



GO Prime Movers

3rd Hybrid workshop on Union Database concept

30 JANUARY 2025 | BRUSSELS

PRELIMINARY REMARKS

Content discussion on the UDB concept

- Too detailed discussion will be stopped
- This workshop is under **CHATHAM HOUSE** rule to have a proper content discussion on the few questions we put in the agenda
- You can **ask your questions in TEAMS' Q&A** and the moderator may give you the floor (camera + sound) to explain further your question
- Conclusions of today's workshop will be put on this event webpage

Let's start with the agenda...

09:30-10:00	Registration and webinar open for log-in
10:00-10:10	Welcome and introduction Claude Mangin, Director, Market, ENTSG
10:10-10:30	Introductory presentation, Galin Gentchev, European Commission
10:30-11:40	<p>Union Database (UDB) timeline and exchange on the experience so far</p> <p>Introduction, Tim Hamers ERGAR</p> <p>Panel Discussion <i>Moderated by: Tim Hamers, ERGAR</i></p> <p>Carmen Rodriguez, Enagas GTS Wouter Rouwhorst, VARO Katrien Verwimp, AIB Kateryna Dolzhenko, Shell</p> <p>Followed by a Q&A</p>
11:40-12:25	<p>How to Integrate the Feedstock Supply Chain into the UDB? Challenges and recommendations</p> <p>Introduction, Anthony Lorin, EBA</p> <p>Panel discussion <i>Moderated by: Anthony Lorin, EBA</i></p> <p>Steen Mølkjær, BioCirc Peter Jürgens, SURE Scheme Giulia Caroli, FEAD</p> <p>Followed by a Q&A</p>
12:25-12:55	<p>Revision of the Implementing Act 2022/996: What new challenges ahead?</p> <p>Q&A moderated by Arthur Romano, Vitol</p>
12:55-13:00	<p>Takeaways from the morning sessions</p> <p>Claude Mangin, ENTSG</p>
13:00-14:00	Lunch

14:00-15:10	<p>Cross-border trading of subsidized biomethane – Challenges ahead?</p> <p>Introduction, Stefano Grandi, Energy Traders Europe,</p> <p>Panel Discussion <i>Moderated by: Eurogas, Svetlana Bochkova</i></p> <p>Valentine Dumont, DG COMP Oskar Gehrmann, bp Patrick Lynch, Bioledger Sead Keric, STX</p> <p>Followed by a Q&A</p>
15:10-15:40	<p>Certified vs non-certified traders</p> <p>Presentation, Davide Rubini, Energy Traders Europe</p> <p>Followed by Q&A</p>
15:40-15:50	<p>Takeaways from the event Claude Mangin, ENTSOG</p>
15:50	End of the event



Introductory presentation

Galina Gentcheva, European Commission

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Union Database (UDB) timeline and exchange on the experience so far

Introduction, Tim Hamers **ERGAR**

Panel discussion

Moderated by: Tim Hamers, ERGAR

Carmen Rodriguez, Enagas GTS

Wouter Rouwhorst, VARO

Katrien Verwimp, AIB

Kateryna Dolzhenko, Shell

Followed by Q&A with attendees

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Guarantee of Origin (GO) Prime Movers Union Database (UDB)

3rd Workshop

***UDB timeline &
exchange on the experience so far***

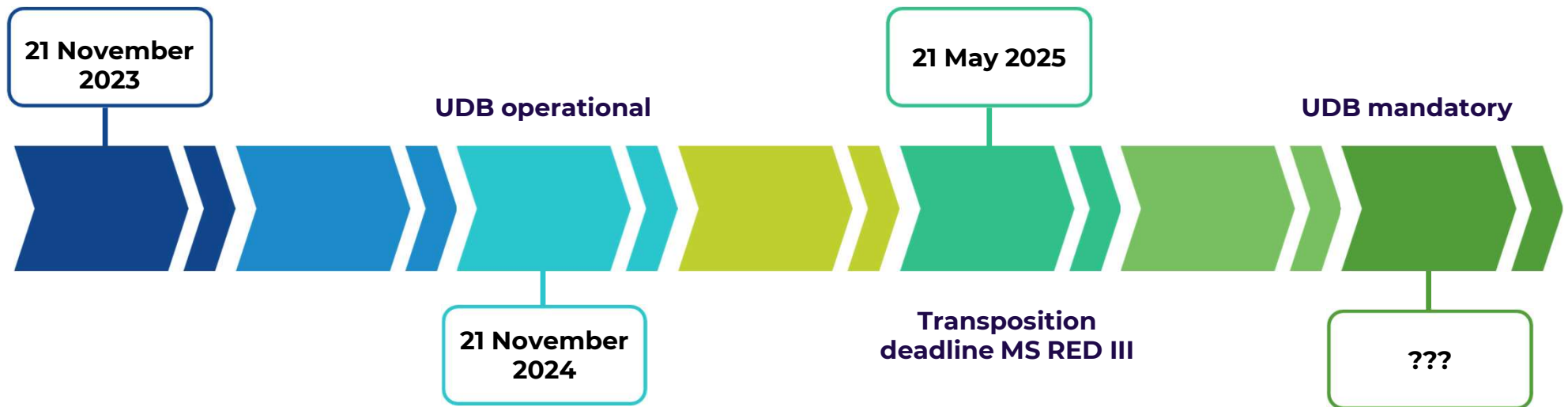


Visit Our Website

www.ergar.org



UDB TIMELINE



UDB TESTING

- From September onwards specific traders tested the UDB

ACCEPTANCE

Commission

UDB

Economic operator lead user Acting for: ERGAR-TEST

EN

USERS

ORGANISATION

TRANSACTIONS

MATERIALS

SETTINGS

IMPORT STATUS

REPORTS

STATISTICS

GAS TRANSACTIONS

Home / Transactions / Manage Transactions

My Organisation: ERGAR-TEST

Active

Contact Person:

No contact in this organisation

ADD A CONTACT

Lead users:

Tim Hamers

Voluntary Schemes

ISCC EU - DETDRGSTRCDHRB68185

Transactions

Create Transaction

Actions	Transaction ID	Trade Date	Created On	Type	Counterparty	POS ID	Material	Status
		Start Date - End Date	Start Date - End Date					

Items per page: 10

PANEL DISCUSSION



CARMEN RODRIGUEZ

Enagas GTS



WOUTER ROUWHORST

VARO



KATRIEN VERWIMP

AIB



KATERYNA DOLZHENKO

Shell

THANK YOU & STAY IN TOUCH WITH US!



<https://www.ergar.org/>



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B-1000 Brussels



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ERGaR European Renewable Gas Registry aisbl





How to Integrate the Feedstock Supply Chain into the UDB? Challenges and recommendations

Introduction, Anthony Lorin, **EBA**

Moderated by: Anthony Lorin, EBA

Panel discussion

Steen Mølkjær, Certificate Specialist, BioCirc

Peter Jürgens, CEO of REDcert and SURE

Giulia Caroli, FEAD

Followed by Q&A with attendees

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Session 2

„How to Integrate the Feedstock Supply Chain into the UDB? Challenges and recommendations“

WHY THIS SESSION?

