NEWS REVIEW

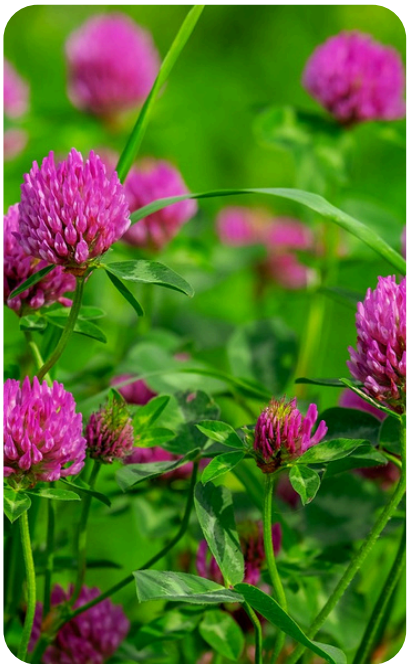
Alder BioInsights

July 2026

Bioenergy

Each month we review the latest news and select key announcements and commentary from across the bioenergy sector.

Announcements & Commentary



Research & Development

Providing clients with a strategic view of feedstock, technology, policy and marketing opportunity across the bioeconomy.

FOREWORD

Welcome readers, to this month's Bioenergy News Review.

As governments refine their 2030-2040 climate change plans, bioenergy remains a contentious issue at the very heart of the energy transition debate. The signals from London, Brussels, Berlin and Dublin in July collectively illustrate both the opportunity and the fragility of bioenergy's current policy position.

The UK government's response to the independent review on greenhouse gas removals (GGRs) confirms that engineered removals are now embedded in long-term climate strategy, with a clear intent to "kickstart UK supply with revenue certainty" through dedicated business models for GGR, CCUS (Carbon Capture, Utilisation, and Storage) and Power BECCS (Bioenergy with Carbon Capture and Storage). Importantly for the biogas community, the response explicitly recognises biomethane from anaerobic digestion as a "low-regret" option delivering both removals and circular nutrient management, with the government committing to explore post-2028 support for the biomethane sector alongside the opportunity to valorise biogenic CO_2. However, the same document highlights a growing political sensitivity around biomass use and imported feedstocks, signalling that future UK policy will scrutinise land-use, sustainability and priority uses for biomass more tightly than in the past. For operators and investors, this means that the next phase of UK bioenergy expansion will likely depend on demonstrating high-integrity removals, robust sustainability and tight integration with emerging GGR standards, rather than relying solely on legacy support schemes.

At EU level, the Commission's proposal to revise the EU Emissions Trading System and set a legal 2040 climate target - anchored around a deep reduction in emissions relative to 1990 - creates a broader carbon-price and compliance structure that will shape future bioenergy economics. Specifically, it increases the cap to support auctioning allowances whose revenues will purchase BioCCS and DACCS units certified under the Carbon Removals and Carbon Farming Regulation (CRCF). Operators generating BioCCS from their facilities can directly offset fossil emissions, providing a clear revenue pathway and incentivising integration of bioenergy with CCS. The proposal also expands ETS (Emissions Trading Systems) coverage to waste incineration, opening doors for carbon capture at energy-from-waste facilities, while maintaining support mechanisms for industrial decarbonisation.

Elsewhere, the German bioenergy sector has voiced strong concerns over the EEG (Renewable Energy Sources Act) 2027 draft, arguing it falls short of coalition agreement promises. Associations warn that limited auction volumes, scrapped tenders for flexible biomethane CHP, and unchanged restrictions risk stranding existing plants and forgoing up to 12 GW of much-needed flexible renewable capacity to balance variable renewables. Calls for a comprehensive "Biomass Package 2.0" highlight the urgency of better support for flexible, small agricultural plants, and rural value creation.

FOREWORD

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However, progress on market incentives faces EU scrutiny; the European Commission has previously reviewed Ireland's proposed Renewable Heat Obligation (RHO) scheme and challenged the rule granting a bonus multiplier to Irish-produced biomethane over imported volumes. The Commission determined that this preference treats fuel from other Member States less favourably, violating Article 34 of the Treaty on the Functioning of the European Union (TFEU) on the free movement of goods.

Read on for the latest news

Policy

Ireland attracts €200m funding for AD plants and issues €19m biomethane grants

The Ireland government has issued payments worth almost €19m to seven projects under the biomethane capital grant scheme – and confirmed €200m will support a second round of capital grants for anaerobic digestion plants through to 2030.

Grants funded through REPowerEU and NextGenerationEU can cover the construction of new biomethane plants and upgrades to existing biogas plants. A fifth of total capital investment costs per applicant will be payable to projects, subject to a maximum €5m.

Click here for more information

EU Commission publishes EU ETS review proposal

On 17 July 2026, the European Commission tabled its proposal to revise the EU Emissions Trading System (EU ETS), the bloc's flagship carbon market and the cornerstone of its climate policy.

