

Equinor says it will fight against deforestation to address climate change but the move has been dismissed as window dressing by activists.

The investments could start next year, pending the establishment of a “well-functioning” market, the firm said, while refusing to give financial details.

The state-owned Norwegian oil and gas giant has written to the UN’s climate chief to tell her it wants to invest to protect tropical forests.

Preventing deforestation is vital to reaching Paris climate accord targets, and a key reason why Equinor will put a price tag on its emissions, the firm said.

The move follows similar initiatives by other oil majors.

Ben van Beurden, Shell’s CEO, said reforestation was needed on the scale of the Amazon forest to meet global warming targets.

The UK-Dutch firm is offering forestry-based carbon offsets to business customers who buy Shell gas.

BP signed a deal with Chinese firm Elion this year to buy forestry carbon offsets and invested in US forest carbon offsets company Finite Carbon.

France’s Total said it “investing in preservation of forests, mangrove and humid zones” would be essential as part of “carbon compensation for the long run”.

Equinor’s CEO Eldar Saetre said conserving rainforests was “one of the most important and effective climate actions”.

While Equinor’s European emissions are subject to carbon taxes, it is also active in Africa, the Americas and other regions that are not part of similar schemes.

The Norwegian major said it was preparing forestry investments equivalent to 1 million tonnes of carbon dioxide, or the scale of the footprint of its operations in the US and Brazil.

Saetre wrote to Patricia Espinosa, executive director of the UN Framework Convention on Climate Change, saying Equinor wanted an international carbon market to be established based on forests and the carbon they hold.

It said the work was in addition to its efforts to reduce emissions from operations and increase the use of renewables.

Oil industry analysts Wood Mackenzie said tree-planting was useful but would not be cheap.

Valentina Kretschmar, the group’s research chief, said: “Reforestation is one of the levers that that can be pulled to help mitigate climate change, however, it will be expensive.

Without regulatory changes, it is simply not commercially viable for any oil and gas company to start investing in reforestation.”

Source: energy-reporters