

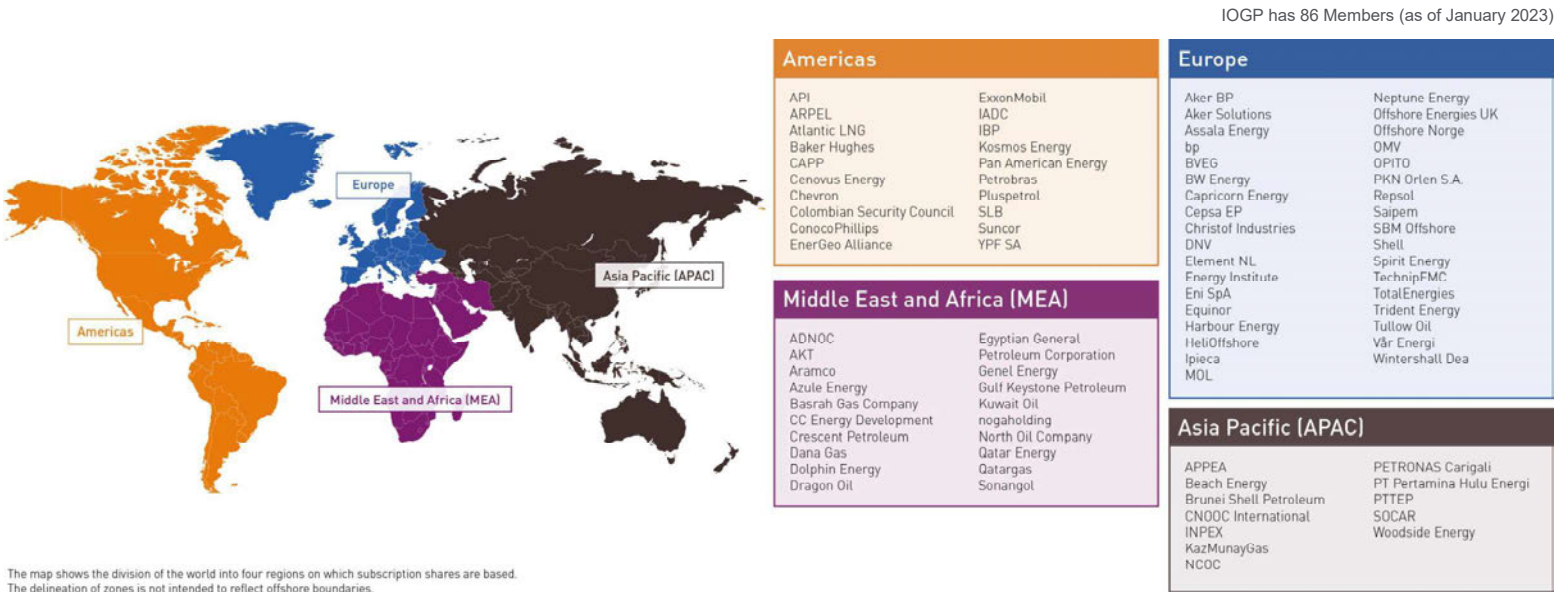
IOGP Europe' views and contribution to the EU security of supply and net-zero transformation

Presentation to Mr Peter Van Kemseke – Green
Deal Adviser Cabinet of the President

10 February 2023



We speak on behalf of a global membership



Map shows locations of Member Head Offices. Many operate globally

European Membership

Companies

AkerBP

bp

Capricorn

Chevron

ENOC

ConocoPhillips

eni

equinor

ExxonMobil

Harbour Energy

INPEX

MOLGROUP

NEPTUNE ENERGY

OMV

ORLEN

REPSOL

Shell

SPIRIT ENERGY

SUNCOR

TotalEnergies

TULLOW

vår energi

wintershall dea

Woodside Energy

Associations

BVEG

Element nt

oeuk

OFFSHORE NORGE

Associate Members

AkerSolutions

Baker Hughes

OPITO

slb

TechnipFMC

90%

of European oil and gas production (EU + UK + Norway)

OIL & GAS REPRESENTS

€420 bn

in European government revenues

around 2.7%

of EU GDP

1.1 million

jobs

ICGP

International Association of Oil & Gas Producers

Agenda :

