

Methane Intensity Methodology for the EUMR

15 July 2026 Workshop Readout

Background

In February 2026, CATF and Carbon Limits published a [white paper](#) mapping the key methodological trade-offs for defining a methane intensity standard for oil and gas production, which intended to inform the EU Methane Regulation's forthcoming delegated act. The paper identified the key contested choices without prescribing a single solution.

This convening was organised to move from mapping trade-offs to building consensus around technically defensible methodology options that could serve as the foundation for a co-signed position by interested organisations.

Session I

The workshop opened with an introduction from Brandon Locke (CATF) and Maxime Malbranque (Carbon Limits), setting out the EUMR framework and timeline for methane intensity limits on EU crude oil and gas consumption, including imports, and summarising key methodological considerations from the CATF-Carbon Limits white paper. The session continued with presentations on key considerations for the methane intensity methodology and ended with Q&A and discussion of each topic, which are summarized below:

A. Units and Use of a Single Metric

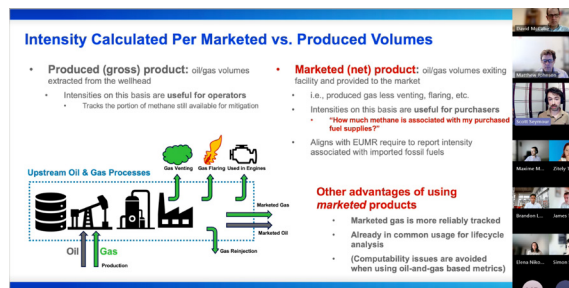
Presentation led by Professor Matt Johnson, Carleton University

- Prof. Matt Johnson made the case for g CH₄/GJ (or g CH₄/MJ) as a preferred, unified unit for both oil and gas, explaining why simple percentage loss rates distort comparisons across oil and gas producers, and why a single formula can serve both commodities.
- Percentage loss rates are mainly driven by the gas-oil ratio of a facility and therefore don't provide a clear picture of methane emissions prevention performance. This makes them difficult to compare across regions.
- Among participants, there was convergence around using g/GJ as a workable metric for both oil and gas. Participants also noted this unit can be converted to other known metrics, produces a round and easily communicable number, and works consistently across product types.
- Participants noted that while g/GJ can be converted to a methane energy intensity (expressed as a percentage), they warned that this could be confused with a simple percentage loss rate, and also would also ignore the loss of other non-methane forms of energy.

B. Produced vs. Marketed Product

Presentation led by Scott Seymour, EDF

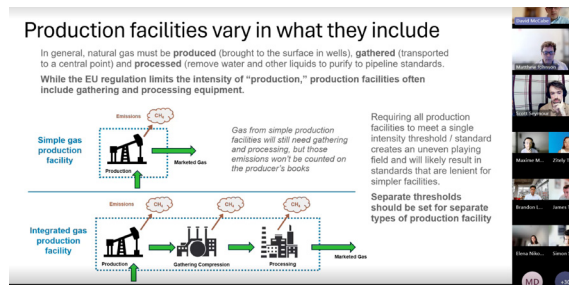
- Presenters argued for using marketed (sold) volumes rather than produced volumes as the denominator, citing closer alignment with EUMR goals and greater data reliability. It was noted that marketed product is always measured (either at the wellhead or at a central gathering point), offering a practical baseline.
- However, a few participants raised a concern that using marketed product as the basis could inadvertently increase GHG emissions, since it might disincentivize on-site use of gas and instead promote substitution with other fuels.
- Some participants countered that economics suggest this is unlikely (e.g., use of diesel over natural gas) and that this is also better addressed through CO₂ regulations. Fuel-use volumes are too difficult to verify and too susceptible to manipulation to justify including them in the metric. Total produced volume, and on-site use, are frequently estimated rather than directly metered.
- Reinjected gas is not always well-metered, representing gas that was produced but not vented or lost. Using marketed product inputs and outputs as a denominator therefore avoids the potential for manipulation.



