



30 October 2023

**To: Deputy Permanent Representatives of EU Member States, Coreper I  
EU Member States attachés responsible for the Net-Zero Industry Act**

### **Holding oil and gas producers accountable**

*Call to support Article 18 of the Net-Zero Industry Act introducing a mandatory, individual contribution of oil and gas producers to the Union-wide target for available CO<sub>2</sub> injection capacity*

We are writing to you in the context of the **European Commission's proposal for the "Net-Zero Industry Act"**, which you are currently deliberating in the Council of the EU Working Party on Competitiveness and Growth.

Through Article 18, the European Commission has proposed a mandatory, individual contribution of oil and gas producers to the Union-wide target for available CO<sub>2</sub> injection capacity set out in the Act, based on their share in EU production.

**We, the undersigned organisations, support holding oil and gas producers accountable.** Article 18 is an unprecedented proposal from the Commission to place responsibility on oil and gas producers to provide CO<sub>2</sub> storage injection capacity, applying the logic of Extended Producer Responsibility to the sector most responsible for the climate emergency. This is a welcome and important precedent not only for future EU regulation but also for international climate action.

Considering that the market has so far not been able to deliver any CO<sub>2</sub> injection capacity in the EU, we believe it is fair that oil and gas producers are required to contribute, alleviating pressure from public finances.

**To strengthen this logic, we call upon EU Member States to make the oil and gas sector deliver this proposed contribution on their own accounts and introduce dissuasive penalties or fines in case of non-compliance.**

For decades, the oil and gas sector has promoted carbon capture and storage (CCS) as a solution to avoid CO<sub>2</sub> emissions from being released into the atmosphere. Now that the EU is introducing regulation to make them deliver storage capacity for industries generating truly unavoidable emissions, the oil and gas sector is blocking progress. The sector cannot be allowed to continue making future promises of CCS to justify business as usual, as has been the case in the past.

**In this context, we are alarmed by moves by some EU Member States attempting to shield the sector from paying up to help clean the mess they have caused, by proposing to weaken or delete Article 18.**

While by no means enough, it is time for the EU to make the oil and gas sector pay up. It seems only apt to start with the one thing they have long hailed as a solution, and make the sector deliver CO<sub>2</sub> injection capacity for those heavy industries that cannot completely eliminate their emissions through other means.

We remain at your disposal for any further exchange on the issue.



Yours sincerely,

**Signatory organisations:**

- Third Generation Environmentalism (E3G)
- European Environmental Bureau (EEB)
- Climate Action Network Europe
- World Wide Fund For Nature, European Policy Office (WWF EPO)
- Bond Beter Leefmilieu
- Fundación Ecología y Desarrollo (ECODES)
- Bellona Europa
- Clean Air Task Force
- Carbon Balance Initiative
- Carbon Gap
- Carbon-Free Europe
- 1.5°Ventures
- Climate Strategy
- Directors of Oxford Net Zero, University of Oxford