# Summary report

## Virtual Launch Ceremony of the Oil and Gas Methane Partnership (OGMP) 2.0

**Hosted by:** European Commission (EC), United Nations Environment Programme (UNEP), Environmental Defense Fund (EDF), Climate and Clean Air Coalition (CCAC)

**Date:** 23rd of November **Time:** 16:30 to 18:00 CET **Virtual total run time**: 90 minutes

## Context of session

Climate change has not stopped for COVID-19. Emissions are heading in the direction of pre-pandemic levels following a temporary decline caused by lockdowns and the economic slowdown. The world is set to see its warmest five years on record – in a trend which is likely to continue – and is not on track to meet agreed targets to keep global temperature increase well below 2 °C or at 1.5 °C above pre-industrial levels. Global methane emissions from human activities do not escape these predictions and have continued to increase.

Methane is a powerful greenhouse gas, with a short-term climate impact over 80 times than CO2 over a 20 years horizon. Methane, escaping across oil and gas production, processing, transmission, and distribution totals over 6.7 billion tons of CO2 equivalent each year, equal to 16 percent of all human made CO2 emissions.

While the oil and gas industry is responsible for one-third of anthropogenic methane emissions, it is the sector with the highest potential for reductions. Our ability to meet the Paris Agreement and avoid exceeding 1.5 °C of warming depends on the global oil and gas industry's willingness to reduce methane emissions in the next decade, while working towards net-zero emissions by 2050. Methane emission reductions from the oil and gas sector could reduce global temperature rise by 0.2 degrees by 2030 and a third of a degree by the end of the century.

The United Nations Environment Programme, the European Commission, the Climate and Clean Air Coalition and the Environmental Defense Fund hosted this high-level dialogue in the run up to the December Climate Summit, to highlight the mitigation opportunities that stem from comprehensive action on tackling methane in the oil and gas industry. This virtual event launched the Oil and Gas Methane Partnership (OGMP) 2.0, a voluntary initiative to help companies reduce methane emissions in the oil and gas sector. The Virtual Launch Ceremony kicked-off a dialogue with key actors at national and international level and was an opportunity to call on new partners to join the initiative.

## Report of the session

**Ms. Kadri Simson, European Commissioner for Energy, delivered her keynote speech on "Reducing Methane Emissions for People and Nature".** She noted that the European Union has made it a key priority to fight climate change by committing to reducing greenhouse gas emissions by 55% by 2030. To reach this target, the EU has launched a comprehensive strategy to reduce methane emissions from the waste, agriculture, and energy sectors. In the energy sector in particular emissions can be reduced quickly and cheaply. A cornerstone of the EU methane strategy is built upon active leadership and partnership. The Oil and Gas Methane Partnership is the best example of this approach. International collaboration is particularly important to the EU as 75% of emissions from fossil fuels used in Europe occur outside of its borders.

Today, the lack of data on methane emissions is the greatest barrier to develop policies and effectively reduce emissions, recognized Ms. Simson. Through the OGMP 2.0, companies will improve monitoring and reporting from both operated and non-operated assets, with data expected to become available beginning in 2021, which the EC will use as the basis for updates to its regulatory framework. The data companies report will need to be reconciled, which is why the EC is collaborating with the United Nations Environment Programme on the establishment of the International Methane Emissions Observatory to bring together partners and identify data gaps, as well as create a Methane Supply Index to create a transparent picture of emissions across the oil and gas industry.

Ms. Simson ended by noting that once we are armed with the right knowledge, we can push for real change. The OGMP 2.0 can contribute to more sustainable oil and gas production in a way that is transparent for civil society and for government.

**Ms. Inger Andersen, Executive Director of the United Nations Environment Programme, delivered opening remarks on "Energizing Collaboration".** She began by noting that reducing methane emissions from the oil and gas sector is an opportunity we cannot afford to let pass by. With ambitious action, limiting climate warming to 1.5 degrees is on the brink of possibility—but the window of opportunity is closing, she announced. Methane emissions from the oil and gas industry is the right place to start, but the entire industry needs to act.

The OGMP 2.0 is a gold standard reporting framework that ensure that emissions are reported robustly, transparently, and accurately. Ms. Andersen explained that it will provide accurate information on company emissions performance and will help stakeholders inform strategic decisions on emissions reduction. UNEP benefitted greatly from collaborating with the EC on the updated framework, she underscored, and is excited to establish the International Methane Emissions Observatory with the EC and other partners.

