

*2<sup>nd</sup> Ministerial Meeting of the*

*Carbon Sequestration Leadership Forum*

**13 - 15 SEPTEMBER 2004, MELBOURNE, AUSTRALIA**



# **CREATING A LEGAL FRAMEWORK FOR CCS**

*International Energy Agency*

*Working Party on Fossil Fuels*

**Jacek Podkanski - IEA**

# International Energy Agency

Working Party on Fossil Fuels



- **Strategy on Zero Emissions Technologies for Fossil Fuels addresses global challenges**
  - Environmental effects of energy use
  - Poverty
  - Energy security
  
- **Recent activity: Joint IEA/CSLF Workshop on Legal Aspects of Storing CO<sub>2</sub>, Paris, 12-13 July 2004**

# Carbon Capture and Storage Challenges



- ❑ **Developing CCS technology at competitive costs and acceptable environmental standards**
- ❑ **Adopting an enabling legal and regulatory framework**
- ❑ **Gaining public acceptance**
- ❑ **Creating financial incentives through carbon mitigation policies and mechanisms**

# Joint IEA/CSLF Workshop on Legal Aspects of Storing CO<sub>2</sub>



## Objectives

- Better understand national and international legal frameworks applicable to CCS
- Identify impediments to CCS development and incentives required
- Create a list of priorities and next steps

# Building a Legal and Regulatory Framework



## Definitional and Policy Issues

- **Balancing various objectives of international community**
- **Is CO<sub>2</sub> a waste ?**
- **Storage site selection and ownership**
- **Monitoring**
- **Long term liability**
- **Precautionary principle**
- **CCS as climate mitigation technology**

# Building a Legal and Regulatory Framework



## Process Issues

- Need for additional empirical data
  
- What type of framework ?
  - Existing framework v. new framework
  
  - National v. international framework
  
  - Demonstration v. general approach
  
  - General v. activity-specific framework

# Priority Areas for Future Work



- ❑ Increase the number of CO<sub>2</sub> storage demonstration projects, including CO<sub>2</sub> EOR, focusing on long-term storage and monitoring
- ❑ Create an appropriate national legal and regulatory frameworks for more storage demonstration projects; longer term national frameworks should be formulated on the basis of adequate empirical knowledge

# Priority Areas for Future Work



- ❑ **Take a pro-active stance to clarify the legal status of carbon storage in the marine environment protection instruments**
- ❑ **Create a level playing field with other climate change mitigation technologies**
- ❑ **Increase public awareness and work on gaining public acceptance**



# Assessment of CO<sub>2</sub> Capture and Storage Potential until 2050

Source: "Prospects for CO<sub>2</sub> Capture and Storage", IEA 2004 (in preparation)

