

JI Project with Gazprom Realizes 290K Tons (CO₂ Equivalent) in Emissions Credits

–Gains First Approval from Russian Government for Emissions Trade–

The Russian government issued the carbon credits generated from the JI project to recover and utilize flare gas from the Yety Purovskoe Oilfield. Russian oil major JSC Gazprom Neft (GN), JX Nippon Oil & Energy Corporation (NOE) and Mitsubishi Corporation (MC) have been jointly developing this project. This is the first time Russia has issued carbon credits.

The Yety Purovskoe Oilfield is located in the Russian Federation's Yamal Nenets district. Before this JI project, flare gas from the field was simply burned off, but now it is being recovered and re-utilized as gas and other fuel within Russia. From August (when the new pipelines began operation) to the end of December 2009, the JI project had achieved a reduction of approximately 290,000 tons in CO₂ emissions; hence the Russian government's decision to approve an equivalent amount in emissions credits.

GN, NOE and MC have been working together to develop this JI Project since their initial, joint feasibility study. The partners share a commitment to this project and to promoting further businesses in the future that will reduce greenhouse gas emissions and help conserve our global environment.

*1: JI Project is an emission reduction scheme conceived under the Kyoto Protocol. Such projects are collaborative efforts by developed countries to reduce greenhouse gasses (GHG). Emissions credits are derived through these projects through the collaborating countries' green business activities, based on the amount of emission reductions achieved therein.

*2 : Associated Petroleum Gas from oil exploration is usually burned off via a flare stack in order to avoid unexpected explosions, as it contains volatile components, such as methane, ethane and propane.

*3 : The Rang Dong oil field lies offshore southern Vietnam and is operated by one of the companies of JX Group. The "Rang Dong oil field associated gas (flare gas) recovery and utilization project" was registered as a CDM in February 2006 – the world's first CDM involving the recovery and utilization of flare gas.

MC is developing more than 100 CDM/JI Projects in various countries. As of December 31, 2010, 58 of these projects have been approved by the United Nations.

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Attachment:

 [Company Profile of JSC Gazprom Neft & Project Summary\(PDF:125KB/1PAGE\)](#)