



## Joint Call to Include Biogas and Biomethane Options in the Scope of the Upcoming Industrial Heat Decarbonisation Auction

The European Union has set a target to produce 35 billion cubic meters of biomethane annually by 2030. The Biomethane Industrial Partnership was launched in 2022 to create the conditions for a further ramp-up of biomethane's potential by 2050. The Net Zero Industry Act recognises biogas and biomethane as net zero technologies that can help industries reach net zero emissions, with biomethane offering a readily available and dispatchable solution that industries are ready to use today.

In May 2025, this ambition was further reinforced by the RePowerEU Roadmap, which highlights the role of the European Commission in launching a new biogas network with Member States and local stakeholders to help countries bolster their renewable gases energy supply. As a response to this, the European Biogas Association further encouraged the European Commission to adopt a binding target of 100 bcm of biogases by 2040 to ensure a full uptake of biogases in the EU<sup>1</sup>.

To ensure the successful delivery of these policies, the European Commission's upcoming auction for industrial heat decarbonisation must consider the full breadth of viable renewable and energy efficiency solutions – including **biogas and biomethane**. Decarbonising industrial heat is among the most complex challenges in the EU's path toward climate neutrality. Industrial heat demand is not only substantial – it is often continuous, high-temperature, and process-specific. This diversity means that no single technological pathway can deliver the necessary emissions reductions across all sectors.

Industries such as food processing, chemicals, refining, steel, ceramics, and pulp and paper rely on steady and reliable heat. Investments in the uptake of biogas and biomethane as an alternative or in synergy to electrification are especially relevant in areas with grid constraints or limited access to affordable renewable electricity. Excluding these industries from participation in the auction – **by narrowly focusing on electrification-based solutions** – would risk leaving out sectors that are both energy-intensive and ready to decarbonise through other renewable pathways, such as biogas or biomethane

**Biogas and biomethane** can offer an efficient and renewable fuel source. These gases can be directly used in existing infrastructure and systems, reducing the need for costly retrofitting and enabling faster decarbonisation. Their inclusion is especially important for **Combined Heat and Power (CHP)** using biogas or biomethane injected in gas grids, which can play a strategic role in delivering both heat and electricity efficiently, supporting system flexibility and resiliency. Moreover, CHP complemented by renewable gases can be combined with electrification as highly efficient hybrid systems, which maximise direct and indirect emission reductions, reduce strain on the grid and help integrate higher shares of renewable power.

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<sup>1</sup> EBA Roadmap towards 2040: Biogases as substantial source of circular and affordable energy for Europe.

We therefore urge the Commission to ensure that the **scope and design of the upcoming auction** includes the following:

1. **Recognition of biogas and biomethane** as eligible technologies for industrial heat decarbonisation support, in line with their renewable and circular nature.
2. **Flexibility in fuel sources** to reflect the wide variation in local energy availability, industrial processes, and infrastructure readiness.
3. **Technology-inclusive criteria** that allow sectors to choose the most effective decarbonisation pathway suited to their operational and geographical context.
4. **Recognition of highly efficient hybrid systems**, including the positive impact of cogeneration on security of clean heat supply and power system flexibility.

To accelerate deep decarbonisation of industrial heat while preserving competitiveness, the EU must embrace a **portfolio approach**. Biogas and biomethane are ready, scalable, and regionally available solutions that deserve full consideration in the upcoming auction mechanism.

**Signatories:**

CEFS – European Association of Sugar Manufacturers

Cepi – The Confederation of European Paper Industries

Cerame-Unie – The European Ceramic Industry Association

COGEN Europe – The European Association for the Promotion of Cogeneration

EBA – European Biogas Association

Gas Distributors For Sustainability (GD4S)

PFP – Primary Food Processors