

# Carbon Sequestration leadership forum

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## **POLICY GROUP**

### **Status of the CSLF Strategic Plan**

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## STATUS OF THE CSLF STRATEGIC PLAN

*Note by the Secretariat*

### Background

The updated CSLF Strategic Plan was approved at the October 2009 CSLF Ministerial in London. Activities have taken place in the year since the Ministerial in each of the eleven action plan areas of the Strategic Plan.

The Secretariat will report on progress in each of these areas.

### Action Requested

Policy Group delegates are requested to discuss the status of the CSLF Strategic Plan.

# **STATUS OF CSLF STRATEGIC PLAN IMPLEMENTATION**

## **Report by the Secretariat**

The updated CSLF Strategic Plan was approved by the CSLF Ministers at their meeting in London in October 2009. This report describes the progress made and current status on each of the eleven Action Plans in the Strategic Plan.

### **Action Plan 1: G8 Recommendations**

*Lead: Canada*

The purpose of this Action Plan is to deliver a report to the G8 Leaders' Summit in June 2010 that describes the progress on commitments made in Japan in 2008.

The CSLF and the International Energy Agency (IEA) supported by the Global Carbon Capture and Storage Institute (GCCSI) submitted a report entitled "Carbon Capture and Storage Progress and Next Steps" to the G20 at their meeting in Muskoka, Ontario, Canada in June 2010.

The report indicates that governments and stakeholders have made impressive strides toward promoting Carbon Capture and Storage (CCS) technologies and encouraging the collaboration and sharing of information necessary to foster the broad, global advancement of CCS. It also shows that we are moving steadily from R&D to commercialization of effective, deployable CCS technologies. Even so, the report states that it is essential that governments and industry intensify future collaboration to realize projects under development, and to press for and enable more rapid progress toward the full implementation of the G8 goals. The report also integrates a recent study commissioned by the GCCSI, which identified 80 large-scale integrated CCS projects at various stages of development around the world.

The report can be found at:

[http://www.cslforum.org/pressroom/publications/ccs\\_g8\\_report.pdf](http://www.cslforum.org/pressroom/publications/ccs_g8_report.pdf)

and at:

[http://www.iea.org/papers/2010/ccs\\_g8.pdf](http://www.iea.org/papers/2010/ccs_g8.pdf).

### **Action Plan 2: Technology Roadmap**

*Lead: Norway*

The purpose of this Action Plan is to identify unmet research needs.

The Technical Group has expanded its roadmap to include actions that can be taken by Members or others by comparing technology gaps to projects and identifying unmet research needs.

A new 2010 CSLF Technology Roadmap update has been completed by the Technical Group. This update includes expanded country-specific information about CSLF Members' research, demonstration, and project activities. Additionally, a gaps analysis of the 30 CSLF-recognized projects has been completed and a new Task Force has been created that is assessing progress of these and other projects in closing all technology-related gaps that affect the deployment of CCS technologies.

The Chair of the Technical Group will report on this activity at the Joint Meeting of the Policy Group and Technical Group in Warsaw.

### **Action Plan 3: Incentives Registry**

**Lead: CSLF Secretariat**

The purpose of this Action Plan is to provide a searchable database that provides current information to interested parties on the types of incentives available to CCS projects.

The CSLF Incentives Registry is an on-line compendium of commercial, fiscal, and market-making incentives used to promote the deployment of CCS technology and projects, as well as policy measures countries used to support CCS. The Registry was first completed in early 2009 and has now been updated several times, the most recent in July and August 2010. An analysis of the incentives listed the Registry has been prepared and will be presented in the Policy Group meeting in Warsaw.

The updated Registry can be found at:

<http://www.cslforum.org/incentivesregistry/IncentivesRegistry.xls>

### **Action Plan 4: Developing Country Financing**

**Lead: India/Asian Development Bank**

The purpose of this Action Plan is to develop a report on financing of CCS projects in developing countries that integrates with Action Plan 5 on bridging the financial gap.

As is well known, developing countries will account for most of the expected growth in CO<sub>2</sub> emissions over the next several decades. These countries could make a major contribution to emissions reductions by employing CCS. Yet, given the high cost of CCS and competing urgent demands for capital in those countries, financing CCS in developing countries will be most challenging.

The Asian Development Bank has now completed a report commissioned by the CSLF on the financing of CCS projects in developing countries. This report will be presented at the 2010 CSLF Policy Group meeting in Warsaw.

### **Action Plan 5: Bridging the Financial Gap**

**Lead: IEA/GCCSI/CSLF Secretariat**

The purpose of this Action Plan is to identify and evaluate policies that governments can use to promote to facilitate private investment in CCS. Since the October 2009 Ministerial, two roundtable workshops on “Commercial and Financial Structuring of Industrial Scale Projects with CCS” have been held, the first in London in January 2010 and the second in Washington, DC in April 2010. The objective of both workshops was to engage the investor community in a dialog on the critical policies and incentives needed to finance and build the first wave of plants with CCS leading to recommendations to the G8.

The results of the workshops were incorporated in the report to the G8 referenced earlier under Action Plan 1. The main finding, as expressed in the report, was that public-private partnerships involving appropriate sharing of costs and risks will be required for early projects. As the technology matures, this type of financing should be replaced with mechanisms that create value for the carbon dioxide emission reductions achieved by CCS.

The Financing Task Force Chair will present a report on this activity at the Policy Group meeting in Warsaw.