- ❑ The Commission is empowered by RED III (Article 31a) to extend the scope of the data to be included in the Union database
 - ❑ To do so, the Commission adopts a Delegated Act.
 - ❑ The Commission decided to **integrate the full feedstock supply chain** both for liquid biofuels and gaseous fuels **into the Union Database**.
 - ❑ As a result, in October 2024, the Commission published a **Draft Delegated Act (DA)** extended the scope of data to be traced in the Union Database.
- ❑ This traceability scope extension was previously not announced for the gaseous fuels.
 - ❑ The **public consultation** collected many negative feedback about technical requirements set-up by this new DA.
 - ❑ The DA addresses technical processes where **it is critical** that **rules are operational** and **realistic** in relation to market practices for raw materials and biomethane production.

Draft Delegated Act on Traceability

The Delegated Act defines the **responsibilities and rights** of the relevant stakeholders regarding data provision, data collection or data verification starting from the first point of collection or production of the **raw materials**.

- ☐ Onboarding of Economic Operators that handle raw materials and that are individually certified
- ☐ Initial stock data registration
- ☐ Transaction data entry
 - ☐ Trigger points
 - ☐ Reporting timeframe
- ☐ Transfer between sites of the same EO
- ☐ Data verification
- ☐ A UDB typology of raw materials
- ☐ “System of data updates” operated by National and Voluntary Schemes
- ☐ Immediate applicability after entry into force

How will this session unfold?

PROGRAM

1. **Introduction**
2. **Short presentations by speakers**
3. **Discussion**
4. **Q&A with the audience**

SPEAKERS

1. Steen Mølkjær, Certificate Specialist, BioCirc
2. Giulia Caroli, Technical Officer, FEAD
3. Peter Jürgens, CEO, REDcert and SURE Scheme

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Union Database

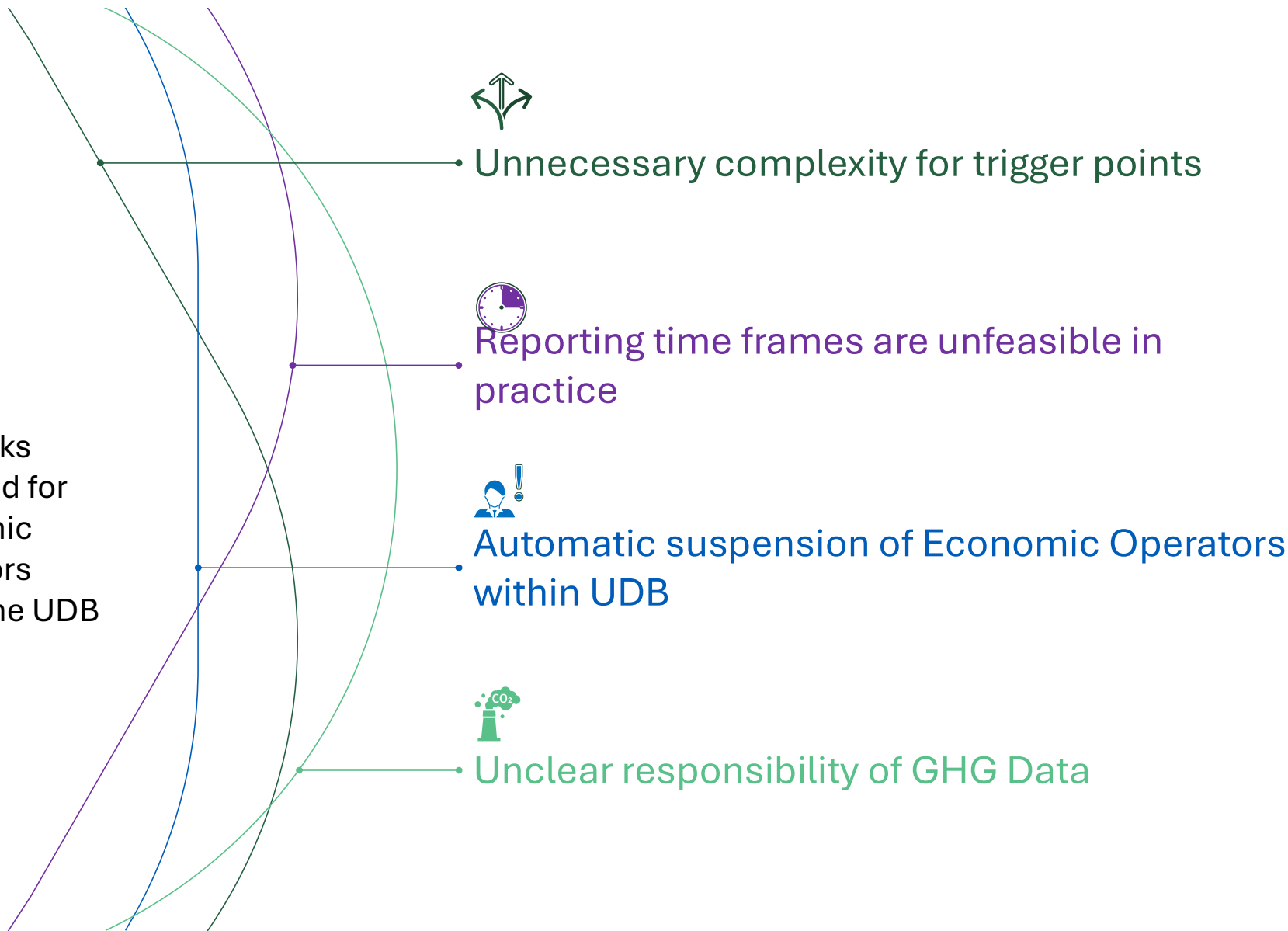
Input for Draft delegation act

30 JANUARY 2024



4

Main risks
observed for
Economic
Operators
under the UDB



1



Unnecessary complexity for trigger points

From five trigger points...

Article 5

Transaction data entry

1. Economic operators, referred to in Article 3(1) of this Regulation, that are obliged to enter transactions data in the Union database under national law and in accordance with Article 31a of Directive (EU) 2018/2001 shall enter such data within three working days from a triggering point, which shall be one of the following:

- (a) an invoice issuance date;
- (b) a surveyor report issuance date;
- (c) a bill of lading issuance date;
- (d) the issuance date of an internal system reference document covering multiple shipments; or
- (e) a truck report issuance date.

2. Where several physical shipments have taken place between the same trading partners and contain raw materials having the same sustainability characteristics and greenhouse gas emission values, the economic operator entering the transaction data as a seller may introduce one transaction aggregating the amounts that were physically traded within a given period of time that are reflected on the respective transaction document that has been chosen by the seller as a triggering point for the transaction data entry. Such grouping of physical shipments in one transaction shall cover a period of maximum one month.



...To two trigger points:

- 1) Raw Material was physically taken over by another EO
- 2) End of mass balance period (Maximum one month)

2



Reporting time frames are unfeasible in practice

Current...

3
working
days



Recommendation...

