

CCSA WG Focus session

Call for Evidence: CO₂ Transportation Infrastructure & Markets

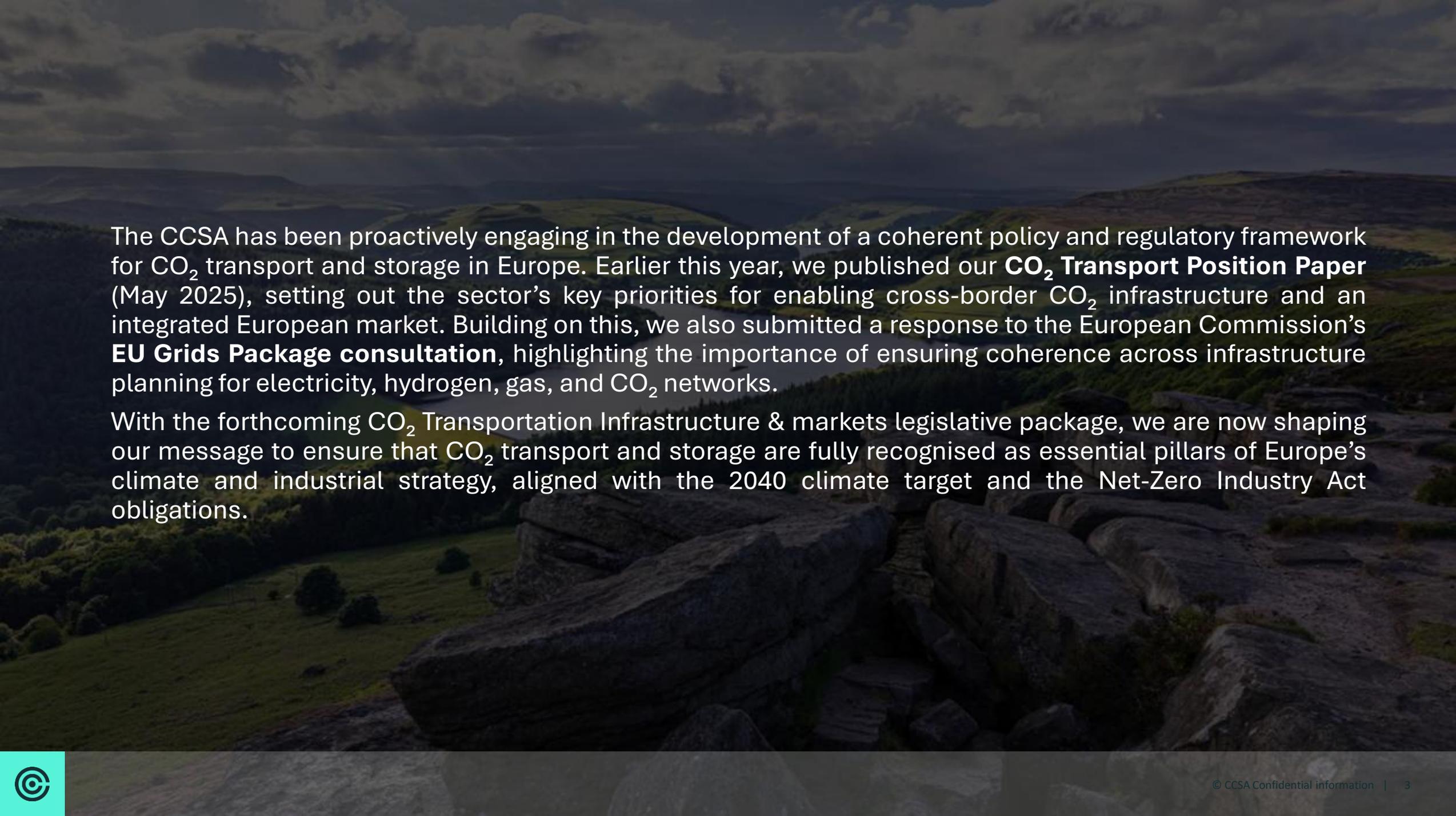
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Housekeeping

- Meeting is being recorded, slides and recording will be circulated with members
- 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 of 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



The CCSA has been proactively engaging in the development of a coherent policy and regulatory framework for CO₂ transport and storage in Europe. Earlier this year, we published our **CO₂ Transport Position Paper** (May 2025), setting out the sector's key priorities for enabling cross-border CO₂ infrastructure and an integrated European market. Building on this, we also submitted a response to the European Commission's **EU Grids Package consultation**, highlighting the importance of ensuring coherence across infrastructure planning for electricity, hydrogen, gas, and CO₂ networks.

