

CCSA GGR & Carbon Markets Working Group (UK)

15/09/2025

14:00 – 15:30 (BST)



House Keeping & Introductions

- This meeting is being recorded
- Slides and recording will be available for members after the meeting
- CCSA Competition Law Policy notice is attached to the meeting invite
- If you are not speaking, please mute your microphone
- Please **raise your hand** if you wish to comment, you will be invited to come off mute, if you can also turn on your camera.
- Please also pose any **comments in the chat** and these will be picked up by the secretariat.
- Introductions of any new members joining the call.

Agenda

	Time	Topic	Speaker
1.	14:00 [5 mins]	Introductions & CCSA competition law policy notice	Greg Williams (Chair)
2.	14:05 [20 mins]	CCSA Updates <ul style="list-style-type: none">- CCSA Delivery Plan & Autumn Budget- CCSA GGR Position Paper- CCUS Market Transition Calls for Evidence	CCSA Secretariat
3.	14:25 [45 mins]	UK GGR Market Updates <ul style="list-style-type: none">- Track 1 Expansion Project Negotiation List- BSI Flex Standards Publication- GGR Business Model Publication- Integration of GGRs in the UK ETS	CCSA Secretariat, Greg Williams, All
4.	15:10 [15 mins]	EU CDR Updates <ul style="list-style-type: none">- Integration of CDR in the EU ETS- CRCF Consultations	CCSA Secretariat
5.	15:25 [5 mins]	AOB, next steps and next meeting date	Greg Williams (Chair)



CCSA Updates

Rebecca Bell, CCSA
Beth Hebditch, CCSA
Despoina Tsimprikidou, CCSA



CCSA Delivery Plan – Emerging issues

- 1. Transport and/or storage projects are developing that don't anticipate government funding support** for their part of the chain (although they depend on capture projects happening).
- 2. Many T&S projects intend to store CO₂ captured outside the UK.**
- 3. Most companies are still investing in project development**, and projects are moving through the development phases, but this is progressing more slowly than it would under a clearer policy regime. Companies with multiple projects are now focusing in on one or two.
- 4. Over the last few years, deindustrialisation is a notable trend, with industries that need CCS to decarbonise being shut down.** Some retrofit projects are being cancelled, while the opportunity of CCUS to help save these industries are being lost.
- 5. Some new build projects are facing being paused because of lack of clear route to market.** It is becoming harder to convince boards to keep investing without clear site of when ROI will be realised.
- 6. On average, project deployment dates are moving to the right.** Few developers give a cut-off date by which they need clarity but internal deadlines for continued devex spending is being considered.

If you haven't already, please:

- **Get in touch with me to give an update on your project – rebecca.bell@ccsassociation.org**
- **Complete the survey on devex at risk by following this [link](#) or scanning the QR code ->**



Autumn Budget Submission

The Chancellor has announced that she will hold her second Budget on 26 November.

Context:

- Following the recent Comprehensive Spending Review (CSR), the messaging has been clear that the next opportunity to bid for project funding is Spending Review 2027
- The 2025 Autumn Budget, however, relates to the Government's fiscal plans for 2025/26, with a likely focus on tight spending controls in the short term.
- As such, this submission is about both immediate short term asks as well as continuing to **build the case to support future asks for 2027**.

Purpose of submission:

- ✓ Recognise progress, and committed spending, from SR 25. As such additional spending asks **likely to be limited and focused**.
- ✓ To **demonstrate viable revenue streams and cost reductions** across key areas, building the foundation for a future funding ask in SR 27.
- ✓ A call to action for government **to progress non-fiscal policy measures to provide a route to market** that can be taken now to **unlock tax and revenue benefits** in the next Parliament
- ✓ **Emphasise overall pattern of de-industrialisation**, and the need to address these policy measures to protect jobs and products

Proposed structure of submission and key asks

1) *Recognition of progress at Spending Review*

- Emphasis role in protecting declining industries and creating Clean Energy Superpower
- Delivering growth and jobs