- IOGP Europe Studies : *Rebalancing Europe's Gas Supply Study & Hydrogen4EU Study*
- EU Green Deal Industrial Plan
- Carbon, Capture & Storage
- Climate Diplomacy

IOGP Europe Studies

- Rebalancing Europe's Gas Supply Study
- Hydrogen4EU Study

Studies : Rebalancing Europe's Gas Supply Study & Hydrogen4EU Study

Rebalancing Europe's Gas Supply Study

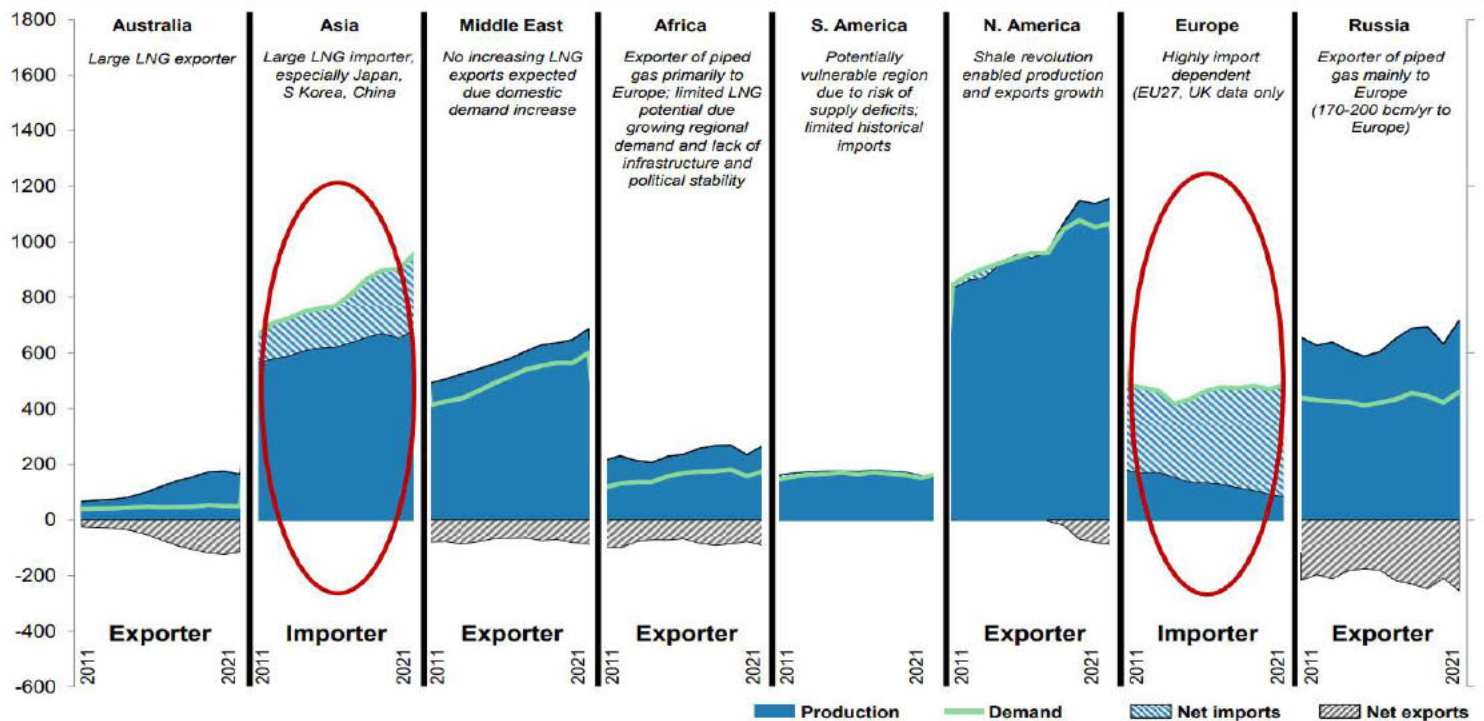


