

# Global Stocktake Assessment

## The international community must step-up efforts to mitigate methane pollution



### MITIGATION

#### Meeting the Paris Agreement goals will require fast action to reduce methane.

- Because of its shorter time in the atmosphere and high global warming potential, reducing methane will yield fast climate benefits.
- To keep 1.5 degrees Celsius within reach, the IPCC called for reducing methane by 45% by 2030 relative to 2010 levels, and IEA's 2021 net-zero pathway includes a 75% reduction in fossil fuel methane within ten years.
- 120 countries (including 70 developing countries) have signed the Global Methane Pledge, committing to reduce methane emissions by 30% by 2030.
- The three sectors accounting for roughly 80% of anthropogenic methane emissions—waste, fossil fuels, and agriculture—all have low-cost, proven mitigation options, and many are win-win from a sustainable development standpoint.
- According to an [analysis by McKinsey](#), 80% of identified methane abatement opportunities—amounting to more than 140 MMT of methane—can be reduced using measures that cost \$10 per ton of CO<sub>2</sub>e or less.<sup>1</sup>

<sup>1</sup> DeFabrizio, Sam, et al. (2021). Curbing Methane Emissions: How Five Industries Can Counter a Major Climate Threat. 22. McKinsey Sustainability.

### FINANCE

#### Stepped up international finance is needed to realize methane mitigation goals.

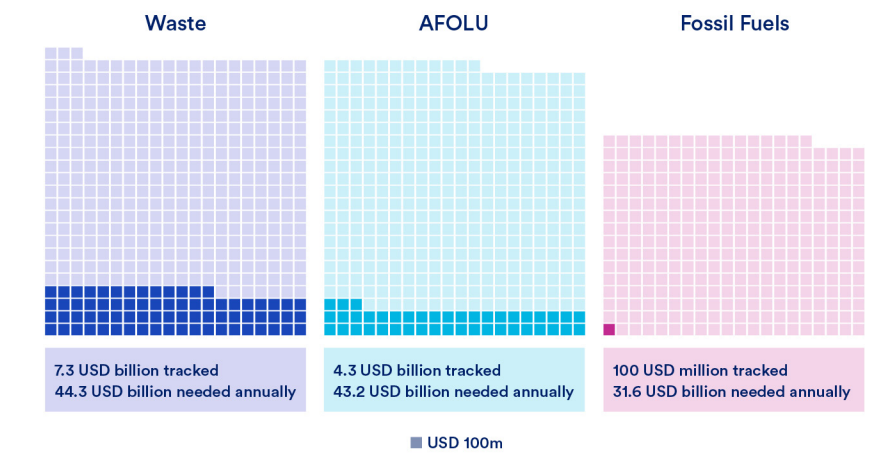
- The Climate Policy Initiative estimates that less than 2% of international climate finance goes to methane mitigation projects. Current levels of finance are not adequate to meet the need, which falls short by an estimated \$100B per year (Figure 1).<sup>2</sup>
- Methane mitigation projects have been largely overlooked by the finance community, receiving considerably less funding relative to the mitigation potential as compared to renewable energy and low-carbon transportation (see Figure 2).<sup>3</sup>
- Funds are also needed immediately to help developing countries create project pipelines that will allow them to put forward investable methane mitigation projects to climate funds and other international financial institutions.
- As methane mitigation is scaled up, further work is needed to consider best practices for methane pricing and how methane should be integrated into global carbon markets.
- Better tracking of methane mitigation investments and emissions outcomes is needed to assess future progress.

<sup>2</sup> Rosane, Paul et al. (2022). The Landscape of Methane Abatement Finance. Climate Policy Initiative.

<sup>3</sup> Ibid

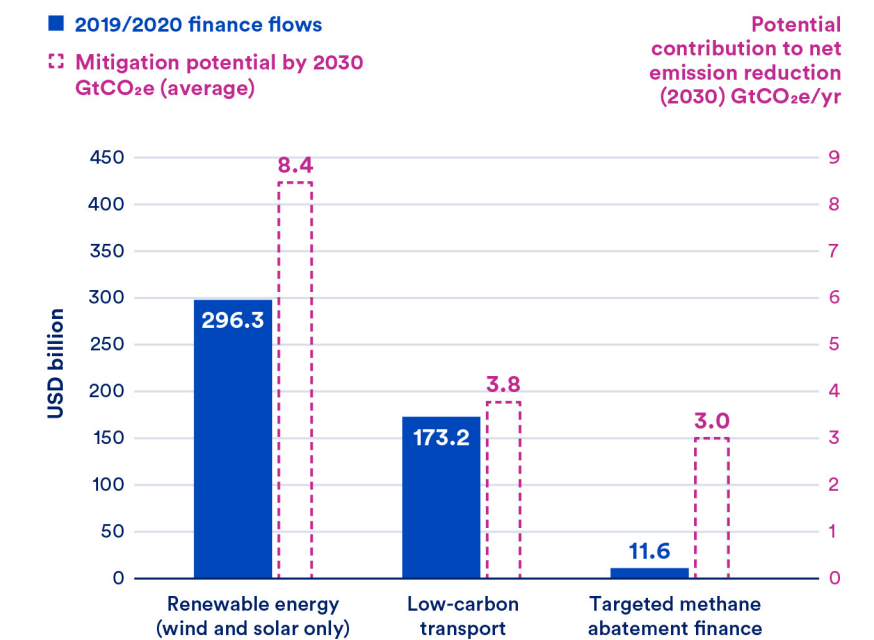
**Figure 1. Tracked methane abatement investment compared to average annual needs through 2050 by sector**

Average annual investment needed by sector over the 2021-2050 period under a +2C° of warming scenario, and current progress (dark-colored boxes) given 2019/2020 tracked investments. Source: 2050 needs come from Harmsen et al. 2019 and were linearly interpolated from 2019/2020 tracked levels to calculate average annual investment needs.



Source: Rosane, Paul et al. (2022).

**Figure 2. Finance flows in different sectors compared to their net emission reduction potential**



Source: Rosane, Paul et al. (2022).