Ms. Andersen encouraged broad participation in the race to net-zero, recognizing that we need everyone on board to reach international climate goals. Reducing methane emissions from the oil and gas sector will play a critical goal in the transition to net-zero. UNEP supports the ambition of companies to commit to net-zero and will be closely watching their actions towards this goal.

**Mr. Fred Krupp, President of the Environmental Defense Fund, delivered his keynote speech on "Science and Measurement as the Foundation for Methane Action".** Mr. Krupp shared that EDF applauds the effort of the OGMP 2.0 as a comprehensive effort to reduce methane emissions, which is the fastest way to slow the rate of climate change we are seeing now. EDF has led extensive research around the world that has identified the oil and gas industry as a major source of methane emissions and has laid the foundation for science-based action. Following this work, Mr. Krupp believes that the goal must be to virtually eliminate methane emissions from all oil and gas operations.

The EU can drive methane reductions globally, he argued, especially by implementing an important standard for countries outside the EU. The OGMP 2.0 can be a basis for robust standards in Europe and beyond to ensure that industry takes practical actions. The upcoming International Methane Emissions Observatory will improve the consistency and credibility of methane emissions data reported by OGMP companies. Satellites and other remote sensing tools, such as EDF's MethaneSAT, will also offer an unprecedented visibility into sources and sizes of methane emissions.

Mr. Krupp concluded by underlining that today we have the tools to eliminate fossil methane emissions virtually anywhere on Earth, and that what we need to do it encourage their uptake. That is why the OGMP 2.0 is such a big step forward for industry, governments, investors, and other stakeholders.

## Summary of Panel Discussion

**The discussion with panellists was moderated by Ms. Redi Tlhabi, a highly distinguished South African journalist, speaker, writer and facilitator.**

**H.E. Dr. Mohammad Mahmood Abubakar, Minister of the Environment of Nigeria** outlined the steps Nigeria has taken to reduce methane emissions from the oil and gas industry. He emphasized action that Nigeria has taken to reduce flaring and utilize flared gas. When asked how the OGMP 2.0 can support Nigeria's efforts, His Excellency noted that awareness raising is key to understanding and reducing methane emissions, and that initiatives like the OGMP can play a crucial role in achieving this in Nigeria and around the world. He noted that while Nigeria has established agencies that are geared towards greenhouse gas emissions reduction, including methane, they lack the technology, development strategy, and financial resources to undertake necessary action.

Nevertheless, His Excellency believes that it is possible to act on climate while recovering from the economic crisis resulting from the outbreak of COVID-19. He mentioned the central government's plan to introduce stimulus package as part of the COVID recovery plan that includes significant resources for clean energy to provide solar panel to 5 million households currently not connected to national grid, and create 250,000 jobs. Dr. Abubakar concluded his remarks by noting that Nigeria aims at setting an example for all African countries for the reduction of methane emissions.

**Mr. Marcelino Oreja Arburúa, the Chief Executive Officer of Enagás**, started his intervention by underscoring that methane emissions management is part of the corporate culture of his company. Enagás, which is Spain's leading natural gas infrastructure company, European TSO and Technical Manager of the Spanish gas system, has committed to reduce emissions 25% by 2030 and 61% by 2040. He highlighted how the company has reduced its greenhouse gas emissions by 50% since 2014 and is working with Queen Mary University of London to better detect and quantify methane emission, as well as to identify best available techniques and technologies to mitigate emissions. He stated that the company is eager to partner with peers and international stakeholders to identify and implement further ways to reduce methane emissions, especially when it comes to measurement. Interestingly, at Enagás, every executive has funds linked to emissions levels and are involved in projects at the European level related to monitoring, reporting, and verifying methane emissions.

Mr. Oreja Arburúa argued that both decarbonising gas with hydrogen and renewable gas and reducing methane emissions must be part of the industry's future. The industry in Europe is working together and pushing hard to measure methane emissions, which many operators are doing already successfully. He states that reaching peak emissions in three years will be challenging but achievable, especially thanks to better technology that will drive down costs for mitigation. OGMP, he said, will contribute to improving the accuracy and transparency of methane emissions data, allow for increased exchanges of information within the sector, and drive change in the industry by setting ambition reduction targets.

**Mr. Paolo Gallo, Chief Executive Officer of Italgas**, started his intervention by stating that curbing methane emissions in distribution is very challenging, but that digital technologies and increasingly accurate emissions data can help perform measurements with better accuracy. Italgas, an Italian company specialising in the distribution of natural gas, is in the process of fully digitalizing their network, which will allow it to measure, report and reduce leakages. Reducing methane emissions is essential to achieve European objectives, and Mr. Gallo thinks that this can be addressed using innovative technology and mitigating emissions by super-emitters. Italgas has set an objective to reduce methane emissions by more than 20% in next 5 years.

