finance and engagement with civil society.

6. This collaboration represents a unique opportunity to bring governments and industries together to help create viable market conditions to advance CCUS and to progress potential CCUS hubs\(^4\) and projects in CEM CCUS Initiative countries and others identified by OGCI members, as well as exploring opportunities in developing countries as appropriate. To this end, CEM CCUS Initiative countries and industry members within OGCI intend to bring their respective expertise and support to advance CCUS development and deployment across the globe.

7. This collaboration is designed to be flexible, and is non-binding and voluntary. CEM CCUS Initiative countries and OGCI member companies recognise that collaboration will take different forms in different jurisdictions. Various public-private collaboration models exist and CEM CCUS Initiative countries and OGCI member companies will discuss their merits in different circumstances and work together to create

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2. [https://oilandgasclimateniniative.com/our-members/](https://oilandgasclimateniniative.com/our-members/)
4. A hub captures carbon dioxide from two or more industrial facilities, which could include power projects, and which bring economies of scale by sharing transport and storage infrastructure.
processes that suit each jurisdiction and potential project opportunity. While this collaboration is non-binding and voluntary, the CEM CCUS Initiative countries and OGCI members wish to express their intention to work together as set out in this joint declaration and as followed.

8. CEM CCUS Initiative countries and OGCI member companies will identify potential commercial CCUS opportunities, including the potential for CCUS hubs and specific projects within this collaboration. This includes identifying key actors to be involved, their potential responsibilities and roles, as well as the steps needed to accelerate deployment. The general roles of both CEM CCUS Initiative countries and OGCI member companies are described as follows:

a. CEM CCUS Initiative countries’ intention is to facilitate CCUS by providing:
   i. General policy and strategic support for CCUS in their national strategies
   ii. Stable and predictable regulatory frameworks
   iii. Policy mechanisms needed to underpin commerciality of CCUS development and deployment
   iv. Support for, and enablement of, the identified potential CCUS hubs and projects at national and local levels

b. OGCI member companies intend to provide:
   i. Technical and business expertise in CCUS development and operation
   ii. An understanding of what is needed from an industry perspective to make CCUS commercially viable
   iii. Facilitation of potential corporate financing and investment, as appropriate
   iv. Engagement with stakeholders.

9. CEM CCUS initiative countries and OGCI member companies will look for opportunities to engage other interested stakeholders, such as energy intensive industries which may form part of a CCUS hub, investors and lenders, other national and local governments technology providers and civil society. They will invite them to join the efforts through this collaboration as relevant. CEM CCUS initiative countries and OGCI members will regularly review the progress, budget and planning of the collaboration, with the intent to continuously improve it.

10. This joint declaration will have significant synergies with the OGCI “Kickstarter” initiative. A list of hubs currently under evaluation by OGCI member companies is attached (see attachment 1)⁵.

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⁵ The list of potential hubs can also be found at www.oilandgasclimateinitiative.com
Attachment 1: List of KickStarter CCUS hub collaborations

The OGCI KickStarter initiative is designed to unlock large-scale commercial investment in CCUS, by enabling multiple low-carbon industrial hubs. These hubs capture carbon dioxide from several industrial companies and bring economies of scale by sharing transport and storage infrastructure.

- **Teesside, the UK**: The Clean Gas Project (CGP) could be an anchor project that generates low carbon power from gas and/or enables industrial decarbonisation, in one of the UK’s largest emitter industrial regions. CEM CCUS and OGCI member companies will continue project development engagement with the UK government, and progressively identify lessons learned of this mature project and disseminate to other hubs.

- **Northern Lights, Norway**: Designed as an open source network for industrial CO₂ sources on the European continent. Ship transport will enable a range of point sources to store their CO₂ on the Norwegian Continental Shelf. CEM CCUS and OGCI member companies will work to reinforce collaboration with Norwegian government to promote the project across the North Sea and enable its development.

- **Rotterdam, the Netherlands**: A proposed project where CO₂ generation by industry in Rotterdam’s port area is captured and stored in depleted gas fields deep in the North Sea seabed. CEM CCUS and OGCI member companies intend to work together to help accelerate and duplicate the Rotterdam project in other areas of the Netherlands, including the development of appropriate national policies.

- **Gulf Coast, the US**: With a growing coalition of stakeholders, the intention is to identify the synergies between large clusters of sources on or near the Gulf Coast. CEM CCUS and OGCI member companies aspire to identify the policy and regulatory enablers that will effect more rapid deployment of a CCUS marketplace.

- **Xinjiang, China**: The Junggar Basin presents key characteristics for CO₂ storage, and is located near important emissions sources. CEM CCUS and OGCI member companies endeavour to collaborate with authorities to set the appropriate regulatory environment and with stakeholders on hubs and project identification and feasibility assessment.

As we progress, we will aim to expand our geographical coverage of hubs.