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## A message from Nick Otter, CEO

Dear Colleague,

Welcome to the second issue of our E-News Update, a direct way to keep you informed of the Global CCS Institute's activities and accomplishments in the field of CCS.

I am pleased to report that as of 12 June, we are now a fully incorporated, not-for-profit company under Australian law. On 1 July, we also moved to our new premises at 64 Allara Street in Canberra. Our initial Board, under the chairmanship of Russell Higgins AO, and supported by Tina McMeckan and Dr Makoto Akai, is in place.



I am delighted to inform you that I have signed a contract with the Global CCS Institute to be the initial CEO and I look forward to taking the Institute forward, and building upon the undoubted success to date. This success was recognised by Prime Minister Kevin Rudd at the international launch in L'Aquila, Italy at the G8/Major Economies Forum in early July. I was able to witness personally the support given by President Obama for the approach being taken by Australia. It was also announced that Lord Nicholas Stern, Mr Claude Mandil and Dr Leena Srivastava will join Chair, Mr James D Wolfensohn on the International Advisory Panel.

Since our last issue, we have made excellent progress on the groundwork for our future activities. The important CCS 'stocktake' and 'desired portfolio' studies are both on track for completion in early September. These projects will have a significant impact on how the Global CCS Institute will direct resources and efforts going into 2010 and beyond. We intend to discuss the two projects at our Members' Meeting in Paris in November. Another important piece of work being undertaken will be the development of the 'rationale for support' for our current and future activities. The completion of this is also targeted for September and will allow us to go forward with specific CCS project actions.

In June, the Global CCS Institute played a significant role in the Ministerial and IEA Working Party meetings in Bergen, Norway. These were important discussions on the road to Copenhagen, and the decision on whether to include CCS in the post-2012 Kyoto mechanisms. In the margins of these meetings, there were discussions

with strategic partners. These included the Asian Development Bank, the World Bank, the IEA and the CSLF, much of the focus being the best way to build capacity through the development of CCS demonstration projects.

This remains an exciting period for us all, and the Global CCS Institute values your continued support so that we can work together on one of the major global challenges.

Kind regards,  
Nick Otter, OBE  
**CEO – Global CCS Institute**



## Key contracts, partnerships and agreements

### **‘CCS Strategic Analysis Project’ - Worley Parsons**

The project consortium, led by Worley Parsons, and supported by Schlumberger, the Electric Power Research Institute (EPRI) and Baker & McKenzie has been engaged to undertake a comprehensive survey of the global status of CCS. Since the contract was signed at the end of May, draft reports have been developed on the global status of CCS projects, the costs and economics of CCS, policy and regulatory frameworks and relevant R&D efforts. Also a database containing over 300 CCS projects around the world has been compiled and another database containing significant R&D efforts is under construction. The final report, associated with the project, will identify the commercial and non-commercial gaps to the global deployment of CCS and provide recommendations to the Global CCS Institute. The project will be completed by September and the reports and databases made available once reviewed.

### **‘Global CCS Portfolio Project’ - L.E.K. Consulting**

The Global CCS Institute has signed a contract with L.E.K to undertake the Global CCS Portfolio Project which is due for completion later in the year. The Global CCS Portfolio Project will identify a select portfolio of CCS project types across a range of industries, technologies, emitters and geographic locations with the objective of boosting confidence in CCS globally, as well as facilitating opportunities for the exchange of information. To give action to the portfolio, a rationale for support will be developed alongside the select portfolio that will be used by the Global CCS Institute to help determine priority CCS projects.

### **‘CCS Ready’ – ICF**

The Global CCS Institute has signed a contract with ICF International (which includes Greenhouse Gas and Storage Solutions, Aurecon, Energy Research Centre of the Netherlands, and Ian Murray and Company). The key deliverables for this project are a review of the current CCS Ready regulatory environment and a report defining CCS Ready and proposing a set of best practice guidelines. This work is

being coordinated with, and complement existing work on 'CCS Ready' capacity building being undertaken by IEA, CSLF and APEC and will be presented at a joint Global CCS Institute – CSLF CCS Ready workshop planned for early 2010.

#### **Asian Development Bank (ADB)**

On 19 June 2009, The Global CCS Institute signed a funding agreement for AUD\$21.5m with the Asian Development Bank (ADB) to establish the Carbon Capture and Storage Fund. The fund will finance a range of project development activities in the Asia and Pacific region, with a focus on China, India, Indonesia and Vietnam.

Projects in the region will include feasibility studies and consultancies for CCS in developing countries, as well as public awareness and community engagement activities.

#### **International Energy Agency (IEA)**

The IEA will establish a dedicated CCS Unit and implement an expanded CCS work program through the assistance of a AUD \$17.9 million contribution from the Global CCS Institute. The program of work will enhance existing IEA CCS activity through the integrated implementation of four work streams focussing on: technical analysis; legal and regulatory analysis; capacity building and outreach; and enhanced international coordination of CCS activities to accelerate its commercialisation worldwide.

Key technical analysis work will include a biennial CCS publication; a CCS ready workshop and related analysis; a study on retrofit potential; analysis of industrial sector CCS; and information gathering and sharing on the measurement, monitoring and verification of storage sites.

Capacity building activities will include country specific roadmaps; development of a CCS Centre of Excellence in China; staff development to build local CCS capacity; and CCS communication projects.

Legal and regulatory analysis work will involve the expansion CCS networks and increased information sharing efforts on related issues and publication of a model legal framework for CCS.