Hydrogen4EU 2022

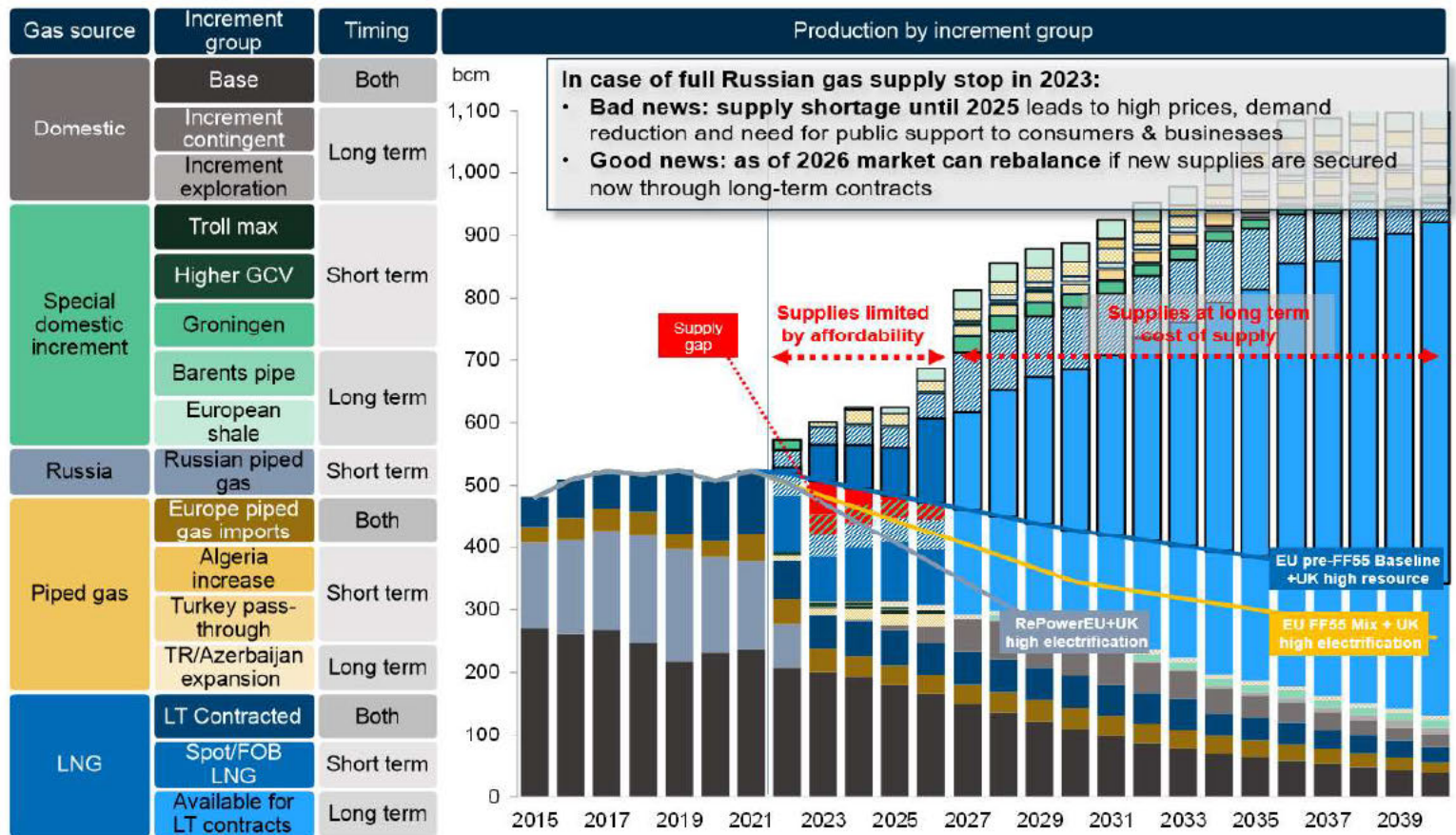


Europe and Asia compete for LNG supplies from global sources

Global natural gas balances 2011-2021 (unit: bcm/a)



Source: Rystad Energy research and analysis; Rystad Energy GasMarketCube



Source: Rystad Energy research and analysis, Rystad Energy GasMarketCube, European Commission, UK Department for Business, Energy & Industrial Strategy

