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Press release

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CARBON CAPTURE AND STORAGE (CCS) PARTNERS WITH GAS FOR LOWER EMISSIONS

Experts and policy makers discuss the challenges and potential of CCS in a GasNaturally debate at the European Parliament.

BRUSSELS – Switching from coal to gas in producing electricity can deliver fast and substantial reductions of CO₂ emissions. CCS could make that process even cleaner by driving emissions to almost zero, speakers concluded at a CCS event last week.

The conference, held on 20 November at the European Parliament, was organized by GasNaturally – a partnership of six trade associations representing the European gas value chain. IOGP sponsored the event.

“Gas emits less than half the CO₂ produced by coal in power generation,” said François-Régis Mouton, GasNaturally’s Chairman. “This also means that, for the same amount of electricity produced, we need only transport and store half the quantity of CO₂,” he explained.

The debate about CCS comes at a crucial time: the EU is drafting its long-term climate and energy policy, and plans are underway for next year’s international climate conference in Paris.

Many IOGP members have been contributing geological, engineering, commercial and legal expertise for developing the three main components of CCS – capture, transport and CO₂ injection/storage. “The oil and gas industry has a unique understanding of what happens underground – gained from more than 100 years of exploration and production. That is why it is uniquely placed to develop such a technology,” Mr. Mouton explained.

At the event, industry speakers detailed the state of play of three European CCS projects: Lacq (France), Sleipner (Norway) and Peterhead (UK). They conversed with policy makers, industry

and NGOs about the way forward in promoting CCS and turning it into an economically viable technology.

Eva Kaili, the Parliament member who hosted the event, stressed that the concrete case studies presented at the event prove that CCS is a reality and should be high on the EU agenda.

Paula Abreu Marques, Head of Unit for Renewables and CCS Policy at the European Commission's Energy Directorate General, stressed that "the Commission believes CCS can be part of a package of cost-effective measures leading to decarbonization." CCS should be part of the Energy Union project, she said.

Evangelos Tzimas, from the Commission's Joint Research Centre, underlined the importance of research & development in CCS demonstration projects. He also insisted on the need for public acceptance and financial transparency for CCS projects.

Andrew Purvis, the Global CCS Institute's regional General Manager, gave an overview of CCS projects around the world and in Europe. He also explained that the latest report from the IPCC made clear that without CCS it may not be possible to decarbonize sufficiently to limit global warming to within two degrees, and that even if this was possible it would cost almost 140% more than would be the case with CCS available.

Parliament member Judith Kirton-Darling, concluding the debate, stressed the importance of social dialogue about CCS involving industry, the public and local communities. CCS development has the potential of creating 300,000 new jobs and would help to protect many more in heavy industries that could use the technology to reduce their emissions. CCS can be developed following a pattern of regional CCS clusters that would combine emissions coming from both power generation and industry. Such a move would benefit the global climate as well as local communities, she said.

Presentations made at the event are available at <http://goo.gl/NdgjbR>

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About IOGP

The International Association of Oil & Gas Producers (now IOGP and formerly known as OGP) is the voice of the global upstream industry. Oil and gas continue to provide a significant proportion of the world's energy to meet growing demands for heat, light and transport. Our Members produce more than half the world's oil and about one third of its gas. They operate in all producing regions: the Americas, Africa, Europe, the Middle East, the Caspian, Asia & Australia.

We serve industry regulators as a global partner for improving safety, environment and social performance. And also act as a unique global forum in which our Members identify and share knowledge and good practices to achieve improvements in every aspect of health, safety, the environment, security and social responsibility.