Mr. Gallo also underscored the need for grids to get ready to integrate renewable gases, including biogas, to reduce methane emissions in the sector, which will keep on playing a significant role for European energy supply and integration. In the near future, he argued, technologies like power to gas will be the answer at competitive cost to the need of flexibility in energy storage as renewables cover increased shares of energy needs. Gas grids will play a key role in connecting local facilities to biomethane plants.

Mr. Gallo underscored that networks need to ensure high quality of gas delivery and emission control and reduction through full digitalisation. He said that joining OGMP 2.0 will bring many benefits to companies, not just to members but also to peers: collaboration offers incredible value as it helps set benchmarks and share inspiration to reduce methane emissions. Thanks to OGMP 2.0, the industry will be ready to collaborate on a European framework and will move forward even more quickly in reducing emissions, while ensuring that essential public services like gas distribution are managed in the most sustainable way. He concluded by stating that Italgas is ready to take the challenge of a fully decarbonized energy system.

**Mr. Gordon Birrell, Executive Vice President of Production and Operations, BP** started by saying that there is now a drive from consumers to transition to cleaner energy sources, which has caused BP to pivot from an international oil company to an integrated energy company. For this reason, BP will invest less in oil and gas and more in renewables and has announced the target to become net-zero in production facilities by 2050 and has committed to be net-zero in terms of all oil and gas they produce – including combustion. BP has been investing heavily in measurement of methane emissions for a number of years and has now committed to get to a methane intensity of 0.2% by 2025, and then reduce it to 0.1%.

Mr. Birrell stated that the OGMP is essential for collaboration in the industry and that members can influence other companies towards lower emissions: "the more we can collaborate as an industry, the more we will achieve". He argued that the oil and gas industry will have a huge role to play in the energy transition and the economic recovery in the world, and that, as the industry likes to achieve targets, will keep raising the bar and increasing its environmental and climate ambition. Mr. Birrell stated that the industry's primary responsibility is to keep the energy demand satisfied and markets stable, but that this has to be done with cleaner and more affordable energy as the world moves through the transition. He concluded by stating that the oil and gas industry has the skills to continue to supply the world while also leading towards lower emissions.

## Closing Remarks

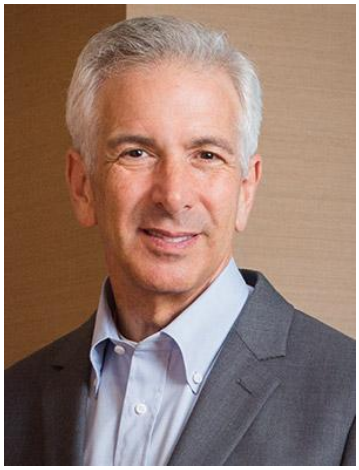
**Mr. Nigel Topping, UK High Level Climate Action Champion, COP26, delivered closing remarks.** Mr. Topping congratulated the member companies of the OGMP 2.0 who committed to reduce an important element on the race to net-zero, recognizing that methane emissions is one or the areas where solutions are known. Furthermore, the oil and gas industry has unique skillsets that will be necessary to complete the energy transition. Mr. Topping encouraged more companies to commit to the OGMP 2.0 and net-zero, including by joining the Race to Net Zero leading up to COP26.

## Key Takeaways and Next Steps

- On the pathway to COP26 in Glasgow and the Race to Zero, the oil and gas industry can play an important role in driving down global emissions, and its engagement and efforts are key for economy-wide decarbonization
- OGMP 2.0 members are ready to take on the challenge of decarbonizing the energy sector and collaborating on data sharing, setting ambitious mitigation goals, and driving innovation
- Countries and industry have committed to increase efforts on measurement and data sharing on methane emissions, but international observers will be on the lookout for ambitious actions to curb them

