



OLJE- OG ENERGIDEPARTEMENTET

CO₂ strategy of the Norwegian Government

NorCap Seminar 14th October 2003

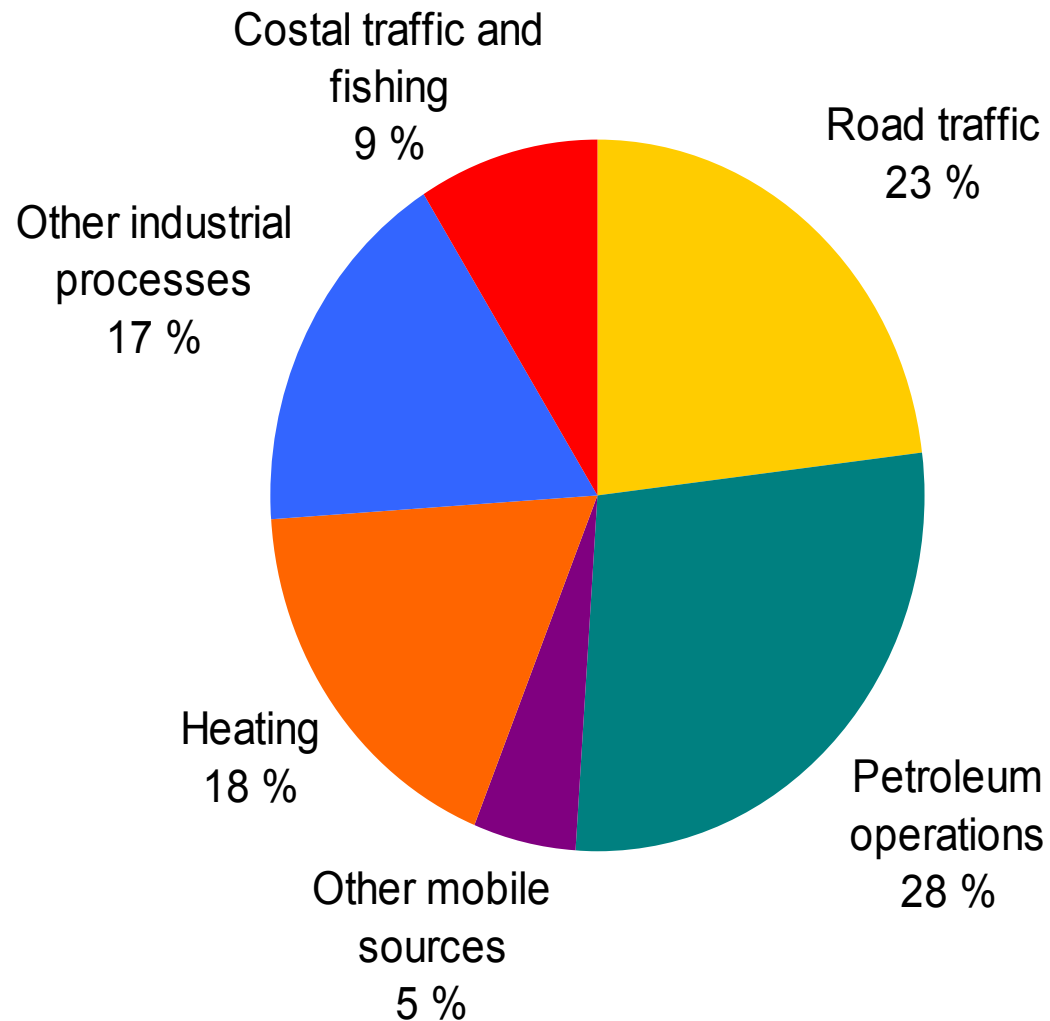
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CO₂ strategy of the Norwegian government

