



Oil & gas

Gas flaring falls for first time since 2013 but US and other energy producers buck global trend

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The amount of gas burnt off in flares by oil producers worldwide dropped last year for the first time since 2013, but increased in several countries, including the US, showing that the global effort to curb the practice is still making uncertain progress.

Flaring worldwide fell an estimated 5 per cent last year, according to World Bank data, principally because of a steep decline in Russia, but some leading oil producers, including Iran and Iraq as well as the US, burnt increased volumes of gas. The data are estimated using satellite imaging to spot the lights from flares, which are analysed by researchers to calculate how much gas is being burnt.

Riccardo Puliti, head of the energy practice at the World Bank, described the fall last year as “encouraging”, but warned that it was too soon to say whether it represented the start of a sustained decline.

Flaring is often the safest way to dispose of unwanted gas produced during oil extraction, but the practice wastes resources that could find productive uses, and creates carbon dioxide emissions and other pollution.

If captured and used for power generation, the gas burnt in flares could supply 90 per cent of Africa’s electricity consumption.

In 2015, the World Bank launched an initiative to cut routine flaring to zero by 2030. It has gathered support from 26 countries, including the US, Russia, Nigeria and Iraq, and 33 companies including BP of the UK, Eni of Italy, Royal Dutch Shell and Total of France.

The companies say they will have no routine flaring at their new oil developments, and will “seek to implement economically viable solutions” to eliminate flaring at their existing oilfields no later than 2030. The governments have pledged to put legal frameworks in place

to encourage investment in the infrastructure needed to capture and market the gas.

Results so far have been inconclusive. The drop in worldwide flaring last year appears to have been driven mainly by a shift in oil production in Russia.

The mix shifted from older fields that have more associated gas towards newer areas, resulting in an 11 per cent drop in the country’s flaring, even though total oil output was roughly level. However, flaring rose 7 per cent in the US, as its oil industry continued its recovery from the steep downturn it went through in 2014-16.

The US is now the fourth-largest country for flaring, behind Russia, Iran and Iraq, up from sixth-largest in 2013.

In some of the countries where flaring has declined, it has reflected problems in their oil industries.

In Venezuela, for example, flaring fell 26 per cent last year, as the country’s oil production declined 12 per cent.

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Peso: 14%