5
working
days



Validation of data takes time

To ensure good quality data, timelines should not be rushed.

3



Automatic suspension of Economic Operators within UDB

Automatic suspension drive key risks that Economic Operators are unfairly suspended:

Article 6

Updating of data in the Union database by voluntary and national schemes, their certification bodies, and the economic operators certified by them

1. Voluntary and national schemes shall keep all the certification data of the economic operators, referred to in Article 3(1) of this Regulation, up to date. That requirement shall apply to all the certification data that is covered by the certificate delivered by the scheme or its certification body. Such updates shall be made by the scheme or its certification body within one week following the publication of the certificate and, in case of recertification or surveillance audits, no later than the expiration date of the validity period of the previous certificate. Contact data of the economic operator may be updated by the economic operator himself directly.

2. Voluntary and national schemes shall ensure a system of data updates. They shall ensure that their certification bodies and the economic operators carry out the certification data updates in accordance with the procedures provided for by the scheme for such data updates. **The Union database shall automatically suspend the active status of the economic operators concerned if relevant certification data has not been updated according to the established procedure** by the voluntary or national scheme before the expiration date of the

previous certificate. The validity period of certificates in the Union database shall not be longer than one year.



Recommendation:

- 1) *Ensure Human validation before exercising suspension*
- 2) *Clear definition of responsibilities if the errors occur due to technical issues*

4



Unclear responsibility of GHG Data

5. Once accepted by the buyer, the transaction data shall not be modified. In case of identified errors, another correcting transaction shall be launched by the economic operator who is willing to operate the corrections. In case the accumulated greenhouse gas emissions data are not available at the moment of entering the transaction, that field may remain empty and be updated at a later stage. Until this update of the greenhouse gas emissions data field is made and accepted by the buyer, the transaction shall not be completed. The transaction may be finalized at the latest by the earliest date of net mass balancing of either the seller or the buyer.

Recommendations:

- *Remove Mode of transport + distance*
- *Responsibility lies with last EO who handled the material*
- *Adding GHG values for each handling in the supply chain*
- *Changes accepted between the 2 trading EO's, verified by auditor if overwriting existing data*
- *Clear regulation between national and voluntary schemes (e.g. Co-digestion vs. single line raw material values)*

The image is a horizontal collage of three photographs. The leftmost photo shows rows of solar panels in a grassy field with a line of trees in the background. The middle photo shows a large, white, dome-shaped biogas digester in a field under a blue sky with clouds. The rightmost photo shows several white wind turbines on a grassy hill under a cloudy sky. Overlaid on the center of the collage is the text 'BI♻️CIRC' in white, bold, sans-serif font. The 'I' and 'C' are standard letters, while the 'B' and 'R' are replaced by a circular arrow icon representing recycling.

BI♻️CIRC



Guarantee of Origin (GO) Prime Movers – 3rd Workshop on Union Database (UDB)

Brussels, 30 January 2025

Giulia Caroli's presentation

Technical Officer at European Waste Management Association (FEAD)


FEAD

The voice of Europe's Private resource and waste management industry

We represent **20 national associations** from the EU, EFTA and the UK, steering Europe towards a circular economy for **over 40 years** today

Our members represent the **entire waste management value chain**, which allows us to offer a **holistic overview** on the industry that provides a second life to waste and resource





Our objective is to advocate for a **better regulatory framework** for the waste management sector, to achieve the best economic and environmental outcomes, and to **strengthen the circular economy in Europe**

FEAD's position and proposals on UDB Delegated Act

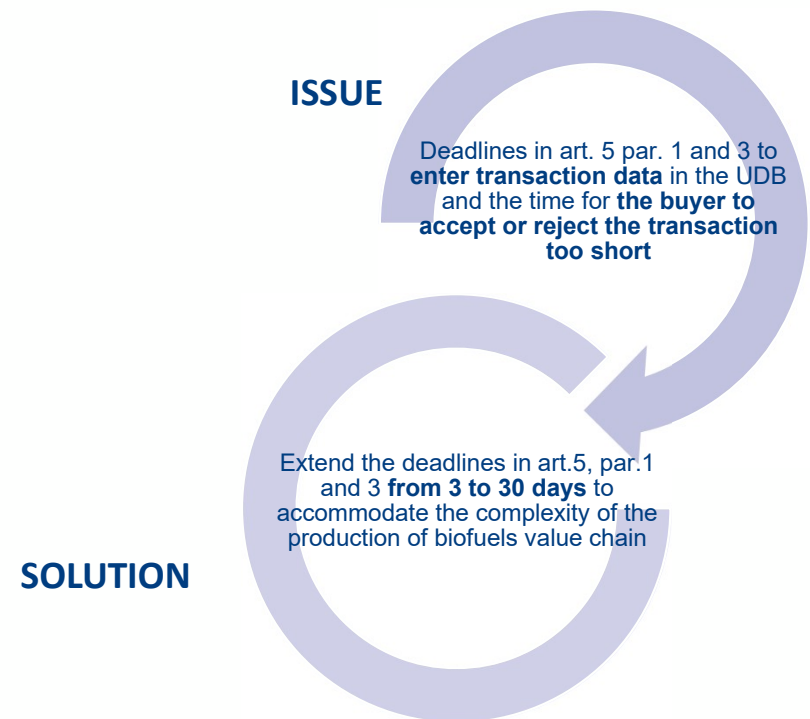
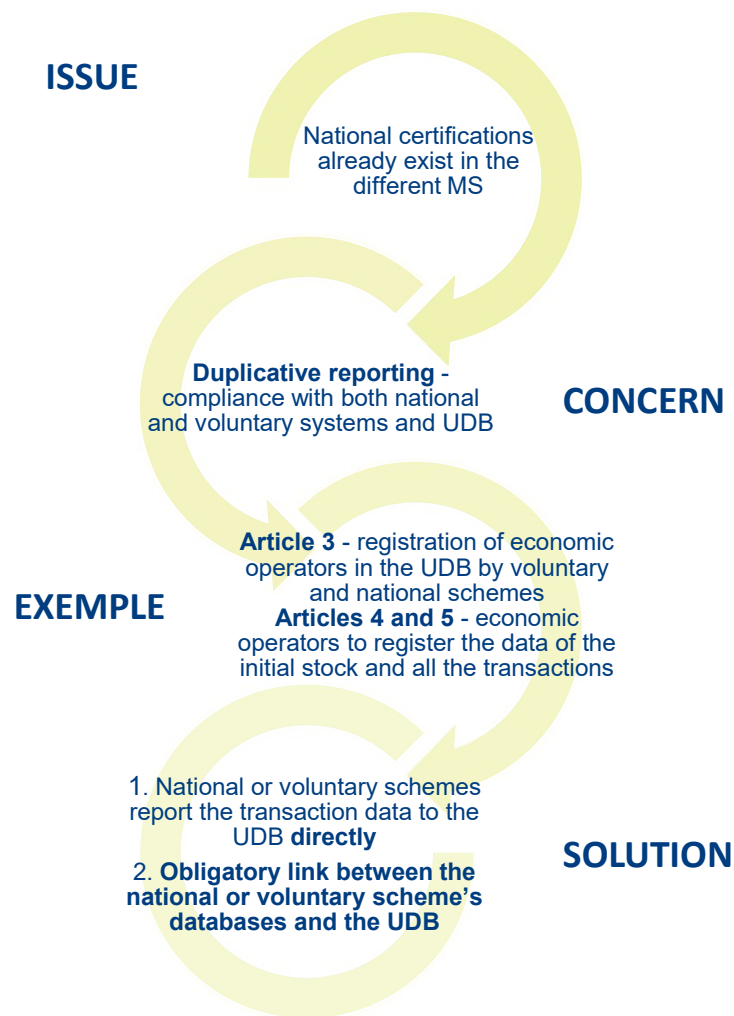


