

Pillar 3 - Market integration and enabling conditions for bankability

This pillar examines the regulatory, policy and market conditions that influence the commercial deployment of CCS — the business models, support mechanisms and carbon-market treatment that shape investment decisions and project bankability — benchmarked across Brazil and the selected jurisdictions.

3.1 Business models and value-chain structures

This section will examine the principal business models adopted internationally for CCS deployment. It will compare different approaches to the allocation of roles and responsibilities across the CCS value chain, including integrated and open-access models.

Expected subtopics

- Integrated and disaggregated CCS business models.
- Allocation of responsibilities across the CCS value chain.
- Open-access versus vertically integrated models.

3.2 Public support mechanisms and investment incentives

This section will examine the policy instruments adopted by different jurisdictions to promote investment in CCS. The analysis will compare public support mechanisms designed to reduce investment risk, improve project economics and facilitate commercial deployment.

Expected subtopics

- Capital support mechanisms.
- Tax incentives.
- Contracts for Difference (CfDs) and similar revenue support mechanisms.
- Public funding programmes.

3.3 CCS and carbon pricing frameworks

This section will analyze how geological storage is recognized within compliance carbon-pricing mechanisms. The comparison will focus on the treatment of captured and permanently stored CO₂ for compliance purposes.

Expected subtopics

- Recognition of geological storage under emissions trading systems.
- Treatment of permanently stored CO₂.
- Interaction between CCS and MRV requirements.
- Comparative approaches across selected jurisdictions.
- Considerations for the Brazilian SBCE.

3.4 CCS and carbon markets

This section will examine the treatment of geological storage within voluntary and compliance carbon markets. It will compare eligibility criteria, methodological approaches and market

structures applicable to CCS-based carbon credits, with particular attention to the interaction between voluntary markets, compliance systems and Article 6 mechanisms.

Expected subtopics

- Methodologies for geological storage.
- Eligibility under compliance carbon markets.
- Opportunities and challenges for Brazil.

3.5 Comparative assessment and policy options

Building upon the preceding sections, this chapter will synthesize the principal market and regulatory approaches adopted across Brazil and the selected international jurisdictions. The analysis will identify the principal enabling conditions associated with successful CCS deployment, discuss alternative policy options and assess their potential applicability within the Brazilian context.

Expected subtopics

- Comparative matrix of selected jurisdictions.
- Investment signals created by different regulatory models.
- Regulatory and policy gaps in Brazil.
- Advantages, disadvantages and implementation considerations.