2) *Next Steps for the sector*

- Next steps for £9.4bn
- Route to connect for standby PNL Projects
- Developing future allocation framework, evolving from cluster sequencing process, including the role of public financing vessels (such as NWF)
- Setting the stage for SR 27

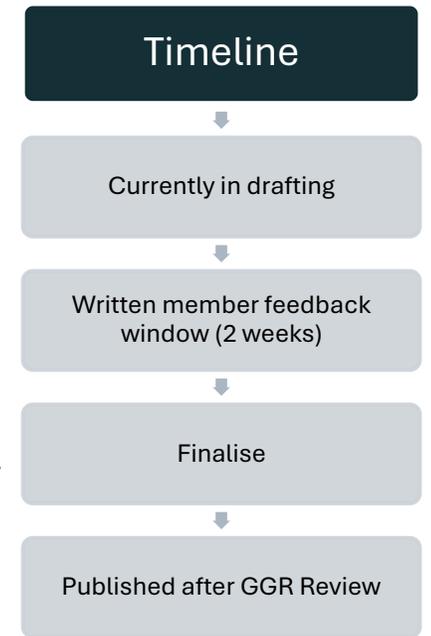
3) *Government Actions for Developing Markets to deliver a self-sustaining sector*

- Creating GGR Demand (fiscal ask around buyer's club)
- Advancing NPT Market structures ahead of SR 27
- UK EU ETS Alignment to help facilitate cross border CO2 storage
- Delivering a robust CBAM by 2027
- Low carbon product market - standards and green public procurement obligation

CCSA GGR Position Paper

Draft Recommendations

- **Deployment:** Deliver Track 1, Track 1 Expansion and Track 2 clusters and identify a clear route to market for additional UK GGR projects, including a clear allocation process.
- **Critical Enablers:**
 - Ensure iterations of GGR Business Model are implementable across different GGR projects.
 - Address investment concerns of the GGR Business Model as well as Waste ICC Business Model.
 - Harness global CDR demand by:
 - Lead a global buyers club.
 - Ensure UK/EU ETS linkage facilitates GGR deployment and does not result in delays for GGR integration in the UK ETS.
 - Drive VCM engagement.
 - Enable non-pipeline transport.
- **Additional Actions:**
 - Ensure standards are aligned and finalised within given timelines with strong industry and stakeholder engagement.
 - Support GGR innovation and R&D.



Upcoming workstreams and publications* (market transition)

- 1st Draft of CCSA Response: 19 Sept
- Submission Deadline: 31 Oct

Published in August

Call for Evidence: CCUS Future Networks (DESNZ)

- Network market transition
- Steps needed to advance network development towards a self-sustaining CCUS sector
- Challenges for future progression of CCUS networks

Consultation: Non-Pipeline Transport (DESNZ)

- Will set out policy proposals to support NPT deployment
- Aims to provide NPT projects with information on key commercial focus areas
- Policy proposals to support NPT costs, risk allocation and economic licensing.

Publication: The Consenting Lifecycle of Marine Geological CO₂ Stores (DESNZ)

- For information purposes
- Outline the roles and responsibilities of organisations involved in the consenting lifecycle of marine geological carbon dioxide storage in the UK

Call for Evidence: Evolution of economic regulation for CO₂ storage (DESNZ & Ofgem)

- Long-term use of the Regulated Asset Base model of economic regulation for storage
- Evidence on natural monopolies for CCUS, storage competition and costs, and equity and debt investment considerations

Consultation: CCUS Third Party Access (DESNZ)

- Amendments to *Storage of Carbon Dioxide (Access to Infrastructure) Regulations*
- Amendments to ensure fit for purpose regulations to enable CO₂ T&S networks
- Provide long-term sustainability access to CCUS infrastructure

Report: Post Implementation Review of the Storage of Carbon Dioxide Regulations (DESNZ)

- For information purposes
- The PIR report to be produced for these regulations, will answer the questions set out in their review provisions and will provide the analysis to support decisions about the next steps with the regulations

UK GGR Market Updates

Despoina Tsimprikidou, CCSA
Greg Williams, Evero
All



UK GGR & Carbon Markets policy developments

Decision / outcome

Consultation / CfE

Paper / publication

Plan / strategy

July

August

September

October

November

← VCM Consultation (DESNZ)

