



Danish Ministry of Climate,
Energy and Utilities



Federal Ministry
for Economic Affairs
and Climate Action



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Government of the Netherlands



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Ministry of Climate and Enterprise



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JOINT STATEMENT

ON ESTABLISHING AN APPROPRIATE EUROPEAN FRAMEWORK FOR CROSS-BORDER CO₂ TRANSPORT INFRASTRUCTURE

Carbon Capture, Utilisation, and Storage (CC(U)S) can play an important role in reaching European climate targets and achieving net zero by 2050 at the latest. The reduction of greenhouse gas emissions remains the absolute priority. We welcome CC(U)S as a climate tool, as it is necessary for reducing CO₂ emissions in hard-to-abate sectors and for generating negative emissions.

At the EU level, the establishment of a regulatory framework and a union-wide market for CC(U)S are in the early stages, and timely action is required to support the development of CC(U)S in Europe. The EU Industrial Carbon Management Strategy identifies CO₂ transport infrastructure as a key enabler and holds great promise in addressing some of the gaps in the current regulatory framework. Additionally, the Net Zero Industry Act (NZIA) target to establish 50 million tonnes of CO₂ injection capacity annually by 2030 is an important step to kickstart the European market.

However, to encourage investment and ensure a timely, sustainable, and cost-efficient market development, regulatory and economic uncertainty need to be removed and regional, transboundary cooperation must be enhanced. This requires a full value chain approach, where the interdependencies between capture, transport, utilisation, and storage are recognised and addressed in a supportive regulatory framework.

Currently, several capture plants and storage facilities are under development in many Member States. However, there is a need for coordination of cross-border CO₂ transport infrastructure. If such a regulatory framework is not established on time, the risk of a bottleneck in the development of the full CC(U)S value chain and a common European market will increase. Therefore, it is necessary to address the regulatory framework for cross-border CO₂ transport early in the new European Commission's mandate.

We urge that the following be timely addressed by the new Commission:

Timely decision by the new Commission for a regulatory framework required

In the Industrial Carbon Management Strategy, the Commission has highlighted plans for an upcoming CO₂ transport regulatory package. However, delays in the presentation of this package risk slowing down the emerging market and ongoing front-runner projects due to a lack of clarity in the regulatory and investment framework. Therefore, we strongly urge the Commission to present a CO₂ transport regulatory package early in its mandate and no later than 2025 to support a rapid development of CC(U)S in Europe.

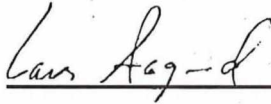
A developing market for CC(U)S should not be overregulated

The necessary regulatory framework to be established for the transport of CO₂ should be facilitative of a market-driven approach to the deployment of a CO₂ infrastructure. While the essential steps need to be taken at the EU-level to address any regulatory and economic barriers to market development, it is important to give market actors the necessary flexibility to realise CO₂ transport infrastructure along the value chain. Therefore, to set clear signals to support the development of the European CC(U)S market, CO₂ transport regulation should only set the necessary framework components.

It is also crucial that the development of a European framework supports ongoing efforts by Member States at national level to establish an incentivising regulatory framework for CC(U)S. In this sense, the regulatory update at the European level should help remove uncertainties that – if not removed – might slow down specific projects and hamper investments.

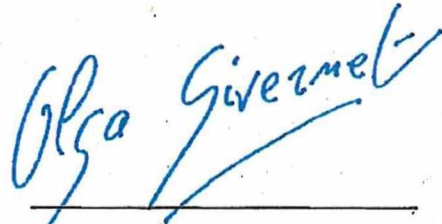
We are committed to continue strengthening regional cooperation and working closely with the Commission for the development of a common European approach to CC(U)S, thereby contributing to a more resilient, competitive, and climate-friendly Union.

Signed on 10th of October 2024.



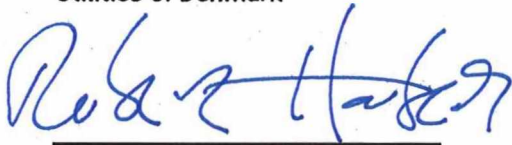
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