

A DECADE OF ERGAR

WHAT 10 YEARS OF BIOMETHANE MARKET BUILDING HAS TAUGHT US

Co-authored by: **Dr. Attila Kovacs, Stefanie Königsberger, & Jesse Scharf**



In continued celebration of our 10-year anniversary, three people who helped shape ERGaR from its early days have co-written an article on how the organisation has developed and the lessons learned along the way.

Attila on the *market gap* that needed to be filled by ERGaR:

Since his role as Member of the Board of the European Biogas

Association (EBA) since 2009 Dr. Attila Kovacs has been the visionary for the establishment of the harmonized, European biomethane market. He was the main initiator for bringing biomethane market

actors together and leading the foundation of the association ERGaR in 2016. Following this, became the first Secretary General and was a driving force for the organisation to develop from an ambitious idea for European biomethane mass balancing into a well-functioning framework for cross-border renewable gas cooperation. Looking back, he reflects on what gap was filled by the creation of ERGaR and how the original concept continually evolved alongside the European regulatory framework.

Why was it important for ERGaR to exist?

In the mid-2010s, the European biomethane market was more a vision than a reality. The **RED II** didn't exist, there were no **GOs** for renewable gases, and no **UDB** project. Very few cross-border biomethane transactions were completed within the natural gas transfer procedures. Nevertheless, the prospect of using the European gas network for wide-scale biomethane distribution was attractive, and stakeholders started cooperating with the aim of finding a solution.

The **GreenGasGrids** and **BIOSURF** projects helped to identify three main

pillars:

- 1 Sustainability verification before grid injection and reliable transfer of the sustainability claim;
- 2 Recognition of the interconnected European gas network as a single logistical facility; and
- 3 Mass balancing of biomethane injected into and withdrawn from that network.

By establishing ERGaR we wanted to address all these issues **under one umbrella**. ERGaR was therefore imagined as a Europe-wide organisation for administering biomethane virtually distributed through the European gas network, relying on national biomethane registries and enabling the cross-border transfer of sustainability information. This is where the **RED MB Scheme** came into the picture.

Developing the RED MB Scheme

One of ERGaR's first tasks was developing the **ERGaR RED MB voluntary scheme** and seeking recognition by the **European Commission**. And luckily, in 2017, the ruling of the **European Court of Justice in Case C-549/15** provided important encouragement. It confirmed that mixing sustainable biomethane with natural gas in interconnected gas networks did not prevent the application of mass balancing. Moreover, it highlighted **the absence of a European operator** able to administer such a system.

ERGaR submitted its first application in

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December 2017 and subsequently revised the scheme several times following assessments. An important breakthrough came in 2019, when **Ecofys**, the consultancy mandated by the **European Commission** to review the application, accepted ERGaR's argument that interconnected gas grids could count as a single logistical facility under the mass balance system. And this coincided with changes in the regulatory environment, requiring the ERGaR Scheme to adapt accordingly. Finally, in 2022, the **European Commission legally recognised it in the Commission Delegated Regulation (EU) 2022/996**.

How did you go from the RED MB Scheme to the ERGaR CoO scheme?

In 2020, the European Commission indicated that recognition could no longer proceed under **RED I** and that ERGaR would have to adapt the scheme to **RED II**. ERGaR

did so and submitted a new application in February 2021.



Soon afterwards, however, it became clear that an **EU-recognised ERGaR scheme** specifically performing **mass balancing in the European gas network** would increasingly overlap with the emerging **Union Database**. ERGaR therefore decided not to continue pursuing recognition of the RED MB voluntary scheme.

The original objective nevertheless remained: connecting national registries and enabling reliable cross-border transfers. ERGaR used this momentum to focus on developing an **operational framework for cooperation between registries**, which ultimately formed the basis for the **ERGaR CoO Scheme**.

And despite significant policy and market developments, we stuck to our goal of establishing the European administrative infrastructure needed for renewable gases to move across

borders reliably and under harmonised rules.

Stefanie on *what we have learned after ten years of biomethane certification:*

As one of ERGaR's early members and a long-standing Board member, Stefanie Königsberger has seen first-hand how national registry systems have moved from operating largely in silos and how they've moved towards greater cooperation and harmonisation. Her perspective links ERGaR's early ambitions with the practical lessons learned from the past ten years of ERGaR'S certification and cross-border market development.

How have certification and registry systems evolved since ERGaR began?

When ERGaR was founded in Ghent in September 2016, nine national registries operated side by side without any interconnection. ERGaR has always worked towards the **free flow of renewable gases in Europe and accountability in every Member State**, in service of one higher goal: tackling **climate change**.

The first step towards harmonisation was a bilateral cooperation agreement between the Austrian and German registries in 2017, which showed what was possible and how much more was needed. The real breakthrough came in 2021, when ERGaR launched its **Certificate of Origin Scheme** and the first cross-border transfer of biomethane certificates took place between the

Netherlands and the United Kingdom.

For the first time, there was a harmonised standard for certificate content, quality characteristics and attributes, as well as harmonised rules for the business processes behind every transfer. Importantly, this was not a regulatory invention. It was **built bottom-up as a market initiative**, carried by the registries, traders and associations involved.

Registry systems have since **matured in line with market and regulatory needs**. Quality criteria and attributes have been harmonised, special attention has been given to sustainability information, and ERGaR's IT platform has evolved from an upload-and-download platform towards **direct API connections** to registries.

I am personally proud that we chose to evolve together and develop a common denominator, even before the first attempts at legal and market rule harmonisation were made by European institutions.

Where has Europe successfully harmonised, and where does fragmentation remain?

The biggest achievement is that the interconnected EU gas grid is legally recognised as a single logistical facility by the European Commission. Together with common **RED** sustainability criteria, this provides the foundation for a European biomethane market.

