

COP26: GLOBAL METHANE PLEDGE – THE MOVE FROM ASPIRATION TO ACTION

The <u>Global Methane Pledge</u>, which was launched at COP26, was heralded by European Commission President von der Leyen as "the moment when the world moves from aspiration to action." Following agreement on 2 November 2021, the EU, US and 103 other countries, including the UK, had signed the Pledge. Current signatories constitute 70% of the global economy and account for nearly half of global methane emissions. Significant methane emitters that have not yet committed to join the Pledge include China, Russia and India.

Policy and financial commitments

The Pledge recognises that reducing global methane emissions by 2030 is essential to the effort of limiting global warming to 1.5 degrees Celsius and avoiding over 0.2 degrees Celsius of warming by 2050. The Pledge complements action to reduce carbon dioxide emissions and also accounts for differences in mitigation potential across different sectors and regions.

Specifically, signatories to the Pledge commit:

- to collaborate to reduce global anthropogenic methane emissions across all sectors by at least 30% below 2020 levels by 2030 and to take domestic action to achieve that target, focusing particularly on the energy, waste and agricultural sectors;
- to move towards employing the highest tier Intergovernmental Panel on Climate Change greenhouse gas inventory methodologies, with a particular focus on high emission sources, improving national greenhouse gas inventory reporting and providing greater transparency in key sectors; and
- to support specified existing international methane emissions reduction initiatives to advance technical and policy work that will serve to underpin signatories' domestic actions.

The Pledge is accompanied by financial commitments totalling USD328 million from 20 global philanthropic organisations. The European Bank for Reconstruction and Development, the European Investment Bank and the Green Climate Fund have committed to contribute technical assistance and project finance.

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The dangers of methane

Methane has 80 times the heat-trapping power of carbon dioxide over its first 20 years in the atmosphere. Whilst carbon dioxide has a longer lasting impact, methane disproportionately contributes to the pace of warming in the short term. Consequently, cutting methane emissions now, means near-immediate benefits could be seen in terms of warming.

Not only will the success of the Pledge set climate change on a shallower trajectory, but it would also have notable additional positive effects. The UN has reported that methane abatement from the Pledge's 2030 goal could prevent thousands of premature deaths, reduce asthma-related illnesses, and avert the 20 million tonnes of crop losses that result from methane-driven air pollution annually.

Implications for business

The energy sector, agriculture and landfill are three of the biggest contributors to current methane levels and the Pledge represents an urgent call to change the way in which businesses operate.

Methane emissions within the energy sector principally flow from leaks from fossil fuel production sites, shipping and distribution systems. To meet the 2030 target set by the Pledge, global businesses within the energy sector will need to look at diversifying their processes and existing infrastructure. For example, there is an opportunity for the sector to expand the use of biogas. Agricultural waste can be processed by anaerobic digesters to create biomaterials used to manufacture biogas. Whilst being a more sustainable method of generating energy, these processes also reduce methane emissions using waste which would otherwise decompose anaerobically on the ground. The conscious shift to practices like this, with renewed primary focus on the climate impact, will facilitate steady progress towards achieving the 2030 goal.

Wider EU and US methane emissions reduction framework

The Pledge forms a significant new piece of the jigsaw of EU legislation and policy commitments in relation to methane emissions reduction. In October 2020, the European Commission adopted the <u>EU Methane Strategy</u> in accordance with the EU Regulation on the Governance of the Energy Union and Climate Action and the European Green Deal. The Strategy covers legislative and non-legislative actions, particularly in the energy, agricultural and waste and wastewater sectors, targeted at reducing methane emissions at an EU and international level. The EU has also supported the UN Environment Programme with the recent launch of the International Methane Emissions Observatory on 31 October 2021, a data-driven initiative to improve accuracy and transparency of methane emissions data.

In the US, the Environmental Protection Agency proposed <u>regulations</u> under the Clean Air Act on 2 November 2021, envisaging projected methane emissions reductions of 41 million short tons from 2023 to 2035. Additionally, the <u>US Methane Emissions Reduction Action Plan</u>, released on 2 November 2021, proposes a comprehensive whole-of-government initiative aimed at reducing US methane emissions in a cost-effective manner while protecting workers and communities, maintaining jobs and promoting US innovation.

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It is at first sight surprising that the Global Methane Pledge makes no reference to encouraging changes to meat-eating dietary lifestyles given the substantial contribution livestock farming makes to global methane emissions (around 32% of methane emissions caused by human activity according to UNEP). However, while dietary change might be an key effective tool to help reduce methane emissions, the cultural and other challenges involved with encouraging such a shift globally are likely to significant – indeed while the EU's strategy makes reference to possible dietary changes, the US's strategy does not.

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