Fact Sheet

Environmental Protection Agency Washington, DC May 2005

Methane to Markets Partnership

Objective

The Methane to Markets Partnership is an action-oriented initiative whose goal is to reduce global methane emissions to enhance economic growth, promote energy security, improve the environment, and reduce greenhouse gases. Other benefits include improving mine safety, reducing waste, and improving local air quality. The initiative focuses on cost-effective, near-term methane recovery and use as a clean energy source. The Partnership is a collaboration between developed countries, developing countries, and countries with economies in transition – together with strong participation from the private sector. The Methane to Markets Partnership targets three major methane sources: landfills, underground coal mines, and natural gas and oil systems.

Background

Methane, the primary component of natural gas, accounts for 16% of all greenhouse gas emissions resulting from human activities. Because methane is both a powerful greenhouse gas and short-lived compared to carbon dioxide, achieving significant reductions would have a rapid and significant effect on atmospheric warming potential. The Methane to Markets Partnership is a major new addition to the series of international technology partnerships advanced by the Bush Administration on hydrogen, carbon sequestration, fusion and advanced nuclear power technologies. These initiatives will help develop and deploy the transformational energy technologies that will significantly cut projected emissions and the greenhouse gas intensity of the global economy in the context of sustained economic growth.

Expected Energy, Environmental and Greenhouse Gas Results

The Partnership has the potential to deliver by 2015 annual reductions in methane emissions of up to 50 million metric tons of carbon equivalent or recovery of 500 billion cubic feet (Bcf) of natural gas. These measurable results, if achieved, could lead to stabilized or even declining levels of global atmospheric concentrations of methane. To give a sense of scale, this would be equivalent to:

- Removing 33 million cars from the roadways for one year, planting 55 million acres of trees, or eliminating emissions from fifty 500 MW coal-fired power plants; or
- Providing enough energy to heat approximately 7.2 million households for one year.

Member Country Actions

Partner countries signed a Terms of Reference that outlines the purpose, organization and functions of the Partnership. The core activities include:

- Identifying and promoting areas of bilateral, multilateral, and private sector collaboration on methane recovery and use.
- Developing improved emissions estimates and identifying the largest relevant emission sources to facilitate project development.

- Identifying cost-effective opportunities to recover methane emissions for energy production and potential financing mechanisms to encourage investment.
- Improving the legal, regulatory, financial, institutional and other conditions necessary to attract investment in methane recovery and utilization projects.
- Identifying and implementing collaborative projects aimed at addressing specific challenges to methane recovery, such as raising awareness in key industries, removing barriers to project development and implementation, identifying project opportunities, and demonstrating technologies.
- Developing collaborative action plans that outline a series of concrete activities and actions that directly support the core goals and functions of the Partnership.
- Developing and implementing a process for evaluating progress and reporting results.

International Partnerships

Methane to Markets serves as a framework to promote cost-effective, near-term methane recovery internationally through partnerships among developed countries, developing countries, and countries with economies in transition in coordination with the private sector, researchers, multilateral development banks, and other relevant non-governmental organizations. Countries that have joined the Partnership to date include:

Argentina

Australia

Brazil

China

Colombia

• India

Italy

Japan

Mexico

Nigeria

Russia

· South Korea

Ukraine

United Kingdom

United States

Active involvement by private sector entities, financial institutions, and other non-governmental organizations is essential to build capacity, transfer technology, and promote private direct investment that will ensure the Partnership's success. A Project Network serves as an informal mechanism to facilitate communication, project development and implementation, and private sector involvement. This Network is the key mechanism to reaching out to and organizing the efforts of the private sector, governmental and non-governmental organizations, including representatives from local governments, the research community, multilateral development banks, and other organizations.

U.S. Government Involvement

The U.S. Environmental Protection Agency plays a lead role in the Partnership by utilizing the expertise gained by the success of EPA's voluntary domestic methane partnership programs. Other Departments also play a central role in the Partnership. These include the Department of State, which leads on international climate change policy and activities; the Department of Energy, which has valuable expertise in natural gas and coal mine methane technologies; the U.S. Trade and Development Agency, which facilitates development in emerging markets by promoting U.S. partnerships in high priority overseas projects; and the U.S. Agency for International Development, which provides important technical expertise in the economic reform of energy sectors to create markets that support private sector projects in developing countries and those with economies in transition.