✓ **PUBLISHED:**

27 July: GGR Standards (BSI)

21 July: GGRs in ETS Decision (DESNZ)

Waste in ETS Outcome (DESNZ)

UNCLEAR:
Carbon Crediting Programme (DESNZ)

✓ **PUBLISHED:**

5 August: Track 1 Expansion Project negotiation list (DESNZ)

27 August: GGR Business Model (DESNZ)

CCUS Future Networks Strategy (DESNZ)

Evolution of economic regulation for CO2 Storage (DESNZ/Ofgem)

ICC and Waste ICC Business Model Updates

NPT Consultation (DESNZ)

Biomass sustainability criteria (DESNZ)

Carbon Budget Delivery Plan (DESNZ)

GGR Position Paper (CCSA)

GGR Review Outcome (DESNZ)

Post Implementation Review Report on Carbon Dioxide Regulations

GGR Business Model

Comparison summary of key design elements

Topic Area	CCSA Position	DESNZ Decision	Analysis
Contract Length	15 years	15 years	Alignment.
Devex	n/a	Pre-FID Devex eligibility in some cases	-
Reference Price	Achieved Sales Price	Achieved Sales Price	Alignment.
Capital Grant	Concerns raised about its added-value	Option for GGR Grant Funding Agreement	Partial alignment.
Volume Support	Should be provided	Will not be provided	Divergence.
Price Discovery Incentive	Approx 10%	5%	Divergence.
Fair Market Value Principles	Concerns raised	Will be required	Partial divergence.
T&S Charges	Included	Included	Alignment.
Evergreen GGR Standard	Concerns raised.	Updates required each crediting period (5 years)	Partial divergence.
Co-products	Clarification sought	Out of scope but assessed on case-by-case basis	Alignment.



Greenhouse Gas Removals

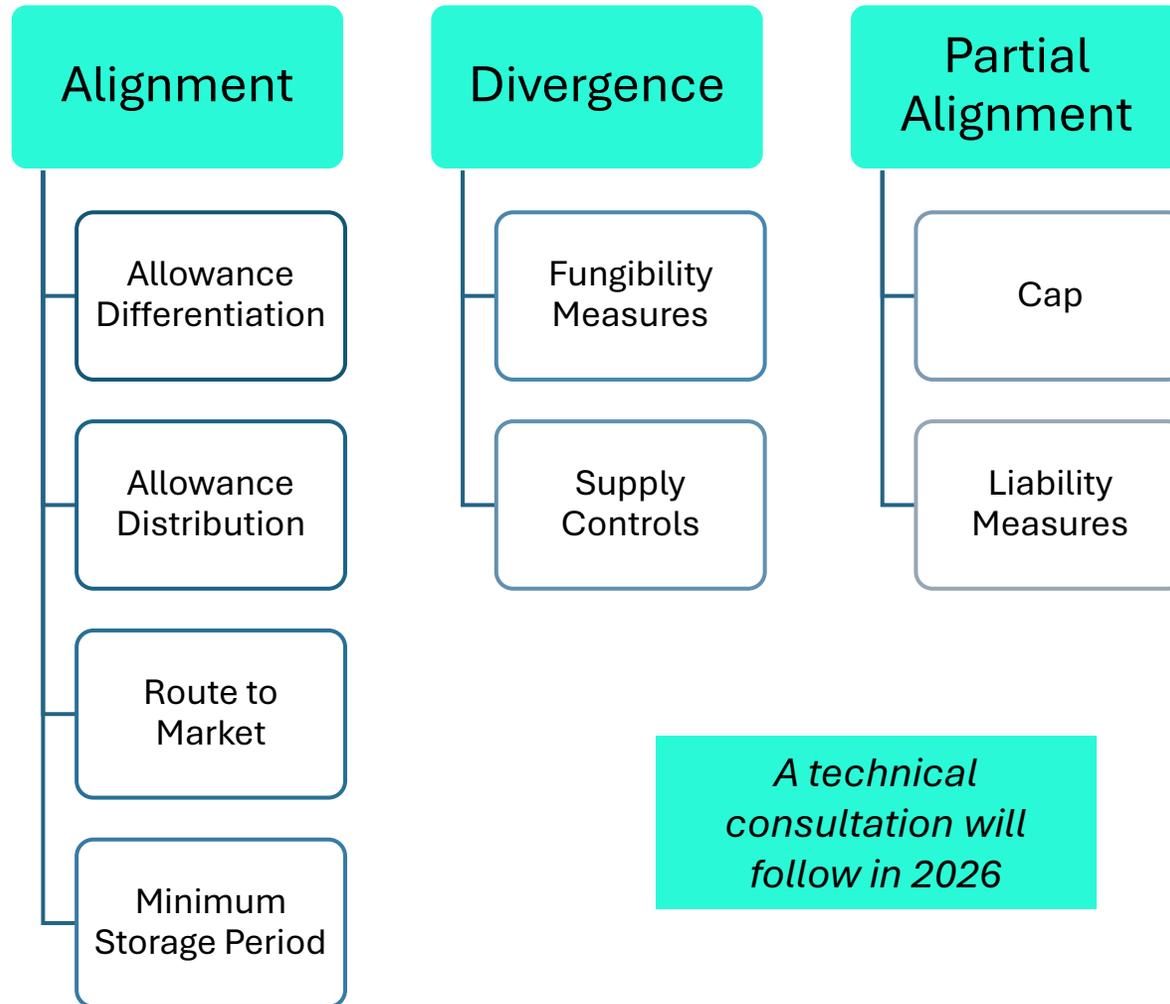
Greenhouse Gas Removals (GGR) Business Model summary

