

Identifying and Addressing Barriers to Oil & Gas Methane Mitigation Projects in GMI Partner Countries

Eduardo José Sánchez
Ministry of Mines and Energy, Colombia



Background

- The 2018 Action Plan, adopted at the April 2018 Oil & Gas Subcommittee Meeting, was developed to provide a framework for projects and activities of the Oil & Gas Subcommittee
- At the July 2018 meeting, the Subcommittee agreed that identifying and addressing key barriers to project development was a priority

Step 1: Compile a list of barriers

Step 2: Conduct discussions that focus on strategies to overcome project barriers

Step 3: Identify financing options and mechanisms



Objective Two: Identify and Address Key Barriers to Project Development

Activity	Approach	Indicators for Evaluation	Responsible Party
Prepare a prioritized list of key project barriers, where removal could lead to project advancement	<ul style="list-style-type: none"> Solicit subcommittee members, as well as other subcommittees, to identify barriers 	<ul style="list-style-type: none"> List of barriers 	<ul style="list-style-type: none"> Subcommittee member task force
Conduct meeting sessions that focus on project barriers	<ul style="list-style-type: none"> Take advantage of opportunities that bring together GMI subcommittee and Project Network members with project developers, technology providers, and financiers Provide relevant case studies Discuss how barriers have been overcome by some subcommittee members and project network members 	<ul style="list-style-type: none"> Connections made between members Case studies produced 	<ul style="list-style-type: none"> Subcommittee member task force
Identify financing options and mechanisms/instruments that can assist in overcoming barriers	<ul style="list-style-type: none"> Conduct surveys and/or take advantage of opportunities that bring together GMI Subcommittee and Project Network members to discuss such instruments/programs Develop a white paper on survey/discussion findings 	<ul style="list-style-type: none"> Input received (by whom) List of financing options and market-based instruments/programs White paper produced and shared with members 	<ul style="list-style-type: none"> Co-Chairs and Subcommittee Members

Step 1: Compile a List of Barriers

Update on Progress



- At the request of the Oil & Gas Subcommittee co-chairs, GMI surveyed existing literature to compile a list of known barriers to implementation of methane reduction projects in the oil and gas sector
- Several Subcommittee members provided additional feedback to help identify key barriers to focus on for today's meeting
 - Thank you to Argentina, Colombia, Ghana, Indonesia, Saudi Arabia, Turkey, and Ukraine for their input

Key Barriers Identified by Subcommittee Members

- Competing investment priorities
- Resistance to implementing change in operations due to:
 - lack of technical knowledge
 - perceived costs
 - potential fines, and
 - stringent regulations
- Access to project financing
- Low cost of natural gas



Additional Barriers Identified

- Institutions do not give enough attention to environmental issues
- Regulatory schemes make project development burdensome
- Differences in local climate and regulations affect project implementation
- Various regulatory agencies control different areas of environmental compliance
- Multiple companies own assets at facilities, making it difficult to quantify emissions



Step 2: Conduct Discussions

Questions to Consider

1. Is your country facing any of the barriers included on the list?
2. Is your country facing any barriers that are not included on the list? What are they?
3. What are the most significant barriers affecting your country?



Step 2: Conduct Discussions

Questions to Consider (continued)

4. What ideas or suggestions do you have for how these project barriers could be overcome in your country?
5. Have there been any barriers discussed today that your country is currently working to address? Can you share examples?



Next Steps

- Step 1: Compile a list of barriers
 - *Barriers to Methane Mitigation Project Development*
[https://www.globalmethane.org/documents/event OG 510 Project Development Barriers 25march2019 eng.pdf](https://www.globalmethane.org/documents/event%20OG%20510%20Project%20Development%20Barriers%2025march2019%20eng.pdf)
 - Incorporate feedback received during today's discussion
- Step 2: Conduct discussions that focus on strategies to overcome project barriers
 - Establish task force to identify solutions and strategies
 - Determine schedule and responsibilities
- Step 3: Identify financing options and mechanisms for implementing methane reduction projects