

Barroso Package on Climate Change and Energy

**Enabling legal framework
for
carbon dioxide capture and geological
storage**

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Main changes wrt Commission proposals

- Article 5: duration of exploration permit
 - Adopts approach of hydrocarbon licensing directive 94/22/EC: duration of permit should not exceed the period necessary to carry out of the exploration for which it is granted.
- Article 6: Priority for storage permit for holder of exploration permit
 - Provided that exploration completed, conditions in permit complied with, and application made during period of validity of storage permit.
- Article 8: Hydraulic unit provisions
 - EP concerned about pressure interactions between plants. Arguably covered already by Article 4 and Annex I step 1 point (k), but added in Art 8 for clarity

Main changes continued

- Articles 10 and 18: Commission review of storage permits and draft transfer decisions
 - Timing modified: permit application submitted in parallel to COM; deadline 4 months after submission of draft permit decision (analogous changes for transfer in Art 18).
- Art 11: responsibilities taken over on withdrawal of permit
 - clarification that these cover responsibilities under this Directive, the ETS Directive 2003/87 for surrender of allowances, and the ELD Directive 2004/35 on remediation of environmental damage
- Art 12: CO acceptance criteria
 - Clarified requirement in para 2 that a risk assessment of the proposed stream is required to ensure that it meets the conditions established under para 1
 - COM guidance.

- **Article 18: transfer of responsibility**
 - Clarified procedure, but only two main changes
 - A minimum period before transfer to be determined by CA, no shorter than 20 years unless the CA is convinced that the key transfer criterion is met before that (para 1)
 - Post-transfer monitoring, reduced to a level which allows identification of leakages or significant irregularities (para 5)
- **Article 20:**
 - Consequent on changes to 18.5
 - Cover at least cost of monitoring for 30 years
 - MS can go further
 - COM guidance

Main changes continued

- **Art 33: new combustion plant**
 - Assessment of availability of suitable storage sites and feasibility of transport and retrofit (not only technical but also economic)
 - Reservation of space conditional on positive assessment.
- **Art 38: Review article covering**
 - Experience with CO₂ storage
 - The need for continued review of draft permits
 - Composition of CO₂ stream
 - Third-party access
 - New combustion plant
 - Storage in third countries
 - Need for adaptation of site selection and monitoring criteria
 - Experience with incentives for CCS applied to biomass
 - The need for further regulation on transport.
- **Art 38: emissions performance standards:**
 - Once environmental security and economic feasibility of CCS demonstrated, review of whether performance standards are needed and practicable

- Ratification of OSPAR amendment and associated decisions
 - Proposal for a Council Decision
- Finalisation of Monitoring and Reporting Guidelines
 - Proposal for a Commission Decision to Climate Change Committee
- Establishment of Scientific Panel
 - Commission Decision



- Implementation process:
 - Exchange of information process established
 - Guidance on issues requested by EP and Council, and possibly others:
 - Composition of CO₂ stream (Art 12)
 - Criteria for transfer of responsibility (Art 18)
 - Financial transfer on transfer of responsibility (Art 20); but also
 - Site characterisation and selection (Article 4 and Annex I)
 - Monitoring and relations with MRGs (Article 13 and Annex II)
 - Amount and form of financial security (Art 19)
- Transposition checking for MSs with early transposition measures