



NECP Assessment

Carbon Capture & Storage in the
National Energy and Climate Plan

Latvia



Criteria	Performance	Score
Implementation plan	Does not have a concrete implementation plan for CCS, however CCS is recognised as a necessary solution to tackle process emissions for the largest heat and electricity generation installations as well as for largest industrial production operators.	●
CO₂ capture	Refers to CO ₂ capture necessity for the largest heat and electricity generation installations as well as for largest industrial production operators.	●
CO₂ storage	Does not report on geological CO ₂ storage capacity.	●
CO₂ transport	Does not report on planned CO ₂ transport infrastructure.	●
National government funding	Does not foresee national funding specifically earmarked for CO ₂ capture, transport or storage. It mainly refers to the Innovation Fund as a funding source for CO ₂ capture projects.	●
Other relevant initiatives	Private players are progressing with the first CO ₂ capture project (Schwenk Latvia) and CO ₂ transportation project (CCS Baltic Consortium).	

CCS IMPLEMENTATION PLAN

Latvia's NECP sees a role for CCS in contributing to reducing greenhouse gas emissions (GHG) emissions in large industrial production as well as within its energy and heat generation sector. A decarbonisation obligation applies to heat and electricity generation installations with a total capacity of more than 100 MW (currently no more than 5 installations in Latvia) and largest industrial production operators which, due to the nature of their production, cannot reduce industrial process or energy emissions (currently 1-2 installations in Latvia). The Latvian NECP mentions carbon capture installations as one option for GHG emission reduction within those sectors and notes that technological feasibility and cost-efficiency must be considered, when aiming to reduce emissions from installations by up to 90 % compared to 2021 levels.

CO₂ CAPTURE

The Plan also states that any new natural gas combustion installations for district heating or industrial plants should only be permitted if combined with carbon capture technology or other low-carbon solutions.

CO₂ TRANSPORT & STORAGE

The Latvian NECP does not report on geological CO₂ storage capacity.

Nevertheless, in November 2024, cement producer Schwenk Latvia announced a 500-million-euro investment to decarbonise their operations through the deployment of CO₂ capture by 2030. This marks the first instance of an industrial company in Latvia applying CCS technology. During the announcement, the Minister for Climate and Energy Kaspars Melnis revealed that the ministry is preparing to initiate exploration of CO₂ storage potential in Latvia is considering regulatory changes to lift the current prohibition on CO₂ storage in the territory of Latvia.¹ Schwenk Latvia is also a partner in the [Baltic CCS Consortium project](#), an EU Project of Common Interest. This project aims to transport captured CO₂ from Lithuania and Latvia to permanent storage sites, potentially in the North Sea.

NATIONAL GOVERNMENT FUNDING

No national government funding is allocated to CCS deployment in Latvia.

The Innovation Fund is mentioned as a potential funding source, along with other public or private funding, though no further details are provided.

¹ Investments decision by Schwenk Latvia, "[Schwenk Latvija](#)" Brocēnu rūpnīcā investēs aptuveni 500 miljonus eiro.

RECOMMENDATIONS

Latvia's final NECP demonstrates a slight improvement towards addressing the need for CCS deployment, compared to its initial draft. As major gaps remain in regulation, planning and implementation, Bellona encourages the Latvian government to:

1

SET UP A NATIONAL AND REGIONAL WORKING GROUP TO DEVELOP AN IMPLEMENTATION PLAN FOR CCS DEPLOYMENT

This working group should facilitate development of industrial transformation plans, aligning infrastructure development actions, processes and a funding strategy to reach climate targets in close consultation with municipalities, private sector and civil society stakeholders. The working group should survey CCS needs for the largest emitters taking into account existing and planned short, medium, and long-term investments in production assets. Different modes of transport (pipelines, ships, trains, trucks) should be considered and the planning of infrastructure should allow for potential expansion to connect to other industrial clusters further inland and in neighbouring countries. Government should ensure transparent regulation of the infrastructure to ensure open access, prevent monopolies, and enable its potential future use for purposes such as CDR solutions to achieve negative emissions.

2

DEVELOP A LEGAL FRAMEWORK

Develop national plan with conditions under which responsible ministry would propose amendments to current regulations, lifting ban for industrial geological CO₂ storage in respective territories. Ratify the London Protocol and consider international and/or bilateral agreements for the transport of CO₂ across borders. Advocate for relevant amendments in the Helsinki Convention to enable safe and permanent CO₂ storage in the geological sub-seabed structures of the Baltic Sea. Develop transparent and effective liability regulations for leakage risks for CO₂ transport and long-term storage facilities.

3

PROVIDE THE NECESSARY FUNDING FRAMEWORK

Provide support for further appraisal of geological CO₂ storage opportunities in Lithuania and the Baltic Sea. Provide CCS support programs for hard-to-abate industries to reduce CO₂ emission to the atmosphere. Prioritise public funding for high-climate-value CCS applications with no or fewer scalable alternatives and where CCS would come with higher mitigation potential and therefore the highest climate value. Ensure funding mechanism at the local, national, and regional level to address development of national and cross-border CCS hubs and clusters in the BSR, CO₂ infrastructure needs, with public and private funding and/or co-financing. Define industrial sectors eligible for funding and ensure that CCS solutions are used where other forms of emission reductions (such as electrification) is not technically possible or realistic, and CCS does not hinder the phaseout of fossil fuels.



4

ENSURE ROBUST ASSESSMENT OF CCU

Ensure that CCU products are assessed based on their full lifecycle emissions to ensure clear climate benefits.

5

ENGAGE WITH EXISTING CCS PROJECTS

Build on the momentum of ongoing CCS projects and incorporate insights from current research institutions and stakeholders into a national implementation plan for CCS. One example would be the newly launched [GreenHorizon CEE Project: Industrial Carbon Management for a Sustainable Future in CEE](#), with Bellona Europa focusing on Latvia

6

ENSURE THE ENVIRONMENTAL INTEGRITY AND CLIMATE BENEFITS OF BECCS/ BIO-CCS

Develop and adhere to robust accounting rules, certification standards, liability frameworks, and sustainability requirements for BECCS/Bio-CCS to guarantee its environmental integrity and net climate benefits. This includes comprehensive Monitoring, Reporting, and Verification systems that account for all greenhouse gas emissions—both direct and indirect—across the entire value chain, domestically and internationally where applicable. These systems should employ conservative estimation methods and ensure that biomass sourcing prioritises sustainability, minimises lifecycle emissions, and achieves a net-negative balance. Bellona recommends the separation of CDR targets into emissions reductions, land-based sequestration and permanent carbon removals, to enhance clarity on climate goals. This would ensure anthropogenic biogenic based removals are not deterring emission reductions.

FURTHER RESOURCES

CCS Baltic Consortium, <https://ccs-baltic.eu/>.

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Bellona Europa is an international, independent and non-profit organisation that meets environmental and climate challenges head on. We are solutions-oriented and have a comprehensive and cross-sectoral approach to assess the economics, climate impacts and technical feasibility of necessary climate actions. To do this, we work with civil society, academia, governments, institutions, and industries.