

# RISKS

## Cross value-chain risks

Overarching	Cross-chain alignment and dependency risk	Regulatory	Policy uncertainty and instability
Overarching	Unclear risk allocation	Regulatory	Early over / lack of regulation risk
Economic	High (upfront) CAPEX	Societal	Permitting and local opposition
Infrastructure	Construction risks	Economic	Funding fragmentation, limitations and oversubscription
Economic	Liquidity & ticket size risk	Economic	Market and ETS price volatility
Infrastructure	Lack of domestic storage capacity	Overarching	Interface and governance risks
Infrastructure	Single point of failure risks	Societal	Skills and capacity gaps
Regulatory	EU vs national level misalignment	Societal	Public and local opposition
Regulatory	Policy fragmentation		

## Capture risks

Infrastructure	Technology maturity
Infrastructure	Underperformance of capture facility
Economic	Revenue uncertainty
Economic	Energy price volatility
Economic	Double burden risk*
Economic	T&S contractual rigidity**
Infrastructure	Access to T&S
Economic	Grid access and security of supply
Economic	EPC contractual exposure
Economic	Lack of demand-side uptake mechanisms

## Transport & storage risks

Infrastructure	Corrosion risks
Infrastructure	Long-term liability
Economic	Contract termination risk
Economic	Tariff uncertainty
Infrastructure	Early volumes / underutilisation risk

### Risk categories

- Overarching
- Infrastructure
- Regulatory
- Economic
- Societal

\*e.g. forced venting \*\*Including stringent CO<sub>2</sub> specs

**Discussion:**  
**What is needed on policy side to change risk mitigation ownership**



# MITIGATIONS

## Cross value-chain

Infrastructure	Clear risk allocation frameworks
Regulatory	EU-MS coordination platform
Societal	Insurance-backed performance bonds
Societal	Blended finance models
Economic	Portfolio approach to storage
Infrastructure	EU-wide liability framework for cross-border
Regulatory	Transparent policy roadmap/grandfathering
Regulatory	Simplified permitting fast-track
Overarching	Public awareness campaigns
Overarching	Skills and capacity building
Regulatory	Legal sandboxing
Economic	Contract standardization; clear burden/reliefs

## Capture

Infrastructure	Mandates for green products
Economic	Cluster based cost sharing
Regulatory	Volume aggregators
Regulatory	Carbon Contracts for Difference
Infrastructure	Temporary ETS exemptions or reserve (MSR)
Infrastructure	Sliding performance scale for public funding
Economic	Early contractor involvement
Regulatory	PPAs and long-term contracts
Societal	Hedging against energy price volatility

## Transport & storage

Economic	Joint ownership structures
Economic	T&S bundling/unbundling and JV like structures
Regulatory	State-backed guarantees
Overarching	Volume aggregation
Overarching	Open access frameworks
Infrastructure	Standardized CO <sub>2</sub> specifications (CEN)
Regulatory	Regulated Asset Base (RAB) model
Regulatory	Clear liability transfer
Regulatory	State assumption of long-term liability
Societal	Public insurance/liability funds

### Mitigation owner

- System change
- Europe
- Member states
- Industry
- Insurers and private investors



Access the report here