LETA

Low Emission Technology Australia

IEA points to coal mine methane and cement carbon capture as Australian industry funds solutions

FOR IMMEDIATE RELEASE

20 November 2026

Coal mines represent a major opportunity for methane emissions abatement, according to the International Energy Agency (IEA) *World Energy Outlook 2026*.

In the IEA's Net Zero Emissions by 2050 Scenario, coal mine abatement delivers around 30 per cent of the cut in energy sector methane emissions to 2035.

Australia's black coal producers have allocated nearly $60 million through Low Emission Technology Australia (LETA) to coal mine methane abatement, primarily targeting ventilation air methane. That investment is expected to approach $100 million by 2030.

The Outlook also found that carbon capture is one of the few ways for substantially reducing emissions from cement production. In the IEA's Net Zero scenario, heavy industry accounts for more than a quarter of the carbon dioxide captured globally in 2035. Cement represents the largest share, followed by iron and steel, and chemicals

Under the same scenario, more than half of global steel still comes from blast furnaces in 2035. The IEA also expects electric cement kilns to stay uneconomic over that period.

LETA members are funding carbon capture projects in both sectors. These include a carbon capture demonstration on cement flue gas at Cement Australia's Gladstone plant, co-funded with Cement Australia, and a A$3.48 million carbon capture demonstration at POSCO's Pohang Steelworks in Korea.

LETA Acting Chief Executive Damian Dwyer said the findings aligned with areas where industry had been investing.

"Cement and steel cannot simply switch to electricity. If those industries are going to cut their emissions, carbon capture will need to be part of the solution," Mr Dwyer said.

"Our members are funding demonstrations on working plants, because that's how you find out what the technology can actually do and what it costs."

The IEA reports that carbon pricing covered nearly 60 per cent of global industrial emissions in 2025, up from 15 per cent a year earlier, after China extended its emissions trading scheme to cement, steel and aluminium. Japan's GX emissions trading system started in 2026.

"Our customers in Japan and Korea are putting a price on carbon in what they buy," Mr Dwyer said. "Australian producers who can lower their scope one emissions will be better placed to keep those customers."

ENDS

CONTACT

Ben Rice | Head of Government Relations and Media | Ph: 0459 716 054

ABOUT LOW EMISSION TECHNOLOGY AUSTRALIA

Low Emission Technology Australia (LETA) is a not-for-profit investment fund that accelerates the development and large-scale deployment of technology solutions to reduce and remove greenhouse gas emissions from critical industries like steel, cement and power generation.

LETA's investment in technology unlocks a faster, cheaper pathway to net zero for hard-to-abate industries that are critical to the economy, provide thousands of Australian jobs and support households every day.

Since 2006, LETA members have contributed more than $400m to low emissions projects and unlocked a total investment of $1.1b. LETA members recognise the crucial role of low emissions technologies in enabling a net-zero future for their industries, their customers, their workforces and Australian communities.