With the forthcoming CO₂ Transportation Infrastructure & markets legislative package, we are now shaping our message to ensure that CO₂ transport and storage are fully recognised as essential pillars of Europe's climate and industrial strategy, aligned with the 2040 climate target and the Net-Zero Industry Act obligations.

Text in the CfE and recommendations to discuss



CO₂ Transportation Infrastructure & Markets CfE

1.

Text in the Call for Evidence	Discussion
<ul style="list-style-type: none">CO₂ pipeline infrastructure is likely to have the characteristics of a natural monopoly. <p>Call for Evidence (CfE): Explicitly states that “CO₂ pipeline infrastructure is likely to have the characteristics of a natural monopoly”.</p>	<p>Our response does not explicitly challenge or mention the “natural monopoly” wording. It does, however, promote a two-stage third-party access model (negotiated → regulated) and stresses independent regulatory oversight.</p>

The CfE frames CO₂ pipelines as inherently monopolistic, justifying heavy regulation. The CCSA prefers a lighter-touch regulatory framework (at least initially), enabling competition and multiple ownership models rather than assuming natural monopoly status.

CCSA reply should explicitly state that while CO₂ pipelines may have economies of scale, they should not be treated as inevitable monopolies, and competitive models must be enabled.

CO₂ Transportation Infrastructure & Markets CfE

2.

Text in the Call for Evidence	Discussion
<ul style="list-style-type: none">Lack of differentiation between offshore/onshore and storage/transport (unbundling)	<p>CfE: Talks about roles, activities, and ownership of infrastructure “to avoid conflicts of interest” but does not clearly distinguish offshore vs. onshore or transport vs. storage in its framing.</p> <p>CCSA Position explicitly supports unbundling of transport and storage in the long-term (while recognising joint development may be needed in the early phase). They stress that storage and transport operate under different market/technical conditions and must be treated separately.</p>

Unless clarified, the CfE could impose one-size-fits-all regulation, conflicting our position for a structural separation and differentiated treatment.

Our draft response calls for a **two-stage TPA model** and notes the need for **independent regulatory oversight to avoid abuse of dominant positions**. However, it does not explicitly call for **structural separation/unbundling of storage and transport**.

CO₂ Transportation Infrastructure & Markets CfE

3.

Additional recommendation	Justification
<p>London protocol should be ratified by member states avoiding fragmentation in the EEA market and undermining the future CO₂ market.</p>	<p>There is a concern on the implementation of the London Protocol across Member States. Since some countries have filed the provisional application declaration and others have not, there is a risk of fragmentation in cross-border CCS value chains, which could undermine the development of a functioning inter-European CO₂ market.</p>



CO₂ Transportation Infrastructure & Markets CfE

4.

Additional recommendation

- **Cost-efficient network deployment:** Regulation must allow for **oversizing** of early pipelines to unlock future economies of scale. Mechanisms such as amortisation accounts or intertemporal cost recovery models can help distribute initial costs and keep tariffs affordable for early adopters. Proposal to explore a more structural financing tool, such as a **CCS levy or tax embedded** in existing energy tariffs, which would spread the cost of early oversizing fairly across a broader consumer base rather than concentrating it on first movers. This approach could reduce investment barriers and help ensure Final Investment Decisions are not jeopardised by disproportionate costs for initial users.

Justification

Directly addresses first-mover disadvantage: Early emitters risk bearing the full burden of oversized infrastructure, which discourages FID.

Brings a long-term financing perspective: A CCS levy (similar to renewable levies or network charges in energy markets) could standardise cost-sharing across all energy consumers.

Creates a level playing field across Member States: Standardisation at EU level would avoid distortions or incentives to game the system.

Opens a strategic discussion with members: Since the idea of a CCS tax is politically sensitive, it is important that CCSA exchange views before putting it into the official response earlier.

CO₂ Transportation Infrastructure & Markets CfE

5.

Additional Recommendation	Text in the CfE
<ul style="list-style-type: none">Send a stronger message regarding one point risen in the CfE, actually it has not been directly addressed in our response (only mentioned in Chapter 1) <p>We could do emphasis on transport corridors benefits.</p> <p>Adding blending to it?</p>	<p><i>“removing barriers for and enabling the reuse/repurposing of existing infrastructure for CO₂”</i></p>
<p>Suggestion: add a recommendation paragraph where we explicitly support removing barriers and enable repurposing and utilize transport corridors to avoid duplication of infrastructures.</p>	

Next steps

Actions

- Slides of the focus session will be circulated
- Second draft will be shared with you this week
- Deadline of consultation until 11 Sept
- Depending on the amount of feedback, we might go for a third round of comments

Co-Chair positions

- Last call for nominations: from Thursday
- In case of multiple nominations, we will proceed to an election



Thank you!

 **CCSA**