

Policies to deliver carbon capture utilisation and storage



Carbon capture, utilisation and storage (CCUS) technologies are safe and proven, and necessary to meet the goal of the Paris Agreement. However, in many countries CCUS lacks sufficient regulatory support and a clear business model. To address these challenges, Shell supports policy mechanisms to drive deployment of CCUS at scale, and industry partnerships to decarbonise hard-to-abate sectors.

The main policies needed are:

- Strong government incentives for CCS projects;
- Transparent, clear and streamlined processes for permitting and licensing across CCUS value chains;
- A regulatory regime that promotes high standards for the design, construction and operation of CCUS facilities. Common standards across countries are required to facilitate trading of CCS credit instruments between countries;
- Risk-based provisions for CO₂ monitoring and verification during operations and post-closure, and mechanisms to transfer long-term liability for stored CO₂ to the state;

- Ratification of the amendment to the London Protocol to enable cross-border CO₂ transport and storage to accommodate countries that do not have adequate geology for storage. Conclude bi-lateral agreements between governments for cross-border transport and storage of CO₂;
- Broad inclusion of CCUS-based emission reduction and removals as compliance pathways within emission reduction schemes such as low-carbon fuel standards and emission trading systems; and
- Creation of demand for low-carbon products through public procurement processes and low-carbon product standards that are technology neutral and supported by carbon intensity tracking mechanisms.

Shell and members of the Oil and Gas Climate Initiative are developing CCUS hubs around the world that will capture and aggregate CO₂ from industrial sources within a region for storage in central locations. With support from governments and enabling policies, Shell believes this hub-based approach to CCUS will help countries to decarbonise their energy and industrial sectors more rapidly.

[Read more about Shell's CCUS projects.](#)

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