COMMISSION RECOMMENDATION (EU) 2026/XXXX

of XXX

on the application of Article 33 of Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 in relation to obligations imposed on importers

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 292 thereof,

Whereas:

(1) On 4 August 2024, Regulation (EU) 2024/1787[1] on the reduction of methane emissions in the energy sector entered into force. The Regulation contributes towards the collection of reliable and robust data that would form a sufficient basis for monitoring methane emissions and, where necessary, provides for additional action to further curb methane emissions.

(2) Article 27(1) of Regulation (EU) 2024/1787 requires importers to report on an annual basis methane emissions data and information from countries and companies exporting to the Union, including details on whether, and if so how, they are measuring, reporting and abating their methane emissions.

(3) Article 28(1) of Regulation (EU) 2024/1787 requires importers of crude oil, natural gas and coal to the Union to demonstrate and report to the competent authorities of the Member State in which they are established, that their contracts for the supply of fossil energy cover crude oil, natural gas or coal produced under monitoring, reporting and verification measures ('MRV') applied at the level of the producer equivalent to those set out in Regulation (EU) 2024/1787.

(4) The first subparagraph of Article 29(1) of Regulation (EU) 2024/1787 requires importers and Union producers to report to the competent authorities of the Member State in which they are established the methane intensity of the production of crude oil, natural gas and coal placed by them on the Union market

(5) The obligations set out in Article 28(1) and the first subparagraph of Article 29(1) of Regulation (EU) 2024/1787 apply to contracts concluded or renewed on or after the entry into force of the Regulation. As regards contracts concluded before that date, importers have an obligation of undertaking all reasonable efforts to require MRV equivalence at producer level in their contracts (Article 28(2) of Regulation (EU) 2024/1787) and to report the methane intensity of the production of crude oil, natural gas and coal placed by them on the Union market (second subparagraph of Article 29(1) of Regulation (EU) 2024/1787).

(6) Article 33(1) of Regulation (EU) 2024/1787 requires Member States to lay down rules on penalties applicable to infringements of the Regulation and to take all measures

[1] Regulation (EU) 2024/1787 of the European Parliament and of the Council of 13 June 2024 on the reduction of methane emissions in the energy sector and amending Regulation (EU) 2019/942 (*OJ L, 2024/1787, 15.7.2024, ELI: http://data.europa.eu/eli/reg/2024/1787/oj*)

necessary to ensure that they are implemented. To date, only a minority of Member States have notified the Commission of their penalty regimes.

(7) Article 33(2) of Regulation (EU) 2024/1787 requires Member States to ensure that competent authorities have the power to impose at least certain administrative penalties and measures for infringements of the import requirements laid down in Article 27(1), Article 28(1) and (2) and Article 29(1) and (2), provided that any such measures or penalties do not endanger the security of energy supply.

(8) Furthermore, Article 33(7)(i) of Regulation (EU) 2024/1787 gives Member States the possibility to take into account any other aggravating or mitigating factor applicable to the circumstances of the case, including third party actions.

(9) Since 27 February 2026, the Strait of Hormuz, a major maritime point of passage for global energy trade, has experienced acute geopolitical and economic disruption leading to its closure. The disruption is widely regarded as the largest affecting global energy supplies since the 1970s energy crisis, as well as the largest in the history of the global oil market.

(10) The current crisis in the Middle East is expected to have deep and lasting negative impacts on global and European energy markets. At present, approximately 20% of global LNG supply[2] and 25% of global seaborne oil trade[3] are affected. As a result, the expected LNG oversupply in 2026-2027 has effectively disappeared, with a forecast for a tighter market toward 2029-2030 and associated risk of security of supply and price pressure[4]. As regards oil, the overall loss in oil exports exceeds 13 mb/d, with associated production curtailment and damage to energy infrastructure in the region resulting in cumulative supply losses of more than 360 mb in March and 440 mb projected for April[5]. Suppliers outside the Gulf region are currently not able to compensate the current gap in LNG and oil supplies. The damage to energy infrastructure in the Gulf region, time required for infrastructure restart and gradual bottleneck easing contribute to a likely prolonged period of supply shortages and uncertainties in global energy markets. As such, this period is expected to last beyond the full and stable reopening of the Strait of Hormuz.

