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Correspondence:
anja.arndt@europarl.europa.eu

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Europe's Energy Supply under Pressure: The EU Methane Regulation 2027 as a politically induced Crisis Factor

Summary of the presentation at the 17th International EIKE Climate and Energy Conference (IKEK-17), Halle (Saale), Germany, 26 June 2026

Anja Arndt

*Member of the European Parliament (AfD),
Europe of Sovereign Nations (ESN) Group, Brussels/Strasbourg*

Abstract

This paper summarises a presentation on the implications of the EU Methane Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector from the political perspective of the author as an AfD Member of the European Parliament and representative of the Europe of Sovereign Nations (ESN) Group. The central thesis of the presentation is that the import requirements, which come into force from 2027, will become a politically induced crisis factor for the European energy supply. The paper criticises the imposition of monitoring, reporting and audit obligations for methane emissions – equivalent to those in the EU – on global supply chains for natural gas, crude oil and coal within a short implementation period. The focus is on the four main implementation phases of the regulation and a scenario analysis by Wood Mackenzie commissioned by IOGP Europe and Concawe. In its default scenario, around 43 per cent of EU natural gas imports and 87 per cent of EU crude oil imports in 2027 – based on the reference year 2024 – could fail to meet the requirements, leading to significant restrictions on LNG supplies and on the availability of crude oil for European refineries. From the perspective of the AfD and ESN, this climate policy measure is an irresponsible piece of legislation because its objectives are questionable and the technical feasibility, security of supply and economic competitiveness are not guaranteed. The burden on citizens is severe. The potential consequences of reduced or more expensive energy imports range from higher heating and fuel costs, through additional industrial production costs, to risks relating to inflation, business location and employment. The conclusion put forward in this presentation is that the Methane Regulation must be repealed immediately.

Keywords: EU Methane Regulation; Regulation (EU) 2024/1787; methane emissions; security of energy supply; LNG; crude oil; economy; consumers; AfD; ESN.

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1. Starting point of the presentation: climate policy, science and security of supply

This article is based on my presentation on 26 June 2026 at the 17th International EIKE Climate and Energy Conference in Halle (Saale). I spoke there as an AfD Member of the European Parliament and as a representative of the Europe of Sovereign Nations (ESN) Group. The starting point was the position that the European Union's climate policy regulations will have no measurable effect on global temperatures and that the causes of climate fluctuations must not be reduced solely to carbon dioxide and methane emissions. Scientific rigour, technical feasibility, economic consequences and the security of energy supply are not sufficiently taken into account in the Methane Regulation. From the perspective of the AfD and the ESN, this is particularly crucial when it comes to interventions in energy policy, because policy failures do not remain abstract but directly affect businesses, jobs and private households.

The Methane Regulation (EU) 2024/1787 on the reduction of methane emissions in the energy sector came into force on 4 August 2024 and comprises 85 recitals, 38 articles, six chapters and nine annexes. In my presentation, I focused in particular on the climate policy rationale behind the Regulation. Recital 4 refers to estimates by UNEP and CCAC, according to which a 45 per

cent reduction in global methane emissions by 2030 could prevent global warming from rising by approximately 0.3 °C by 2045. My central question was whether far-reaching European interventions can be derived from such a global modelling assumption without giving at least equal consideration to security of supply, costs and technical feasibility. The AfD and ESN perspective presented in the lecture is thus explicitly a critique of current EU climate policy.

2. Scope of the Methane Regulation and the decisive tightening of import controls in 2027

The Methane Regulation does not apply solely to individual natural gas fields. It covers all suppliers worldwide that export natural gas, crude oil and coal to the EU. All methane emissions across the entire value chains of natural gas, crude oil and coal must be measured, reported and independently verified. For natural gas, this applies during extraction, at wells, during processing and compression, during transport, storage and at LNG facilities; for crude oil, it also applies during extraction, processing, transport and storage; for coal, the requirements even extend to measurement and reduction obligations at active as well as some closed or abandoned mines. This creates a far-reaching system of measurement, monitoring, reporting, auditing, leak detection and repair, which results in significant additional costs. For operators, this requires measuring equipment, documented procedures, reliable data and the presence of independent auditors.

