

## Fossil Fables: Reading Between the Lines of the COP28 Oil and Gas Decarbonization Charter

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The United Nations Framework Convention on Climate Change's (UNFCCC) 28th meeting of the Conference of the Parties (COP28) is underway in Dubai until the 12 December 2023. According to the [official COP28 press release dated 4 December](#), so far eight new declarations and pledges have been announced and \$57 billion has been pledged towards climate action. One of the more controversial of these pledges is [the Oil and Gas Decarbonization Charter \(OGDC\)](#), which calls for the reduction of methane emissions in the fossil fuels industry with the aim of mitigating global warming and the effects of climate change. Critics have called it a diversion from the focus to phase out fossil fuels entirely.

The 50 oil producer signatories to the OGDC have committed to reduce their emissions to "near-zero" by 2030 and to reduce their carbon footprint to net-zero by 2050. Near-zero emissions have not been defined at a specific measurable threshold, but the charter wording is that that near-zero entails an end to routine flaring and a reduction of upstream methane emissions. Signatories have also committed to investing in renewables, increasing transparency with regard to their activities, aligning themselves to industry decarbonisation best practices, and to provide secure and affordable energy to developing economies.

The focus on decarbonisation comes as COP28 follows up on [the Paris Agreement](#)'s goal of keeping global temperatures to a maximum of 1.5°C above pre-industrial levels (below the 2°C disaster threshold). Alarming, some organisations (including NASA) assert that [temperature increases have exceeded the 1.5°C threshold already](#) in some parts of the world. The need to reduce greenhouse gas emissions has become urgent and efforts in this regard are a crucial component of COP28 discussions. In addressing global warming, methane emissions in particular are of concern. Methane is [up to 80 times more harmful than carbon dioxide](#) (CO<sub>2</sub>) due to its molecular structure, trapping more

heat than CO<sub>2</sub>. These emissions explain a quarter of the global increase in temperature driving climate change.

Aside from everyday activities relating to the use of oil and gas, the oil and gas industry itself is a major contributor to methane emissions. Some methane releasing activities within the industry include fracking, the production (and refining) process, storage, transportation of the gas and fuel, and routine flaring (the disposal of unwanted associated petroleum gas (APG) during crude oil extraction, usually in substantial quantities).

In 2021 the oil and gas industry was responsible for [82.5 million metric tons of methane emissions](#) – roughly 25%, of all human activity related methane emissions. This means that the industry alone is to blame for one sixteenth of the rise in global temperature, or 0.0625°C for every 1°C increase. This in conjunction with emissions attributed to everyday fossil fuel use mean that the rapid [transition to renewable energy sources is necessary for mitigating climate change](#). Instead of focussing on the transition to renewables ([one of the four Paris Agreement pillars on the agenda for COP28](#)), the OGDC commits producers of oil and gas to reduce their methane emissions.

The OGDC has been signed by 50 oil and gas producers: 30 National Oil Companies (NOCs) and 20 international oil companies (IOCs). Twelve of the 50 signatories are also members of [the Oil and Gas Climate Initiative](#) (OGCI, established 2014), which is very similar to the OGDC. The OGCI [aims to reduce methane emissions to below 0.2% by 2025 and zero flaring by 2030](#), and the signatories are also producers (rather than state parties). The OGDC has also been preceded by other methane-focussed decarbonisation initiatives involving state parties such as the [Global Methane Initiative](#) of 2004 and [the Global Methane Pledge \(GMP\)](#) launched at COP26.

The signatories to the OGDC include major multinationals such as TotalEnergies, BP, and Shell. Together, the 50 signatories produce over 40% of the world's oil. Producers from some of the world's top oil producing countries (the United States with 21% of the world's oil, Saudi Arabia with 13%, Russia with 10%, and China with 5%) include EQT corporation, ExxonMobil, Occidental Petroleum, Saudi Aramco, LUKOIL, and ZhenHua Oil. The signatories are detailed in Table 1 and Table 2 below.

