GLOBAL METHANE INITIATIVE MIDDLE EAST MEETING

Scaling Up Global Gas Flaring Reduction

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• **Created** in 2002 at the World Summit on Sustainable Development in Johannesburg
  • 10 years anniversary in 2012 (**Global Forum in London on Oct 24-25th**)

• **Main Objectives:**
  • Reduce carbon emissions and environmental impact of flaring
  • Improve energy efficiency and access to energy

• **Means:**
  • World Bank led Public – Private Partnership to facilitate gas flaring reduction
  • Phase 4 just approved by partners (2013-2015)

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**Mission Statement**

GGFR is a **catalyst** for reducing **wasteful and undesirable practices** of gas flaring and venting through **policy change**, **stakeholder facilitation** and **project implementation**
Global Flaring

- **140 bcm of gas** flared globally
  - Annual gas use of Italy and France combined
  - 5% of world gas production

- **360 million tons of carbon** dioxide into the atmosphere
  - 2/3 of CERs issued by the existing registered projects under the Kyoto mechanisms
  - Emissions of 77 million cars

- **Risk of upcoming increase in gas flaring**
  - Oil production increases (Iraq)
  - New producing countries
  - Oil Shale and gas shale production
20 top flaring countries
Global flaring - satellites figures

Source: NOAA, BP Statistics
GGFR - Main Activities

• Phase 1 to 3:
  – Raise Global Awareness
  – Develop monitoring and measurement tools
  – Develop Regulations
  – Develop Gas Flaring Reduction Plans (AGRP/CIP)
  – Identify and Develop Gas Utilization Projects
  – Improve understanding of CDM, Carbon Finance Mechanisms and financing tools

• Phase 4 (2013-15):
  – Scaling up above activities
  – Increased focus on the gas value chain (including infrastructures and markets)
Middle East

GGFR Middle East Partners:

- Iraq
- Qatar
- Kuwait
Associated Gas: The fuel for Iraq development

- Iraq burns more than half its gas production (9bcm/y)
- Rapid increase with the oil production ramp up
- This gas could
  - fuel all the missing power generation in the country
  - feed job creating industries
  - provide LPG
  - generate export revenues

Iraq burns more than half its gas production (9bcm/y) and with the rapid increase in oil production, this gas could fuel all the missing power generation, feed job creating industries, provide LPG, and generate export revenues.
How to make it happen?

- **Attract investors**
  - Large investments needed to separate, treat, compress the gas
  - Ex BGC

- **Develop mid stream (infrastructure) and downstream (markets)**
  - Gas lines network
  - Power generation, LPG market, Industry, Export

- **Set up/reinforce gas institutions, and regulations**
  - National Gas Company(ies)
  - Setting up strategy, priorities, objectives, planning
  - Regulation (Gas Pricing, Transportation, Standards, Safety,...)
  - Contracts management, relationship with investors

World Bank and GGFR proposed support areas
- Kuwait joined GGFR in summer 2011
  - Signature ceremony in March 2012, with press coverage

- Technical mission in March 2012 to
  - Review KOC facilities
  - Identify opportunities to reduce flaring below 1% of inlet gas
  - Define the “Technical Limit” to Gas flaring reduction

- Remaining Work Program
  - Build up on the results of the technical mission
  - Regulation
  - KGOC in Divided Zone
Qatar

- **Qatar’s commitment to flare reduction**
  - National Strategy for 2016 sets out clear objectives to halve flaring intensity compared to 2008 and develop monitoring tool
  - Several major Gas flaring reduction projects: Al Shaheen, Jetty Boil off gas, Qatargas, Rasgas…

- **Work Program**
  - Review Operators Flare Reduction Plans
  - Identify and prepare Flare Reduction Pilot
  - Complete gas flaring regulation
  - Develop Flaring Database
Gas Flaring Reduction - Key success factors

- Awareness
- Monitoring, Measurement
- Balanced Regulations
- Planning, Finance
- Innovative Technologies
- Infrastructure, Markets

Cooperation between all key stakeholders
GGFR’s Vision is...

Global Gas Flaring Reduction Partnership:

TOWARDS A WORLD FREE OF FLARES

THANK YOU