

## Background

An increasingly active debate in the scientific community revolves around the possibility that using **bio-energy in combination with carbon capture and storage (BECCS)** could put CO<sub>2</sub> emissions into negative territory. In the face of increasing pressures to reach and maintain low levels of stabilization, BECCS actually turns out to be a substantial ingredient in any **low emission mitigation portfolio**. However, many obstacles and uncertainties remain both in the **techno-economic** and **biophysical** dimension and in terms of **public perception** and **incentivization**. In this joint IEA-IIASA research, we zoom into both opportunities and difficulties of BECCS and offer insights for certain key countries such as **Indonesia**.

## Research Questions

- What are the main challenges for BECCS adoption and what are the opportunities?
- How can we provide incentives for BECCS?
- Can we offer insights into BECCS potentials in specific countries such as Indonesia?

## BECCS Challenges & Opportunities

BECCS experts workshop at IIASA in November 2011:

Factors perceived as main obstacles to a large-scale diffusion of BECCS named by the experts:

- (1) Biomass availability (regional vs. central)
- (2) Amounts
- (3) Costs of both capture and storage
- (4) Availability of storage capacity
- (5) Accountancy issues GHG calculations
- (6) Lack of awareness of policy-makers

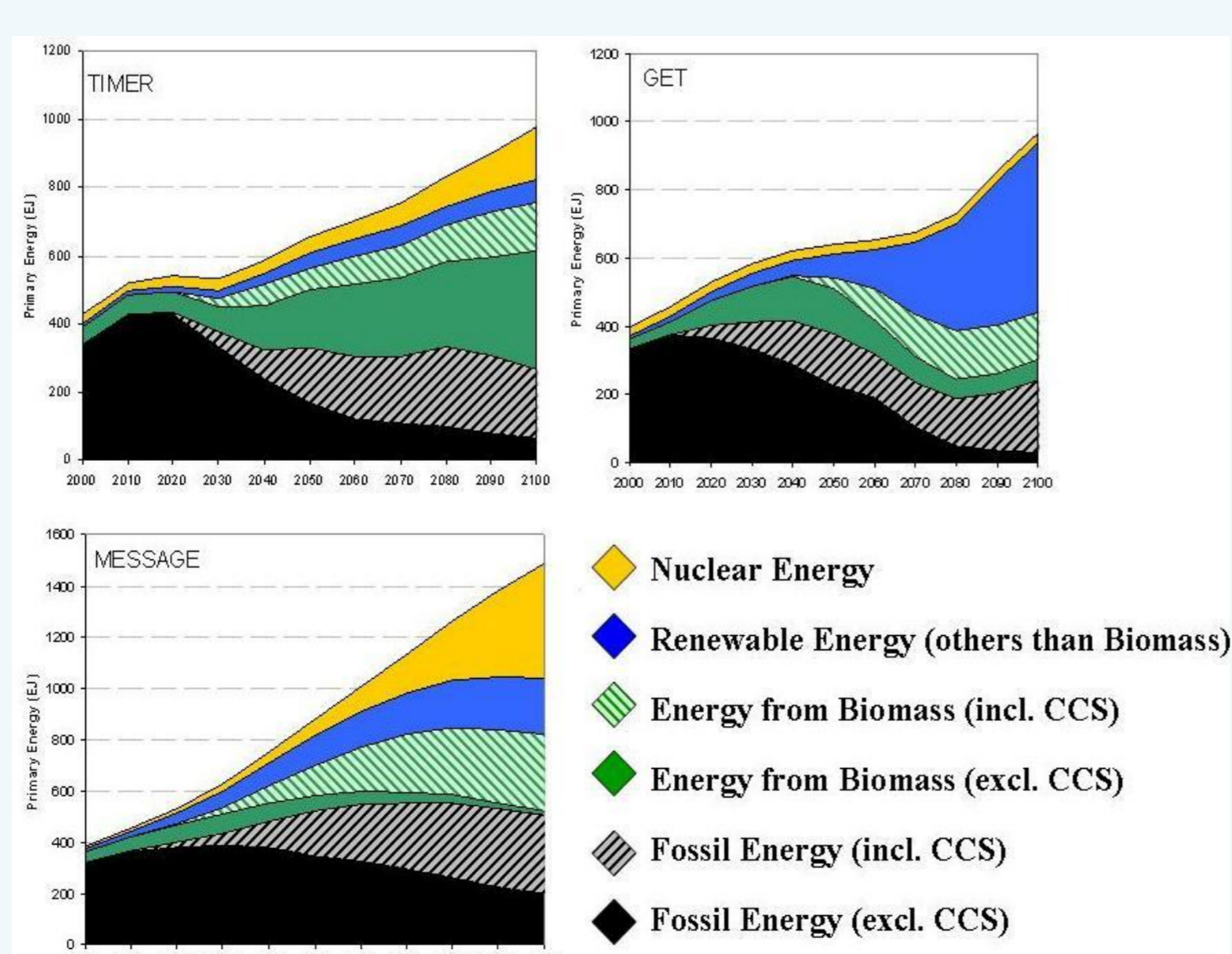


Policies suggested to overcome these obstacles:

<b>Create price advantage for non-food competing biomass</b>
<ul style="list-style-type: none"> <li>o Decrease fossil fuel subsidies while supporting subsidies for sustainable bioenergy production on marginal land</li> <li>o Reducing barriers to a global biomass market</li> </ul>
<b>Support for demonstration projects</b>
<ul style="list-style-type: none"> <li>o Subsidies and other incentive mechanisms</li> <li>o Stimulate capacity building, facilitating demo's (removing bureaucrat hurdles, tax incentives, etc.)</li> <li>o Risk guarantees</li> </ul>
<b>Full scale commercial projects</b>
<ul style="list-style-type: none"> <li>o Promote carbon market</li> <li>o Portfolio standards and clarifying (% BECCS)</li> <li>o Enhance international cooperation</li> </ul>
<b>Explore international funding mechanisms</b>
<ul style="list-style-type: none"> <li>o CDM</li> <li>o NAMAS</li> <li>o REDD+</li> </ul>
<b>Storage capacity: IEA harmonization of assessment requirements and methodologies</b>
<b>Accountancy issues: standardize international GHG mechanisms</b>
<b>Sustainability reporting should be mandatory</b>
<b>Bridging the science-policy gap through stakeholder engagement</b>

## BECCS as a mitigation tool: open issues

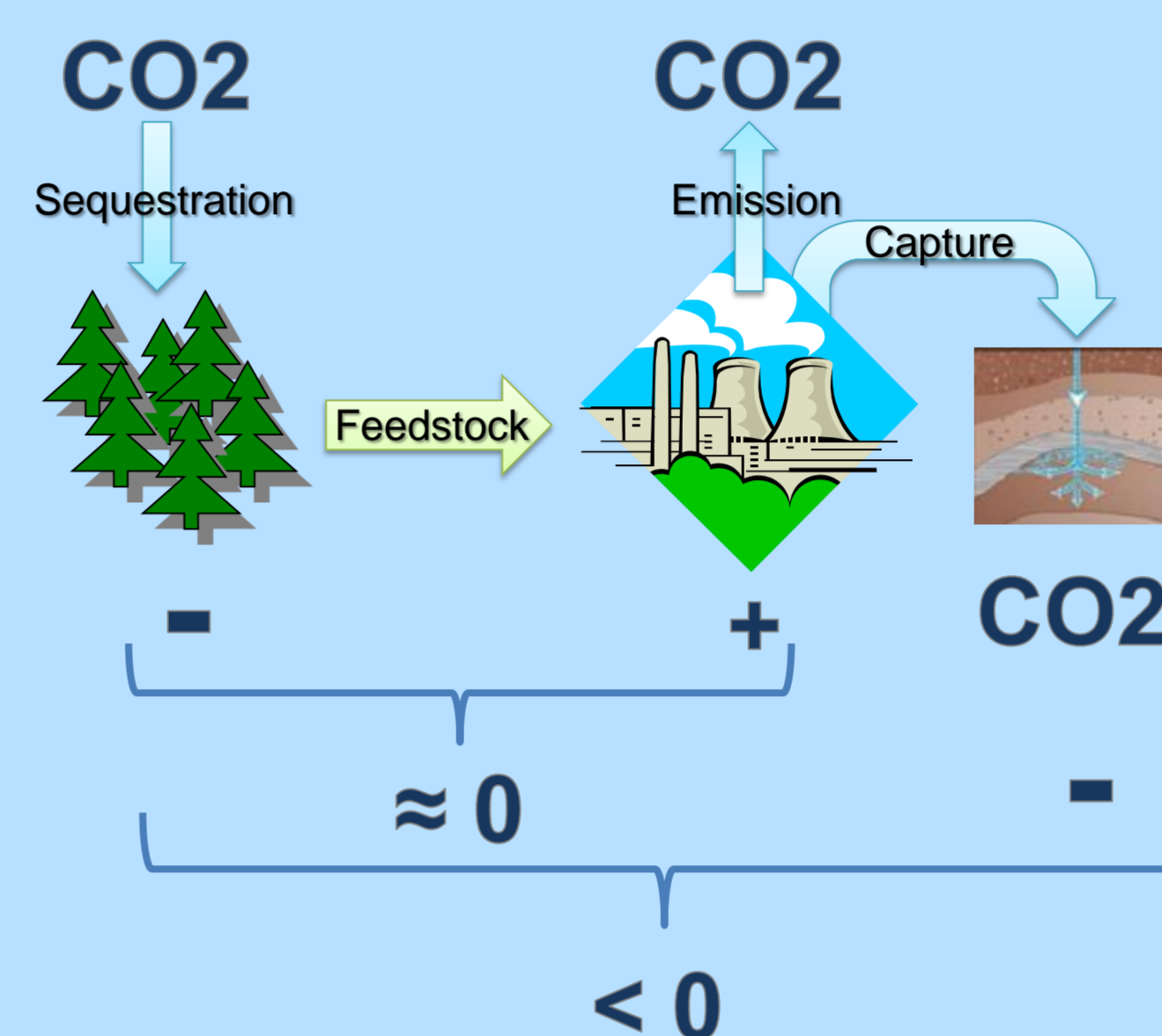
- Overshooting
- Climate science assumptions
- Timing issues
- Lifecycle emissions across the supply chain
- Incentive mechanisms
- Funding and costs
- Impact on health, the environment & public acceptance
- The role of BECCS in different technology contexts: a portfolio view
- Economic considerations: Enhanced Oil Recovery? Abatement alternatives?



