

The EU methane regulation requirements arrive before the tools to meet it



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Executive Summary

The EU's methane rules for imported oil, gas and coal take effect on 1 January 2027, before the tools needed to comply exist. The 12 month delay announced by the Commission President on 6 October, which the European Parliament and member states must still approve, is welcome but too short. Three years, as industry and several member states seek, would allow the missing tools to be built in the sequence the rules require.

No verifier is accredited to check producers outside the EU, countries have no published route to recognition, and only about 6% of global gas production met the top reporting standard in 2025. The 2028 intensity reports and 2030 limits depend on methods and values not yet set. Starting unready would mean less gas reaching Europe at higher prices, cargoes rerouted without emissions falling, and the heaviest burden on producers with the least capacity.

A delay would help most if it were binding, tied to clear milestones, and used to build what is missing: recognition of national systems and existing standards, accredited verification for producers outside the EU, one clear intensity method, longer timelines with support for developing producers, and cooperation through the global climate process.

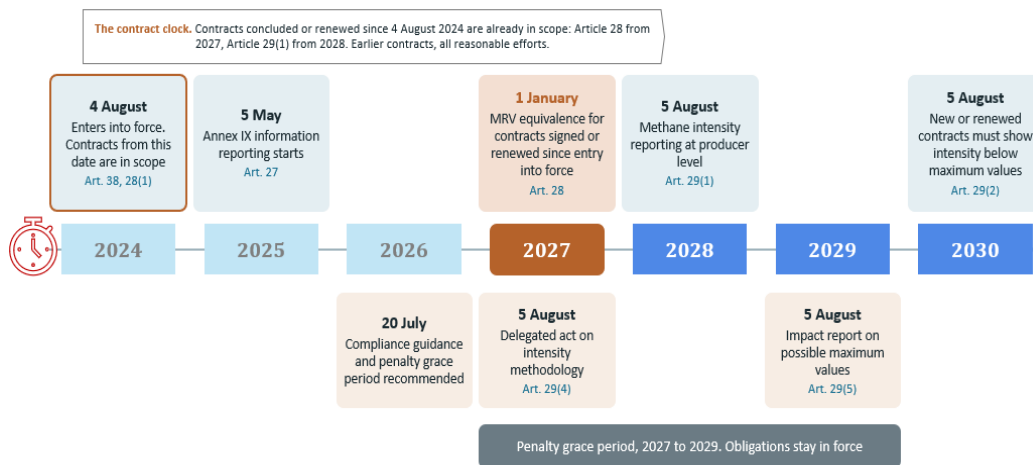
1- The rules start in January 2027, but the means to comply do not yet exist

On 1 January 2027, Europe's methane rules reach its borders. From that day, every company importing oil, gas or coal into the EU must prove that the producers behind its new contracts monitor, report and verify (MRV) their methane emissions to EU standards. The aim is right. Methane is a potent greenhouse gas, and cutting it is one of the quickest ways to slow global warming. The challenge is that the system needed to prove compliance is not ready.

The clock is short and the stakes are high. Europe heads into winter with gas storage below target and supply already under strain, and the 12 month delay announced on 6 October is not yet law. A delay would help, but on its own it only moves the deadline. This commentary argues that one year is too short, and that any delay must be binding, tied to clear milestones, and judged by measurable cuts in methane at the source, worldwide, not a cleaner import statistic. It draws on discussions at the 6th GECF Workshop on Methane Emissions Reduction, held on 24 September 2026, and published studies.

The regulation entered into force on 4 August 2024 and started the contract clock. Any supply contract signed or renewed since then falls under the import rules, while older contracts require "all reasonable efforts". From there, the obligations tighten in three steps, each harder than the last, and each depends on others to build the tools.

Figure 1 EU Methane Regulation timeline



In 2027, importers must prove a process. Measuring is hard, but verifying is harder. An accredited verifier must give an audit-style opinion, yet the reporting rules to check against are missing, and only two verifiers are accredited, in one member state and for domestic reports only. Country recognition could qualify all of a nation's producers at once, but the Commission has not published how to apply. Importers must also trace gas to a named producer through shared pipelines and LNG terminals where volumes mix. The certificates accepted in July could help, but member states have yet to confirm which schemes qualify. And only about 6% of global gas production reached the top reporting standard, OGMP 2.0 Level 5, in 2025, which is less gas than Europe uses in a year.

In 2028, the test becomes a number. Importers must report the methane intensity of their supply, yet the calculation method is due only in August 2027 and common measurement standards are not yet set, so the first reports are unlikely to be comparable. And because intensity is a ratio, it can fall even as absolute emissions rise.

In 2030, the number becomes a limit. Gas above a maximum intensity cannot be sold into the EU under new or renewed contracts, and only physical abatement moves the number: leak repair at scale, replacing gas-driven equipment and ending routine flaring and venting. These take years to finance and build. Market access in 2030 is therefore being decided by investment choices made today, against a limit not yet set.