## Biographies of the speakers

| Opening Remarks | |
|---|---|
|  | **Inger Andersen, Under-Secretary-General of the United Nations, Executive Director of the UN Environment Programme**<br><br>Inger Andersen is Under-Secretary-General of the United Nations and Executive Director of the United Nations Environment Programme, headquartered in Nairobi, Kenya.<br><br>Between 2015 and 2019, Ms. Andersen was the Director-General of the International Union for Conservation of Nature (IUCN).<br><br>Ms. Andersen has more than 30 years of experience in international development economics, environmental sustainability, strategy and operations. She has led work on a range of issues including agriculture, environmental management, biodiversity conservation, climate change, infrastructure, energy, transport, and water resources management and hydro-diplomacy.<br><br>Between 1999 and 2014, Ms. Andersen held several leadership positions at the World Bank including Vice President of the Middle East and North Africa; Vice President for Sustainable Development and Head of the CGIAR Fund Council.<br><br>Prior to her 15 years at the World Bank, Ms. Andersen worked 12 years at the United Nations, first on drought and desertification, beginning with the UN Sudano-Sahelian Office. In 1992, she was appointed UNDP's Water and Environment Coordinator for the Arab Region.<br><br>Ms. Andersen holds a Bachelors from the London Metropolitan University North and a Masters in Development Economics from the School of Oriental and African Studies, University of London. |
| **Keynote Speeches** | |
|  | **Kadri Simson, Commissioner for Energy, European Union**<br><br>Kadri Simson is the European commissioner for energy, a position she has held since December 2019. She previously held the position of minister of economics affairs and infrastructure of the Republic of Estonia from 2016 to 2019.<br><br>During the Estonian presidency of the council of the EU (from July to December 2017), Simson chaired both the meetings of the energy ministers and transport ministers in the transport, telecommunications and energy (TTE) council as well as the meeting of economy ministers in the EU competitiveness council. From 2007 to 2016, she was a member of the Estonian Parliament ("Riigikogu") and was re-elected in 2019.<br><br>Simson has a degree in history at the University of Tartu and holds a master's degree in political science from the University College London. |



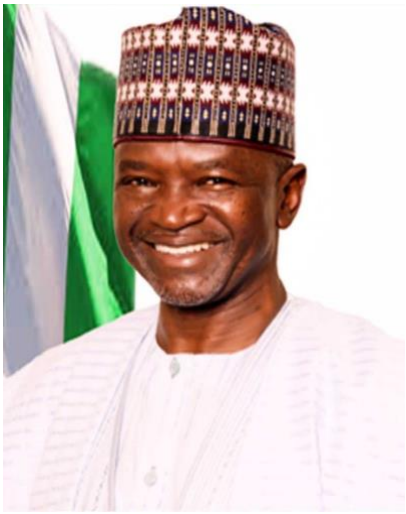
**Fred Krupp, President, Environmental Defense Fund**

Fred Krupp has guided EDF for three decades. A leading voice on climate change, energy, and sustainability, he is a champion for harnessing the power of the marketplace to protect our environment.

Under Krupp's leadership, EDF has become one of the world's most influential environmental organizations. He has focused international attention on the problem of methane emissions from the oil-and-gas system and led EDF's innovative corporate partnerships with FedEx, KKR, McDonald's, Walmart and others.

Krupp was named one of America's Best Leaders by *U.S. News and World Report* and is a recipient of the 2015 William K. Reilly Environmental Leadership Award.

**Panellists**



**H.E. Minister Dr. Mohammad Mahmood Abubakar, Minister of Environment, Federal Republic of Nigeria**

Dr. Mohammad Mahmood Abubakar was born on 30th December, 1958 in Tudun Wada, Kaduna South of Kaduna State. He obtained his Bachelor's Degree in (Biology Major, Chemistry Minor) specializing in Microbiology and Master's Degree in Resources Management with specialization in Natural Resources Management from Central Washington University, Ellensburg, Wa., and a PhD in Watersheds Management from the University of Arizona, Tucson all in USA.

He was during his National Youth Service Corps (NYSC) days a Microbiologist at NNPC Kaduna Refinery, Kaduna. He has worked for over 10 years in various organization starting from Kittitas Country (Health Dept.) as Environmental Health Inspector, University of Arizona as Research and Teaching Assistance, E&A Environmental Services Los Angeles, California as Environmental professional (Industrial Hygienist), Municipality of Metropolitan Seattle as Industrial Waste Investigator. He also worked in Nigeria as a Director Planning, Research and Evaluation with the Kaduna State Environmental Protection Agency and have lectured at Water Resources Research Institute, Kaduna as well as a volunteer Environmental consultant for the United Nations Association, Seattle Washington DC.

He was at different times Member, Kaduna State House of Assembly, Member Buhari Support Group, Kano State CPC Caretaker Committee Chairman, Deputy Director Field operations of the APC Presidential Campaign Council, Director Buhari Support Groups in the Presidential Campaign Council (PCC), National Chairman Buhari Support Organisation and lately as Board Chairman Universal Basic Education Board (UBEC).