EU Green Deal Industrial Plan

European Green Deal Industrial Plan



We welcome:

- Recognition of CCUS as one of the key mitigation technologies
- Increased funding opportunities

We recommend:

- A technology neutral approach including the role of low-carbon hydrogen in the Net Zero Industry Act (not only fossil-free hydrogen)
- Instruments to streamline permit-granting procedures for CCUS and low-carbon H2

Carbon Capture & Storage

No CCUS, no Green Deal

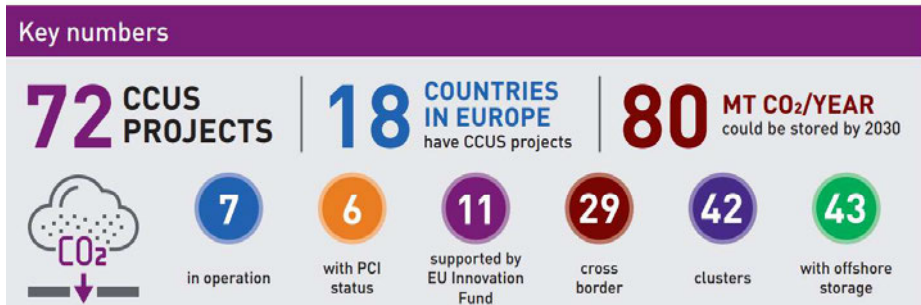
- Proven technology, available to be deployed at scale
- Can enable emission reductions in high-emitting industries
- Technology, pipelines, and sufficient geological structures exist to safely capture, transport and store CO₂
- Abundant capacity: in Europe, the geological CO₂ storage potential assessed at 500 GtCO₂

In Europe, there are 72 existing and planned CCUS projects at different stages of development that can store around **80 MtCO₂/yr by 2030**.

However, the CCS abatement needs for 1.5°C global target are:

- **230-430 MtCO₂/yr in 2030**
- **930-1200 Mt CO₂/yr by 2050**

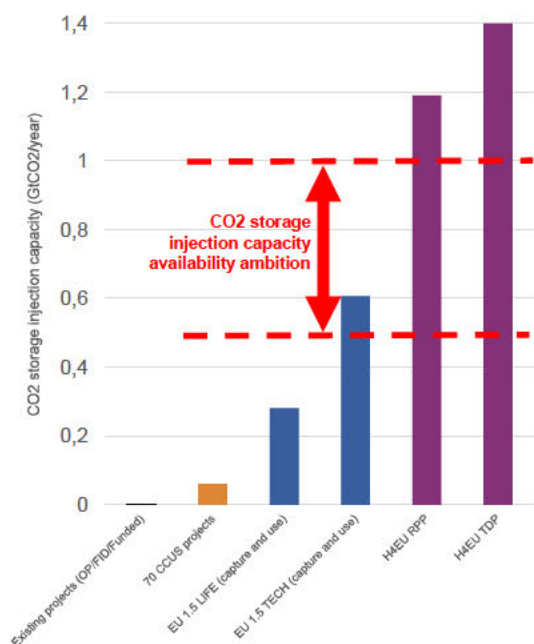
Source: <https://www.ucl.ac.uk/bartlett/energy/news/2020/dec/carbon-capture-storage-and-utilisation-eu-decarbonisation-scenarios-new-report>



IOGP Europe [CCUS Projects in Europe](#).

The EU needs a plan and vision to scale up CCUS in Europe, including a CO₂ storage injection capacity ambition

IOGP CO2 storage injection capacity ambition



- IOGP Europe [promotes](#) a CO2 storage injection capacity availability ambition of 0.5 – 1.0 GtCO2 p.a. by 2050

Needed: 0.7-1.0 GtCO2/yr emitted in hard-to-abate sectors only (out of 3.3 GtCO2/y EU emissions)

