

## EBA policy recommendations and enabling factors to grow biogas and biomethane industries



Anaerobic digestion is a mature technology. With the right support, **biogas/biomethane can be competitive by 2030, and a vital tool to meet some of Europe's key policy aims such as energy security, sector integration, sustainable employment and climate-friendly energy.** In order to make the gas in the grid green, Europe must implement EU-wide policies to create an internal market for renewable gas and it must develop and commercialise also other technologies producing renewable methane: biomass gasification and power-to-methane.

The different policies having effect on biogas regulating renewable energy, waste management, agriculture, greenhouse gas emissions and gas supply must support each other and avoid any contradiction. Indeed, **biogas is at the crossroads of several key sectors of the economy (agriculture, waste, mobility and energy) and requires an integrated policy approach to realise all its benefits and synergies.**

### Key policies to promote biogas / biomethane per topic

#### Biomethane: trading, grid injection, scalability & applications

- Push the production volumes by introducing a **target for renewable gas in Europe.** Following the successful examples at national level.
- **Guarantees of Origin** to be implemented in a harmonized way across Europe: make virtual trading possible across borders. The traceability and the transparency are essential components of the energy transition and consumer empowerment. Biomethane production must be certificated and valorized to the customers with the proper information about all its merits.
- Grid injection: **priority access for renewable methane** into the gas grid.
- Incentivize the cost-effective **green transition also in heavy industries and shipping** – key sectors for biomethane now and in the future.
- Heat use: make the target in RED II of increasing **renewables in heating by 1.3 % binding and clarify the role of renewable methane** in achieving this goal. Renewable methane can provide a cost-efficient solution to increase renewable energy in heating and tackle energy poverty.

## Transport sector

- In order to ensure truly **sustainable transport**, **Life Cycle Assessment calculations** should replace tailpipe emissions in all legislation related to clean vehicles and CO<sub>2</sub> standards, to ensure GHG savings are calculated with objective and non-discriminatory criteria across all technology options.
- Even within Europe, there will be regional preferences on the deployment of alternative fuels: **all clean vehicles and their infrastructure should be equally promoted.**

## Cost-competitiveness

- In order to reach net zero emissions in the EU by 2050, also **the gas grid and the gas sector must be gradually de-fossilised.** The tax revenues from the gas sector should be prioritized for financing this green transition that will benefit so many sectors of the European economy.
- **Financial support for the green gas transition** based on the principle of ‘polluters pay’: an adequate carbon price is needed to internalise the negative externalities of local and global pollution – introduce EU-wide carbon tax; subsidies of the fossil fuels must be phased out – technology specific support schemes are crucial – benefits of biogas/biomethane are completely different (and complementary) from those of intermittent renewables but renewable gas receives less support in most parts of Europe. European financing mechanisms, for instance through EIB, should be directed to support biomethane project development.
- **Special funds should be devoted to alternative technologies** such as biomass gasification, power-to-methane and liquification of biomethane to support their commercialization and scalability.

## Agriculture & sustainability

- Make **agriculture more resource-efficient and sustainable**: The Common Agricultural Policy must make simultaneous production of food and fuel possible, allowing thereby extra-income for European farmers. Farmers should also be incentivized (through taxation, blending mandates, etc.) to use bio-fertiliser (digestate) to reduce costs and emissions related to mineral fertilisers, and secure food production from the impact of dwindling international reserves of key minerals such as phosphorous.
- Additional benefits from use of **organic soil improver (bio-fertilizer/digestate) and cover crops** can yield carbon sequestration volumes in soil. The EU Member States should be incentivized to demonstrate soil carbon savings in line with RED II Annex VI B-34 through additional carbon credit accounting (carbon negative credits) eligible for trading within the ETS or other carbon trading regime.
- Introduce long-term, harmonized **sustainability criteria for biomass** in Europe (as laid down in RED II) after reviewing the Annex IX to encourage sustainable multi-cropping, thus benefiting soil quality and mitigating pesticide application.

## Waste policies

- The European Commission must ensure quick and efficient implementation of the Waste Framework Directive to force **separate collection of organic waste** streams and its treatment according to the waste hierarchy. AD makes the best use of organic materials by producing renewable energy and organic fertilizer while closing the nutrients cycle and reducing greenhouse gas emissions.

## R&D, innovation and alternative technologies

- The LNG sector is growing rapidly in Europe and there is an increasing interest in liquified biomethane to be used in heavy duty transport, shipping and various industries. The European LNG strategy (2016) should be revised to incentivize the **deployment of liquified biomethane to gradually replace fossil LNG. A blending target of 10% for LNG suppliers, as in the Netherlands as of 2021, should be introduced EU-wide.**
- EU funding and research projects should support innovative technologies able to **increase the volumes of green gas globally**: gasification and power-to-methane.