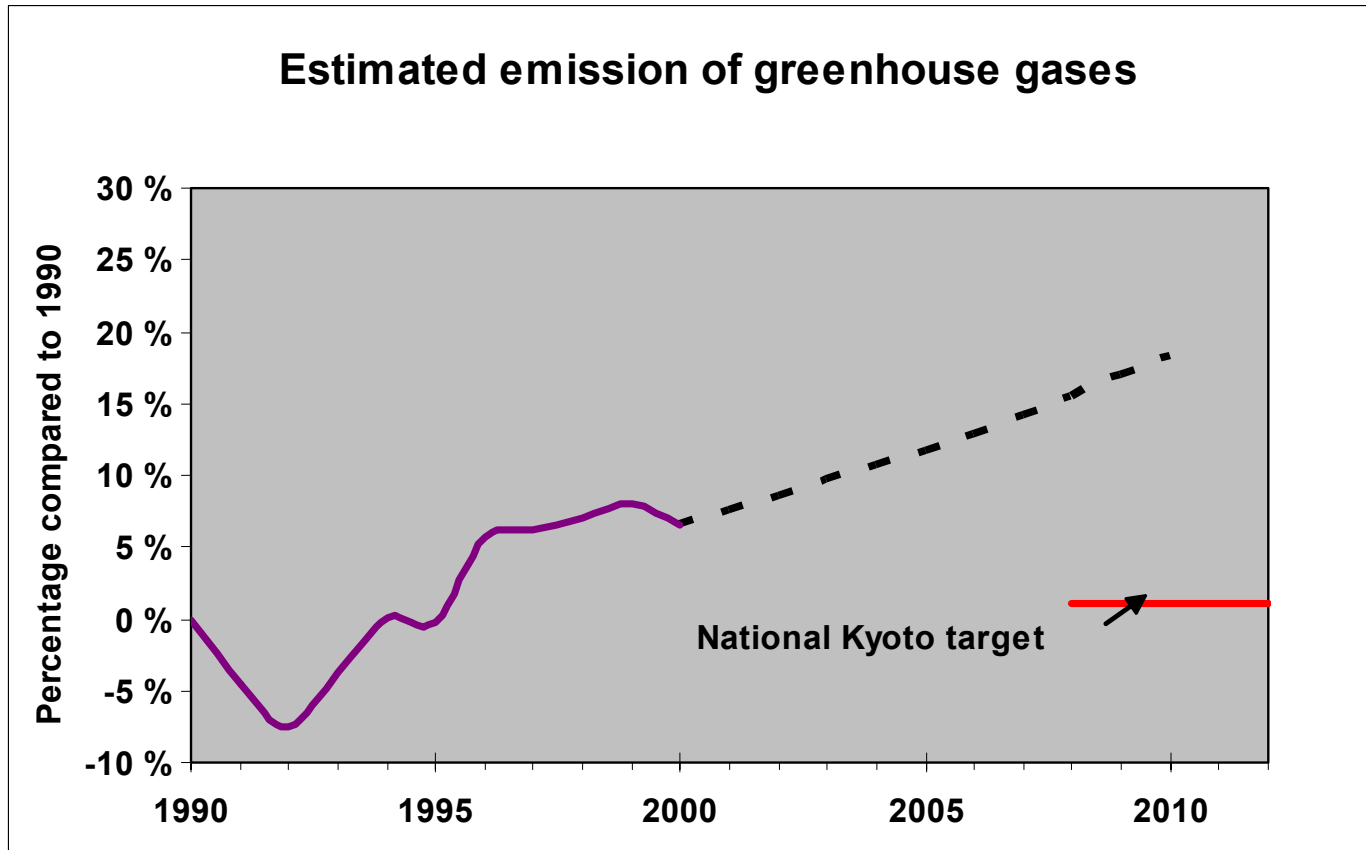
Outline of presentation

- Norwegian CO₂ emissions
- Existing policies and measures for reducing CO₂ emissions
- Future policies and measures:
 - A greenhouse gas emissions trading system
 - A strategy for gas - fired power stations with carbon capture and storage
- CO₂ for enhanced oil recovery
- International co-operation

Sources of Norwegian CO₂ emissions, 2001



The national Kyoto-target



Existing policies and measures – the CO₂ tax

- Presently the main measure for reduction of CO₂ emissions
- Introduced in 1991
- Levied on use of:
 - mineral oil
 - petrol
 - coal and coke
 - emissions from the production of petroleum on the continental shelf
- Covers about 64 per cent of Norwegian CO₂–emissions
- Differentiated rates

Future policies and measures (2005-2007)

- **2005 – 2007: Emissions trading system and CO₂ tax**
 - Early, narrow scheme for greenhouse gas emission allowance trading mainly covering emissions from industrial processes
 - About 30 per cent of Norway's greenhouse gas emissions
 - Continuance of the CO₂ tax

Future policies and measures (from 2008)

- **From 2008 (the Kyoto period): Broad emissions trading system:**
 - Broad scheme for greenhouse gas emissions allowance trading including all sources practically possible to include
 - More than 80 per cent of Norway's greenhouse gas emissions
 - Sources included in the quota system will no longer be subject to a CO₂ tax

Gas - fired power stations with carbon capture

- Government's goal: Contribute to more cost-effective solutions for gas-fired power stations with carbon capture and storage
- Means:
 - Strategy in White Paper to Parliament (Report No. 9 to the Storting 2002-2003 On domestic use of natural gas)
 - Government proposal to increase efforts by 30 mill NOK to 50 mill NOK

CO₂ for EOR

- The Norwegian government will contribute to the realization of using CO₂ for enhanced oil recovery (Report No. 9 to the Storting 2002-2003 On domestic use of natural gas)
- NPD study: Promising technical potential for CO₂ for EOR on the Norwegian continental shelf
- The NPD study will form the basis for further considerations of government involvement

International research co-operation

- Joint international efforts are necessary for progress in the field of carbon sequestration
- Norwegian authorities will continue to support international co-operation in this field
- Need for co-ordinated efforts to secure efficient international co-operation