

EURACOAL Response to Inception Impact Assessment

on a proposal for a legislative act to reduce methane emissions in the oil, gas and coal sectors (Ares(2020)7864968 – 22/12/2020)

EURACOAL has closely followed the preparation of the EU Methane Strategy and given its advice. Our members work to eliminate the safety risks of methane release in coal mining, as required by law, as well as monitor emissions, design effective capture and use systems, and estimate fugitive emissions. Post mining, the management of methane from underground workings remains a priority. We fully support the Commission’s work on methane and wish to share our knowledge and experience on how to best address the management and control of coal mine methane (CMM), while noting:

- The Strategy covers the major anthropogenic sources of methane. In the case of the energy sector, the focus is on methane “leakage” from oil and gas production, supply and use. In coal mining, methane does not leak: for safety reasons, it is drained from coal seams and the rest is diluted in ventilation air and released. Technologies exist to reduce emissions to atmosphere by using CMM as a fuel, even from abandoned mines.
- However, there remains a gap between what is economic and what is needed to meet EU climate goals. We believe, based on examples such as in Germany, incentive schemes work better than penalties. Under the European Green Deal, more projects for the production of electricity and heat from CMM can be envisaged using available and new technologies. EURACOAL therefore welcomes the Commission’s statement to support more methane emission reduction projects using EU funds, such as Pillar 2 of the Just Transition Mechanism, EFSI or LIFE, as well as the modernised Research Fund for Coal and Steel.
- Methane emissions from lignite, which is produced widely across Europe at open-pit mines, are known to be marginal from a climate perspective. Hard coal is now mined in only a small number of Member States and emissions of CMM from active mines are currently a small fraction of past emission levels, given the industry’s contraction since 1990.
- The coal sector faces difficulties with the high price of EU ETS emission allowances. Any further pressure in the way of penalties would lead to uncontrolled closures which would have negative social impacts on local communities and compromise the proper planning and financing of mine site restoration. This would be at odds with the smooth path anticipated under the Just Transition.
- More focus should be placed on abandoned mine methane (AMM). This requires smart closure plans for coal mines, with repurposing of assets to limit emissions and maximise the use of the available methane. The sector is rich in knowledge and there are already several pilot projects and initiatives in Europe, including the world’s first International Centre of Excellence on Coal Mine Methane established in 2017 in Katowice, Poland under the auspices of the UNECE.

- Monitoring, reporting and verification (MRV) is important and methane emissions from coal have been measured in detail over recent decades. Currently, the sector reports “Tier 2” emissions according to the UNFCCC reporting framework, these being maximum values. EU-wide methodologies and protocols are missing, but with time and progress, the coal sector will be able to move to a “Tier 3” reporting framework – an indispensable prerequisite for any new legislation to be effective.
- The proposed International Methane Emissions Observatory has a role to play: unmanned aerial vehicles (UAVs) and satellites can identify methane hotspots and guide action on the ground as well as reconciling bottom-up data from company reporting. Here, EURACOAL members offer themselves as reliable, professional partners to the observatory and in support of the EU Methane Strategy to reduce methane emissions.
- The largest share of energy-related methane emissions associated with fossil fuel use in the EU is emitted outside EU borders, so international action is necessary and more efforts by the EU on sharing knowledge and best practices. The Strategy should be used as a tool in climate diplomacy.

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