Union Database (UDB) is an important tool for increased transparency under the Renewable Energy Directive (RED)

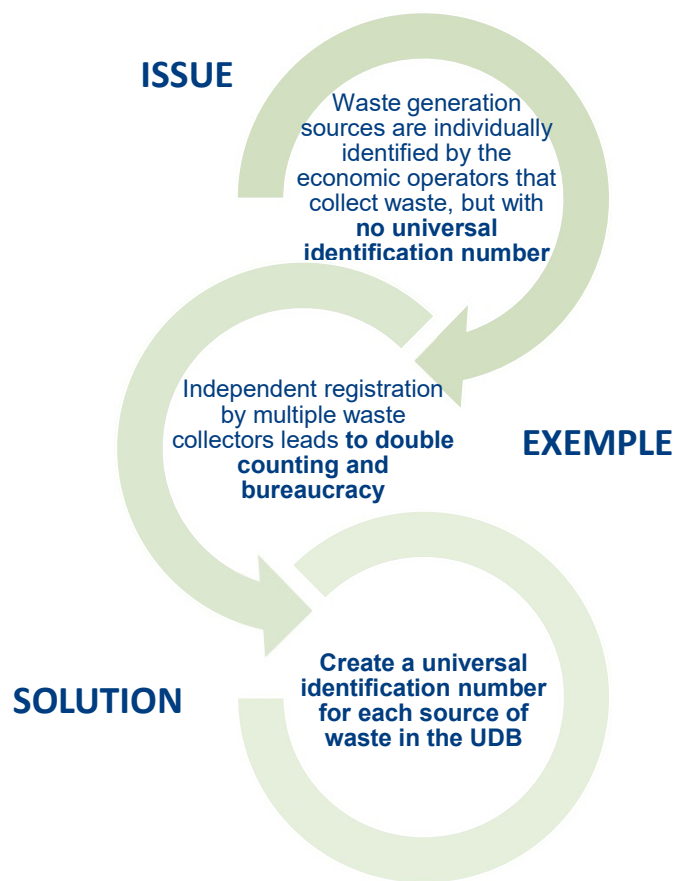


Excessive regulatory burdens on biowaste traders, biofuel producers and users

FEAD's position and proposals on UDB Delegated Act



FEAD's position and proposals on UDB Delegated Act



FEAD's conclusions on UDB Delegated Act

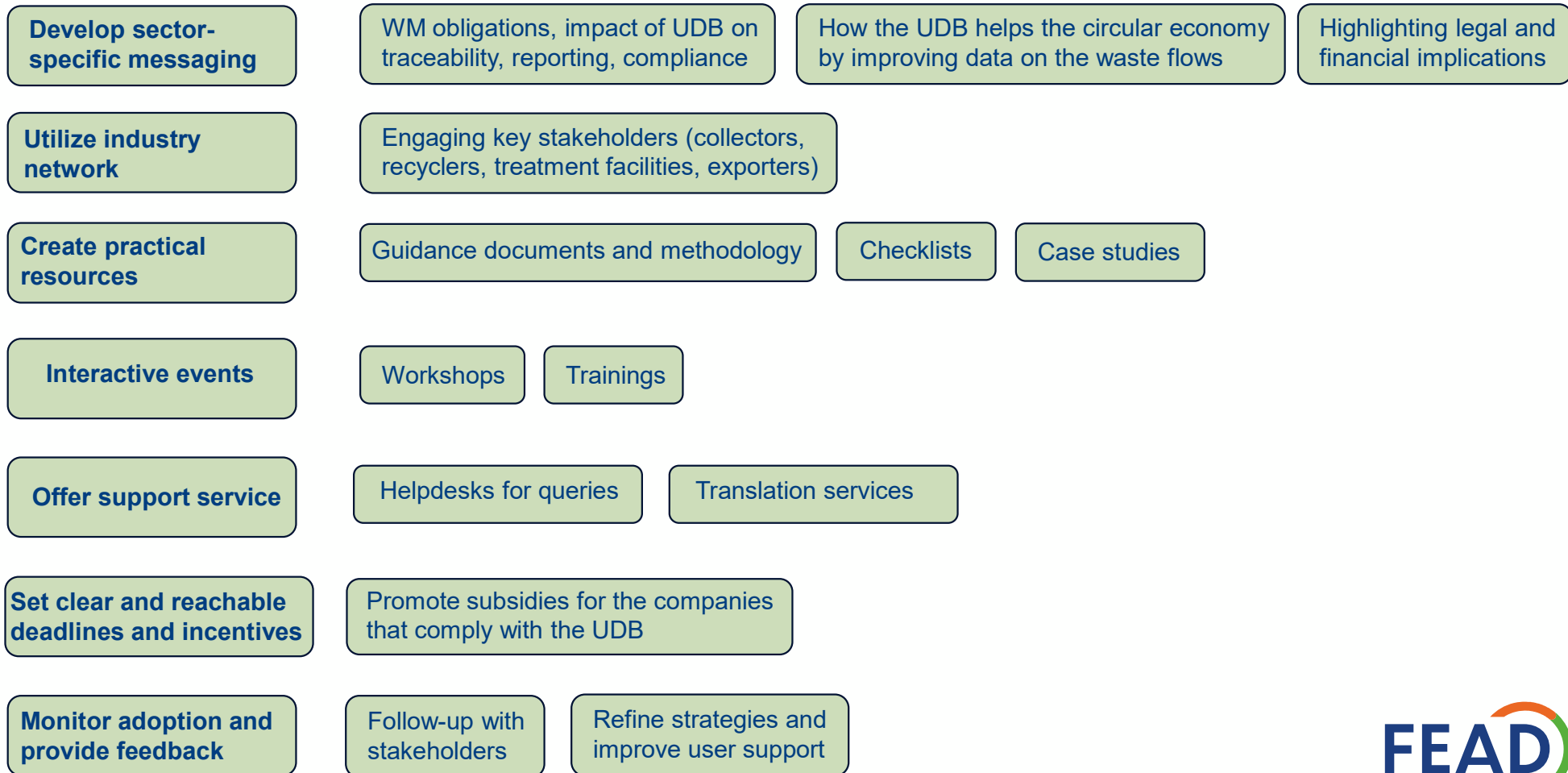


More streamlined approach, advocating for **data integration between national schemes and the UDB** to ensure the Regulation is effective without overloading with unnecessary administrative burdens the involved economic operators



There is no widespread risk of the biomethane production shutting down, but the **uncertain legal language and lacking regulatory framework will hinder the expansion of biomethane production from waste** as well as impede the operations of running plants

Strategy on how to inform the market



Thank you for your attention!