In my view, what is particularly controversial from a political perspective is that the EU is effectively extending these requirements to third countries via its imports. The first reporting obligations for importers have been in force since 5 May 2025. From 1 January 2027, for new or renewed contracts, they must demonstrate and report that crude oil, natural gas and coal are subject, at producer level, to monitoring, reporting and verification measures equivalent to EU requirements. By August 2027, the Commission is to establish the method for calculating methane intensity; corresponding reports are to follow from August 2028, and from August 2030, specified maximum limits for methane intensity are to apply to new or renewed contracts. The presentation assessed this phased approach as an attempt to increasingly tie access to the European energy market to a compliance system defined by the EU. From the ESN's perspective, this is both a matter of security of supply and of political overreach into third countries. Importers who breach these rules face fines of up to 20 per cent of their annual turnover.

Table 1. The four main implementation stages outlined in the presentation: entry into force; initial reporting and information obligations; MRV equivalence for imports from 2027; and reporting and methane intensity limits from 2028/2030. Source: Presentation by the author based on Regulation (EU) 2024/1787

Stage	Date	
1. Entry into force	04.08.2024	The EU Methane Regulation applies directly in all Member States.
2. First key obligations	05.05.2025	Operators must, among other things, establish leak detection and repair programmes; importers must report information for the first time.
3. Import tightening / Equivalence	01.01.2027	Importers must demonstrate for new or renewed contracts that oil, gas and coal from third countries are subject to equivalent measurement, reporting and verification obligations.
4. Methane intensity	05.08.2027 05.08.2028 05.08.2030	By 05.08.2027 , the Commission shall establish the calculation methodology. From 05.08.2028 , methane intensity must be reported. From 05.08.2030 , new or renewed contracts must remain below the specified maximum values.

3. The key market risk highlighted in the presentation: 43 per cent of gas and 87 per cent of crude oil do not meet these standards

The empirical focus of my presentation was a scenario analysis published in March 2026 by Wood Mackenzie on behalf of IOGP Europe and ConcaWe. It examines how the Methane Regulation could affect the access of energy imports to the EU market. In the so-called 'default scenario', which assumes a comparatively strict implementation, around 43 per cent of the EU's natural gas imports and 87 per cent of its crude oil imports in 2027 – based on the reference year 2024 – might fail to meet the requirements. I deliberately highlighted these figures in the presentation because they illustrate the scale of the political risk. They should be understood as scenario results rather than certain predictions; nevertheless, they demonstrate the potential consequences should global supply chains fail to become verifiable within the timeframe set by the EU.

A key finding discussed in the presentation: In Wood Mackenzie's default scenario, around 43 per cent of EU natural gas imports and 87 per cent of EU crude oil imports for the reference year 2024 could fail to meet the requirements of the EU Methane Regulation by 2027.

This is particularly evident in the LNG market. The reference case presented in the presentation shows that, without the Methane Regulation, LNG imports would continue to develop in a comparatively stable manner. In the scenario with the EU Methane Regulation, however, there would be a sharp slump from 2027 onwards, with far-reaching and risky consequences for the EU as a whole; a recovery is not seen as possible until around 2030 and would require, amongst other things, a significantly higher supply from the US as well as a more flexible European approach to the verification requirements. From the perspective of the AfD and ESN, the consequences are irresponsible. They could cause considerable damage to the economy across the entire EU. Furthermore, the Methane Regulation will lead to a further increase in the EU's energy dependence on individual states, particularly the US. In my presentation, I therefore expressly warned against replacing the existing energy dependence on Russia with a new dependence on the US.

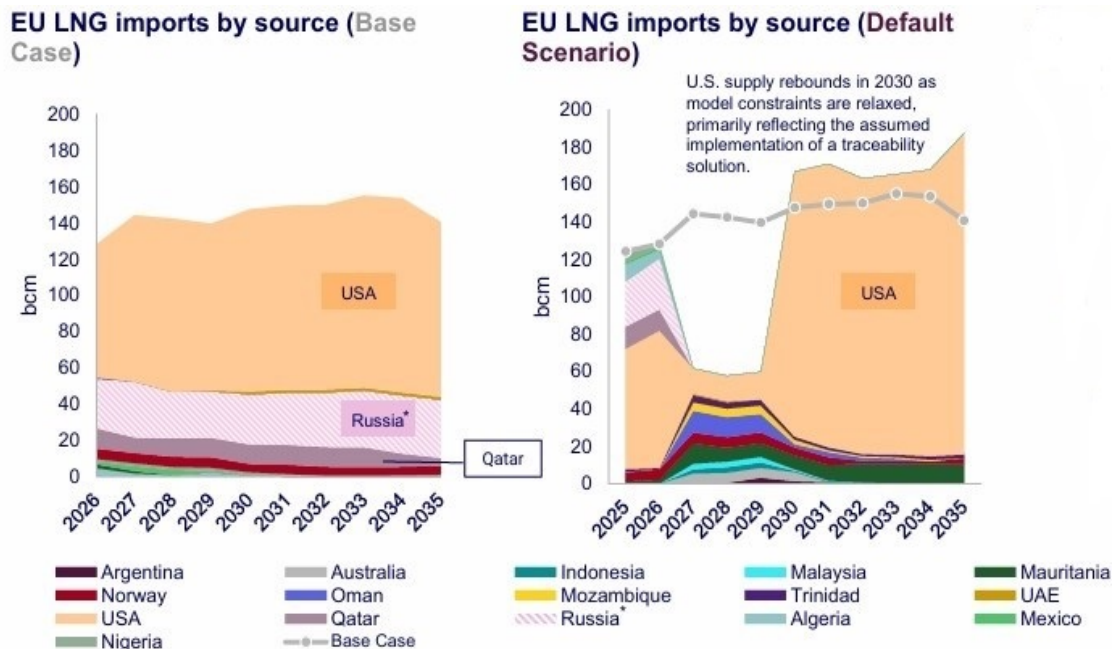


Figure 2. LNG import scenarios presented in the talk: reference case without the regulation (A) and scenario with the EU Methane Regulation (B). Source: Wood Mackenzie (2026), EU Methane Emissions Regulation – Analysis of Market Impacts, commissioned by ConcaWe and IOGP Europe, fig. 13/p.21.

4. Crude oil, refineries and industrial value creation

The presentation highlighted the potential crude oil problem as an even more serious concern. European refineries require a continuous supply of sufficient quantities of suitable crude oil grades. In the event of a shortage of compliant supplies, the Methane Regulation could therefore have an immediate impact on refinery utilisation rates and the availability of fuels and petrochemical feedstocks. According to the Wood Mackenzie analysis, in the default scenario, the globally available volume of regulation-compliant crude oil will be insufficient over several years to maintain normal operations at European refineries; the analysis models a significant decline in capacity utilisation for the period 2027 to 2030. The presentation treated these findings as a warning sign that this methane regulation interferes with a core area of European energy and industrial security.

The political criticism from the AfD and ESN centres on the fact that this regulation will have serious consequences. The US and Qatar have already announced that they do not intend to comply with these conditions, which entail considerable costs. The business sector and the public bear the implementation risk and the serious consequences.

