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Executive Vice-President of the European Commission

Kadri Simson

European Commissioner for Energy

Virginijus Sinkevičius

European Commissioner for Environment, Oceans and Fisheries

European Commission B-1049 Brussels, Belgium

11 October 2021

Dear Executive Vice-President Timmermans, Dear Commissioner Simson, Dear Commissioner Sinkevičius,

We write on a matter that will come to define EU climate ambitions and resolve.

In the coming months, the Commission will submit a proposal for a legislative act to reduce methane emissions in the oil, gas and coal sectors. This proposal will include measures on monitoring, reporting verification (MRV) and leakage detection and repair (LDAR). Consideration is also being given to including a ban on routine venting and flaring (BRVF), which we consider a necessary component of the regulatory framework and which should accompany the proposal.

However, we have serious concerns that the Commission will only propose to apply this regulatory framework within the EU rather than extending it to all oil, gas and coal consumed in the EU, *i.e.* across the supply chain. We believe such lack of ambition is unjustified and irresponsible, given the outsized role the EU plays in driving global methane emissions, and would squander precious years at the critical, defining moment in our collective struggle to remain below 1.5°C and within 2°C.

While we welcome recent international initiatives to address methane emissions, we strongly believe they should not be used to justify lowering ambition in the Commission proposal. This includes the Global Methane Pledge set for adoption at the 26th Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC), while a positive step forward, which is neither specific nor significant enough to ensure reductions in methane emissions across the supply chain. It also includes the International Methane Emissions Observatory (IMEO) and the Oil and Gas Methane Partnership (OGMP) 2.0, which will not have on-the-ground impacts for some time. Thus, while we welcome these diplomatic efforts to foster international cooperation, they must not replace concrete EU regulatory measures on imports. Indeed, we believe that extending MRV, LDAR and BRVF to all oil, gas and coal consumed in the EU would actually help strengthen these recent international initiatives, significantly increasing the likelihood that they deliver meaningful reductions in methane emissions.

Arguments against extending the regulatory framework across the supply chain should be flatly

rejected. World Trade Organization (WTO) rules do not prevent the EU from adopting such measures rather they set out how to go about it. Ensuring implementation and compliance by importers is a function of regulatory design, for which other EU legislation provides ample inspiration, not an insurmountable hurdle. Nor would extending these measures across the supply chain undermine energy security or result in significant increases of energy prices; indeed, most reductions can be achieved at no net cost. We believe there are no good reasons not to ensure supply-chain coverage.

We are not alone in this position. The European Parliament's Committee on the Environment, Public Health and Food Safety (ENVI) has "call[ed] on the Commission to to make all fossil fuel imports into the Union conditional on their compliance with EU regulations on MRV and LDAR and the rules on venting and flaring, applicable to the entire fossil fuels supply chain, up to and including production," while "recognis[ing] that fossil fuels have no long-term role in the Union's energy mix and call[ing] on the Member States, in cooperation with the Commission, to adopt national plans in order to phase out all fossil fuels as soon as possible." Moreover, major energy companies such as Shell, BP and Total among many others have also come out in support of introducing EU rules to all oil and gas consumed in the EU, with Shell even publishing an op-ed titled "EU Methane Rules Must Cover the Entire Gas Supply Chain, Including Imports."

We therefore urge the European Commission to act decisively to reduce methane emissions in the energy sector by extending its regulatory framework across the supply chain. We request the opportunity to discuss this matter further with you or your staff via an online or in-person meeting.

We thank you for your consideration of this matter.

Yours sincerely,

Mary Rice

Executive Director
Environmental Investigation Agency (EIA)

On behalf of

Deutsche Umwelthilfe (DUH)
2° Celsius
Food & Water Action Europe (FWAE)
Clean Air Task Force (CATF)
Transport and Environment
Friends of the Earth Bulgaria
ClientEarth
Stowarzyszenie Pracownia na rzecz Wszystkich Istot
Ember
Deutscher Naturschutzring
Center for Transport and Energy
Not here not anywhere

¹ European Commission. Climate Change – New Rules to Prevent Methane Leakage in the Energy Sector. Available here.

² Committee on Environment, Food Safety and Public Health (September 2021). European Parliament. Result on Roll-Call Votes of 27 and 28 September 2021. Available here.

³ Methane Guiding Principles (September 2021). *Methane Policy Recommendations for the EU: Addressing Methane Emissions from All Gas Consumed in the EU.* Available here.

⁴ EurActiv (September 2021). EU Methane Rules Must Cover the Entire Gas Supply Chain, Including Imports. Available here.