



To:

Ms Ursula von der Leyen, President of the European Commission

Mr Frans Timmermans, First Executive Vice-President of the European Commission for the 'European Green Deal'

Mr Valdis Dombrovskis, Executive Vice-President of the European Commissioner for 'An Economy that Works for People'

Ms Margrethe Vestager, Executive Vice-President of the European Commission for 'A Europe fit for the Digital Age'

Mr Thierry Breton, European Commissioner for Internal Market

Ms Mariya Gabriel, European Commissioner for Innovation, Research, Culture, Education and Youth

Ms Kadri Simson, European Commissioner for Energy

Brussels, 09 March 2020

## **CCS and CCU: Breakthrough technologies for EU's industrial transition to a climate neutral future**

Dear President,

Dear Executive Vice-Presidents,

Dear Commissioners,

The European Green Deal sets an ambitious plan and vision to make Europe the first climate neutral continent by 2050. This goal will require all sectors of the economy to contribute.

The upcoming EU Industrial Strategy will be critical to enable European industry's contribution to the 2050 goal and to build a prosperous and sustainable economic future for Europe.

We call on the European Commission to consider all options for reducing emissions, including Carbon Capture and Storage (CCS) and Carbon Capture and Use (CCU), as effective climate mitigation measures. In combination and synergy with renewable energy carriers, such as carbon-neutral electricity and hydrogen, CCS and CCU are essential to achieve net zero GHG emissions in Europe while maintaining a competitive, growing and innovative European industrial base. These technologies can contribute to preserving industrial activity in the continent and are a key enabler of new products and technologies. Consequently, it will help preserve jobs in existing industries and create new employment opportunities in those new industries, employing Europe's future workforce.

European industry has already been investing in a number of CCS and CCU projects, building in Europe the required skills to be able to scale up these technologies. CCS has proven to be a safe and scalable tool, with 2 projects in operation and 10 in various stages of development in Europe alone<sup>1</sup>. The next development of CCS facilities will be using shared infrastructure

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<sup>1</sup> Global CCS Institute, 2019. The Global Status of CCS: 2019, Global CCS Institute website, accessible [here](#)

for transportation and storage of CO<sub>2</sub> coming from different industries across Europe, including cement, steel, refining, chemicals and waste facilities. This common infrastructure will help develop a full-scale CCS value chain and therefore drive down unit costs.

Forecasts suggest that the costs of decarbonisation will be significantly higher without large scale deployment of CCS and CCU<sup>2</sup>. However, CCS and CCU is a nascent industry, and, as such, the industry will require policy support and incentives to facilitate large scale deployment.

We urge European decision-makers to work together with industry to:

- Firmly acknowledge CCS and CCU as enablers of continued industrial presence in Europe. This is now more urgent given the proposed Climate Law;
- Recognize that to achieve the most cost-effective path to net zero emissions, technology neutral policies should be adopted. CCS and CCU should receive the same regulatory support as other low carbon technologies;
- Acknowledge bioenergy with carbon capture and storage (BECCS) in achieving negative emissions, as well as the need to implement policies to stimulate its development;
- Foster the development of a strategic CCS and CCU value chain by deploying smart and shared infrastructure for CO<sub>2</sub> transportation and storage;
- Adopt a system-based approach to bring down costs in the value chain by creating the conditions to attract investments to accelerate deployment and scale up;
- Foster innovation in CCS and CCU to make Europe a frontrunner in large-scale carbon management technologies for energy-intensive industries;
- Fully include CCS and CCU as part of the portfolio of clean technologies and climate mitigation solutions to deliver the ambition set by the European Green Deal.

With strong political support from the EU and European governments for CCS and CCU, and an appropriate policy framework, we can together unlock clean growth opportunities for Europe and ensure a just transition for both communities and industries. Political decisions need to be taken soon to ensure security for investment planning in these technologies.

We therefore ask the European Commission to support the industry in its efforts, by joining us in raising awareness on the significant emissions reduction potential of CCS and CCU and in expressing support for a conducive policy framework for these technologies; in particular as part of the forthcoming Industrial Strategy.

Yours sincerely,

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<sup>2</sup> According to International Energy Agency's analysis the cost of emission reduction will go up by 138% if CCS is excluded from the mix. Intergovernmental Panel on Climate Change (IPCC), 2014. Climate Change 2014 Synthesis Report, accessible [here](#)

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