

Recognising imported biomethane and biomethane-based fuels under the Union Database

The signatories call for the immediate and full recognition of imported biomethane and biomethane-based fuels in the Union Database. The signatories have noted the intention of the European Commission to exclude the automatic certification of biomethane and consequently biomethane-based fuels if relying on gas that has been transported through grids outside the EU¹.

If it materialises, this decision will directly hinder imports of biomethane to the EU, notably from the US, UK and Ukraine². It will also impact biomethane-based fuels such as biomethanol: for biomethanol plants, relying on biomethane injected to the gas grid is preferred over other modes of transport which may have economic, environmental and technical downsides. The use of biomethane should be encouraged, and leveraging existing transport infrastructure should not penalise end-users. This decision is not limited to biomethane and biomethane-based fuels, as it could also negatively impact hydrogen and its derivatives in the near future: indeed, both RFNBO under the Renewable Energy Directive (RED) and low carbon fuels under the Gas Directive will rely on information registered by economic operators into the Union Database, which could also be disallowed.

Such an approach will impact the attractiveness of the EU for the import of these fuels, endangering the investments made by partners in third countries and ultimately eroding their long-term trust. It should also be expected that this decision will impact EU exports to these third countries. Overall, beyond representing a trade barrier, it will also hinder the achievement of the EU energy and climate ambitions as both biomethane and biomethane-based fuels are critical components of the EU energy strategy, these fuels representing solutions for a vast array of end-uses, from industry to buildings and transport as highlighted in the recently approved RED III.

To address this urgent issue, the signatories recommend to the European Commission to:

- Clarify the legal arguments on the basis of which the Commission would exclude certified and mass-balanced volumes produced in third countries.
- Undertake work with third countries' administrations with a view to delivering bilateral agreements necessary to unlock imports and exports of volumes and ensuring consistent accounting of these volumes in the EU and in the country of origin.
- Implement an interim solution ensuring temporary recognition while maintaining all the RED sustainability requirements and ensuring a level playing field with EU-produced fuels.

¹ It should be noted that the EC intends to maintain the possibility to certify biomethane and biomethane-based fuels with direct connection between the production and processing/export units.

² For UK, it should also be clarified how this interpretation would impact UK-Ireland trading. For Ukraine, this interpretation could endanger the aim to the Memorandum of Understanding between the EU and Ukraine on "[a Strategic Partnership on Biomethane, Hydrogen and other Synthetic Gases](#)" (Feb. 2023)

In order to ensure mutual recognition with third countries, the signatories suggest for these fuels to abide by the following requirements:

- The extra-EU biomethane/biomethane-based fuels should be certified under one of the EC approved RED voluntary schemes.
- The sustainability and tracing system in place in the country of origin must book out from its system the volume exported to ensure that there is no double counting toward national targets. This can be checked by the voluntary schemes during annual audits.
- The biomethane injection point must be part of the same interconnected grid as the biomethane liquefaction/biomethane-based fuels productions units.

Co-signatories:

