

A PATHWAY FORWARD FOR THE EU METHANE REGULATION

Proposal for the Danish position on a pragmatic implementation of the European Commission's recommendations

The EU Methane Regulation (EUMR) is at a critical stage of implementation. The European Commission's July 2026 recommendations on compliance and sanctions will effectively introduce a "stop-the-clock" mechanism for the EUMR from 2027 to 2029. This puts Denmark in a challenging position, as one of the few Member States to have transposed the regulation on time and could require it to roll back existing national legislation.

Green Transition Denmark recognises the current political climate and the significant pressure for simplification and deregulation. Against this backdrop, we propose a balanced and pragmatic approach to implementing the recommendations. One that preserves the ambition of one of Europe's most important pieces of climate legislation, while giving the sector time to resolve outstanding technical questions and gain greater certainty about the future regulatory landscape.

No further postponements

Further postponements would be a disproportionate response to problems that can be resolved administratively. They could weaken the EU's international credibility on methane ahead of COP31. This is particularly relevant now that exporters such as Algeria and Turkmenistan are strengthening their work on methane. The sector should receive clear signals about which ambitious legislation in this area applies in Europe and when it enters into force. Further postponement of sanctions under Article 33, which legislators adopted with broad support only two years ago, would create several years of uncertainty in a sector where investment horizons are long and current obligations continue to apply.

Maintain sanctions for EU producers

The EUMR contains both sanctions for oil and gas production in the EU and separate sanctions for importers of oil, natural gas and coal. The European Commission's recommendations on postponing sanctions under Article 33(5)(o) would extend the postponement to EU producers as well. For Denmark, which continues to have significant domestic production of oil and natural gas, it is therefore important to maintain sanctions for EU producers.

Establish coherent criteria for security of supply

With electrification, it is becoming increasingly important to ensure that security-of-supply criteria are coherent across the energy system. There should be clear definitions of different crisis levels and of when specific emergency preparedness measures should be initiated. As far as possible, the criteria should be based on a common European data foundation and take the Union's overall energy mix into account.

Distinguish between non-compliance and fraud

The European Commission's recommendations explicitly exempt fraudulent violations. The European Commission should therefore clarify in its guidelines what constitutes fraud under the EUMR. The definition should at a minimum include knowingly false or manipulated information, material withholding of information, and systematic circumvention of the regulation's requirements.

Exclude the confiscation of economic gains from the postponement

The postponement of financial penalties should not mean that companies can gain an economic advantage from failing to comply with the EUMR during the 2027–2029 period. Denmark should work to ensure that the competent authorities can continue to order the confiscation of profits obtained because of an infringement, where these can be calculated. This can ensure that companies complying with the rules are not placed at an economic disadvantage compared with companies that have failed to comply during the postponement period.

Encourage clear guidelines

Denmark should continue to encourage the European Commission to finalise and publish the long-awaited guidelines with concrete requirements for how the rules are to be applied in practice. Clear guidelines will give both national competent authorities and the sector greater certainty about how the rules are to be interpreted and enforced. This would reduce the legal uncertainty that currently exists because Member States have not transposed the regulation and that has in part been cited as reason behind the European Commission's recommendations.

Maintain requirements and strengthen common European implementation

Denmark should use the process surrounding the Commission's recommendations to actively shape the further implementation of the EUMR in line with Denmark's official position. Denmark should work to ensure that the process does not develop into a permanent weakening of the regulation. At the same time, Denmark should press the European Commission to follow up on Member States' implementation and use the existing network of national competent authorities to develop best practices for monitoring and enforcement.

Denmark should also bring Danish implementation experience into the work and work towards a common practice. In this way, Denmark can maintain the ambitions of the EUMR and contribute to ensuring that the rules are harmonised in an ambitious way.