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IEA Paris: Methane emissions remained high in 2022 even at soaring energy prices

A combination of high energy prices, security of supply concerns and economic uncertainty were not enough to drive down methane emissions last year, according to new IEA analysis. The IEA's latest update of its Global Methane Tracker found that the global energy industry was responsible for 135 million tonnes of methane released into the atmosphere in 2022, only slightly below the record highs seen in 2019. Today, the energy sector accounts for around 40% of total methane emissions attributable to human activity, second only to agriculture. Methane is responsible for around 30% of the rise in global temperatures since the Industrial Revolution. It dissipates faster than carbon dioxide but is a much more powerful greenhouse gas during its short lifespan. Cutting methane emissions is one of the most effective ways to limit global warming and improve air quality in the near term. This year's report also includes methane emissions from coal mines and measures to cut them by half.

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IEA Bioenergy Review Update 2023

The *IEA Bioenergy Review Update 2023* presents an evidence-based assessment of the status of bioenergy around the world. The assessment is based on work conducted by over 200 experts, active within the Tasks of the IEA Bioenergy Technology Collaboration Programme (TCP). The information provided is complemented by information from other multilateral initiatives such as the International Renewable Energy Agency (IRENA), the Food and Agriculture Organisation (FAO) of the United Nations, and the Global Bioenergy Partnership (GBEP). The report's goal is to reinvigorate awareness and interest in bioenergy, address

concerns that arise in the public debate, and demonstrate the synergies between bioenergy and other renewables. The report is divided into two parts: Part A “Strategic View on Biomass and Bioenergy” deals with bioenergy and its contribution to a sustainable future. Part B “Technologies for Sustainable Bioenergy” describes the status and perspectives of different bioenergy technologies.

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Global biomethane production hits record 7bcm in 2022

Global biomethane supply increased by an estimated 16% (1bcm) in 2022 to close to a record 7bcm, according to new IEA data. The increase was primarily driven by the EU and the US, which together account for approximately 90% of incremental biomethane supply. EU biomethane production rose by an estimated 15% (0.5 bcm) to close at 4bcm, spurred by 65% growth in France (442 plants). The US remains by far the largest biomethane-producing country in the world, a position it has held since 2019. The country’s biomethane output grew by an impressive 20% (close to 0.4 bcm) to reach 2bcm in 2022, accounting for almost 30% of global biomethane output. It currently has over 250 operational biomethane facilities, with around 220 additional plants under construction or planned. Municipal solid waste remains the single largest source of feedstock, underpinning approximately 70% of total US biomethane production. Agricultural waste accounts for almost 20% of biomethane feedstock supply, while food waste and waste water account for the remaining 10%.

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Task 33 Position paper: SNG production

Sustainable natural gas (SNG) is methane produced from biogenic feedstocks, also referred to as biomethane. These feedstocks are for instance forest residues, agro-residues or waste streams containing plastics (MSW). With Russia’s aggression against the Ukraine, the dependency on fossil natural gas is reconsidered. The EU is steering away from natural gas and recently announced their REPowerEU plan, which aims on reducing the use of natural gas as well as replacing it with SNG. SNG can be produced via anaerobic digestion or gasification. There are claims that through digestion 35 billion cubic metres (bcm) can be made available by 2030. Currently 3 bcm of biomethane is produced through digestion. Additionally, 17 bcm of biogas is produced and part of this could be upgraded to biomethane.

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Estonia to extend subsidization period for biomethane production

Estonian Minister of Economic Affairs and Infrastructure Riina Sikkut has signed a regulation extending the subsidization of biomethane used in transport until June 30, 2024. The subsidization period was supposed to conclude at the end of 2023 but increasingly ambitious renewable energy targets and a supporting budget have enabled to extend the period. The leftover funds for the development of the biomethane market total 11.8 million euros. The funds come from revenues from carbon dioxide quota trading. The subsidy for biomethane supplied for the transport sector is 100 euros minus the average monthly price of natural gas per megawatt-hour for the ongoing month.

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Biden Administration details plan to phase out transportation emissions

The Biden administration outlined a blueprint for using billions in public dollars to expand the use of electric vehicles and low-carbon fuels to help put the U.S. on a course to eliminate carbon emissions from the transportation sector by 2050. The new blueprint lays out how the administration plans to spend the record levels of financing on transportation — the leading emitter of greenhouse gases warming the planet — included in last year's Inflation Reduction

Act and 2021's bipartisan infrastructure law to reduce emissions. Included in the plan is a more detailed timeline that would set "ambitious but achievable" targets before 2030 across all modes of transportation to transition various fleets to zero or low emissions fuels.

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Germany revisits ban of crop-biofuels

Germany's environment ministry is planning to submit a draft law to ban the use of biofuels from crop and feed. In May 2022 a working group to draft a proposal to phase out the use of biofuels produced from food and feed crops by 2030. A first working paper suggested lowering the use of crop-based biofuels to comply with Germany's greenhouse gas (GHG) emission reduction quota to 2.5pc in 2023, from 4.4pc this year. The cap would then fall to 2.3pc in 2024, 2.1pc in 2025, 1.9pc in 2026-27, 1.2pc in 2028-29 and then zero the following year.