Figure 25: Impact of MER on global crude availability for EU refiners

Global Crude Availability vs. EU Refinery Throughput

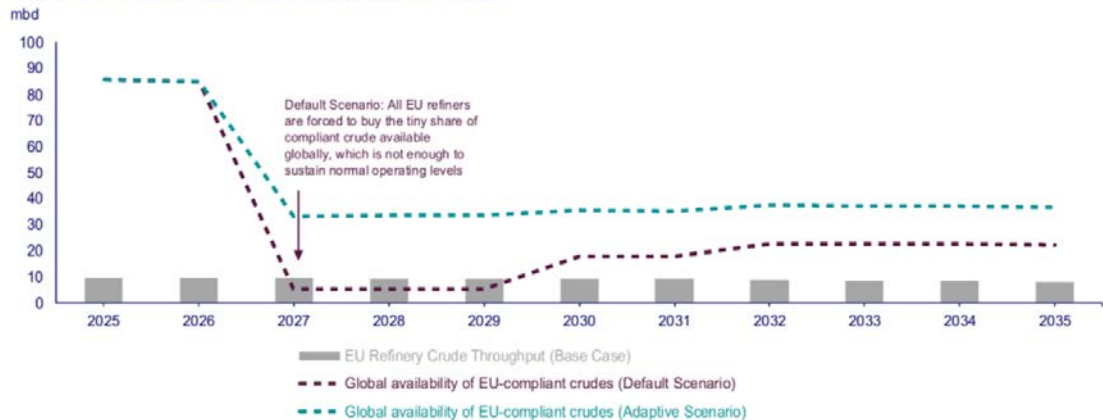


Figure 3. Modelled global crude oil availability compared with refinery utilisation in the EU under the default and adaptive scenarios. Source: Wood Mackenzie (2026), EU Methane Emissions Regulation – Analysis of Market Impacts, commissioned by Concawe and IOGP Europe, fig.29/p.53.

5. Impact on the economy and citizens

In my presentation, I made a point of not limiting the discussion of the consequences to energy companies alone. Natural gas and crude oil are essential for heating, transport and industrial production. If the supply of imported energy tightens due to verification issues, or if procurement, verification and contract drafting become more expensive, these costs will be passed on through the supply chains. Households face additional risks of higher heating and fuel costs; for businesses, energy, transport and production costs will rise. In energy-intensive sectors, this can influence investment, production and location decisions. Higher production costs may also be reflected in consumer prices and thus in general inflation.

These causal links do not constitute a claim that every single price increase will inevitably occur. Rather, they describe the economic transmission mechanism against which I warned in my presentation: a politically induced restriction or increase in the cost of energy supply affects not only importers, but ultimately also businesses, employees and consumers. From the perspective of the AfD and ESN, therefore, any climate regulation – even if we reject it outright – must at the very least be accompanied by a robust assessment of its cost and supply implications.

Questionable climate policy objectives certainly do not justify measures whose potential side effects jeopardise prosperity, industrial competitiveness or the affordability of energy, and lead to an energy crisis.

6. Political assessment from the perspective of the AfD and ESN

The fundamental criticism raised in the presentation is directed against the EU's diktat requiring global suppliers to measure, report and independently verify methane emissions, and to comply with prescribed maximum limits from 2030 onwards. It is directed against the political construct of imposing EU-equivalent standards on global supply chains, thereby effectively forcing producers in third countries to choose between adopting the European system or losing access to the EU market. In the presentation, I referred to resistance from producer countries, particularly the USA. With this regulation, the EU is creating a politically induced crisis factor. The war in Iran and the blockade of the Strait of Hormuz in 2026 will affect 4 per cent of the EU's natural gas imports and 5 per cent of its crude oil imports. Even these relatively small volumes, in relative terms, have led to major problems and significant price rises for fuel, electricity and heating. If 43 per cent of natural gas imports and 87 per cent of crude oil imports are incompatible with the requirements of the Methane Regulation and are therefore at risk, the consequences will be catastrophic. The EU is destabilising its own trade relations and cutting itself off from energy imports, creating additional conflicts, bottlenecks and dependencies. This is a self-destructive act.

In the European Parliament, together with the ESN Group, I have twice attempted to initiate a debate on the impending consequences of the Methane Regulation. Both initiatives have so far been rejected. In my view, the regulation highlights a structural problem in European climate policy: the political majority considers a supposed, scientifically unproven impact on the climate to be more desirable than the economic stability and prosperity of its own population. In this case, it is estimated that reducing methane emissions will lead to a reduction in global temperature of 0.3 °C by 2045 (!), but only if global methane emissions are reduced 'by 45 per cent by 2030, based on available targeted measures and additional measures in line with the United Nations Sustainable Development Goals', as stated in Recital 4 of the Methane Regulation. To jeopardise the future of the entire European Union for the sake of such vague, unscientific and irrational targets is incomprehensible and suggests that this Regulation and the entire European Green Deal are irrational and harmful. **The AfD and ESN therefore call for the regulation to be repealed immediately.**

7. Note for publication: Scenarios, legal clarifications and the Commission's response following the presentation

To ensure a scientifically and journalistically sound presentation, it should be noted that the Wood Mackenzie figures used in the presentation are scenario-based results. As these are scenario-based results, they are subject to uncertainty. It is precisely this uncertainty that underpins a key point of the political criticism put forward in the presentation: such a central area of energy supply should not be subject to a tight regulatory timetable on the basis of consequences that remain unclear.

