



To: Raúl Fuentes Milani, Spanish Presidency Ambassador  
Jutta Paulus, Rapporteur for the ENVI Committee  
Pascal Canfin, Rapporteur for the ITRE Committee  
Maroš Šefčovič, Executive Vice-President of the European Commission  
Kadri Simson, Commissioner for Energy

Cc: Energy attachés  
Shadow Rapporteurs  
DG ENER

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**Subject: Proposed EU Methane Regulation - International dimension of EU importer requirements**

The undersigned organisations jointly represent the leading gas entities in Europe and North America. Reducing methane emissions is a shared priority for the European Union (EU) and our industry. We recognise the crucial role and responsibility that the gas industry has in curbing methane emissions and believe that the EU regulation presents a valuable opportunity to strengthen our collective efforts. We are committed to advancing the development, testing, and utilisation of new technologies and practices to better understand, detect, and further mitigate emissions. During the trilogue discussions, we appeal to the co-legislators to ensure that the necessary rapid reductions of global methane emissions from the gas sector supports the twin objective of providing affordable energy in the EU and replacing significant shares of Russian gas imports while safeguarding the European security of gas supply.

While legislative action by the EU is essential, it is crucial to recognise that methane emissions are a global issue and require a coordinated, multilateral approach with other regions with evolving methane policies. By engaging both producers and buyers in a collaborative approach to developing common standards and reporting frameworks, the global community can help better ensure a comprehensive coverage of emission sources throughout the entire natural gas supply chain, from extraction to consumption while gaining additional information on the complexity and considerations for value chain segments outside the EU. Coordinated efforts, such as OGMP 2.0 and other frameworks centred around the internationally recognised protocols can help curb methane emissions from the gas sector, mitigate

climate change impacts, safeguard the European security of supply and secure a sustainable future for generations to come.

The undersigned organisations would like to put forward the following observations and recommendations to EU policymakers regarding the proposed importer requirements:

- Importers may not have any contractual or legal leverage in their existing contracts with exporters or producers to request the required information. They may also not be able to refuse the contracted gas if the exporter or producer does not comply with EU rules. Therefore, existing contracts would need to be renegotiated, where possible. This may lead to less favourable conditions for importers. Therefore, grandfathering of existing contracts concluded before the entry into force of the regulation should be allowed.

For the same reason, contracts signed after entry into force of the regulation, but before the publication of relevant Delegated Acts in the Official Journal, should be exempt from changes introduced by the Delegated Acts.

- Moreover, if requirements are placed on importers whose specific implementation requires a Delegated Act to be published, such as the modalities for demonstrating regulatory equivalence set out by the European Parliament, a reasonable transition period must be foreseen between the application of the requirements and the publication of the Delegated Act.

- The burden of ensuring that third countries commit to having equivalent legislative frameworks, regulatory programs, or voluntary efforts cannot be placed solely on EU natural gas importers. A global framework that involves both producer and buyer countries is necessary to effectively tackle the issue of methane emissions from the gas sector. Therefore, the requirements on importers to demonstrate compliance by producers or exporters or regulatory equivalence should be contingent on the EU concluding a relevant bilateral or multilateral agreement covering the exporting country where necessary.

For example, soon-to-be-finalized U.S. Environmental Protection Agency methane regulations will further reduce the GHG footprint of U.S. natural gas exports, but a bilateral agreement is necessary to affirm the regulatory equivalence of these measures with the EU.

- Gas supply chains are extremely complex with multiple counterparties across the supply chain from production, gathering and boosting, processing, transmission and eventually to the point of export such as an LNG liquefaction terminal. Where different origins of gas result in comingled streams it is typically not possible to identify individual gas producers and midstream suppliers across the natural gas/LNG supply chain. In such situations the importer should be required only to demonstrate to the regulatory authority the reasons for not being able to identify a producer or exporter but should not be held liable for not being able to comply with the provision of Article 27 on importer requirements.

- Furthermore, importers should not be held responsible for the accuracy and reliability of the data and information provided by the producer or exporter. Even if provided, data will likely not be comparable as globally consistent and verifiable methane emissions reporting standard do not yet exist. Due to limited means, both importers and regulatory authorities may face challenges in assessing and verifying the quality of the information provided. Importers should not face fines for non-compliance with the requirements of Article 27, if they can demonstrate to the regulatory authority that they have made reasonable efforts to meet the requirements.  
Prohibiting natural gas supplies to Europe because of possible non-compliance with reporting obligations may put at risk Europe's security of supply in a time when Europe competes with Asia for remaining affordable supplies.

Finally, complementing the above considerations regarding importer obligations, the European natural gas industry will provide you separately with comprehensive amendment proposals to the EU Methane Regulation ahead of the trilogue, further contributing the development of a proportionate, efficient, and implementable regulation.

We are confident that by collaboratively addressing these challenges, we can drive significant progress in reducing methane emissions globally and further solidify the EU's position as a leader in sustainable energy practices.

Yours sincerely,  
James Watson

On behalf of

**American Petroleum Institute**  
**Center for LNG**  
**Eurogas**  
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**U.S. Chamber of Commerce Global Energy Institute**