Contact:

info@fead.be

Website:

www.fead.be

Social media:





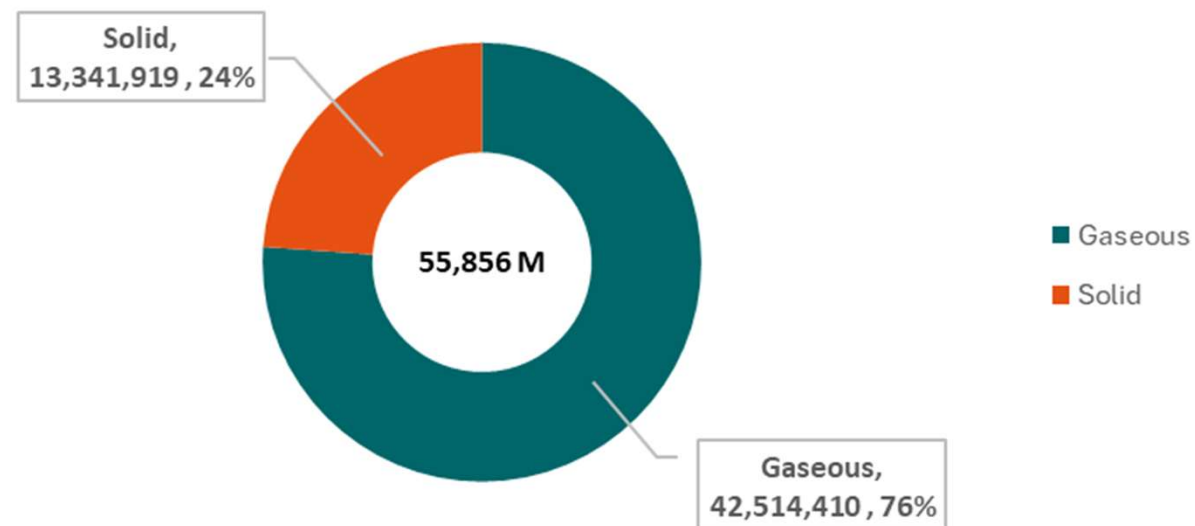
How to Integrate the Feedstock Supply Chain into the UDB?

Challenges and recommendations

30.01.2025

be RESPONSIBLE | be SUSTAINABLE | be **SURE**

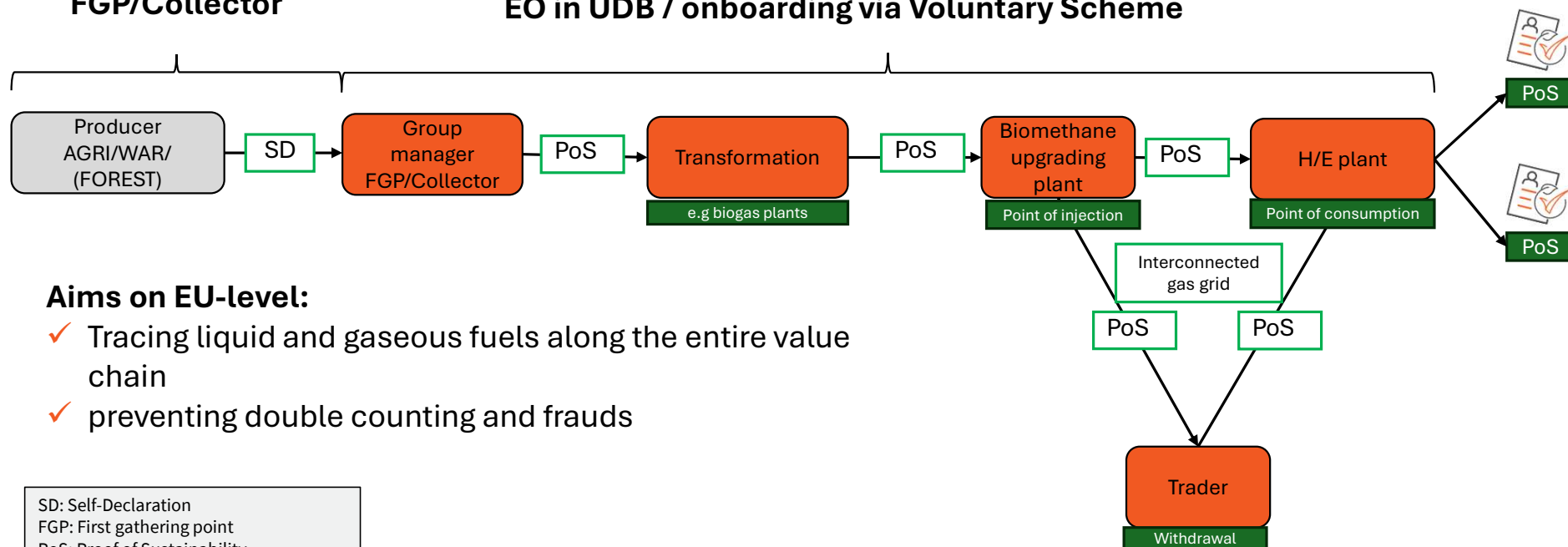
Sustainable Biomass in 2023 [t]



