



GLOSSARY

CCS POLICY: A practical toolkit



Regulation	A legally binding rule formally adopted through the legislative process, directly applicable and enforceable by law.
Policy	A set of principles or guidelines created by the government (executive branch) to guide decision-making and achieve specific goals. It provides a framework for action and can be turned into binding rules through regulations.
Climate target	Specific goals set by governments or organizations to limit or reduce greenhouse gas emissions, aiming to mitigate climate change and its impacts; these targets often include benchmarks for reducing emissions by certain percentages within specified timeframes
Carbon management strategy	A comprehensive plan developed by organizations or governments to measure, reduce, and offset carbon emissions, aiming to minimize their carbon footprint and mitigate climate change; this includes initiatives like energy efficiency, carbon capture, and the use of renewable energy sources.
Public funding	Grants, contracts for difference (CFDs), tax incentive, carbon price
Contracts for difference (CFDs)	Agreements where a government or authority guarantees a fixed carbon price for CCS projects, compensating the difference between the market price and the agreed price to ensure financial stability and incentivize investment in CCS technology
Tax incentive	A reduction in tax obligations offered by governments to encourage certain activities or investments
Carbon price	The cost assigned to carbon emissions, typically through a carbon tax or cap-and-trade system, to incentivize reduction in CO ₂ emissions
Monitoring, reporting, and verification (MRV) measures	Systematic processes to track, document, and validate the quantity of greenhouse gas emissions reduced, captured, or stored, ensuring transparency and accuracy in climate initiatives
Liabilities	The legal and financial responsibilities associated with potential risks and damages, such as leakage or environmental harm, arising from the capture, transport, and storage of CO ₂
Direct air capture (DAC)	The use of chemical or physical processes to extract carbon dioxide directly from ambient air
Carbon capture and storage (CCS)	A process in which a relatively pure stream of carbon dioxide from industrial sources is separated, treated, and transported to a long-term storage location
Carbon capture, utilization, and storage (CCUS)	The process of capturing CO ₂ emissions from industrial sources, utilizing the captured CO ₂ in various applications, and storing it underground to prevent its release into the atmosphere, thus mitigating climate change
Point source capture	When a large emission source, like an industrial facility, is equipped with technology allowing the capture and diversion to storage of CO ₂ , preventing it from being emitted