## **Action Plan: 6 Capacity Building**

**Lead: Saudi Arabia**

The Purpose of this Action Plan as stated in the Strategic Plan is to implement the Capacity Building Plan approved by the Policy Group in Berlin in 2005. This Capacity Building Plan was updated for the Ministerial and included the formation of a Governing Council for Capacity Building.

This Action Plan calls for the CSLF to further develop, implement and maintain a capacity building program tailored to the needs of each Member, subject to available resources. Further, the Secretariat, under the direction of the Task Force Chair, is charged with the responsibility to carry out day-to-day activities.

Pursuant to this Action Plan, the Secretariat obtained contributions totaling US\$2,055,792.20 from Canada, the GCCSI and the United Kingdom for a CSLF Capacity Building Programme Fund. In order to provide for proper financial governance for the Fund, the Secretariat prepared a draft Terms of Reference for CSLF for the Fund. This Terms of Reference was discussed at a meeting in Oslo, Norway in March 2010. Participants in this meeting included the Task Force Chair; contributors; a prospective contributor (Norway); a developing country Member (Brazil); and the Secretariat. At this meeting, no consensus was reached on the Terms of Reference. Outstanding issues include the composition of a proposed Governing Council for the Fund, whether non-Member contributors can be in the proposed Governing Council for the Fund, and the budget required for management of the Fund.

Since the Terms of Reference remains unresolved, no activities have been carried out using contributions to the Fund.

The Chair of the Capacity Building Task Force will present a report on the status of this Action Plan at the Policy Group meeting in Warsaw.

## **Action Plan 7: Capacity Building Academic Link**

**Lead: Brazil**

The purpose of this action plan is to provide clear links among academic institutions of CSLF Member countries with the intent of identifying academic CCS programs and the developments of curricula for graduate and post-graduate programs.

The CCS in the Academic Community Task Force is currently in its “Stage 1” activities: review of postgraduate degree programs for CCS and development of a students’ website for CCS. The students’ website is intended to facilitate information exchange, interaction and networking, discussion, and collaboration between students and/or professionals on CSLF-related topics. The review of postgraduate degree programs is being done through four regional reports covering the United Kingdom, the remainder of Europe, North & South America, and Australia. The current review, once concluded, will be the starting point on moving forward to bring these kinds of programs to places where they do not yet exist. A directory of academic programs for use by prospective students who are interested in CCS will also be created.

The Chair of the Task Force on CCS in the Academic Community will present a report on this activity at the Joint Meeting of the Policy Group and Technical Group in Warsaw.

### **Action Plan 8: Communications**

#### ***Lead: United States***

The purpose of this Action Plan is to raise the visibility of the CSLF and engage key stakeholders and audiences with timely information.

The Communications Task Force has completed several tasks in pursuit of the objectives: a redesign of the CSLF web site while continually improving functionality and content; created new communications vehicles – developed talking points, a standard general speech, information kit, and power point presentation and template that help deliver consistent information and reinforce the CSLF identity; completed development of CSLF daily clipping service for members and stakeholders; completed redesign and printing of new CSLF handout materials; completed redesign of a new CSLF exhibit; completed CSLF web page linking policy; completed CSLF conference sponsoring policy; conducted a CSLF briefing event at the 2009 COP-15 in Copenhagen; completed and distributed a series of CCS “InFocus” message papers; completed production of DVDs containing various CSLF materials for public distribution.

### **Action Plan 9: Stakeholder Engagement**

#### ***Lead: CSLF Secretariat/Policy Group***

The purpose of this action plan is for the CSLF to more effectively engage and draw upon the expertise of stakeholders.

Stakeholders continue to participate in CSLF activities, including Policy Group, Technical Group and Task Force meetings and the work of Task Forces. In particular, 213 stakeholders attended the CSLF Ministerial in London in October 2009 and a special stakeholders’ session was held at that event featuring discussions by several Ministers. Currently, the CSLF has 285 stakeholders from industry, NGOs and governments around the world.

As part of the plan for stakeholder engagement, it was agreed that the GCCSI would keep an ongoing calendar of CCS-related events.

### **Action Plan 10: International Collaboration**

#### ***Lead: CSLF Secretariat***

The purpose of this Action Plan is to establish a formal, long-term working relationship with the IEA and GCCSI.

Ongoing relationships have been established with the IEA and GCCSI. As required by this Action Plan, a collaborative agreement has been reached that sets out the roles of each organization and the GCCSI has been invited to all CSLF events.

Ongoing coordination now ensures that each organization focuses on the areas that are its strengths and that duplication is avoided. The CSLF cooperates with the IEA (including the IEA Secretariat and IEA Greenhouse Gas R&D Programme) and the GCCSI on a variety of projects and there is a consistent exchange of information, ideas, and developments in CCS. These have included capacity building and workshops on “Closing the Commercial Gap” and on “Commercial and Financial Structuring of Industrial Scale Projects with CCS.”

Collaboration has also been initiated with the World Bank and Asian Development Bank on capacity building and financing issues.

Coordination is ongoing through continuing communications between the CSLF and all of these organizations. All of the above organizations and the Major Economies Forum (which has a new initiative on CCS) will participate in the Warsaw CSLF meeting.

**Action Plan 11: Promotion of CCS at Climate Change Negotiations**

*Lead: CSLF Secretariat*

The purpose of this Action Plan is to support Members in advocating the inclusion of CCS in the post-Kyoto framework for climate change, in particular, in preparation for the Copenhagen meeting.

A draft statement on this topic was prepared for inclusion in the CSLF Ministerial Communiqué in October 2009 and the Secretariat supported Members in negotiations that led to the inclusion of language on this topic acceptable to all Members in the final Communiqué.

No further requests for support of advocacy were received from Members.