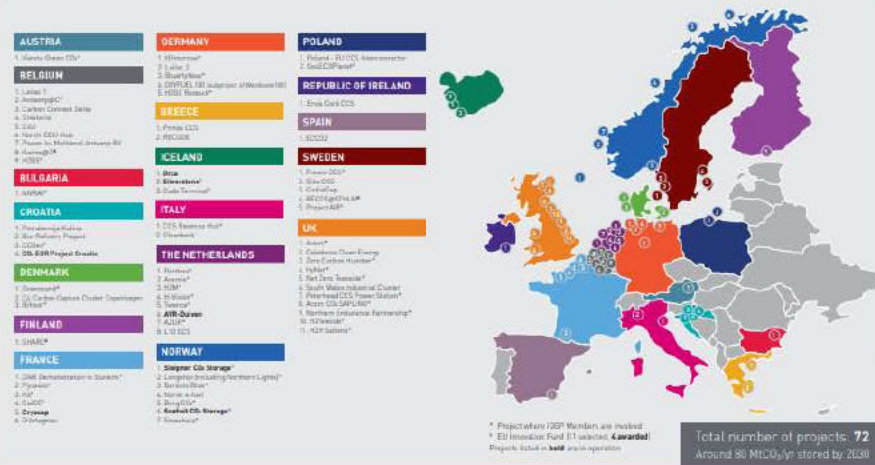
Ambitious: Current projects would store 0.08 GtCO2/yr only by 2030

Realistic: geological storage potential in Europe assessed at 507 GtCO2/y (500 x need)

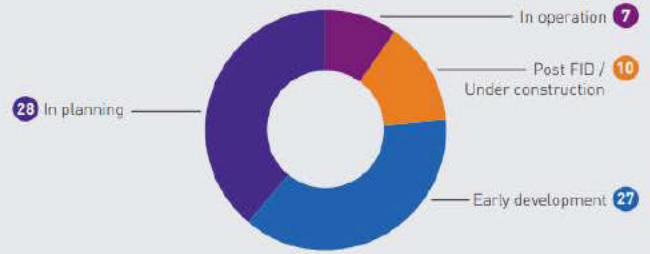
- **Ambition** subject to establishment of EU framework which effectively supports and enables the industry to achieve it

- Supporting establishment of CCUS value-chains across Europe
- Addressing commercial risks by complementing / de-risking ETS allowance levels (e.g. through CCfDs)
- Supporting long-term back-to-back contractual arrangements along the value chain; facilitate establishment of CO2 aggregators
- Remove barriers to project developments, accelerate permitting / repurposing
- Lessons can be learned from US IRA regarding impacts from effective incentive schemes

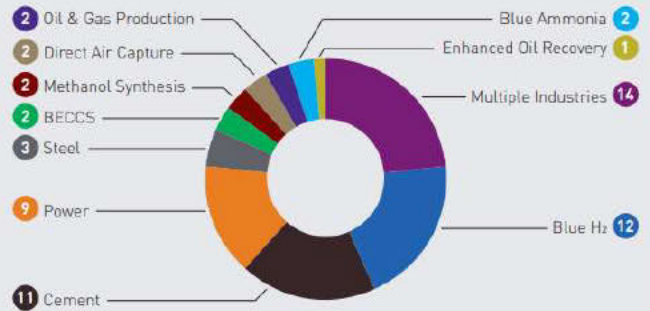
Overview of existing and planned CCUS facilities in Europe



Status of CCUS projects



Type of CO₂ capture projects

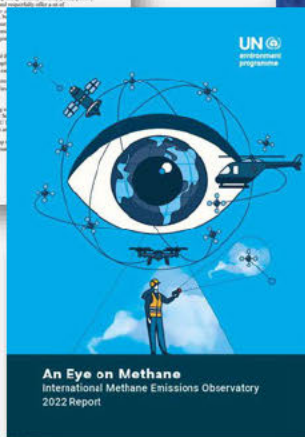


Key numbers



Climate Diplomacy

Climate Diplomacy



- **G7/G20:** Engagement with Japan's G7 presidency
- **COP28:** Engagement including the preparation of joint initiatives and the organization of pre-COP events
- **IMEO:** Engagement on Methane Regulation to ensure that the regulation complement existing mature framework
- **OECD / IEA:** Engagement regarding the Rystad Rebalancing Europe's Gas Supply Study
- **OMEC :** Observatoire Méditerranéen de l'énergie et le climat

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