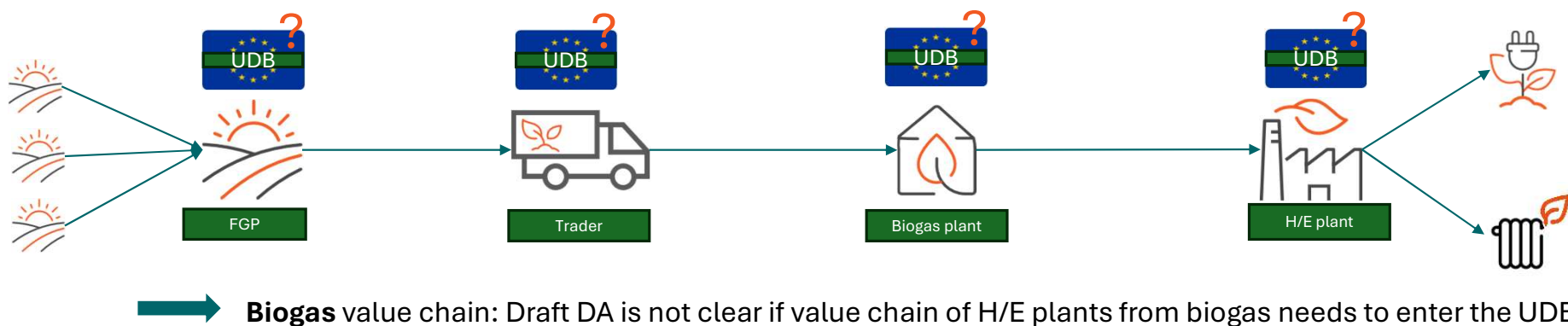
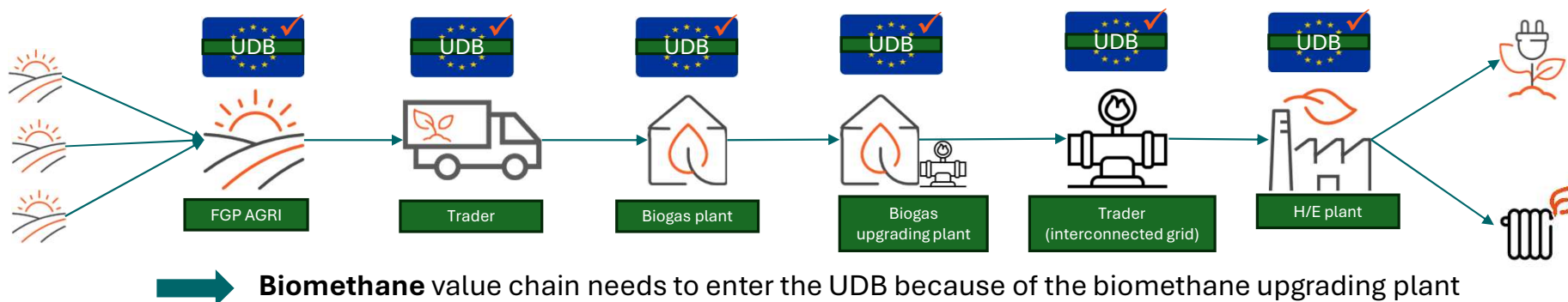
Traceability in Theory

**Sourcing contacts
onboarded by
FGP/Collector**

EO in UDB / onboarding via Voluntary Scheme

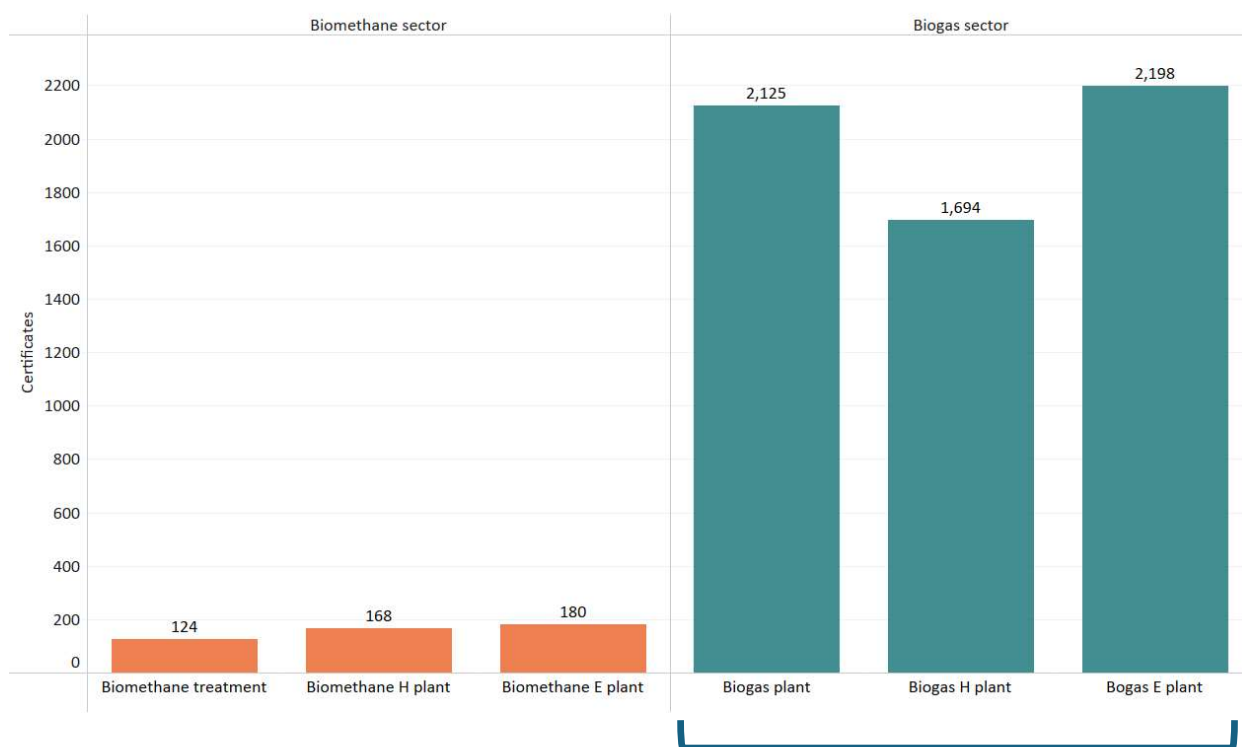


Who needs to enter the UDB in SURE System?



Impact of biogas sector under SURE in the UDB

- registered and certified scopes under the SURE scheme -



Approx. + **2.200** new EOs
to be registered under the UDB !

SURE concerns on the DA

- Missing clarification which end-use sectors are finally encountered
- Onboarding countless ,sourcing contacts‘ is a big challenge
- How can an individually certified PoO register raw material as he‘s himself a ,source of material‘?
- Roadmap 2025 and beyond: how much time do EOs further have to implement the UDB in all value chains?

Note: UDB still has a couple of bugs and uncertainties...



Revision of the Implementing Act 2022/996: What new challenges ahead?

Q&A moderated by **Arthur Romano**, Vitol

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Takeaways from the morning sessions

Claude Mangin, ENTSOG

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Lunch

13:00-14:00

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Cross-border trading of subsidized biomethane – Challenges ahead?

Introduction, Stefano Grandi, Energy Traders Europe

Moderated by: Svetlana Bochkova, Eurogas

Panel discussion

Valentine Dumont, DG COMP

Oskar Gehrmann, bp

Patrick Lynch, Bioledger

Sead Keric, STX

Followed by Q&A with attendees

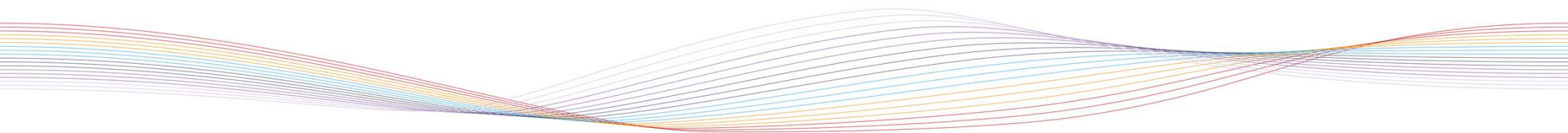
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30 January 2025

Cross-border Trading of Subsidised Biomethane: Challenges ahead?