C. Scope of Production

Presentation led by David McCabe, Clean Air Task Force

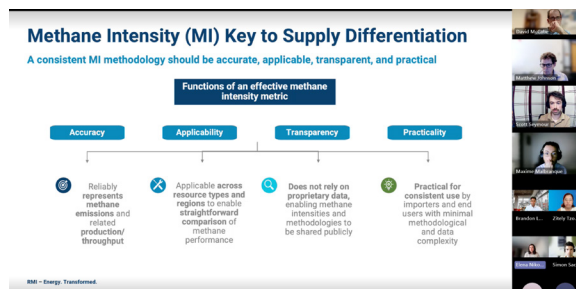
- Presenters explained how the EUMR defines 'production' as distinct from gathering and processing, which creates an inherent reporting challenge because many producers operate integrated facilities where these activities cannot be easily separated.
- Presenters examined how these differing corporate structures across the production chain create an uneven playing field, whereby a single threshold creates a bias. Producers who outsource gathering and processing to third parties have lower apparent intensity because their emissions are registered under a separate entity. Integrated producers are penalised for owning more of the supply chain.
- Participants discussed why separate thresholds may be needed for producers that also handle gathering and processing, understanding that Article 29(4) states that the methodology shall "take into account different production processes and site conditions," which could be read as granting the Commission flexibility to establish differentiated thresholds for different supply chains.
- Participants discussed whether separate thresholds should apply to different types of production facilities. This topic was ultimately left unresolved, as there was no consensus on how many categories are workable and where the appropriate lines should be defined. Participants stressed that this is a recurring challenge of sacrificing accuracy for simplicity, or sacrificing simplicity for accuracy.
- Participants generally agreed that the Commission needs to further define the scope of production facilities and which processes are to be considered in-scope. There was also a call to build in exemptions for specific cases, but defaulting to a broader scope to prevent operators from claiming lower intensities by excluding elements of the supply chain.
- It was noted that a key advantage of the g/GJ metric (especially when methane emissions are allocated to marketed/sold outputs by energy), is that it becomes easy to calculate aggregate intensities along sections of a supply chain. This is important for making accurate comparisons among disparate types of production facilities.



D. Granularity

Presentation led by Zitely Tzompa Sosa, Clean Air Task Force

- Presenters proposed a mixed approach: intensity would be reported at either the asset or basin level, serving as the minimum reporting unit and determining level for compliance in both cases. This could be complemented by a company-wide portfolio intensity as a transparency requirement designed to spot major inconsistencies.
- Such approach will act as a safeguard against cherry-picking low-emission assets and still incentivize producer-level mitigation actions. Well-level reporting was considered too granular, and would allow for selection of individual high-performing facilities. Conversely, company-wide reporting for compliance purposes be impractical for enforcement and insufficient to drive abatement at specific assets.
- A tiered dual-reporting approach would allow regulators and civil society to monitor the delta between what a company ships to Europe and its overall portfolio intensity, allowing them to spot selective, routine cargo routing.
- Participants agreed that all granularity levels need to be clearly defined, especially definitions for 'basin,' because there is no standard legal definition and many distinctions between producing regions. The EUMR defines 'asset' as a "business or operating unit, which can be composed of several facilities or sites, including operated assets and non-operated assets." However this definition requires further precision for consistent application in the intensity methodology.



E. Reflections

Elena Nikolova, RMI

- Presenters discussed a framework for how the various methodology options discussed hold up against four criteria.
 - Accuracy, meaning does it reliably represent actual methane emissions and related production/throughput
 - Applicability, meaning does it work consistently across resource types, geographies to enable straightforward comparison of methane performance
 - Transparency, meaning whether the methodology relies on publicly shareable data and whether external stakeholders verify the outputs without needing proprietary data
 - Practicality, can importers and operators use it consistently and can regulators interpret it consistently, without being unworkably complicated
- Presenters underlined that there is a tension between the first two and last two criteria, whereby higher accuracy and granularity tend to increase complexity and reduce practicality.
- The key challenge will be to identify options that are practical enough to ensure broad adoption but are accurate and granular enough to drive emissions reductions. It is likely that other jurisdictions outside of the EU will use this methodology as a reference point, so its ability to be universally adopted is critical.

General Concerns

Participants raised several cross-cutting concerns about the methane intensity.