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NWE biogas market awaits effects of EGC's Sweden ruling

Biomethane market participants in northwest Europe (NWE) say a EU General Court (EGC) ruling to annul Sweden's subsidy scheme for biomethane has created uncertainty, and could lead to drastic price changes in the short- and medium-term in Sweden and affiliated markets. The EGC revoked an approval by the European Commission, made in June 2020, for a 10-year extension of two measures that excluded biomethane used in heat generation and as transport fuel from Sweden's energy and CO2 taxation. German biomethane producer and trader Landwärme took legal action against the commission, arguing that the scheme allowed a cumulation of the aid granted in Sweden with subsidies from other EU member states, and led to overcompensation in favour of some producers. The effect occurs, for example, when subsidised Danish biomethane is imported to Sweden where it is again subsidised through the domestic taxation rules. European market participants said the decision will quickly be reflected in markets that have close trading ties with Sweden, and in Sweden itself where domestic companies fear repayment of the tax reductions. It is unconfirmed as to when the tax exemptions will be annulled and whether the annulment will be applied retrospectively.

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Zimbabwe council cancels EU-funded biogas contract

Harare City Council (HCC) in Zimbabwe has cancelled a biogas digester contract worth US\$465.2k (€429.8k), that was awarded to Synlak (Pvt) Ltd after the company failed to complete the project within set timelines, according to *News Day*. The European Union granted the non-State actors funding for the construction of a 100-kilowatt biogas project in Mbare in December 2013. The project was designed to convert vegetable waste from the Mbare Musika vegetable market into biogas. HCC awarded Synlak with the contract in 2015, and the council signed a memorandum of agreement for the design and construction of four biogas digesters and the supply, installation and commissioning of a 100kVA biogas generator. Appearing before joint Parliamentary Portfolio Committees on Energy and Power Development and Environment, acting town clerk Phakamile Mabhena-Moyo said they cancelled the contract because the contractor failed to meet set timelines, reported *News Day*. The contractor was paid in full (US\$465 290) for the execution of the contract between the period September 17, 2015 to June 17, 2016.

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2030 mandatory biomethane target in the EU draft regulation

In February 2023, the European Parliament adopted its position on the Gas Decarbonisation Package. If EU institutions give green light to this proposal, the 35 bcm biomethane target

would finally anchor in binding legislation the REPowerEU Plan's ambition. The legislation would also create a certification system for low-carbon gases and ensure that consumers can switch suppliers more easily to choose renewable and low-carbon gases over fossil fuels in their contracts. The Package proposal takes stock of the Biomethane Action Plan and includes the requirement for Member States to set-up national biomethane strategies and to ensure regional mapping of highest production potential areas. This mapping exercise should inform the national strategies and the network planning carried out by the grid operators. National biomethane strategies shall provide a long-term perspective for the biomethane sector and guidance for investors. The European Parliament's report improves the Commission's proposal on the right to inject, by setting, among other provisions, time limits for delivering the network connection requested by project developers. Unfortunately, no agreement was not found on provisions addressing the costs of network access for project developers

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Austria: Renewable Gases Act enters appraisal phase

The Renewable Gas Act (EGG) was passed in February in the Austrian Council of Ministers and will be reviewed. After the agreement of the governing parties at the beginning of the year, another important step has been taken to get the market ramp-up of renewable gases in Austria. The draft law provides for a quota system, according to which suppliers must demonstrate a continuous increase in the share of renewable gases in their supply mix. This share will increase to 7.7% by 2030, but to at least 7.5 TWh of renewable gases. Renewable gases in this context are national biomethane from AD, wood gas, and renewable hydrogen. If a supplier fails to meet the mandatory quota by more than 20%, it must pay a compensation contribution for the shortfall, but this does not release it from compliance in the coming years. The compensation contributions collected are earmarked for additional investment subsidies for production plants for the feed-in of renewable gases. In order to ensure that the market entry and, above all, the market ramp-up can succeed positively, the draft law provides for a special purchase obligation for the first plants up to the 20th year of operation. Further details can be found in the draft bill.

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HDV CO2 proposal fails to recognize renewable fuels contribution

In February, the European Commission has proposed ambitious new CO₂ emissions targets for new heavy-duty vehicles (HDVs) from 2030 onwards. These targets will help to reduce CO₂ emissions in the transport sector. Trucks, city buses, and long-distance buses are responsible for over 6% of total EU greenhouse gas (GHG) emissions and more than 25% of GHG emissions from road transport. The Commission proposes phasing in stronger CO₂ emissions standards for almost all new HDVs with certified CO₂ emissions, compared to 2019 levels, specifically: 45% emissions reductions from 2030; 65% from 2035; and 90% from 2040.

To stimulate faster deployment of zero-emission buses in cities, the Commission also proposes to make all new city buses zero-emission as of 2030. However, the EU executive body has missed the opportunity to provide a strong positive signal to the biomethane value chain by setting stringent targets at tailpipe without providing a mechanism to factor in the contribution of renewable fuels in reducing overall CO₂ emissions across the vehicle's lifecycle.

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Subsidies for biomass plants producing electricity newly regulated in Switzerland

In Switzerland a new subsidy model has been put in force since starting the first of January 2023. The newly applicable scheme is a bridge between the expiring previous support system

(FiT) and the entry into force of the new energy law, which is currently being discussed in parliament in the Federal Act on a Secure Power Supply with Renewable Energies. Biomass plants producing electricity can benefit from investment contributions. New plants, significant expansions and renovations will receive up to 50 percent of the eligible investment costs. The investment contribution is determined by plant category: Biogas plants receive 50 percent of the eligible investment costs, wood-fired power plants 40 percent, the measure serves to strengthen the security of electricity supply. The subsidies are financed through a fund fed by all electricity consumers. Operators of biogas plants and wood-fired power plants can also submit an application for operating cost contributions. Even when receiving operating cost contributions, the operator continues to sell its electricity on the free market. From a monitoring unit, it receives the corresponding contribution rate minus the reference market price per kWh fed into the grid, regardless of the real sales price.

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