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

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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
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*
    - 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