

## A Global Alliance to Significantly Reduce Methane Emissions in the Oil and Gas Sector by 2030

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*At the UN Climate Summit in September, governments seeking to enhance their NDCs' ambition will commit to significant methane reduction targets from the oil and gas value chain. Countries will commit to either absolute methane reduction targets of at least 45% by 2025 and 60% to 75% by 2030 or to a "near zero" methane intensity target. International organizations, NGOs and industry leaders will support them in achieving those ambitious targets through policy support and sharing of knowledge, technologies, and best management practices.*

*Reducing methane emissions can rapidly reduce the rate of warming. In most cases, controlling methane emissions from the oil and gas sector is technologically feasible, generates income for companies, and contributes to reducing the climate footprint of oil and natural gas as the world transitions to a low carbon energy system.*

*Commitments at the UN Climate Summit will demonstrate the wide recognition from governments, civil society, and the industry that as long as oil and natural gas are part of the energy mix, it is imperative to improve their environmental performances.*

### Why it matters

Methane is a powerful greenhouse gas, with a Global Warming Potential over 80 times more powerful than carbon dioxide (CO<sub>2</sub>) in the atmosphere over a twenty-year timeframe. Methane is responsible for about a [quarter of today's global warming](#). If the world is to reach the 1.5°C (or even a 2°C) global temperature target, deep reductions in methane emissions must be achieved by 2030 as part of holistic efforts to meet climate goals under the Paris Agreement<sup>1</sup>. And because methane's atmospheric lifespan is relatively short – 10 to 12 years – actions to reduce methane emissions can rapidly contribute to bend the curve away from dangerous warming, while also delivering air quality benefits.

The oil and gas sector is one of the largest man-made emission sources, responsible for [24% of global anthropogenic methane emissions](#). The latest data shows that around 3.6 trillion cubic feet of natural gas escaped into the atmosphere in 2012 from global oil and gas operations. This wasted gas translates

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<sup>1</sup> IPCC, 2018: Summary for Policymakers. In: Global Warming of 1.5°C. An IPCC Special Report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty [Masson-Delmotte, V., P. Zhai, H.-O. Pörtner, D. Roberts, J. Skea, P.R. Shukla, A. Pirani, W. Moufouma-Okia, C. Péan, R. Pidcock, S. Connors, J.B.R. Matthews, Y. Chen, X. Zhou, M.I. Gomis, E. Lonnoy, Maycock, M. Tignor, and T. Waterfield (eds.)]. World Meteorological Organization, Geneva, Switzerland, 32 pp. <https://www.ipcc.ch/sr15/>

into roughly \$30 billion of lost revenue at average 2012 delivered prices, and about 3% of global natural gas production<sup>2</sup>.

However, the [International Energy Agency estimates](#) the industry could reduce its worldwide emissions by 75 percent—and that up to two-thirds of those reductions can be realized at zero net cost. In fact, managing methane is one of the fastest and most cost-effective ways to slow the rate of global warming in the short term as efforts continue to decarbonize the energy system by adopting cleaner forms of energy.

Reducing methane leaks can also create safer, cleaner businesses. There are low-cost, technically feasible solutions to reduce methane emissions in oil and gas operations, depending on local conditions. Further, technology innovation in the fields of continuous and mobile monitoring and digitalization offer potential to achieve even steeper future emission reductions at even lower cost. While this Alliance will prioritize oil and gas methane emission reductions, governments should recognize and address other methane sources as well.

## The UN Climate Summit Commitment

Countries, industry leaders, international organizations, and NGOs will announce commitments to reduce methane emissions across the oil and gas value chain at the UN Secretary-General's Climate Change Summit and inspire more countries to do the same in the run-up to COP 26.

**Countries commit to include methane reduction targets from the oil and gas sector in their Nationally Determined Contribution, as part of their overall GHG reduction targets.**

**Countries will have the option to choose an absolute reduction target or a methane intensity target, depending on their actual methane emissions and of the level of development of their oil and gas industry.**

- **Absolute reduction target** of at least 45% reduction in methane emissions by 2025 and 60% to 75% by 2030. These are realistic and achievable targets<sup>3</sup>, especially in a sector where technology and financing are largely available, and innovation supports even larger reductions
- **Intensity target** of “near-zero” methane emissions. This approach builds on production segment targets already pledged by 13 companies through the Oil and Gas Climate Initiative (i.e. limiting methane emissions to 0.20% – 0.25% per unit produced by 2025).

**International organizations and NGOs will support countries pursuing these targets through technical assistance and policy support. Participating oil and gas companies will share knowledge, technologies, and best management practices.**

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<sup>2</sup> Untapped Potential: Reducing Global Methane Emissions from Oil and Natural Gas Systems  
Kate Larsen, Michael Delgado, and Peter Marsters, Rhodium Group and Environmental Defense Fund (2015)  
[https://www.edf.org/sites/default/files/content/rhg\\_untappedpotential\\_april2015.pdf](https://www.edf.org/sites/default/files/content/rhg_untappedpotential_april2015.pdf)

<sup>3</sup> These targets were adopted by the Climate and Clean Air Coalition. The 45% target was already adopted by Canada, the US and Mexico during the 2016 ‘Tres Amigos’ summit: <https://www.businessinsider.com/ap-obama-trudeau-target-methane-emissions-in-new-agreement-2016-3?IR=T>

According to the International Energy Agency, it is technically feasible for the oil and gas industry to reduce 75% of its methane emissions: <https://www.iea.org/newsroom/news/2017/october/commentary-the-environmental-case-for-natural-gas.html>

## What assistance is available?

The UN Environment hosted [Climate and Clean Air Coalition \(CCAC\)](#) works with a variety of partners including Governments, NGOs, and major international oil and gas companies to reduce methane emissions from the oil and gas sector since 2014. The CCAC with the European Commission, the Environmental Defense Fund, and the Oil and Gas Climate Initiative (OGCI), is conducting an extensive program of scientific studies to extend the global knowledge of methane emissions.

Companies involved in the CCAC's Oil and Gas Methane Partnership mitigate methane leaks from nine key sources in upstream oil and gas operations following [technical guidance documents](#) that make the economic case for methane emissions reduction. OGMP also provides a reporting framework that supports transparency on actions and results.

The Oil and Gas Climate Initiative (OGCI) has worked since its birth on methane. In particular OGCI members have committed to a collective stringent methane target and possess experience and knowledge that can support governments and other companies. The Methane Guiding Principles (MGP) is a multi-stakeholder collaboration that aims to reduce methane emissions from the oil and gas value chain. Resources under development include a best practices toolkit and education program, principles for sound and effective methane policy and regulation, and a web-based information portal by the International Energy Agency.

The CCAC, also through its [solution centre](#), is prepared to work with interested partners to assist all governments and other actors ready to make strong and ambitious commitments to reduce methane emissions from the oil and gas sector.

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