



## SUSTAINABILITY NEWS HEADLINES

### Urgent Methane Cuts Needed to Rein in Climate Change

Deep cuts in methane emissions, including from the fossil fuel industry, are urgently needed to slow the rate of global warming and keep it beneath a threshold agreed by world leaders, according to a U.N. report due to be released in May 2021.

Governments are increasingly looking at methane emissions as they seek solutions to cap warming at 1.5°C above pre-industrial levels, the aspirational target agreed by nearly 200 countries, under the 2015 Paris Agreement on climate change.

Methane has a much higher heat-trapping potential compared with carbon dioxide and it breaks down in the atmosphere much more quickly than CO<sub>2</sub>, meaning cutting methane emissions can have a climate impact sooner.

The report summary, whose findings were first published by The New York Times, includes contributions from more than 20 scientists and experts. It said currently available measures could reduce human-caused methane emissions by up to 45%, or 180 million tonnes a year by 2030. That would avoid nearly 0.3°C of global warming by the 2040s, it said.

The report said the fossil fuel sector has the biggest potential to slash methane emissions this decade. Fossil fuels account for 35% of human-caused methane emissions, while agriculture contributes 40% and waste such as landfills accounts for 20%.

# >70

## Million Tons

Of methane emissions into the atmosphere were generated by oil and gas operations worldwide in 2020.

(IEA)

# 10%

## Methane Leaks

In 2020 could be avoided at no net cost because the value of the captured methane is sufficient to cover the cost of the abatement measure.

(IEA)

# ≈ 5.5

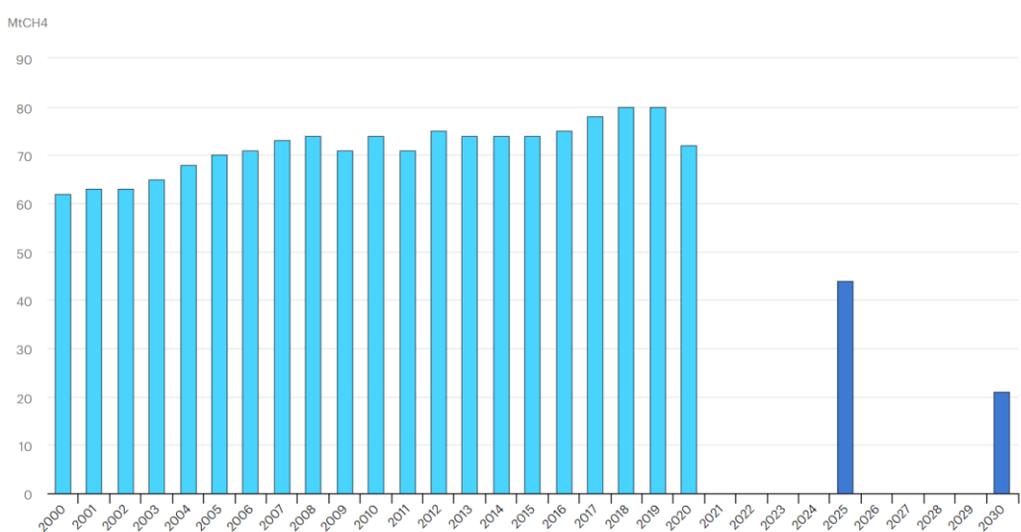
## Million Tons

Of methane emissions were detected globally by satellites in 2020.

(IEA)



### Oil and Gas Sector Methane Emissions Scenario – 2000-2030



Source: IEA

### Climate Change Cannot Be Mitigated Without Effective Carbon Pricing

Hundreds of corporations, including the largest emitters of greenhouse gases, have pledged to become “net zero” by 2050 or earlier, and over 1,000 corporations have embraced science-based targets to measure carbon reductions.

Mitigating climate change is largely about accelerating the transformation of the energy systems that power and sustain our modern lives. The burning of fossil fuels accounts for about 80% of the emissions that cause global warming. Growing the share of renewable sources of energy for producing electricity, electrifying all segments of the economy and employing low carbon technologies is possible in principle. But despite technological breakthroughs and the growing cost competitiveness of renewables, the current pace of change is still far too slow. According to statistics on recent primary energy consumption, the share of renewable sources now stands at about 5% of primary energy. If all non-CO<sub>2</sub>-emitting sources – renewables, hydro and nuclear - were included, that share would stand at 16%.

There is growing consensus that carbon pricing can play an important role in the decarbonisation of the world’s economic activity. At the recent World Economy Forum (WEF21), several industry leaders, affirm that a price on carbon would create an incentive for companies to decarbonise, and a budget to finance climate action through carbon credits. However, overall progress in carbon pricing is slow. As of today, only about 22% of global emissions are covered by carbon pricing initiatives and less than 5% are subject to high enough levels. About half of the emissions are priced at less than US\$10 per ton - with the global average price standing at US\$2 per ton! On the flip side, subsidies for fossil fuels, estimated at US\$478 billion in 2019, are more than ten times higher than revenues from carbon pricing (US\$45 billion in (2019)).

# ≈ 22%

## Global Emissions

Are covered by carbon pricing initiatives and less than 5% are subject to high enough levels.

(Refinitiv)

# ≈ 1/2

## Of The Emissions

are priced at less than US\$10 per ton – with the global average price standing at US\$2 per ton.

(State and Trends of Carbon Pricing 2020)

# About 33

## % GHG Emissions

Reductions have been achieved since 2005, with significant reductions occurring between 2018 and 2020.

(Refinitiv)



Please **DO NOT** Print Unless Absolutely Necessary  
Sources: Refinitiv Eikon, unless stated otherwise.