(11) Amid fears of prolonged supply shortages, gas and oil prices surged to their highest levels since the crisis triggered by Russia's full-scale invasion of Ukraine in February 2022. Brent crude oil prices surpassed 100 USD per barrel on 8 March 2026 for the first time in four years, rising to 118 USD per barrel at its peak on 31 March 2026. Natural gas prices surged to 62 EUR/MWh on 19 March 2026. The sharp increase in the volatility of energy prices in the Union has led to growing energy and fuel retail prices, which are expected to continue gradually trickling down to most consumer contracts, increasingly burdening households and businesses.

(12) The EU is competing for supplies in a global oil and gas market that has seen a significant reduction in supply. In order to tackle the exposure of European consumers and businesses to supply shortages which are causing high and volatile energy prices, the EU must secure reliable and continued fossil fuel imports from other regions.

(13) In this context, the European Council, in its conclusions of 19 March 2026[6], called on the Commission to present without delay a toolbox of targeted temporary measures to

2 Gas Market Report, Q2-2026 – Analysis - IEA , p6
3 Strait of Hormuz – About - IEA
4 Gas Market Report, Q2-2026 – Analysis - IEA , p6
5 According to IEA's Oil Market Report published on 14 April 2026
6 European Council meeting (19 March 2026) – Conclusions: en-20260319-european-council-conclusions.pdf

address the recent spikes in the prices of imported fossil fuels arising from the crisis in the Middle East.

(14) Regulation (EU) 2024/1787 does not impose restrictions on energy imports to the EU. However, lack of compliance with obligations described in recitals (2), (3), (4) and (5) may result in the application of administrative fines, which may in certain circumstances reach up to 20% of the importer's annual turnover from the preceding business year. Member States' competent authorities have some discretion on whether to apply penalties for infringements of the Regulation, and to what extent, especially with a view to ensuring that the application of such penalties or liability risks under the Regulation does not endanger the security of energy supply.

(15) In the current supply crisis context, the flexibility provided by Article 33 of Regulation (EU) 2024/1787 to Member States regarding the application of penalties has been perceived as a factor contributing to legal uncertainty. The current lack of penalty regimes in most of the Member States and thus lack of possibility to assess the risk of potential non-compliance with the import requirements of Regulation (EU) 2024/1787 has been raised by importers as a major risk factor preventing signing or renewing contracts for supply to the EU and increasing the risk of termination of existing supply contracts.

(16) The perception of legal uncertainty surrounding the penalty regimes applicable across the EU would be reduced if all Member States adopted national penalty regimes. A clear set of rules across all Member States, and a coherent approach throughout the European Union, would remove a considerable degree of uncertainty by clarifying the exact conditions and the exact penalties that apply in different national jurisdictions.

(17) Crude oil and gas volumes are being redirected to regions other than the EU in the context of a very tight global energy market and may endanger the security of energy supplies in Europe. Article 33(2) of Regulation (EU) 2024/1787 already requires Member States to ensure that the application of penalties does not endanger security of energy supply. In the gas sector, Regulation (EU) 2017/1938[7] aims to prevent and respond to potential gas supply disruptions on national and regional levels. Article 11 of Regulation (EU) 2017/1938 establishes crisis levels triggered by events or indications of potential events, such as a disruption of gas supply or exceptionally high gas demand, which may lead to or have resulted in significant deterioration of the gas supply situation. Where a crisis level is declared, Member States have an obligation to ensure that no measures are introduced which unduly restrict the flow of gas within the internal market at any time and no measures are introduced that are likely to seriously endanger the gas supply situation in another Member State. In the oil sector,
Council Directive 2009/119/EC[8] lays down rules aimed at ensuring a high level of security of oil supply through solidarity-based mechanisms, requiring Member States to maintain minimum stocks of crude oil and/or petroleum products and putting in place the necessary procedural means to deal with a serious shortage.

(18) Whereas the existing rules regarding the security of gas and oil supply provide the key elements for assessing a risk to security of supply, the evaluation of such risks may differ if conducted individually by each Member State. While EU security of energy supply remains guaranteed for the time being, the Commission considers that the crisis in the Middle East is likely to endanger security of energy supply across the Union if

[7] Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010.

