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R E G I O N A L F O R U M



IPIECA GHG Emissions Task Force

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IPIECA

The Issue

- **Regulatory uncertainty following Copenhagen and Waxman - Markey Bill**
- **Thus there is a need for oil and gas companies to adopt a proactive, positive attitude to carbon management due to:**
 - **An improved understanding of climate risk**
 - **To assist industry in retaining market share in sustainable energy future**
 - **Companies with low emissions will fare best in carbon-constrained world**
- **Many companies already applying CO₂ abatement measures through:**
 - **Energy efficiency, GHG trading, bio- and alternative fuels, and CCS**

The Industry

IPIECA

- Global oil and gas industry association for environmental and social issues
- Comprises 30 Oil & Gas company members
- Remit to develop, share and promote good practice to help industry members improve environmental and social performance
- Dedicated Climate Change Working Group since 1988

OGP

- Formed to develop effective communications between upstream industry and international regulators/organisations
- In this context, OGP has been closely engaged with the World Bank through GGFR, EITI and now decommissioning
- Comprises 53 Oil & Gas company members (most are common with IPIECA)
- Remit also to help members in improving safety, health and environmental performance, and engineering and operation of upstream ventures
- Dedicated Environment Committee since 1974

Action

- In 2009 both IPIECA and OGP members identified a need to tackle GHG emissions reduction
- Both planned to develop Best Practice guidance to assist the industry
- To avoid duplication of effort, OGP members joined the IPIECA group 'GHG Emissions Task Force' (GET) which sits under the Climate Change Working Group
- Currently chaired by Total

Action

- Inaugural meeting held in Houston, March 2009, identified three work strands:
 - **2010: Energy efficiency**
 - **2011: Flaring and venting**
 - **2011 / 2012+ : Carbon capture and sequestration – pending as still hanging on a number of policy decisions**

Energy Efficiency

- **First Energy Efficiency event: ‘Managing GHG Emissions Through Energy Efficiency’ workshop in Houston, January 2010**
- **Very productive meeting which identified a number of key elements to be tackled (now in progress):**
 - **‘Energy management systems’ – remit to provide guidance on adapting ISO 50001 Energy MS to the oil industry**
 - **‘Best practices and tools’ – library of literature/technology**
 - **‘Upstream benchmarking’ – remit to explore opportunities and barriers, and suggest next steps to a benchmark**
 - **‘Communications’ – to make the business case for GHG reductions internally, and communicate industry efforts externally**

Flaring and Venting

- Flaring and venting (F&V) will also be covered under GET
- Activities should not duplicate GGFR /M2M initiatives
- *Operational Flaring & Venting* will sit under energy efficiency
- Will focus on:
 - Streamlined set of management practices and standards: for continuous F+V management by adopting and adapting GGFR standards and building from industry experience in the application of them
 - Including flare management plans and reducing execution barriers
 - Appropriate technologies to support F+V reduction will be leveraged from Methane to Markets, industry application, and learnings from GGFR

Flaring and Venting

- **GET – GGFR interfaces:**
 - **Direct incorporation of relevant GGFR documents**
 - **Use existing GET ties in OGP and IPIECA at both program management and working levels**
 - **Mutual participation / support for sponsored activities**
 - e.g. GGFR participation in OGP-IPIECA panel at SPE;
IPIECA-OGP representation at GGFR Oman workshop
 - **GET members engage in relevant GGFR Networks**
 - e.g. Technical Network addressing measurement and reporting,
Communications Network involving creation of flare reduction
success stories
 - **Leadership of GET F&V Task Force has GGFR staff position
(John Shinn)**

...next steps...?

- **Build upon the GGFR standards to create best practice guidance and practical tools to assist the industry in reducing flare emissions**
- **Would welcome input from GGFR to ensure these tools are developed in alignment with the work already done**
- **The Middle East/North Africa region is important! We will need your individual inputs as operating companies to ensure that the guidance and tools are practical, useable, and effective**