

ZEP Response to the structured public consultation: removal activities under the Article 6.4 mechanism

The Zero Emissions Platform (ZEP) welcomes the opportunity to provide input to the Article 6.4 mechanism Supervisory Body's 'Structured public consultation: removal activities under the Article 6.4 mechanism' and further note our past responses: (i) ZEP Response to the structured public consultation: removal activities under the Article 6.4 mechanism (19 June 2023) (ii) ZEP Response to the call for input on issues included in the annotated agenda and related annexes of the fifth meeting of the Article 6.4 Supervisory Body (25 May 2023); (iii) Joint CCSA and ZEP response to the Article 6.4 Supervisory Body call for input on carbon removals (15 March 2023).

ZEP is a European Technology and Innovation Platform under the European SET-Plan, acting as the adviser to the European Union on the deployment of carbon capture and storage (CCS) and carbon capture and utilisation (CCU). ZEP is a multi-stakeholder platform, bringing together a broad range of participants, from oil&gas, industry, utilities and equipment suppliers, to academia, trade unions, and environmental NGOs.

ZEP is pleased to contribute to the work of the Supervisory Body and remain available to expand on any element of this response.

Activity-specific rules for monitoring and reporting, and addressing reversals

The Article 6.4 mechanism will support a plethora of carbon removal activities, which will have different characteristics regarding storage timescales (permanence) and reversal risks. This will make it difficult to establish one-size-fits-all rules, without implicitly prejudicing certain activities in relation to others. For this reason, ZEP supports the design of activity-specific frameworks for monitoring, reporting and verification and for addressing reversals, reflecting the different characteristics of the different carbon removal activities.

Consistency with existing regulatory frameworks

ZEP notes that many elements related to monitoring, reporting and verification (MRV) and addressing reversals for the geological storage of CO2 have been laid out in national and regional regulations. ZEP encourages the Supervisory Body to consider existing approaches and align as much as possible, so as to avoid a mismatch between the timeframes required by national competent authorities and the ones set by international frameworks. A mismatch could be particularly challenging as, in most circumstances, the total CO2 in storage reservoirs will consist of many sources of CO2, potentially under different crediting frameworks. Moreover, alignment with those frameworks that are already in place will allow for faster implementation and a lesser burden on developers.

In particular, ZEP considers that the development of MRV timeframes and reversal procedures for the purposes of the Article 6.4 mechanism can benefit from building on the provisions laid out in the CO2 Storage Directive (CCS Directive), which sets out the requirements for geological storage in European Union Member States, Iceland, Norway and Liechtenstein (European Economic Area).



Under this framework, activity proponents are required to periodically update their monitoring plan every five years, "to take account of changes to the assessed risk of leakage, changes to the assessed risks to the environment and human health, new scientific knowledge, and improvements in best available technology". Operators are also required to report to competent authorities "[a]t a frequency to be determined by the competent authority, and in any event at least once a year".

Regarding reversals, the CO2 storage legal framework mentioned above require operators to have an approved corrective measures plan which must be implemented in case of leakages. Furthermore, operators are required to surrender emission allowances (under the EU Emissions Trading Systems) equivalent to leaked emissions. Regarding "reversal notification", the framework establishes that "in the event of leakages or significant irregularities, the operator immediately notifies the competent authority, and takes the necessary corrective measures". It is important that the reversal risk rules established under the Article 6.4 mechanism do not result in extra obligations on storage operators already complying with national requirements, as this could significantly impact their revenue streams.

The framework also specifies a minimum period of 20 years before all legal obligations relating to monitoring and corrective measures can be transferred to competent authorities. Notably, a degree of flexibility is maintained – i.e., a shorter transfer period can be agreed if evidence suggest that the stored CO2 will be completely and permanently contained before the end of that period. As a result, it may be appropriate for the Article 6.4 to concede some flexibility to operators regarding the monitoring periods and timeframes for addressing reversals that they must observe in situations where governments voluntarily assume responsibility for long-term monitoring and reversal risks. As such, the required timeframes for activity proponents to ensure and demonstrate the continued existence of removals would be more appropriately set host Parties, based on pre-defined criteria guiding transfer of responsibilities.

About the Zero Emissions Platform

ZEP is the advisor to the EU on the deployment of CCS and CCU – a European Technology and Innovation Platform (ETIP) under the European Commission's Strategic Energy Technologies Plan (SET-Plan).

ZEP supports the European Union's commitment to reach climate neutrality by 2050, defined as net-zero greenhouse gas (GHG) emissions by 2050. To this end, CCS technologies represent readily available and cost-efficient pathways for the decarbonisation of industrial and energy sectors in the European Union. Some applications of CCU – where CO_2 is stored in a manner intended to be permanent – can also contribute to this goal.