- An important critique to the structure of current formulas was the lack of dynamism in the formulas, with participants stressing the need to always anchor calculations to a specific timeframe and to better understand how intensity changes across different years and why.
- It was noted that the EU's low-carbon hydrogen delegated acts include a placeholder for the EUMR upstream methane intensity methodology, which makes it critical for the methodology to be suitable for hydrogen lifecycle assessments.
- Several participants also pushed back on the underlying premise of the exercise, noting that the EUMR's goal is to reduce methane emissions, not methane intensity, a distinction with implications for how the metric should be designed and implemented.
- Finally, there was broad agreement on the need to avoid reliance on proprietary data for any methodology.



Session II

Block 1: What Units are Defensible

In the first Block of Session II, participants revisited the Session I methodology questions from an advocacy perspective, considering which options can be defended as technically robust and politically viable.

- On units, participants maintained that the general consensus from Session 1 that grams/GJ is the most defensible position. In this session, participants also considered that grams/GJ may result in easier communication of thresholds than grams/MJ. For example 40 grams/GJ is easier to understand than 0.04 grams/MJ.
- On the denominator, participants confirmed using marketed product as the basis, with strict metering requirements for any volumes included. Participants reiterated some of the concerns around including on-site use due to limited metering.
- On scope, no consensus was reached on the proposal of having separate thresholds by the type of facility and its scope of production, partially because it is difficult to gauge how many facility categories are workable. Having multiple thresholds was accepted as a theoretical solution, but some participants pushed back on practical implementation. The scope of production needs to be very clearly defined in order to be legally operable. The general consensus is to examine a set of case studies, looking at real-world supply chains, for how such divisions might work in practice.
- On granularity: Tiered reporting, at the asset/basin level, complemented by company-wide reporting, had the least amount of pushback, but participants mainly agreed that the most important step is to clearly define boundaries to avoid gaming. Participants also agreed that well-level reporting would not be effective. It was suggested that a company-wide portfolio reporting requirement could be a useful transparency tool taken up by OGMP as a reporting expectation for members.

Block 2: Policy Translation

The second block addressed the overall advocacy objectives, stepping back from individual methodology questions to ask what the coalition would defend as most ambitious, and what the group would be willing to set as red lines for the Commission's Delegated Act. Essentially, what cannot be conceded without severely undermining the methodology.

- Participants discussed the need to look at ambition in two different ways, technical ambition (accuracy, granularity, enforceability) and political ambition or political feasibility (simplicity, practicality, and ease of adoption). A clear next step would be to map unresolved options in a matrix so that trade-offs are explicit.

- Participants identified the following red lines, which are features or elements that might result in high gaming or enforcement risk:
 - No gas only denominator: The OGCI 0.2% formula, or equivalent metrics that attribute all emissions to gas production, should be excluded from the methodology. These are biased against oil-associated gas producers and incomparable across basins with different gas-oil ratios.
 - No undefined asset boundaries: Without pre-defined boundary rules in the delegated act, producers will define boundaries strategically. Without boundaries, the methodology is gameable by design.
 - No reporting at well-level only: This makes cherry-picking to only report the highest performing assets too easy.
 - No unmetered volumes in the denominator: Allowing any estimations in the denominator, instead of metered volumes, invites gaming of the methodology. Including un-metered on-site used would weaken the foundation of the methodology.
 - No producer defined time windows: Intensity should reference a fixed reporting period set by the methodology, not defined by producers. Reported intensities should be temporally locked to the date of a physical volumes production, including for when certificates or certification systems are used to demonstrate compliance.
 - Absolute emissions should be tracked alongside intensity: The methodology should distinguish between intensity improvements and absolute emissions abatement. The methodology could require operators to report absolute emissions in addition to intensity, allowing stakeholders to detect if intensity improvements are due to abatement or due to increased production volumes.

Block 3: Next Steps and Closing

- Participants discussed multiple potential levels of future engagement: co-signing a short policy memo presenting the groups' agreed positions, further engaging with the process and providing input, and simply staying informed.
- CATF will draft the agreed points from the convening into a memo that identifies where there is consensus and where there is additional convergence needed. A shorter follow-up call in late September will be held to review this memo and refine it further before release.
- A second workshop that invites the European Commission, Member States, competent authorities, and key industry stakeholders would be planned to present the positions in the autumn.
- The overall objective is to build momentum towards a consensus position that can be taken into the Commission's delegated act process in 2027.