[8] Directive 2009/119/EC obliging EU countries to maintain minimum stocks of crude oil and/or petroleum products.

supply is diverted to other markets, thus requiring a coordinated approach to the application of penalties across all Member States. The aim of this Recommendation is therefore to enhance clarity and legal certainty regarding the implementation of Article 33(2) of Regulation (EU) 2024/1787 in the context of the crisis in the Middle East. This Recommendation is in line with the message issued by Energy Ministers of the EU Member States on 15 December 2025 expressing support for implementation in a way that ensures predictability, market certainty and security of supply across the EU.

(19) In the current Middle East crisis context, in order to not endanger the security of energy supply, as required by Article 33(2) of Regulation (EU) 2024/1787, and to tackle the exposure of European consumers and businesses to potential energy supply shortages causing high prices, Member States should not apply the penalties prescribed by Article 33(5) (m), (n) and (o) of Regulation (EU) 2024/1787 for a limited period of time, except for cases of large-scale fraudulent breaches of those obligations. This clarification as regards penalties or liability under the Regulation contributes to ensuring that importers conclude supply contracts for the upcoming period without risk of penalties or liability, while still continuing to take the necessary actions to achieve compliance with the import requirements of Regulation (EU) 2024/1787.

(20) At the same time, the grace period of non-application of penalties should not extend beyond what is necessary to ensure that sufficient volumes are contracted to prevent supply shortages caused by the current crisis. According to current forecasts, supply shortages in the global gas and oil markets are likely to continue at least throughout 2027. As such, Member States should not apply the penalties prescribed by Article 33(5) (m), (n) and (o) of Regulation (EU) 2024/1787 to infringements of the obligations due in 2027, 2028 and 2029 for supply contracts concluded or renewed until 1 January 2028. To ensure equal treatment as regards penalties and liability, Member States should apply this Recommendation also to existing contracts.

(21) Applying a grace period of not applying penalties may result in an increased risk of non-compliance by importers with their monitoring, reporting and verification obligations under Regulation (EU) 2024/1787. However, in the presence of the global energy supply shortages and fierce competition for available cargoes caused by the current crisis, such a grace period, strictly limited to what is necessary to mitigate the effects of the crisis, and excluding cases of large-scale fraudulent breaches, is not out of proportion to the resulting risk of underenforcement of those obligations.

(22) This Recommendation is limited to proposing a grace period in the application of certain penalties or liability in light of the specific circumstances and conditions described above. The obligations set out in Article 27(1), Article 28(1) and (2) and Article 29(1) continue to apply, even if it is recommended that Member States do not apply the related sanctioning provisions in Article 33(5)(m), (n) and (o) Regulation (EU) 2024/1787. This Recommendation does not prevent Member States from applying the same grace period to penalties regarding Union producers if they consider that imposing those could similarly endanger security of energy supply.

(23) This Recommendation does not prevent Member States from laying down national penalty regimes in accordance with Article 33 of Regulation (EU) 2024/1787, provided they comply with this Recommendation. Member States are encouraged to establish national penalty regimes as a matter of priority.

(24) Under normal market conditions and when there is no risk to security of energy supplies, and beyond the temporal scope of this Recommendation, Member States may apply penalties for infringements of Regulation (EU) 2024/1787 which are effective, proportionate and dissuasive. The level, severity and nature of penalties applied to a

concrete infringement should be determined taking into account at least the factors set out in Article 33(7). Those factors are not exhaustive, Member States having the possibility to apply any other aggravating or mitigating factors in order to ensure the proportionality of penalties applied to a concrete infringement as well as security of supply.

(25) The Commission shall monitor and review the application of this Recommendation by 1 January 2028, in the context of the review of Regulation (EU) 2024/1787.

HAS ADOPTED THIS RECOMMENDATION:

The Commission recommends that Member States should not apply the penalties prescribed under Article 33(5) (m), (n) and (o) of Regulation (EU) 2024/1787 in relation to infringements by importers of the obligations due in 2027, 2028 and 2029 except for cases of large-scale fraudulent breaches of those obligations. This recommendation should apply to supply contracts concluded or renewed until 1 January 2028.

Done at Brussels, [date]

For the Commission
[…]
Member of the Commission