

Feedback from: PJSC Gazprom

Feedback reference

F13767

Submitted on

10 August 2018

Submitted by

Gazprom PJSC

User type

Company/business organisation

Organisation

PJSC Gazprom

Organisation size

Large (250 or more)

Transparency register number

[622135013267-04](#)

Country of origin

Russia

Initiative

[Strategy for long-term EU greenhouse gas emissions reductions](#)

PJSC Gazprom's feedback on Strategy for long-term EU greenhouse gas emissions reduction to 2050

Gazprom Group systematically takes efforts to reduce the carbon footprint of its operating activities and to ensure reduction of GHG emissions at the consumer's level. Over the past decade, the reduction rate of GHG emissions of the Company exceeded 40%.

When developing the EU strategy for long-term GHG emissions reduction it is important to take into account the potential of natural gas as a low-emission energy source for the following reasons.

The existing advanced gas infrastructure allows reducing emissions in an efficient way at no significant cost by switching coal-fired installations to gas. Further emissions reduction progress could be achieved by switching transport to natural gas as well.

According to experts, these measures will allow to immediately reduce GHG emissions in the EU by 13-18% compared to the existing levels, thereby contributing to the achievement of the EU 2020 targets (from 1990 levels).

As for the EU climate targets set for 2030 (from 1990 levels), Gazprom, together with its European partners, could also offer an innovative low-emission methane-hydrogen fuel. Recent studies demonstrate that its use in energy installations could result in significant emissions reduction, and the existing infrastructure (including UGSs) is fit to accommodate natural gas containing the required proportion of hydrogen. The expected reduction of GHG emissions in that case could reach 25-35% from the current levels.

At present many companies, including Gazprom, are developing and testing cost-effective technologies for production of zero-carbon hydrogen from natural gas (through cracking, pyrolysis, cold plasma etc) which, if widely used, could result in up to 80% emissions reduction in the EU by 2050 compared with the current levels.

In summary, we believe that the following considerations should be taken into account when developing the Strategy:

- so far not all types of fuel can demonstrate the required progress, including reduction of associated costs;
- the full life-cycle of all energy sources should be taken into account (according to experts, the full cycle carbon footprint of solar panels imported by the EU from China is 2 times greater than that caused by gas-power generation; the demand for rare earth materials needed to sustain 100% renewables-based power generation exceeds the world-wide available reserves; the LNG carbon footprint is almost 10 times greater than that of pipeline gas);

- some sectors may not be capable of immediately abandoning natural gas (e.g. chemical industry);
 - the latest research and development led by Gazprom Group and its European partners could allow smooth transition to low-emission economy using the advantages of the existing infrastructure, thus also contributing to the EU competitiveness;
 - the technology neutrality principle should be officially recognized;
 - natural gas may positively contribute to tackling the problem of energy poverty largely recognized at the European Commission level;
 - the existing scientific research opens new opportunities for creating zero-emission hydrogen fuel produced with the use of natural gas in the foreseeable future.
- Activities carried out by energy companies such as Gazprom in the field of reducing methane emissions led to their significant reduction in the energy sector, while in other sectors, including agricultural, the levels of progress are less advanced.

PJSC Gazprom reserves its right to further participate in the public consultation procedure regarding the Strategy and present its more detailed vision.

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