Global Initiative:
Combining Forces to End Routine Gas Flaring

WB/IGU/SE4ALL Regional Gas Seminar
Maputo, September 22 - 23, 2015
Gas flaring – what is it?

• What kind of gas?
  • Gas that is produced in association with oil, but flared instead of used
  • This “associated gas” is a blend of
    • Natural gas used in gas networks – mostly methane gas
    • Heavier types of gas – mostly butane and propane

• As distinguished from “non-associated gas”
  • From gas or gas/condensate fields where the purpose is to utilize the gas
Gas flaring – why does it happen?

- **Infrastructure and markets** that are under-developed and poorly functioning discourage investments in flare elimination.

- **Policy environment**: Legal, regulatory, investment, and operating environment often not conducive.

- **Distance** from energy users, gas pipelines, and power networks may make investments in gas utilization less attractive.

- **Gas characteristics** for the flared gas may be less favorable:
  - Often small, scattered, declining, uncertain gas volumes.

- Still – utilizing associated gas is in most cases “investment” rather than “cost”.
Gas flaring – why should it stop?

Globally

- The large volumes
  - About 140 billion cubic meters annually
  - Enough to produce 750 billion kWh power
    - More than the entire power consumption on the African continent

- The CO$_2$ emissions
  - About 350 million tons annually
  - Equivalent to about 77 million cars

- The black carbon from flares...
  - Depositing on snow and ice caps, causing melting
Who works on reducing flaring?
Companies, countries... and GGFR

The Global Gas Flaring Reduction Partnership – Members:

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<th>Governments</th>
<th>Institutions, other</th>
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Satellite detection of gas flares. Compilation for 2013 (VIIRS Satellite)
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Gas flaring – how are we doing?

Global gas flaring and oil production
Who flares gas?

Top 20 countries (none in SAR)
Will natural oil field depletion take care of the flaring problem? Not really

Global gas flaring: 2013-2030
Estimate for existing oil fields only – assuming good oilfield depletion practice and no flare reduction intervention

Source: Energy Redefined
Global Initiative Launched: “Zero Routine Flaring by 2030”
## World Bank’s proposed global gas flaring reduction initiative

### “Zero Routine Flaring by 2030”

- Oil companies to plan for zero routine flaring in new oil field developments
- Routine flaring at existing oil fields to end as soon as possible and no later than 2030

### Governments to provide legal/regulatory/investment/operating environment conducive to upstream investments and energy infrastructure and market development

### Development institutions to facilitate cooperation and implementation – and consider the use of financial instruments and other measures

### Initiative to be endorsed by
- governments – oil companies – development institutions

### Initiative launched April 17 at IMF/World Bank Spring Meetings, Washington DC
- Endorsers sought before COP21 in December 2015

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Note: Initiative pertains to routine flaring and not to flaring for safety reasons and non-routine flaring
“Zero Routine Flaring by 2030” Initiative

• Current endorsers *

Countries:
Norway
Cameroon
Russian Federation
Kazakhstan
Gabon
Uzbekistan
Republic of Congo
Angola
France
Peru
Netherlands

Development Institutions:
World Bank Group
EBRD
African Development Bank
SE4ALL
Asian Development Bank
Islamic Development Bank
Inter-American Development Bank
OPEC Fund for International Development

Companies:
TOTAL
Statoil
Eni
Société Nationale des Hydrocarbures (SNH – Cameroon)
State Oil Company of the Azerbaijan Republic (SOCAR)
Petroamazonas EP (Ecuador)
Royal Dutch Shell
Société Nationale des Petroles du Congo (SNPC)
Kuwait Oil Company
BG Group
BP
Entreprise Tunisienne d’Activites Petrolieres (ETAP – Tunisia)

* in order of endorsement date
Video (100 sec.): "Zero Routine Flaring by 2030"
Towards a world free of flares

More information on flaring: www.worldbank.org/ggfr
Contact: Bjorn Hamso
Program Manager
1-202 458 1065
bhamso@worldbank.org