

## Joint Statement for 3<sup>rd</sup> Asia CCUS Network Forum

### a) Background and perception of carbon capture, utilization and storage (CCUS) in Asia

1. Southeast Asia has seen high economic growth of around 5% per year for the past 30 years and is expected to continue this remarkable trend until 2050. Meanwhile, many Southeast Asia countries have announced their carbon neutral (net zero) target year as around 2050<sup>1</sup>.
2. As Asian countries needed affordable electricity to achieve their remarkable economic growth, they increased the use of thermal power plants due to their lower generation costs and dispatchable sources. However, due to the young age of the thermal plants and the limited potential of renewable energy, they have not found it easy to achieve their potential in a short period of time.
3. However, Asian countries can select their own option from “various pathways” toward carbon neutrality until 2050 or after, because they will use not only renewable energy but also new clean energy technologies, including hydrogen/fuel ammonia and CCUS.
4. Carbon capture storage (CCS), which captures CO<sub>2</sub> emitted from thermal power plants and stores it underground; and carbon capture utilization (CCU) or carbon recycling, which reuses captured CO<sub>2</sub> to produce construction materials and synthetic fuels, are highlighted in the Asia region. CCU also includes enhanced oil recovery (EOR) and enhanced gas recovery (EGR), which is compatible with energy security and transition if controlled adequately.
5. CCS needs underground space to inject the captured CO<sub>2</sub> such as saline aquifers, however the needed geological structure is not spread equally in Asian countries. Thus, a CCUS value chain to connect sites between emission and storage of CO<sub>2</sub> is indispensable. In other words, a cross-border CO<sub>2</sub> trade mechanism is necessary.

### b) Establishment of Asia CCUS Network

1. The Asia CCUS Network was founded in 2021 as a platform consisting governments, industry, academia, financial institutions and international organizations to contribute to the mitigation of CO<sub>2</sub> emissions by developing and deploying CCUS in

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<sup>1</sup><https://asean.org/wp-content/uploads/2021/10/10.-ASEAN-Joint-Statement-to-COP26.pdf>

Asia through knowledge sharing. This is the vision of the Network.

2. The Asia CCUS Network Forum has been held every year since 2021 to discuss CCUS with high-level officials and experts.
3. The 3<sup>rd</sup> Asia CCUS Network forum was held on 27 September 2023 at the Hilton Hiroshima hotel in Japan, with an audience of 116 in-person and 350 online.

c) Action plan

1. The 3<sup>rd</sup> Asia CCUS Network Forum held several activities focusing on the practical aspect of CCUS: discussion on CCUS importance and global trends, Asia-wide CCUS projects, and a signing ceremony of several memorandums of understanding (MOUs) regarding CCUS, which are developing import/export mechanism of CO<sub>2</sub> and knowledge sharing CCS technology. The Asia CCUS Network will continue to support the expansion of CCUS deployment in Asia as a platform.
2. The Asia CCUS Network recognizes the importance of a legal and regulatory framework at the national and regional level, the economics of CCUS in realizing CO<sub>2</sub> trade, and the challenges of these issues as a platform of CCUS in Asia. For countries in the Asia region that are developing EOR/EGR, the Network is also dedicated to initiating EOR/EGR projects in ASEAN region, which are economically advanced at the initial stage of CCS development.
3. Therefore, the CCS and CO<sub>2</sub>-EOR guidelines<sup>2</sup> published by the Japan Organization for Metals and Energy Security (JOGMEC), will be useful for Asian countries who are seeking to expand CO<sub>2</sub>-EOR projects for their own energy security and transition.
4. The Network will also study the appropriate institutional designs of financing and carbon credit in Asia with the cooperation of related organizations.

The Asia CCUS Network will contribute to the initiating of decarbonization projects introducing CCUS in the Asia Pacific region through cooperation from the Southeast Asia CCUS Accelerator (SEACA) promoted by the Global CCS Institute (GCCSI) and the ASEAN Centre for Energy (ACE)<sup>3</sup>.

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<sup>2</sup> JOGMEC's guideline for safe, long-term containment of CO<sub>2</sub> using CO<sub>2</sub>-EOR (2023), <https://www.jogmec.go.jp/content/300384384.pdf> . Recommended guideline for the implementation of Carbon dioxide Capture and Storage projects (JOGMEC CCS guideline 2022), <https://www.jogmec.go.jp/content/300378207.pdf>

<sup>3</sup><https://www.globalccsinstitute.com> for GCCSI, <https://aseanenergy.org> for ACE