Adapted from Azar C., K. Lindgren, M. Obersteiner, K. Riahi, D.P. Vuuren, K.M.G.J. Elzen, K. Möllersten, and E.D. Larson, "The feasibility of low CO<sub>2</sub> concentration targets and the role of bio-energy with carbon capture and storage (BECCS)," *Climatic Change*, vol. 100, 2010, pp. 195-202.

## What is BECCS

The BECCS concept revolves around using biomass to produce bio-energy, then capturing and diverting the CO<sub>2</sub> produced during combustion/processing into a long-term geological storage facility. Injection of CO<sub>2</sub> in suitable geological reservoirs, which could lead to permanent storage of CO<sub>2</sub>, is the most mature of a variety of storage methods including both onshore and offshore, or conversion into solid materials through mineralization, biomass cultivation among other processes. A number of pilot capture and storage projects are already in operation e.g. in Canada, the US and Scandinavia.



A combination of bio-energy technologies together with CCS could therefore decrease costs and increase attainability of low stabilization levels, producing a "negative emissions" situation and thus achieving a double dividend: CO<sub>2</sub> fixation by photosynthesis (i.e. bio-energy under certain criteria, is considered to be carbon neutral) plus capture and storage of CO<sub>2</sub> from biomass combustion (negative emissions). To quote the Fourth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), BECCS is "a potential rapid-response prevention strategy for abrupt climate change."

## Case Study: BECCS in Indonesia

Indonesia has seen a large expansion in **biofuel production** over recent years (IEA, 2011). It also features two more characteristics, which makes it attractive for BECCS. Indonesia has **large offshore sequestration sites**. Government studies examine the role of **CCS in EOR and EGR** activities (Lemigas, UK, Shell 2008) in conjunction with significant industrial bioenergy plantations.

Based on current policy Indonesia's energy mix is largely reliant on oil (43%), coal (34.5%) and gas (18.5%) with less than 5% in non-fossil energy. With an annual growth of energy consumption of 7%, and more than 30% of households still to be electrified amid limited national resources, **bioenergy** may play a significant role in Indonesia's carbon mitigation scheme and energy security, as the government aims to **reduce Indonesia's dependence on fossil fuels**.

Preliminary results (see map below) delineate the technical potential for BECCS Indonesia. However, at the 2012 BECCS workshop in Jakarta co-organized with the Republic of Indonesia's Ministry of Energy and Mineral Resources (KESDM), the President's Delivery Unit for Monitoring and Oversight (UKP4), the School of Business & Management at Bandung Institute of Technology (SBMITB), IEA and IIASA, the need for **integrated analysis with focus on socio-economic and ecological co-benefits** such as rural development and implications for conservation of biodiversity came strongly forward. Further research will also explore synergies with efforts to **reduce deforestation** and support for **sustainable forest management**.

