

IOGP answer to the EU roadmap on new rules to prevent methane leakage in the energy sector

IOGP supports the development of standards, guidelines and, where appropriate, cost-effective and efficient regulation reducing methane emissions along the full energy (gas and oil, coal and biogas/biomethane) chains. We welcome the holistic approach, covering not only the energy sector, but also agriculture and waste. While voluntary efforts by individual companies are important, they do not on their own drive industry-wide change, and for that, full industry participation is required. When developing policy frameworks aiming at methane emissions reduction, it should be taken into account that technology to detect and measure methane emissions, despite recent progress, is in development stage; data on emissions is therefore not readily consistently available for all regions. As regards to the **costs associated with mitigation measures**, IOGP disagrees with the International Energy Agency statement that “indicates that around 40% of energy related methane emissions can be abated at no-net cost” as no in-depth economic analysis was provided.

IOGP welcomes the Commission’s intention to deliver a legislative proposal on compulsory **measurement, reporting, and verification (MRV)** at company-level for all energy-related methane emissions, building on the Oil and Gas Methane Partnership (OGMP 2.0) methodology, as well as other methane regulatory requirements and incentives. IOGP regards a robust MRV standard of methane emissions as a vital element in policy frameworks that aim to reduce methane emissions along the energy chains, including those beyond the EU’s borders. When harmonizing the methane emissions reporting framework, overly additional administrative and technical burdens (such as double reporting) on the companies should be avoided. The Commission should drive toward not only internal EU consistency but the development of global consistency as well. Therefore, IOGP supports the EU to develop a credible MRV standard in cooperation with key global partners. IOGP also welcomes the Commission’s intention to deliver a legislative proposal on an obligation to **improve Leak Detection and Repair (LDAR)** on gas infrastructure, as well as any other production, transport or use of gas, including as a feedstock. IOGP member companies already have implemented LDAR programmes across many of their operations and several participate in voluntary industry initiatives. IOGP supports cost effective regulation which focusses on highest emission sources along the full supply chains of gas, oil and coal and biogas/biomethane. Where relevant, oil and gas industry is prepared to share learnings and experiences with other sectors.

IOGP further recognizes that the Commission will **consider legislation on eliminating routine venting and flaring** in the energy sector covering the full supply chain. In this context we highlight that some EU member state regulations address routine venting and flaring already in detail taking into account complex safety and environmental aspects. Such existing regulations must be taken into account when developing EU wide regulations and care should be taken when defining the term “routine” and that new measures should proceed in support of, and alignment with, the World Bank’s flaring reduction initiatives.