Svetlana Bochkova, Stefano Grandi
Brussels



Towards an integrated market for biomethane

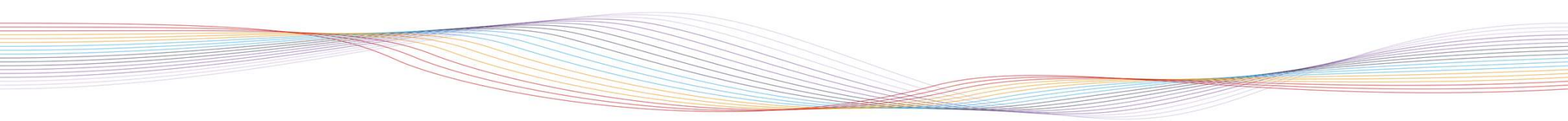
- ❑ Biomethane plays a key role in the decarbonisation of EU's energy mix;
- ❑ Subsidy-driven growth at national level, but lack of integration at EU-level;
- ❑ Small share of biomethane is consumed outside of its country of production;
- ❑ This harms both producers and consumers!

Member State	Production support	Demand support
Austria	Feed-in premium for electricity from biomethane	Mandate (planned)
Belgium (Flanders)	-	Biomethane in gaseous transport fuel mandate
Bulgaria	Unknown	Unknown
Croatia	Unknown	Unknown
Cyprus	Unknown	Unknown
Czech Republic	Feed-in premium	Unknown
Denmark	Feed-in tariff	GHG intensity reduction target in transport, exemption from motorway toll and parking fees for low emission cars including those using biomethane, mandate to replace natural gas imports with biomethane by 2027
Estonia	Feed-in premium	-
Finland	Feed-in tariff for electricity from biomethane	Fuel excise duty reduction, biomethane included in transport fuel mandate
France	Feed-in tariff	-
Germany	Feed-in tariff	GHG intensity reduction target in transport
Greece	Unknown	Unknown
Hungary	Unknown	Unknown
Ireland	-	-
Italy	Feed-in tariff, CAPEX support	Mandate planned. Biomethane in transport fuel mandate
Latvia	Feed-in-tariff	GHG intensity reduction target in transport, building of public biomethane injection points in natural gas transmission grid and issuing of certificates of origin
Lithuania	CAPEX subsidy	Biomethane included in transport fuel mandate
Luxembourg	Unknown	Unknown
Malta	Unknown	Unknown
The Netherlands	Feed-in premium	Mandate planned, biomethane in transport fuel mandate
Poland	Subsidy scheme planned	Fuel excise duty exemption
Portugal	CAPEX subsidy	-
Romania	-	-
Slovakia	Unknown	Unknown
Slovenia	Unknown	Unknown
Spain	CAPEX subsidy	Planned inclusion of biomethane in transport fuel mandate and possibility of quota
Sweden	CAPEX subsidy Production, upgrading and liquefaction receive support	Excise duty reduction

[Biomethane Industrial Partnership](#)

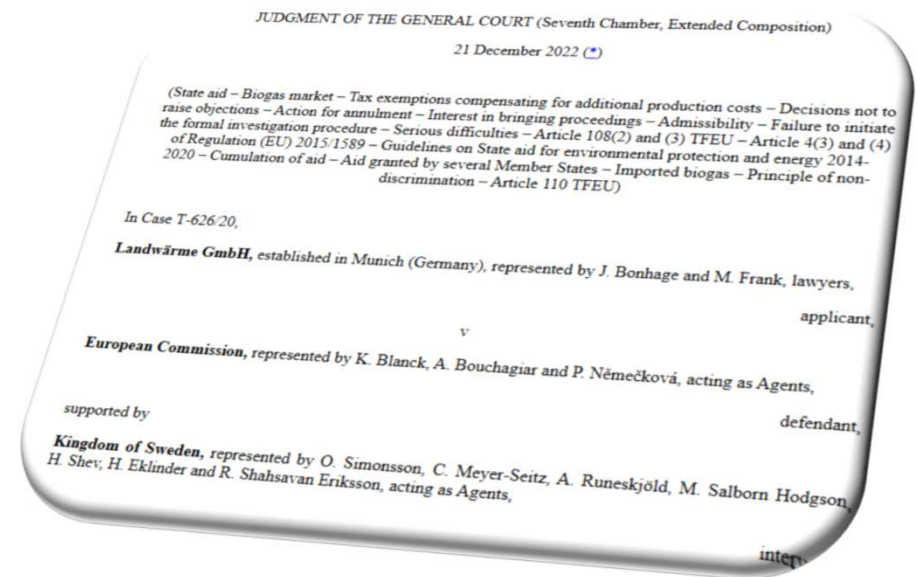
Barriers to European biomethane market integration

- ❑ Implementation of EU regulatory framework
 - ❖ Lack of EU-wide harmonisation in mass-balance verification;
(PoS vs GO; physical and equivalence liquefaction pathways for BioLNG)
 - ❖ Lack of EU-wide harmonisation in certification of renewable origin;
(differentiated design of GoOs to make biomethane eligible for national targets or suppliers obligation schemes)
- ❑ GHG accounting between Member States
- ❑ “Discriminatory” and “disproportionate” barriers to exports → [EC Detailed Opinion on Dutch Green Gas Blending Obligation Act](#)
(e.g., blending quota schemes that can only be fulfilled by domestic biomethane)
- ❑ Potential Cumulation of Subsidies / Overcompensation



Integrating subsidised biomethane into the European compliance markets

- ❑ Biomethane production in Europe is currently heavily subsidized; consumption is also supported through suppliers obligation schemes or other quota schemes;
- ❑ This increases, when trading biomethane cross-border, the risk of **cumulation of subsidies**
Production-level (in exporting country) + Consumption-level (in the importing country)
- ❑ Such cumulation can lead to **market distortions** and undermine level-playing field for biomethane in the Internal Energy Market
→ The European Commission is tasked with overseeing and preventing overcompensation
- ❑ **No legal clarity for economic operators regarding the conditions under which subsidised biomethane can be traded cross-border or deemed eligible for compliance markets!**



Addressing Three Critical Challenges

A. Are there legal elements allowing Member States to block the export of subsidised biomethane?

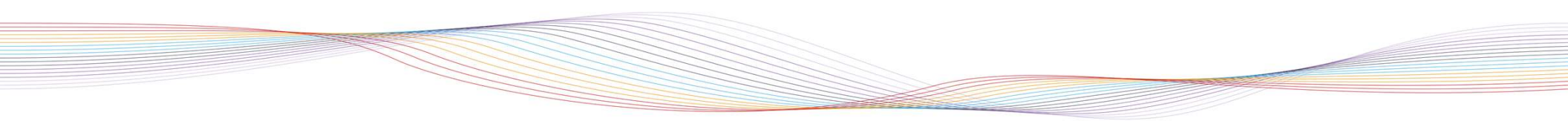
If so, under what conditions?

→ We seek clarification on whether Member States have the authority to restrict imported biomethane from contributing to their national obligation schemes.

B. Can Economic Operators assume that all support schemes approved by the European Commission, as compliant with State Aid rules, are designed in a way that ensures overcompensation is avoided?

→ We seek *ex-ante* legal certainty. Greater transparency for EOs and Member States about the support mechanisms in place across other Member States would be highly advantageous.

