

**CDM-EB70-AA-A14**

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# Concept note on the development of CCS requirements for the CDM project standard, validation and verification standard and project cycle procedure

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

## **1. Procedural background**

1. The Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (hereinafter referred to as the CMP) adopted at its seventh session decision 10/CMP.7; "Modalities and procedures for carbon dioxide capture and storage in geological formations as clean development mechanism project activities" (hereinafter referred to as the CMP decision on CCS).
2. To support the implementation of carbon capture and storage (CCS), the Executive Board of the clean development mechanism (CDM) (hereinafter referred to as the Board) adopted at its sixty-seventh meeting the following three documents: the "CDM accreditation standard for operational entities" (version 04.0), which includes a new sectoral scope for carbon capture and storage, "Guidelines for completing the project design document form for carbon capture and storage CDM project activities", and "Guidelines for completing the proposed new carbon capture and storage baseline and monitoring methodology form".

## **2. Purpose**

3. The objective of this concept note is to describe the work to further implement the CMP decision on CCS through the development of requirements within existing standards and procedures for designing and implementing/monitoring, as well as validating and verifying CCS project activities.

## **3. Key issues and proposed solutions**

### **3.1. General**

4. The proposed requirements to be developed and integrated into the "Clean development mechanism project standard" (hereinafter referred to as the PS), the "Clean development mechanism validation and verification standard" (hereinafter referred to as the VVS), and the "Clean development mechanism project cycle procedure" (hereinafter referred to as the PCP) are described below.

### **3.2. Requirements for the design and implementation/monitoring of CCS project activities**

5. In addition to the existing requirements for CDM project activities, CCS requirements may be elaborated in two new sections of the PS (e.g. "Section X: Specific design requirements for carbon dioxide capture and storage in geological formations project activities" and "Section Y: Specific implementation and monitoring requirements for carbon dioxide capture and storage in geological formations project activities"). These new sections would define requirements for project participants (PPs) in the following areas based on the CMP decision on CCS:
  - (a) Approvals and authorization;
  - (b) Design requirements, including:

- (i) Site characterization and selection;
  - (ii) Risk and safety assessment;
  - (iii) Monitoring;
  - (iv) Financial provisions;
  - (v) Liability provisions;
  - (vi) Environmental and socio-economic impact assessment;
- (c) Project implementation/monitoring requirements, including:
  - (i) Monitoring report;
  - (ii) Site development and management plan implementation;
  - (iii) Deviations;
  - (iv) Seepage.

### **3.3. Requirements for the validation and verification of CCS project activities**

6. In addition to the existing validation and verification requirements for CDM project activities, CCS requirements may be elaborated in two new sections of VVS and would define requirements for designated operational entities (DOEs) for each of the areas identified in paragraph 5 above, including requirements for DOEs to validate that the designated national authority (DNA) meets the CCS participation requirements as per paragraph 8 of the CMP decision on CCS.

### **3.4. Procedural requirements for CCS project activities**

7. In addition to the existing procedural requirements for CDM project activities, CCS requirements may be elaborated in the PCP and would define procedural requirements for DNAs, PPs, DOEs, the Board, and its support structure in the following areas based on the CMP decision on CCS:
- (a) DNA participation requirements, including:
    - (i) Submission of the "expression of its agreement" to the UNFCCC secretariat;
    - (ii) Demonstration of established laws and regulations;
  - (b) Registration;
  - (c) Issuance;
  - (d) Addressing non-permanence;
  - (e) Registry requirements.

## 4. Impacts

8. The development and adoption of the requirements described above will enable the further implementation of the CMP decision on CCS.

## 5. Recommendations to the Board

9. The secretariat recommends the Board to agree on the proposed work to develop and integrate CCS requirements into the PS, VVS, and PCP.

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### Document information

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