Furthermore, for the purposes of publication, a legal clarification is required in relation to the oral presentation: the Regulation provides for fines for legal entities of up to 20 per cent of the annual turnover of the preceding financial year, not 20 per cent of the annual profit. The penalties are therefore even more severe.

From 1 January 2027, EU importers must demonstrate, in the case of new supply contracts or those renewed since 4 August 2024, that the imported natural gas, crude oil or coal is subject, at producer level, to monitoring, reporting and verification requirements regarding methane emissions that are equivalent to the EU's requirements. Although the Regulation does not provide for

an automatic customs import ban in the event of non-compliance, it does oblige Member States to enforce the requirements through remedial measures, periodic penalty payments and fines. Non-compliant supplies may therefore become significantly more difficult for EU importers to handle in practice, or may no longer be economically viable, and will consequently be discontinued.

These corrections and clarifications do not alter the political assessment of the presentation; however, they sharpen the legal description of the risk.

Following the conference, the European Commission responded with recommendations on model clauses for import contracts and on the suspension of sanctions. Even before the decisive tightening of import controls came into force, the European Commission itself responded to the risks to security of supply. In Recommendation (EU) 2026/1835 of 20 July 2026, it recommended that Member States, as a matter of principle, should not apply certain sanctions against importers for breaches of the obligations due between 2027 and 2029. The Commission explicitly cites the threat of energy supply bottlenecks, high prices for consumers and businesses, and the risk that importers would otherwise fail to conclude or renew supply contracts as the reasons for this. However, the substantive obligations under the Methane Regulation remain in force.

In 2026, the Commission itself acknowledges precisely the risk to which I referred in my speech – that the Methane Regulation poses an acute threat to supply contracts, security of supply and energy prices.

From the perspective of the AfD and ESN, it is crucial to note that these proposals to suspend sanctions do not resolve the underlying problem: the legal obligations remain in force, and importers must adapt supply chains, data, audits and contracts to a system. Supply contracts, security of supply and energy prices will continue to be jeopardised by these regulations even without sanctions, the suspension of which is limited to three years.

8. Conclusion

In my presentation, the EU Methane Regulation was discussed as an example of how a climate policy regulation, through technical measurement and reporting obligations, can become a risk factor for energy and economic policy. From the perspective of the AfD and ESN, the core problem lies in the combination of far-reaching requirements and Europe's dependence on global import chains. The potential consequences affect not only gas and oil importers, but also refineries, industrial companies, workers and private households. The more the available supply shrinks or becomes more expensive, the greater the risks to energy prices, competitiveness, inflation and prosperity.

My political conclusion therefore remains closer to the demand set out in the presentation: the Methane Regulation must be repealed because it jeopardises energy security and gives rise to economic costs on an unacceptable scale, whilst its effects on the climate and human well-being remain unproven. If a workable and internationally viable implementation cannot be guaranteed without significant supply and cost risks, and if the regulation's objectives and effects are doubtful, the AfD and ESN believe that repealing the regulation is the only logical option. Climate policy must not lead to Europe jeopardising its energy supply through its own regulations and passing on the resulting costs to the economy and citizens.

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No funding was received for this paper. The author is a Member of the European Parliament for the AfD and a member of the Europe of Sovereign Nations (ESN) Group. This paper is a conference summary and reflects the political and analytical position put forward by the author in her presentation. Political assessments are identified as such; scenario results are kept separate from

legal facts and subsequent interpretations. This article does not represent an institutional position of the European Parliament.

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