C. In which compliance markets, and under what conditions can exported or imported subsidised biomethane be used?





Certified vs non-certified traders

Presentation, Davide Rubini, **Energy Traders Europe**

Followed by Q&A with attendees

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30 January

The role of certification

Why we need it and why it is good for all

A Socratic dialogue on sustainable fuels

Davide Rubini

Bruxelles



The Role of Certification – Table of Contents

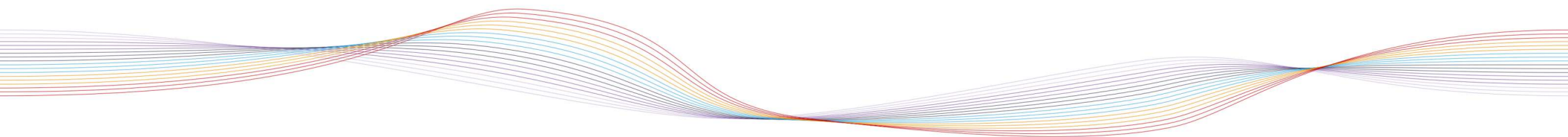
p. 3-4 WHY?

p. 5 WHO?

p. 6 HOW?

p. 7 WHEN?

p. 8 LESSONS LEARNT

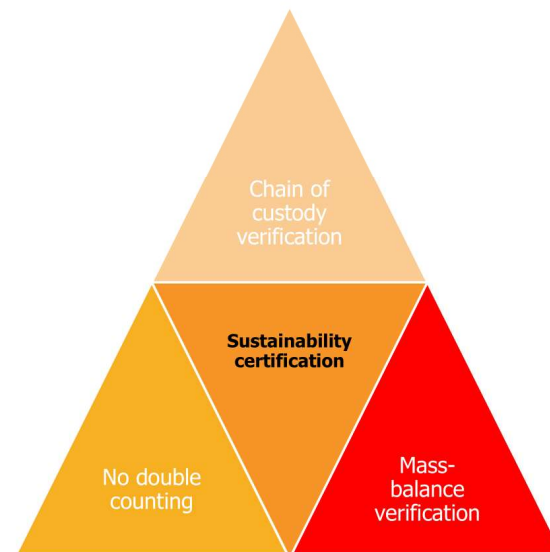


30 January

The Golden Compass

(alias Commission Implementing Regulation (EU) 2022/996)

These **four elements** exist in close correlation among each other and represent the coherent paradigm through which the market for sustainable fuels must be seen operating



30 January

What for and why so many rules?

The overall goal is **ensuring that compliance with the sustainability and GHG emissions saving criteria and other requirements is verified in an adequate and harmonized manner** that minimizes the risk of fraud to the greatest extent possible.



Certification as the main building block

→ no trade and supply of sustainable fuels without certification



30 January

Who needs to be certified?

Art. 2(4)

Economic operators

'certificate' means a conformity statement by a certification body within the framework of a voluntary scheme, certifying that an economic operator complies with the requirements of Directive (EU) 2018/2001)

... that is?

Art. 2(11)

An 'economic operator' is a producer of raw material, a collector of waste and residues, an operator of installations processing raw material into final fuels or intermediate products, an operator of installations producing energy (electricity, heating or cooling) or any other operator, including of storage facilities or **traders that are in physical possession of raw material or fuels**, provided that they process information on the sustainability and greenhouse gas emissions saving characteristics of those raw materials or fuels

30 January

So, if I'm a trader, do I absolutely have to be certified?

If you are in physical possession of raw material or fuels, **yes**. Always.

And remember you can only issue a **proof of sustainability** if you are certified.

Easy... a proof of what?



Art. 2(23)

A declaration (not a certificate) by an economic operator, made on the basis of a certificate issued by a certification body within the framework of a voluntary scheme certifying the compliance of a specific quantity of feedstock or fuels with the sustainability and greenhouse gas emissions savings criteria set out in Articles 25(2) and 29 of Directive (EU) 2018/2001

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And when do I make such declaration?

Every time, as an economic operator, I sell onwards raw material or sustainable fuels. Which implies:

- You do not sell a Proof of Sustainability. You issue it after the onwards physical product sale.
- Proof of Sustainability cannot, therefore, be sold separately from energy.
- With UDB, each transaction will get a PoS ID.

Mind, the PoS must include any information about sustainability characteristics of the product and the contractual and operational details of the transaction!

**And where can I
read about this ?**

Art. 18

Art. 19

"at the end of the mass balance period, the sustainability data carried forward should be equivalent to the physical stock in the container, processing or logistical facility, transmission and distribution infrastructure or site"

Lessons learnt:

What if I am not in physical possession of raw material or fuels?

Commission Implementing Regulation (EU) 2022/996 is very clear: if you as a trader are not in physical possession of raw materials or fuels, you do not qualify as an economic operator → you do not need a certification → you are not be able to issue PoS → **you will not be able to sell sustainable fuels.**

Let's not sacrifice sustainability on the altar of market liquidity!

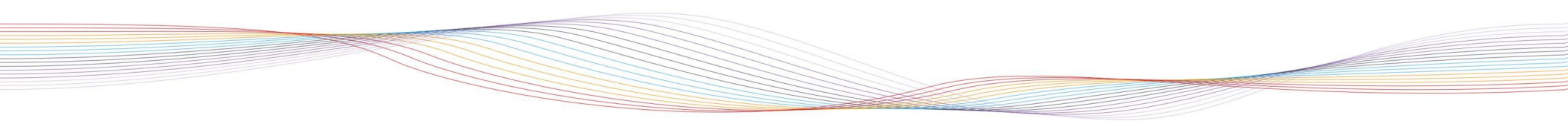
Again, rules are clear: there is room for trading derivatives whose underlying may be sustainable fuels in the sustainable fuels market.

While this might imply lower liquidity, less players and higher barriers to market entry, it ensures verification of the full chain of custody?

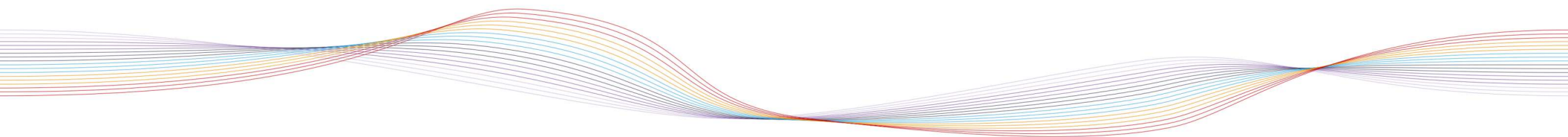
Otherwise, mass-balancing would be reduced to a pure book and claim system, which in turn would create a problem under targets accounting rules for Member States.

Let's be fair

It is also a matter of fairness and competition: economic operators (e.g., traders in physical possession of raw materials or fuels) must undergo rigorous auditing and maintain complex internal trades repository systems. May they not be penalised or disadvantaged for this!



**Thank you for
you attention!**





Takeaways from the event

Claude Mangin, ENTSG

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Thank you for your attention!

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