#### **CSLF**

The Global CCS Institute has made an AUD\$1.2m contribution to the CSLF that will operate until June 2011. By supporting the CSLF's capacity building in developing countries work program, it is intended that this contribution be put towards the following aspects but with a strong reference to establishing real CCS projects:

- analysing CCS capacity building activities underway in developing countries for potential collaboration, cooperation and leveraging of joint activities;
- developing a set of workshops to promote CCS readiness in developing countries and disseminate the latest standards on policy, regulations and economics;
- convening initial capacity building workshops in countries of mutual relevance; and
- convening follow-on, advanced capacity building workshops on technical, policy, regulatory, and economic issues with a view to escalating the capacity of developing economies to begin engaging in CCS activities on their own.

#### **IEA Greenhouse Gas Research and Development Programme (IEA-GHG)**

The Global CCS Institute signed a funding agreement for AUD\$2.6m with IEA-GHG for a three year period. While the institute is not directly

involved in research activities, it will encourage appropriate research and development (R&D) work, in particular identifying R&D gaps. The IEA-GHG work program covers:

- primary assessment of prospective sedimentary basins;
- impacts of impurities of CO<sub>2</sub> on geologic storage;
- projects to disseminate non-proprietary information to facilitate the development and deployment of technology;
- education and communication activities;
- funding support for GHGT-10 and 11 in 2010 and 2012 respectively, and
- secretariat support for the Carbon Capture Social Science Research Network (C2S2RN).

### **International Energy Forum (IEF)**

The Global CCS Institute will be cooperating with the International Energy Forum (IEF) to deliver a series of symposia to support the use of CCS in enhanced oil recovery (EOR) as a means of accelerating CCS deployment. Two symposia will be held over a 12 month period, the first to be held in Beijing, China on 28-29 September 2009. The second symposium will be held in June 2010 in the Middle East.

### **The Climate Group**

A funding agreement has been signed with The Climate Group with objective of accelerating the construction of five CCS demonstration plants over the next five years. The Climate Group is currently putting together a CCS working group made up of industry representatives along the entire CCS supply chain to act as an oversight group to the project.

### **Clinton Foundation**

The Global CCS Institute has entered into a partnership with the Clinton Climate Initiative to accelerate early-mover, fully integrated, large scale CCS projects, and assist in the identification and acceleration of potential CCS projects. The partnership will also lead to the development of case study materials to assist the development and deployment of large scale CCS projects. It will then share 'best practice' understanding developed from these projects and case studies with other CCS proponents.

### **CCS awareness and public acceptance - CSIRO**

The Global CCS Institute entered into a three year funding agreement for AUD\$4m with the Commonwealth Scientific and Industrial Research Organisation (CSIRO) which will also include working in collaboration with the Carbon Capture and Storage Social Research Network (C2S2RN).

This agreement will include mechanisms to engage broad and different types of stakeholders and that incorporate education and outreach efforts, and mechanisms to support community engagement for demonstration projects. The CSIRO will work with social science researchers, including from Australia, Europe, United States and Japan to progress work across three key areas:

- assessment of the public awareness to date;
- analysis of acceptance of CCS globally and locally; and
- assessment of approaches, materials and efforts to engage and communicate with the public regarding CCS.

### **SANERI**

The Global CCS Institute is now a major sponsor of the South African CCS Conference in Johannesburg on 29-30 September 2009. This

conference aims for attendees to develop a basic understanding of the various technical, economic, policy and regulatory aspects of CCS.

## Membership and Collaboration

The Global CCS Institute continues to receive excellent support from government, non-government, research and industry bodies and remain in discussions with a significant number of potential members. Foundation membership closed June 30 2009, with 130 Foundation Members and three collaborating participants - a considerable increase from those announced by the Prime Minister at our launch in April 2009. You can see the full list on the [website](#).

Now that the Global CCS Institute is a separate legal entity, Foundation Members are now encouraged to convert to Legal Member status. Legal Membership currently stands at 23, with a further 25 applications currently before the Board for consideration.

## Recruitment

The international advertising process for positions with the Global CCS Institute drew considerable interest. In addition, many Foundation Members provided nominations for staff to join the team for a fixed or extended period. All applications and nominations received careful consideration, and a number of positions will be filled in coming weeks.

## Members' Meeting

The Global CCS Institute will hold a meeting of all Members over November 9-10 2009, in Paris.

The proceedings will include a short general meeting of Legal Members so that they may vote on pertinent issues. To participate in the vote, all Foundation Members are encouraged to join as Legal Members before November.

The major focus for the meeting will be to review of the outcomes of the two major CCS reports commissioned by the Global CCS Institute:

- CCS Strategic Analysis Project; and
- CCS Portfolio Project;

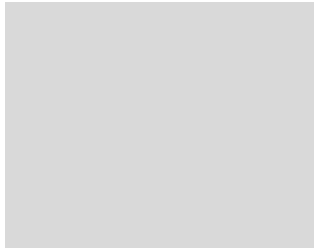
An update on the meeting, including the venue and the registration process, will be distributed in the near future.

## Reminders

- Please send your organisation's Communications/Media contacts to [info@globalccsinstitute.com](mailto:info@globalccsinstitute.com)
- To apply for Legal Membership, fill out the [Application for membership form](#) and return to: Global CCS Institute, GPO Box 828, Canberra ACT Australia 2601.

## Contacts

Global CCS Institute contact details are:



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