The Commission's July advice to pause fines for reports due in 2027 to 2029 eased enforcement, not obligations: it is not binding and it does not reach the 2030 limits. Pressure for a binding delay has therefore broadened. In June, 17 of the 27 member states asked to postpone the importer obligations, and in September the French President asked for one year. Industry wants longer: on 8 October, associations including IOGP and the IGU urged EU leaders to back three years, warning that one year would leave the EU facing the same problems in 12 months. Their case is for time and tools, not weaker obligations. The pattern is the same at every step: the deadline is fixed, while the tools to meet it are still being built.

2- Starting unready would impact supply, climate goals and sustainable development

- **Europe could put its energy security and competitiveness at risk**

The starkest estimate comes from a Wood Mackenzie study commissioned by IOGP. If the regulation is enforced as written, only about 57% of EU gas imports would be compliant in 2027, more than 110 bcm of demand would go unmet, and supply would fall so short. Even if the main exporting countries were recognised as equivalent, compliance would reach only about 80%, and the TTF gas price could more than double in 2027 to 2028 compared with a case without the regulation. This shows how directly the regulation, as it stands, bears on Europe's energy security. A price rise on that scale would hit an economy whose competitiveness is already under pressure from energy prices well above those in the United States, as the 2024 Draghi report on European competitiveness found.

- **Cargoes could move, but emissions would not fall**

A cargo can change destination faster than a production facility can change its equipment. If compliant molecules flow to Europe and the rest flow to Asia, the methane intensity of EU imports falls while emissions at the wellhead and in the global environment stay the same. That is compliance without abatement. A better test of the regulation is verified reductions at producing facilities, not a cleaner import statistic. Pipeline systems, where monitoring is often thinner than on LNG chains, deserve the same scrutiny.

Voluntary action is already moving the right way. The IEA reports that global upstream methane intensity has fallen by about 10% since 2019, and the IGU notes that more than half of the oil and gas industry is now committed to near zero emissions. A regulation that diverts trade rather than accelerating this work would slow it.

- **Producers with the least capacity would carry the heaviest burden**

For many producing countries, gas revenue funds public budgets, energy access, health, education and jobs. Meeting the regulation can require investment of many millions in measurement, leak detection and repair, equipment and verification. That burden is heaviest for producers with limited finance and institutional capacity, and heavier still where sources are small, and scattered. Uniform timelines therefore create very different burdens.

3- What the extra time must deliver

Critics fear that any delay, let alone three years, would ease the pressure that pushed many producers to improve how they measure and report methane, and would reward those who have done least. The concern is fair, but a rule that cannot yet be met does not cut emissions: it creates legal risk and leaves each member state to decide how strictly to enforce it. A delay

that is binding and tied to clear milestones would keep the pressure on while the missing pieces are built, in the order the rules need them.

- Certainty for buyers and sellers, before January. A binding, time limited postponement agreed before 1 January 2027 would let companies keep contracting with confidence. Linking its end to clear milestones for accreditation, certification and recognition would mean the delay ends when the tools exist, not simply when a date arrives.
- A working route to prove compliance, during 2027. The year could see the procedure for country recognition published, credible national systems and existing standards such as OGMP 2.0 and ISO recognised, and accreditation extended to verifiers checking producers outside the EU. With mutual recognition of verification, producers would not need to prove the same thing twice.
- A comparable number, before the first intensity reports. A calculation method that defines clearly what is counted, and per unit of what, would make the 2028 reports comparable. Anchoring it in verified reductions at source, rather than import averages, would keep attention on emissions that actually fall.
- Real cuts at source, on the road to 2030. Producers still building their MRV systems could move faster with agreed roadmaps, longer transitions, finance, technology and verifier training, backed jointly by the EU, development finance institutions and producing countries. Starting with super emitters and low-cost abatement would bring the largest early gains.
- A shared approach, through the global climate process. Methane is a global problem, best tackled through the COPs, which already recognise common but differentiated responsibilities. Market access conditions set by one importer risk acting as a barrier to trade rather than a climate tool. A standing consultation between the EU and producing countries would build trust and feed into the COP process.

None of these weakens the regulation's aim. Together they turn an obligation that producers cannot yet meet into one they can, and they keep the focus on the only result that matters for the climate: less methane at the source.

The case is not for less ambition on methane, but for rules that arrive in the right order. A binding delay that ends in lower emissions at the wellhead and in the global environment is worth more than a start on schedule that only reroutes cargoes. The three years sought by industry and several member states would let the framework be built once, rather than face the same deadline again in late 2027. In his opening remarks to the workshop, GECF Secretary General H.E. Dr Philip Mshelbila set out five principles for a workable regulation: that it be effective, fair, implementable, predictable and cooperative. The steps above would help meet all five. Methane is a shared climate problem, not a trade instrument, and it will be cut fastest where it belongs: in the global climate dialogue.

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