**Marcelino Oreja Arburúa, Chief Executive Officer, Enágas**

Marcelino Oreja Arburua serves as Chief Executive Officer, Executive Director of the Company. He has experience in senior management gained working at international business companies. He served as President of FEVE.

Previously, he was General Director of Business Systems and Technology Unit of Comsa Emte SA, International Director of Emte SA and General International Director of Aldeasa, as well as General Director of Garrigues & Andersen Patentes y Marcas. He was Member of the European Parliament from 2002 to 2004.

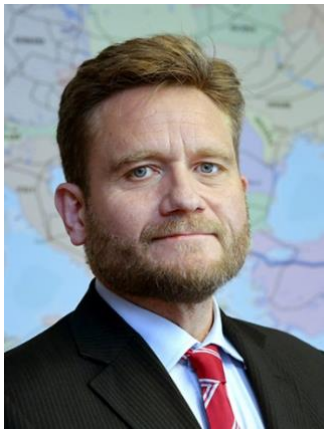
He is Industrial Property Agent and holds a degree in Industrial Engineering from Escuela Tecnica Superior de Ingenieria (ICAI) and a Master of Business Administration degree from IESE.

**Paolo Gallo, Chief Executive Officer, Italgas**

Born in Turin in 1961, he gained a degree in Aeronautical Engineering at the Polytechnic of Turin. He later gained an MBA from the Scuola di Amministrazione Aziendale (SAA - Università degli Studi di Torino). From 2014 to 2016 he was CEO of Grandi Stazioni, where he finalised the privatisation. Previously (2011 – 2014) he was firstly General Manager and then CEO of Acea S.p.A. one of the leading Italian multi-utility companies, listed on the Milan stock exchange. From 2002 to 2011 he was part of the Edison Group, first as Director of Strategy and Innovation and later (2003 - 2011) as General Manager and then CEO of Edipower.

He began his career at Fiat Avio S.p.A. in 1988 where he held various positions of responsibility for 13 years. In 1997 he began to get involved in the energy sector developing new initiatives in Italy, India and Brazil and later combined all the electricity generation activities for the Fiat Group at Fiat Energia (where he was CEO until 2002), the vehicle through which the Fiat Group acquired control of Montedison in July 2001.

Between 1992 and 1993 he was Director of the MBA course at the School of Business Management of the University of Turin, teaching “The economic-financial evaluation of industrial investments" until 2002, and he was the co-author of important publications in the industry. Since 2018 he has been Professor of the Re-engineering Operational Processes (Master in Digital Ecosystem) and Energy Management (Master in Energy Industry) courses at the Luiss Business School.



**Gordon Birrell, EVP of Production and Operations, BP**

Gordon Birrell has an MBA from Warwick University and an honors degree in Electrical and Electronic Engineering from Heriot-Watt University, Edinburgh.

He has a 26-year track record in the oil and gas industry, having joined BP in 1986. He spent the first years of his career on the North Sea, later moving to BP's London Corporate Headquarters in 1999. He then moved to Azerbaijan to lead exploration and appraisal projects, including the early stages of the Shah Deniz development. Having later worked in various other positions for BP around the world, he returned to Azerbaijan in 2012 to become BP's Regional President for Azerbaijan, Georgia, and Turkey. On September 2014, Gordon was awarded the order of "Dostlug" (Friendship) by the President of the Republic of Azerbaijan for his contributions to the development of oil and gas industry.

Before being appointed to his new role, Gordon was chief operating officer for production, transformation and carbon. In a long bp career, Gordon has spent time in various technical, safety and operational risk (S&OR) and leadership roles including four years as bp president Azerbaijan, Georgia and Turkey.

**Closing Remarks**

**Nigel Topping, UK High Level Climate Action Champion, COP26**

Nigel Topping is the UK's High-Level Climate Action Champion, appointed by the UK Prime Minister in January 2020. Nigel works alongside the Chilean High-Level Climate Action Champion, Gonzalo Muñoz. The role of the high-level champions is to strengthen collaboration and drive action from businesses, investors, organisations, cities, and regions on climate change, and coordinate this work with governments and parties to the United Nations Framework Convention on Climate Change (UNFCCC).

Nigel was most recently CEO of We Mean Business, a coalition of businesses working to accelerate the transition to a zero-carbon economy. Prior to that he was Executive Director of the Carbon Disclosure Project, following an 18-year career in the private sector, having worked across the world in emerging markets and manufacturing.