



## STATEMENT FROM PICAN ON NEW ZEALAND'S CCUS FRAMEWORK

The Pacific Islands Climate Action Network (PICAN) is a regional alliance of civil society organizations working on climate change in the Pacific region. Since 2013, it has brought together civil society actors across the Pacific Island countries, advocating for climate justice and environmental integrity. PICAN aims to unite civil society under a common voice to increase the influence and impact of their advocacy demands on Pacific Island governments, leading non-Pacific governments to respond with more powerful and ambitious climate change policies and action at the national and regional level.

As part of Climate Action Network (CAN) International, the worldwide network of over 1,500 Non-Governmental Organizations (NGOs) across the world, PICAN works to ensure the Pacific Island civil society is represented at the international level.

The following statement on New Zealand's CCUS Framework has been developed by PICAN, representing over 190 civil society organisations, noting that the application of this framework will have implications for our region.

New Zealand is a member of the Pacific Island Forum and should be keenly aware of the priorities of the Pacific region. The Pacific Island Forum Leaders Communique PIFLM52 explicitly lays out the aspiration for a Fossil Fuel Free Pacific. Additionally, the Pacific Island Forum has declared that climate change is the single greatest security threat to the region. The continued use and expansion of fossil fuels by New Zealand exacerbates the climate crisis and threatens the survival of Pacific Island States.

We frame our response to the consultation around climate justice, which is integral to the aspirations of Pacific nations in their economic, environmental, and social development. The future of these nations hinges on the ambition of those who created the crisis to urgently act and ensure a future aligned with the 1.5°C target.

In this framing, Pacific Islands Climate Action Network (PICAN) opposes the implementation of Carbon Capture, Utilisation, and Storage (CCUS) frameworks as proposed by the New Zealand Government. We believe this approach endangers Pacific communities by perpetuating fossil fuel dependency and promoting natural gas as a bridging fuel.

Our detailed response to the full text provided by New Zealand is as follows:

### **Fossil Fuel Dependency and Climate Justice:**

- The [IEA](#) States “The history of CCUS has largely been one of underperformance”;
- New Zealand's proposed Carbon Capture, Utilisation, and Storage (CCUS) framework is fundamentally flawed as it extends the fossil fuel industry's lifespan. This approach undermines efforts to transition to genuinely renewable and sustainable energy sources and contradicts the urgent need to phase out fossil fuels to effectively mitigate climate change. Promoting natural gas as a bridging fuel is misleading. Investment in natural gas infrastructure locks in emissions for decades, diverting resources and focus from renewable energy solutions.
- We advocate for holding developed nations accountable for their historical emissions and supporting a transition that prioritizes the needs of vulnerable communities. New Zealand's actions contradict the Pacific's goal of a Fossil Fuel Free Pacific, emphasizing the need for a just transition to renewable energy sources.

#### **False Solutions and Risks:**

- While the framework suggests that CCUS can reduce net CO2 emissions by capturing and storing carbon, it does not address the inherent risks and uncertainties associated with long-term carbon storage. [The Institute for Energy Economics and Financial Analysis](#) estimates 80-90% of the total captured carbon throughout history has been used in enhanced oil recovery
- [The potential for leaks and the environmental impact of storage sites pose significant threats to our region's ecosystems and communities.](#) The assertion that CCUS can safely and effectively store CO2 is not universally supported. The risk of CO2 leakage during transportation, injection, and after storage site closure remains high, and can [exacerbate environmental injustice and health disparities](#)
- Stringent standards and independent verification are essential if CCUS is considered. To reiterate, there are significant doubts about the viability of carbon storage with significant risks associated with this technology.

#### **Impact on Pacific Communities:**

- The Pacific is highly vulnerable to the impacts of climate change. Continued reliance on fossil fuels exacerbates climate change, leading to sea-level rise, extreme weather events, and other adverse effects that disproportionately affect Pacific communities. By endorsing CCUS, New Zealand risks perpetuating these impacts rather than investing in genuinely sustainable and just solutions.
- Pacific communities have historically contributed the least to global emissions yet face the brunt of climate change impacts. It is imperative that solutions prioritize the protection and resilience of these vulnerable communities. Centering the "Do No Harm" principle and ensuring Free, Prior, and Informed Consent (FPIC) from Indigenous communities are crucial in this regard.

#### **Economic Considerations and Inefficiencies:**

- The proposal to include CCUS in the Emissions Trading Scheme (ETS) and provide economic incentives for its implementation is [economically inefficient and diverts funds away from more effective climate solutions.](#) Instead, resources should be directed towards renewable energy projects and community-driven climate resilience initiatives. The reliance on CCUS to maintain gas production levels is not a

sustainable economic strategy. Investing in renewable energy sources such as wind, solar, and geothermal will create more stable and long-term economic benefits while reducing emissions.

- Investing in renewable energy will create more stable and long-term economic benefits. We advocate for exploring new economic models and leveraging existing Pacific initiatives to support a just and equitable phaseout of all fossil fuels, including gas.

#### **Regulatory and Monitoring Challenges:**

- The proposed regulatory regime for CCUS, including monitoring, reporting, and liability frameworks, presents significant challenges and uncertainties. Ensuring the integrity of [CO2 storage sites and preventing leaks requires stringent and continuous oversight](#), which may not be feasible in the long term. The regulatory framework must prioritize environmental integrity and ensure that CO2 storage sites are monitored and accurately reported, with clear accountability mechanisms for any leaks or environmental damages.

PICAN urges the New Zealand Government to reconsider its approach and prioritize investments in renewable energy, energy efficiency, and community-driven climate solutions. True climate leadership involves reducing fossil fuel dependence, not finding ways to prolong it through potentially hazardous technologies like CCUS.

We call for a just and equitable energy transition that aligns with the goals of the Paris Agreement and ensures the protection and resilience of Pacific communities. The focus must be on innovative, sustainable, and inclusive solutions that do not compromise the safety and well-being of present and future generations.