Table 1: NOC Signatories

COUNTRY	National OIL COmpany Signatories
ANGOLA	Sonangol
ARGENTINA	YPF
AUSTRIA	OMV
AZERBAIJAN	SOCAR
BAHRAIN	Bapco Energies
BRAZIL	Petrobras
CHINA	ZhenHua Oil
COLOMBIA	Ecopetrol
EGYPT	EGAS
GEORGIA	GOGC
INDIA	ONGC
INDONESIA	Pertamina
JAPAN	INPEX Corporation
KAZAKHSTAN	KazMunaiGas
LIBYA	National Oil Company of Libya
MALAYSIA	Petronas
NAMIBIA	Namcor
NIGERIA	NNPC
NORWAY	Equinor
NORWAY	Petoro
OMAN	Petroleum Development Oman
PAKISTAN	Mari Petroleum
PAKISTAN	OGDC
PAKISTAN	Pakistan Petroleum Limited (PPL)
SAUDI ARABIA	Saudi Aramco
UNITED ARAB EMIRATES	SNOC
SOUTH SUDAN	Nilepet
THAILAND	PTTEP

UNITED ARAB EMIRATES	ADNOC
UZBEKISTAN	Uzbekneftegaz

Table 1: IOC Signatories

Headquarter Country	International oil company Signatories
ANGOLA	Azule Energy
AUSTRALIA	Woodside Energy Group
FRANCE	TotalEnergies
GREECE	Energian Oil & Gas
ITALY	Eni
JAPAN	COSMO Energy
JAPAN	ITOCHU
JAPAN	Mitsui & Co
NETHERLANDS	Shell
NIGERIA	Oando plc
RUSSIA	LUKOIL
SPAIN	Cepsa
SPAIN	Repsol
SWITZERLAND	Puma Energy (Trafigura)
UNITED ARAB EMIRATES	Crescent Petroleum
UNITED ARAB EMIRATES	Dolphin Energy Limited
UNITED KINGDOM	BP
UNITED STATES	EQT Corporation
UNITED STATES	ExxonMobil
UNITED STATES	Occidental Petroleum

The COP28 president, Ahmed Al-Jaber, has lauded the charter as an historic victory for decarbonisation efforts given the unprecedented number of NOC signatories; however, critics have been quick to label the pledge [a diversion from the need to move away from fossil fuels](#) entirely. The secretary general of

the United Nations, [Antonio Guterres](#) warned that the pledge will not be sufficient to reach climate change mitigation goals set by the Paris Agreement, implying that the charter was ‘green-washing’ the fossil fuels industry.

In a pledge-by-pledge breakdown, [Zero Carbon Analytics](#) explained that the charter falls short for a number of reasons. First, the pledge to reach net zero by 2050 has no short-term targets, the companies do not explicitly commit to cutting back on oil and gas activities (which would lead to the reduction in emissions) and signatories are still party to associations that contradict the Paris Agreement. Second, regarding the pledge to invest in sustainable energy sources, no quantifiable targets are outlined, meaning producers have free reign to invest as they see fit – which as it stands, is [insufficient and will need to rise by 50% to reach Paris Agreement goals](#). Finally, regarding the pledge to near zero emissions by 2030: previous initiatives like [the World Bank Zero Routine Flaring Initiative](#) failed because intensity targets (as outlined in the OGDC) do not reduce overall emissions when oil and gas production volumes rise as producers expand.

The president of COP28, Sultan Ahmed Al-Jaber is also the president of the state-run oil producer ADNOC (the world’s 11<sup>th</sup> largest oil and gas producer), flagged by many as a glaring conflict of interest. [ADNOC has recently confirmed plans to expand its oil and gas production to 7.5 billion barrels](#). This is 90% over the threshold of expansion that would be allowed to still meet net zero requirements.

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