

LOCAL COMMUNITY BENEFIT SHARING

MECHANISMS FOR CCS PROJECTS

The CCP is a partnership of major energy companies, working to advance the technologies that will underpin the deployment of industrial-scale CO₂ capture and storage. Further information on the work of the CCP: co2captureproject.org

This study explores how communities are more likely to oppose CCS project developments when there are no apparent community benefits, and to investigate experience and options in CCS developments.

Project developers are increasingly focused on enhancing local benefits to communities hosting CCS projects.

Acceptance by local communities can be influenced by how negative impacts are minimised and positive impacts are maximised.



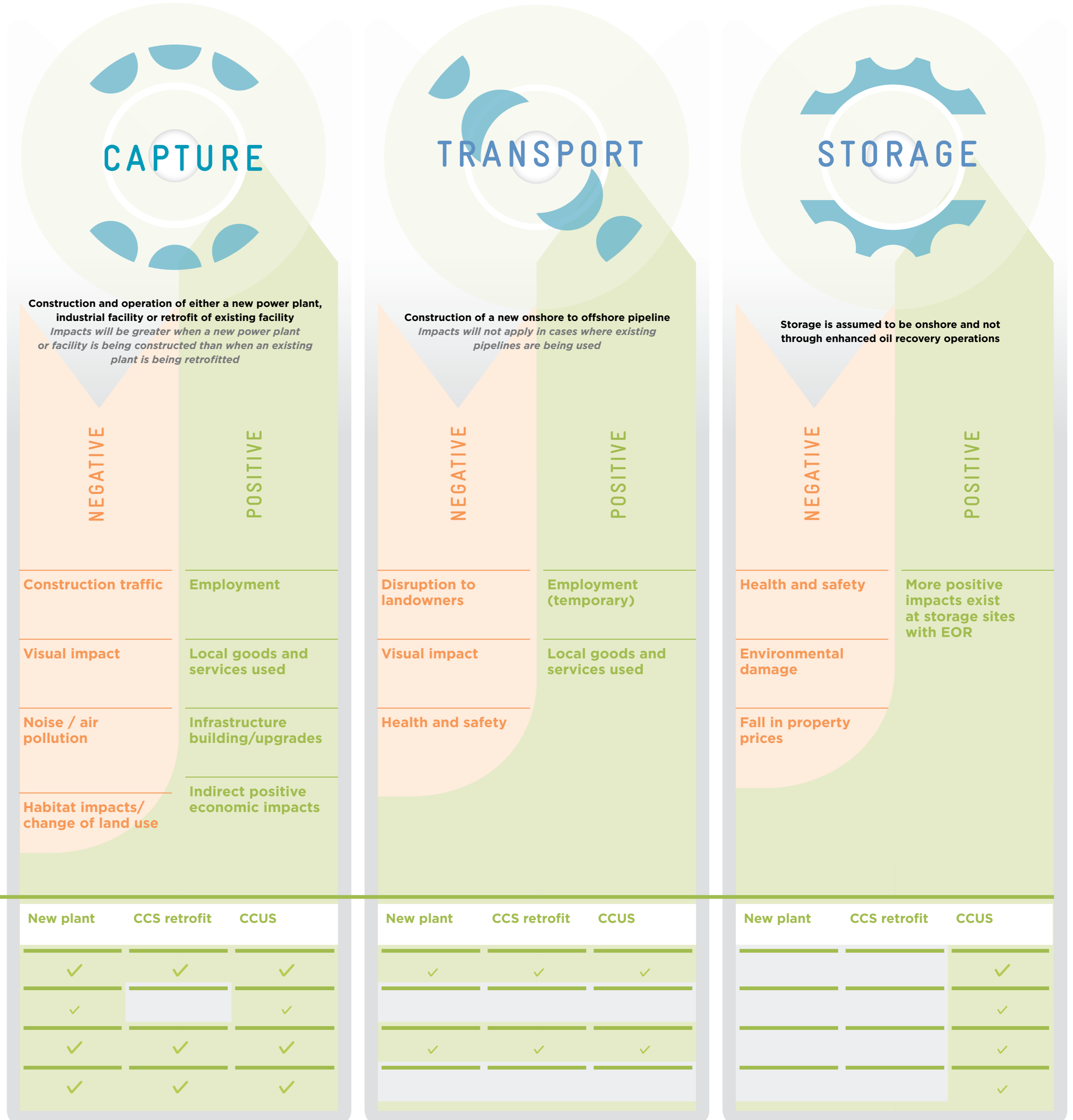
MANAGING NEGATIVE IMPACTS

Avoid, minimise and mitigate negative impacts

Meet all necessary HSE, regulatory and stakeholder expectations

For unavoidable negative impacts, consider monetary/in-kind compensation, contingency funds and property value guarantees

To achieve wide-scale deployment of CCS, local community acceptance is crucial



BENEFIT SHARING ANALYSIS

Employment

Construction

Local goods and services

Economic impact

IDENTIFY A STRATEGIC APPROACH

Align community investment and company strategy

Measurable indicators to communicate success - added value

Multi-stakeholder driven

Sustainable local capability to manage projects in the long-term

CONCLUSIONS

Introduce mechanisms to address the potential imbalance between local costs vs. national or international benefits

Incorporate a robust social management process and impact management

Options across CCS

1. Maximise the direct and indirect positive impacts
2. Enhance local benefits through strategic community investment programs

Enhancing local benefits

Benefits to local communities can stem directly or indirectly from the project, or be shared through community investment programs



Mechanisms for a successful community investment program

Involve community stakeholders in project planning and implementation

Establish a fund committee/board with the project developer and key community stakeholders to manage the fund

Design a set of principles and objectives to govern how the fund is managed

Develop metrics to allow the success of the fund and related projects to be measured over time

Ensure the community leads the decision on how funds are spent

Options at Storage level

Frequently, this is where the greatest public concerns lie. Think creatively about how to fill the 'benefits gap' and create a value proposition for communities

COMMERCIAL-DRIVEN PROJECTS (E.G. CARBON PRICES; EOR)

Revenue/royalty sharing

Contribution to a community fund

Distribute positive impacts and local economic benefits across CCS stages

GOVERNMENT-BACKED PROJECTS (MEETING EMISSION REDUCTION COMMITMENTS)

Shared (government and developer) community benefit and investment programs

Distribute positive impacts and local economic benefits across CCS stages