



INTERNATIONAL ENERGY FORUM



FIRST IEF - GLOBAL CCS INSTITUTE SYMPOSIUM

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AN IEF EVENT IN COOPERATION WITH THE GLOBAL CCS INSTITUTE

SECOND IEF - GLOBAL CCS INSTITUTE
SYMPOSIUM, ALGIERS 31 MAY - 1 JUNE 2010
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BACKGROUND

The 11th IEF (Rome, April 2008) concluded that “a sustainable energy future implies efficiency improvements, technological advances in both production and consumption of fossil fuels, and development of alternative low-carbon energy sources”. IEF Ministers noted that CCS is an important option that can reduce GHG emissions from fossil fuels.

Given the projected increase in long-term demand, and the dominance of fossil fuels in the energy mix for decades to come, there is an urgent need to improve the sustainability of fossil fuels, especially with regard to their environmental footprint. A wide range of technological solutions, ranging from energy efficiency measures to development of renewables and carbon capture and storage (CCS), will be important tools for mitigating climate change.

The IEF, in conjunction with the Global CCS Institute and hosted by NDRC-ERI, convened in Beijing in October of 2009 a symposium on CCS technology to investigate ways to accelerate its deployment. The Symposium gathered representatives from international oil and gas companies, technology and service providers, research centres and financial institutions. Participants reviewed critical issues related to CCS, exchanged views, and examined means to enhance cooperation and partnership among all stakeholders.



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KEY FINDINGS

COORDINATED, AND SUSTAINED GOVERNMENT COMMITMENT

- The success of any effective global climate-change strategy will depend on strong, coordinated, and sustained commitment from the major fossil fuel producing and consuming countries.
- Greater commitment to full scale demonstration projects is necessary to accelerate commercial deployment of CCS.

CCS DEPLOYMENT, WHERE DO WE STAND?

- The progress of CCS to date is encouraging. However, cost, productive knowledge sharing, and the necessary infrastructure remain as obstacles.
- The deployment of CCS in conjunction with enhanced oil recovery (EOR) is of particular interest because it may prove to be a catalyst and stepping stone to commercial deployment of GHG reduction technology.

ENHANCED COOPERATION AND DIALOGUE TO PROMOTE CCS

- Increased R&D funding, better knowledge sharing and effectual incentives for industry are vital to quickening the development of commercially viable CCS.
- The development of business cases and international mechanisms for funding CCS in the developing world should be supported by future Ministerial meetings to provide greater predictability to industry.

RECOMMENDATIONS

- A clear, international regulatory framework for CCS is needed to ensure return on investments while signaling state support.
- An effective price on carbon is a key factor if the potential of CCS is to be realized in the mid- to long-term.
- CCS should be included in the Clean Development Mechanism (CDM). Doing so would hasten the development of smaller scale CCS projects and provide a measure of risk protection to potential investors.
- CCS stakeholders should better communicate the importance of CCS to the public to build awareness and broad support.
- The oil and gas industry's experience with CO₂-EOR and gas transport should be leveraged to advance CCS deployment. CO₂-EOR is a "double-win" with reduced emissions and increased recoverable reserves.



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