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Agenda item 8 (b)

Methodological issues under the Kyoto Protocol

**Carbon dioxide capture and storage in geological formations
as clean development mechanism project activities**

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development mechanism project activities**

Draft conclusions proposed by the Chair

1. The Subsidiary Body for Scientific and Technological Advice (SBSTA) took note of the views submitted by Parties,¹ including those submitted in response to previous requests for submissions on this agenda item and those expressed during the session, on concerns related to the following outstanding issues,² *inter alia*:

- (a) Non-permanence, including long-term permanence;
- (b) Measuring, reporting and verification;
- (c) Environmental impacts;
- (d) Project activity boundaries;
- (e) International law;
- (f) Liability;
- (g) The potential for perverse outcomes;
- (h) Safety;
- (i) Insurance coverage and compensation for damages caused due to seepage or leakage.

¹ FCCC/SBSTA/2010/MISC.2 and Add.1.

² Pursuant to decision 2/CMP.5, paragraph 29.

2. The SBSTA agreed that the issues referred to in paragraph 1 above must be addressed and resolved during the further consideration of the possible inclusion of carbon dioxide capture and storage in geological formations as clean development mechanism project activities.

3. It further agreed to continue to work on the possible inclusion of carbon dioxide capture and storage in geological formations in the clean development mechanism at its thirty-third session by consideration of the issues listed in paragraph 1 above, with a view to the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol adopting a decision on this matter at its sixth session.

4. The SBSTA also agreed that further consideration of this issue should be based on the views submitted by Parties,³ including those made in response to previous requests for submissions and those expressed during the session, and on the draft decision text contained in the annex.

³ As footnote 1 above.

Annex

[ENGLISH ONLY]

Text for further consideration by the Subsidiary Body for Scientific and Technological Advice

[The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol,

Recalling decisions 7/CMP.1, 1/CMP.2, 2/CMP.4 and 2/CMP.5,

Taking into account Article 12, paragraph 5(b), of the Kyoto Protocol,

Recognizing that carbon dioxide capture and storage in geological formations is a relevant technology for the attainment of the ultimate goal of the Convention and may be part of a range of potential options for mitigating greenhouse gas emissions,

Emphasizing that the deployment of carbon dioxide capture and storage in geological formations shall be environmentally safe and have the objective of avoiding any seepage,

Recognizing that Parties have registered concerns regarding the implications of the possible inclusion of carbon dioxide capture and storage in geological formations as clean development mechanism project activities, and highlighted issues which need to be addressed and resolved in the design and implementation of carbon dioxide capture and storage in geological formations, in order for these activities to be considered within the scope of the clean development mechanism,

1. [Option 1: *Decides* that carbon dioxide capture and storage in geological formations is eligible as project activities under the clean development mechanism, provided that the issues identified in decision 2/CMP.5, paragraph 29, are addressed and resolved in a satisfactory manner through, inter alia, the actions identified in paragraph 2 (a-n) below;

Option 2: *Decides* that carbon dioxide capture and storage in geological formations is not eligible as project activities under the clean development mechanism.]

2. [Agrees that:

(a) Careful selection of the storage site for carbon dioxide capture and storage in geological formations is key in addressing issues related to permanence of storage, liability, the international legal framework and environmental impacts, including transboundary impacts;

(b) Any consideration of carbon dioxide capture and storage in geological formations shall be based on stringent and robust criteria for the selection of the storage site;

(c) Stringent monitoring plans shall be in place in order to ensure the environmental integrity of carbon dioxide capture and storage in geological formations;

(d) Further consideration is required as regards the suitability of the use of modeling, as opposed to direct monitoring, in meeting the stringency requirements of such monitoring plans, in particular taking into account the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*;

(e) The boundaries of carbon dioxide capture and storage in geological formations shall include all above-ground and underground installations and storage sites, as well as all potential sources of carbon dioxide that can be released into the atmosphere, involved in the capture, treatment, transportation, injection and storage of carbon dioxide;

(f) The boundaries referred to in paragraph 2 (e) above shall be clearly identified and contained within the borders of a single country;

(g) Any release of carbon dioxide from the boundaries referred to in paragraph 2 (e) above must be accounted for in the monitoring plans;

(h) Any increase in energy use related to the deployment of carbon dioxide capture and storage in geological formations shall be accounted for in the monitoring plans;

(i) A thorough risk and safety assessment shall be required for the deployment of carbon dioxide capture and storage in geological formations;

(j) The risk and safety assessment referred to in paragraph 2 (i) above shall include, inter alia, the assessment of risk and proposal of mitigation actions related to emissions from injection points, emissions from above-ground and underground installations and reservoirs, seepage, lateral flows, migrating plumes, massive and catastrophic release of stored carbon dioxide, and impacts on human health and ecosystems;

(k) The results of the risk and safety assessment referred to in the paragraph 2 (i) above shall be considered when assessing the technical viability of carbon dioxide capture and storage in geological formations;

(l) Short-, medium- and long-term liability provisions, including the clear identification of liable entities, shall be defined prior to the consideration of carbon dioxide capture and storage in geological formations;

(m) Adequate provisions for restoration of any damaged ecosystems and full compensation of impacted communities in the event of release of carbon dioxide from the deployment of carbon dioxide capture and storage in geological formations must be set up prior to any deployment of related activities;

(n) In view of the environmental risks involved, storage of carbon dioxide in water columns shall not be considered as a viable option for carbon dioxide capture and storage.]]