To enable a European market rather than

within national borders, **common and practical rules** which **reduce carbon emissions** and **leverage prices for all end consumers in Europe** are still required. Alongside this legal achievement, the RED sustainability criteria have become the **common baseline** for all compliance markets and, increasingly, the reference for voluntary claims as well. The breadth of demand we see today, across all the pathways biomethane can serve, shows clearly how hungry European markets are for **renewably and sustainably documented energy carriers**.

However, **substantial potential remains untapped**. Implementation remains slow and sporadic, while the EU framework is too rigid, layered and complex for renewable gaseous value chains. Biomethane still has to fit into systems designed for other sectors, whether the **Guarantee of Origin system** originally built for power or mass balance rules created for liquid biofuels.

As the UDB and RED framework evolve, what principle should policymakers avoid losing sight of?

ERGaR aims its activities at tackling climate change by supporting the **free flow of renewable gases in Europe** and providing a **scheme framework for harmonised cross-border transactions of biomethane consignments**. Because climate change mitigation depends on renewable gases actually displacing fossil energy, the guiding principle for the **UDB and RED framework** must be **target accounting**, and **documentation that cannot be counted delivers no**

climate impact.

Policymakers should **ensure that negative emissions remain documentable and countable** and that certificate data is firmly linked to European statistics and climate targets. Europe has valuable reasons to promote, support and invest in biomethane, as was shown by a recent [study](#) of by the Austrian Service Centre for Renewable Gases (Austrian Energy Agency).

Every additional TWh of biomethane capacity triggers **investments of around 560 million euros** and creates **roughly 390 million euros of domestic value creation**, together with **more than 5,100 full-time jobs** during the construction phase. Once the plants are operating, **each TWh generates around 160 million euros of domestic value creation every year** and secures about **3,200 permanent full-time jobs** (Die Servicestelle Erneuerbare Gase, 2026).

Add energy security and import independence, and it is clear what policymakers must preserve as the UDB and RED evolve. **Rules must be applicable in real business processes**, negative emissions must remain documentable and countable, and **certificate data must be firmly linked to Eurostat statistics**.

Scharf has seen the biomethane market develop from a relatively small community of specialists into a much broader European industry. Looking ahead, he sees the next challenge as creating the market conditions that allow biomethane to scale with greater confidence, liquidity and investment.



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How has the conversation around biomethane changed over the past decade?

Ten years ago, biomethane was still a relatively specialist market. Biogas was already well established, but biomethane injection was taking place in only a limited number of countries and at a much smaller scale.

The certificate market was also at an early stage. A few forward-looking companies were getting involved, but

Jesse on what the market needs next:

Having been actively involved with ERGaR since very early on, including serving as Vice-President and President, Jesse

the market was still too small for many others to see the value. A meeting with 10 or 20 people could feel significant.

Today, the picture is very different. **Biomethane has a much higher profile and attracts hundreds of participants, including major energy companies, traders, financial institutions and investors.**

What does the market need now that it did not need ten years ago?

The early market could rely on pioneers: traders, brokers and consumers willing to participate in something new.

Today, to reach the next group of consumers, we need much greater clarity. Companies **need confidence in the rules for voluntary reporting**, while compliance markets need to support a liquid cross-border market that **efficiently connects** producers with consumers.

This is also important for investment. **Biomethane production needs to become a more predictable, lower-risk investment.** A certificate market that gives producers access to different consumers throughout the lifetime of a project can help achieve that.

What will be essential for a liquid and trusted European biomethane market by 2036?

A **functioning Union Database** will be essential. National registries and transfer

hubs may still have a role to play, but implementation of the wider European framework has progressed too slowly.

The UDB will increasingly underpin markets such as the **EU ETS, FuelEU Maritime and national renewable fuel obligations**, and could also become important for the voluntary market. **A reliable European traceability system will therefore be central to the next phase of biomethane market growth.**

*Thanks to all the hard work of our partners, members and colleagues, **ERGaR** grown exponentially over the past 10 years.*

*In 2025, it handled **93% of all cross-border biomethane certificate transfers in the EU**, making it the **leading platform for this trade.***

About the Authors



Dr. Attila Kovacs

Treasurer at the *Research Centre for Renewable Gases (R2Gas)*

With 37 years of experience in the international oil and gas sector, Attila served as Secretary General of ERGaR from 2016 to 2020 and as an Executive Board Member of the European Biogas Association from 2009 to 2019. Since 2004, he has been active in promoting biogas technologies in Hungary and across Central and Eastern Europe. He is currently Treasurer of the R2Gas Renewable Gas Research Centre and Managing Director of First Hungarian Biogas and Solar Ltd. Attila has published widely on biogas and renewable energy and regularly speaks at international conferences.



Stefanie Königsberger

Project Manager at *AGCS Biomethane Registry Austria*

Stefanie has been a long-time supporter of ERGaR taking up several roles, starting in 2018 as Assistant Secretary General and later representing AGCS Gas Clearing and Settlement in the ERGaR Board of Managers, serving as the Vice-President from 2023 to 2025. With extensive experience in renewable gas certification and registry systems, she brings a practical perspective on integrating national biomethane markets with cross-border transactions and the challenge of European harmonisation.



Jesse Scharf

Scheme Director at the *Green Gas Certification Scheme (GGCS)*

Jesse has been with ERGaR since 2017, having served as both President and Vice-President. Under his guidance, the ERGaR Certificate of Origin Scheme was successfully launched in 2021 enabling the first real market harmonization in Europe. With over 15 years in the energy sector, he brings an insider's view of UK market developments while keeping a pulse on Europe's ever-growing renewable gas certification market.