

Press Release

Working with the oil & gas industry to tackle climate change

London (21 January 2020) This is, in essence, the message of an excellent report published yesterday by the [International Energy Agency](#) (IEA). While hardly a day goes by without someone raising their voice to blame the oil & gas industry for obstructing efforts to tackle climate change by continuing to invest in fossil fuels, the IEA isn't afraid to involve, rather than exclude, the oil & gas industry from the solution to climate change.

Without a doubt, with oil & gas production comes greenhouse gas emissions, and the industry needs to reduce these emissions from its operations to help advance the transition to a lower carbon energy system. This is one of IOGP's key tasks. It supports mechanisms such as emission trading systems, or CO₂ and greenhouse gas taxes that are appropriate to national priorities and circumstances. It also actively supports enhancing the industry's performance on minimizing methane emissions from upstream oil & gas production, including flaring and venting. The Association became a supporting organisation to the Methane Guiding Principles in May 2018 and contributes to the improvement of accuracy and transparency in the IOGP Environmental Performance Indicators Report which presents methane emissions per region.

However, this is only part of the full picture. While the industry is committed to reducing emissions from its own operations, ongoing investment in existing and new oil & gas fields is necessary to meet the global energy demand. Even in a world consistent with the Paris goals, the IEA projects oil and gas will still provide 47% of the world's energy needs in 2040. In other IEA scenarios, the role of oil & gas in the energy mix is even greater. In its "Oil & gas Industry in Energy Transitions" report, published on Monday, the IEA again emphasizes that investment in existing fields - and some new ones - remains part of the picture and that a wide range of approaches and technologies are required to achieve the necessary emissions reductions. The IEA warns not to exclude the oil & gas industry by stressing the important role it plays in bringing new technologies, such as carbon capture, utilisation and storage (CCUS) and hydrogen, up to speed. The industry's extensive know-how, project management expertise and engineering capabilities are just some of the strengths it offers in fostering the development of these technologies. As Dr. Fatih Birol, IEA Executive Director,

says: *“Without the industry’s input, these technologies may simply not achieve the scale needed for them to move the dial on emissions.”*

IOGP and its members strongly agree - a ‘well-below 2 degrees scenario’ is impossible to pursue without more renewables and energy efficiency, but in particular without adopting technologies such as CCUS and blue hydrogen. We don’t just make a statement; we are actively helping fill the knowledge gap for these technologies. IOGP recently launched a cross-industry 2M€ ‘Hydrogen for Europe’ study led by two research Institutes in order to clearly determine what needs to be done to scale up hydrogen – be it from natural gas or renewables –in Europe. As for our Members, they are deploying massive CCU/CCS projects; the OGCI CCS [Kickstarter Initiative](#) brings some of these together.

“The oil & gas industry can be the solution rather than the problem. Tackling climate change requires not only financial and operational commitment, it requires working together, both in- and outside our industry. Together we can make the world a cleaner, more sustainable place, but that means keeping an open mind. The IEA is absolutely right: The oil & gas industry needs to be part of the discussion.” says Gordon Ballard, IOGP’s Executive Director.

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About IOGP

The International Association of Oil & Gas Producers (IOGP) is the voice of the global upstream industry. Oil and gas continue to provide a significant proportion of the world’s energy to meet growing demands for heat, light and transport.

Our Members produce 40% of the world’s oil and gas. They operate in all producing regions: The Americas, Africa, Europe, the Middle East, the Caspian, Asia and Australia.

We serve industry regulators as a global partner for improving safety, environmental and social performance. We also act as a uniquely upstream forum in which our members identify and share knowledge and good practices to achieve improvements in health, safety, the environment, security and social responsibility.