

€18 billion investments to scale-up biomethane production already in the pipeline according to 1st EBA Investment Outlook on Biomethane

Brussels 05/06/23 – The 1st [EBA Investment Outlook on Biomethane](#) launched today shows that a first tranche of €18 billion has been set aside by the industry up to 2030 to ensure the scale-up of biomethane production and support both Europe's energy security and climate mitigation ambitions. These investments make additional whole-system benefits available to our society, worth up to 7.9 billion euro¹ per year. Matching policies, stable framework conditions and pathways for long term end-use is critical to secure the announced capital injection.

Following the announcement of the REPowerEU target 1 year ago, the EBA estimated that reaching 35 bcm of sustainable biomethane production will require an investment effort of €83 billion by 2030 depending on plant size, location, and type of sustainable feedstock. *"The first edition of the EBA Investment Outlook on Biomethane shows these efforts are taking shape: €4.1 billion will be invested in the coming 2 years, €12.4 billion by 2030 and €1 extra billion has been allocated with no specific timeframe. The EBA outlook will be regularly updated as investments ramp-up."* Explains Mieke Decorte, EBA's Technical and Project Manager.

Investments are mostly located in France (€1.4 billion) and Italy (€1.1 billion) thanks to favourable conditions in those Member States. They are followed by the Netherlands (€951 million), Spain (€948 million), Germany (€658 million), Sweden (€635 million) and Poland (€429 million). Additionally, €5.5 billion of capital injection will stay in the EU with final destination still open and €3.3 billion will target non-EU territories, including the UK and Ukraine.

Tuning in the EU Taxonomy with the REPowerEU objectives for biomethane will steer capital flows into the sector, as investors indicate compliance with the specific EU regulation on sustainable finance is key to leverage green investments. A harmonized EU-wide cross-border trading system is of great importance as well, especially for unsubsidised projects.

The use of biogenic CO₂ to replace products based on CO₂ of fossil origin is included in the majority of business plans analysed. The importance of biogenic CO₂ in offsetting CO₂ of fossil origin is often underestimated, however; efforts should be made to assess its value fairly. One of the highlighted uses of biogenic CO₂ is the production of green synthetic methane (using green hydrogen), which could add substantial volumes of sustainable green gas into the energy system.

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¹ Calculated with results from the report *"Beyond energy – monetizing biomethane's whole-system benefits"* (February 2023)

About the European Biogas Association (EBA)

The EBA is the voice of renewable gas in Europe. Founded in February 2009, the association is committed to the active promotion of the deployment of sustainable biogas and biomethane production and use throughout the continent. The association counts today on a well-established network representing the whole biogas and biomethane value chain.

About biogas and biomethane

Biogas is produced from the decomposition of organic materials. These residues are placed in a biogas digester in the absence of oxygen. With the help of a range of bacteria, organic matter breaks down, releasing a blend of gases: 45 – 85 vol% methane (CH₄) and 25 – 50 vol% carbon dioxide (CO₂). The output is a renewable gas which can be used for multiple applications.

Biomethane – purified biogas – is a renewable alternative to natural gas. Its multiple applications include heat and power supply for our buildings and industries, and renewable fuel production for the transport sector.