GLOBAL CCS INSTITUTE

MEDIA RELEASE

Marrakech, Morocco

Accelerated CCS development needed

Global CCS Institute releases State of the Industry report on carbon capture and storage

Tuesday, 15 November 2016: The pace of carbon capture and storage development must be accelerated if Paris climate change targets are to be met, says the world's peak CCS body.

Speaking at a press conference to launch its Global Status of CCS: 2016 Report at the twenty second conference of the parties (COP 22) in Marrakech today, Global CCS Institute Chief Executive, Brad Page, said the scale of the challenge to deliver the 'well below' 2°C climate goal should not be underestimated.

"The current level of CO_2 capture capacity is dwarfed by the amount of CCS deployment required over the next 25 years under the International Energy Agency's (IEA) 2°C scenario.

Under the 2° scenario (2DS), we need to capture and store almost 4,000 million tonnes per annum (Mtpa) of CO_2 in 2040 – mostly from non-OECD countries. Current carbon capture capacity of facilities in operation or under construction sits at around 40 Mtpa. We need to make up a lot of ground to bridge that gap."

Mr Page said the past five years has heralded hugely positive developments for global CCS projects.

"We are close to having 18 large-scale CCS facilities operational globally with a number of key facilities in the United States completing construction and in the final phases of commissioning. This compares with less than 10 operational large-scale CCS facilities at the start of 2010.

This success has been driven by proactive government policy initiatives developed towards the end of the last decade."

The 2016 report reveals that continued proactive and multi-government support is intrinsic to the ongoing success of CCS and our shared ability to reach Paris climate targets.

"Widespread deployment of CCS must be based on 'policy parity', particularly the provision of equitable consideration, recognition and support for CCS alongside other low-carbon technologies," said Mr Page.

"For CCS, this means the design and implementation of support measures tailored specifically to the technology and its lifecycle stage.

"Future efforts needs to focus on identifying incentive mechanisms that tackle the complexity of risks and act as economic multipliers to improve the conditions for CCS uptake."

Mr Page said the steady progression of CCS facilities in recent years and the many milestones reached in the past year were proof of CCS' success.

He warned, however, that momentum needs to be maintained.

"The technology still depends on more widespread adoption. The vital role attached to CCS in global models in the transition to a low-carbon economy has not translated broadly enough into policy support at national levels.

"The timeline of forward activities is critical. The number of large-scale CCS facilities must rise substantially to help meet the climate targets and aspirations of the Paris Agreement.

The danger is, if the right policy, legal and regulatory preconditions are not put in place over the next five years, Paris will be just a pipe dream."

International advisor to the Global CCS Institute and Chair of the Grantham Research Institute on Climate Change and the Environment at the London School of Economics and Political Science, Professor Lord Nicholas Stern, said the pace of deployment of carbon capture and storage is simply too slow and must be given much greater attention by countries around the world.

"If the world is to achieve the target set in the Paris Agreement of holding global warming to well below two Celsius degrees, we are likely to need negative emissions, including those from the use of bioenergy with carbon capture and storage.

"In addition, carbon capture and storage seems to be the only option for reducing emissions from many industrial activities. We cannot afford to neglect this technology, and we need better policies and more investment to accelerate its development."

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2016 Milestones

- Tomakomai CCS Demonstration Project (CO_2 capture capacity of approximately 100,000 tonnes per annum) – **Japan (Operating)**
- Toshiba Corporation and Mizuho Information and Research Institute retrofit of the Mikawa coal-fired power plant (CO_2 capture capacity of approximately 150,000 tonnes per annum) – **Japan (In detailed design)**
- Abu Dhabi CCS Project (Phase 1), Emirates Steel Industries CCS Project (CO_2 capture capacity of approximately 0.8 Mtpa) – **United Arab Emirates (Operating)**
- Kemper County Energy Facility (CO_2 capture capacity of approximately 3 Mtpa) - **United States (Operations very close)**
- Petra Nova Carbon Capture Project (CO_2 capture capacity of approximately 1.4 Mtpa - **United States (Operations very close)**
- Illinois Industrial Carbon Capture and Storage Project (CO_2 capture capacity of approximately 1 Mtpa) - **United States (Construction completed)**
- United States Department of Energy Office of Fossil Energy, Clean Coal Research, Development, and Demonstration Programs (injection of more than 13 million tonnes of CO_2) - **United States (Operating)**
- Air Products Steam Methane Reformer Enhanced Oil Recovery (EOR) Project (three million tonnes of CO_2 captured and used in CO_2-EOR systems) – **United States (Operating)**
- Sleipner CO_2 Storage Project: 20 years of Operation (over 16 million tonnes of CO_2 stored) – **Norway (Operating)**
- Quest Project (over one million tonnes of CO_2 stored) – **Canada (Operating)**

- Boundary Dam Carbon Capture and Storage Project (over one million tonnes of CO_2 captured and used mainly in CO_2-EOR systems) – **Canada (Operating)**
- Petrobas Santos Basin Pre-Salt Oil Field CCS Project (over three million tonnes of CO_2 injected into CO_2-EOR systems) – **Brazil (Operating)**
- Jilin Oil Field EOR Demonstration Project (over one million tonnes of CO_2 injected into CO_2-EOR systems) – **China (Operating)**
- Yanchang Integrated Carbon Capture and Storage Demonstration Project (CO_2 capture capacity of 0.4-0.5 Mtpa) – **China (Final investment decision is near)**

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About the Global CCS Institute The Global CCS Institute is the global peak body for CCS. Our mission is to accelerate the deployment of carbon capture and storage (CCS), a vital technology to tackle climate change and provide energy security.

Working with and on behalf of our Members, we drive the adoption of CCS as quickly and cost effectively as possible by sharing expertise, building capacity and providing advice and support so that this vital technology can play its part in reducing greenhouse gas emissions.

Our diverse international membership consists of governments, global corporations, small companies, research bodies and nongovernment organisations, committed to CCS as an integral part of a low-carbon future. We are headquartered in Melbourne, Australia with regional offices in Washington DC, Brussels, Beijing and Tokyo. For more information, visit www.globalccsinstitute.com

The Global Status of CCS: 2016 Summary Report is available to download from http://status.globalccsinstitute.com/