August 2025

Integration of GGRs in the UK ETS

Any member input?

CCSA Briefing Note [here](#).



EU CDR Updates

Ariadna Lungulescu, CCSA



EU CDR Updates

CRCF Consultation Responses

Concern implementing rules for the CRCF Regulation:

- Verification of carbon removals, carbon farming, and carbon storage in products – submitted June 2025
- Methodologies for certifying carbon removals – Deadline 22 September

Position Paper on inclusion of CDR under EU ETS

- Enhancing funding mechanisms
- Introducing differentiated allowances
- Maintaining the EU ETS cap
- Introducing supply incentives management mechanisms to ramp-up permanent carbon removals
- Implement robust monitoring, reporting, and verification standards

ETS Review – inclusion of stationary installations

- Consultation response – submitted July 2025
- European Commission assessment due by 2026



The Integration of Carbon Dioxide Removal within the EU ETS

July 2025



Terms of Reference

Mission

The UK GGR & Carbon Markets Working Group is committed to addressing key industry issues and developments related to GGRs and the development of associated carbon markets, including the voluntary carbon market, the UK ETS and the Paris Agreement Crediting Mechanism, with the aim of accelerating the deployment of engineered GGRs in the UK. The Group convenes leading stakeholders and experts to provide insights and evidence to government, regulators, and the wider market, supporting efforts to overcome current barriers and promote the establishment and growth of the CCUS industry.

Objectives

- Convene experts from technical, regulatory, commercial and legal perspectives to develop a detailed understanding of the UK's evolving GGR landscape.
- Develop common industry positions and influential policy papers to shape GGR policy development.
- Identify risks, technical challenges and administrative barriers to help work towards a streamlined policy and regulatory landscape.
- Respond to Government consultations with a unified industry voice to influence the deployment of CCS-enabled GGRs.
- Disseminate information and materials on relevant policy files such as the GGR Business Model development.
- Provide a trusted, industry-led forum that Government and external stakeholders (for e.g. DESNZ, GGR Industry Group, GGR Review, CCC), can readily engage for detailed policy expertise.

AOB & Conclusions

- Review actions arising from the meeting
- Next GGR Working Group Meeting: **15 December 2025**
- AOB

Events

- **18 Sept:** GGR Business Model [Webinar](#)
- **24 Sept:** CCSA Regulation & Policy Forum
- **29 Sept-1 Oct:** The UK GGR [Event](#)
- **14-15 Oct:** CCSA [Conference](#)