The ETS review process is mandated by the EU ETS Directive and provides for regular assessment of the system's performance and the introduction of necessary changes to finetune the system in the changing economic, political and technological landscape.

The proposal sets the legal framework for Phase 5 of the system (2031-2040), aligning the ETS with the EU's target of a 90% net reduction in greenhouse gas emissions (GHG) by 2040 compared with 1990 levels. Coming as European industry contends with high energy costs and international competition, it marks one of the most consequential reviews of the carbon market since it was launched in 2005.
The proposal covers a variety of elements, including those that form part of the ETS formal evaluation and review and those that go beyond the strictly prescribed elements of the review process.

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Independent review on greenhouse gas removals: government response

In February 2025, the Secretary of State for the Department for Energy Security and Net Zero (DESNZ) commissioned an independent review of Greenhouse Gas Removals (GGRs). The Review considered how options for engineered and nature-based GGRs can assist the UK in meeting its net zero targets.

This policy statement provides an update on the work we are taking forward to respond to the GGR Review and reflects on the progress the UK has made to date on GGRs. Our strategy for a functioning GGR market is to kickstart UK supply with revenue certainty via the GGR Business Model and alongside investment in carbon capture and storage networks, while building durable demand through robust market frameworks and continually driving high-integrity standards for removals.

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German bioenergy sector says EEG 2027 draft falls short of coalition promises

Germany's bioenergy associations have criticised the government's draft renewable energy law, warning that the proposals fail to deliver the future promised to thousands of biogas and wood energy plant operators and would see the country forgo 12 GW of domestic flexible capacity.

The Federal Ministry for Economics and Energy (BMWE) released its draft of the EEG 2027 for consultation with federal states and industry associations on Friday. The bioenergy associations represented by the Hauptstadtbüro Bioenergie (HBB) in Berlin say the draft requires substantial revision.

Click here for more information.

Biogas

Estonia Halinga green gas plant opened

The construction of the Halinga OÜ biogas plant, part of the Infortar Group, has been completed and one of the largest biogas plants in Estonia has been issued an operating permit. The plant will begin operation after receiving a comprehensive environmental permit.

The technical solution for the biogas plant was designed and implemented by the German green gas producer EnviTec Anlagenbau GmbH & Co. KG. The project was funded by the European Union's NextGenerationEU recovery instrument. "Estonia is a dairy country and, as the years go by, it is also a country that produces more gas. If we restored the number of dairy cows to the level of the early 1990s, we could cover the entire gas consumption needs of Estonia. Expanding green gas production will strengthen our energy and food security and help solve environmental problems in both rural and urban areas," said Ain Hanschmidt, Chairman of the Board of Infortar.

Click here for more information.

Zenith Energy to acquire Italian biogas developer

In Italy, Zenith Energy Ltd has entered into a binding Letter of Intent and Exclusivity for the acquisition of 100% of the issued share capital of an Italian biogas development, which owns the rights to develop a fully permitted and engineered biogas production facility in Italy, subject to completion of the proposed acquisition.

The project is fully permitted, fully engineered and construction-ready, with all material permits, licenses and engineering approvals already obtained. Once operational, the project will produce approximately 3 million cubic metres of methane gas per annum, for injection into the Italian gas network, sold at Italian gas prices and benefiting from 15-year government incentives.

Click here for more information.

Shell Aarhus biogas facility completes 18-month upgrade

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Shell's Aarhus biogas facility can now process 700,000 tonnes of waste and output about 20 million cubic metres of biomethane annually following an 18-month upgrade.

Biomethane can now be sent directly into the Danish gas grid, and gas can be stored, ensuring a steady supply when renewable loads are low. Key benefits from the upgrade are providing low-carbon molecules for sectors that are difficult to electrify and recycling nutrients back into agriculture, helping reduce the need for artificial fertilisers, according to Shell Low Carbon Solutions.

Click here for more information

Where in the world is biogas? A new IEA tool maps its potential

For many energy policymakers today, projects that can strengthen energy security, reduce emissions and create local economic opportunities are increasingly sought after. Biogases stand out for their ability to deliver on all three objectives.

Produced from organic waste, biogases – which encompass both biogas and biomethane – are sustainable, secure and low-emissions fuels. Biogas can be used directly for heating in households and industry, or to generate electricity. Biomethane, an upgraded form of biogas, is a locally sourced, drop-in substitute for natural gas.

The IEA has been closely tracking the development of biogases for several years and recently released a first-of-its-kind global spatial analysis assessing the potential for developing biogases from today's organic waste streams. Our latest modelling finds that nearly 900 billion cubic metres of biogases, measured in natural gas-equivalent terms, could be produced sustainably each year – enough to meet more than 20% of global natural gas demand today. More than 70% of this sustainable potential is located in emerging and developing economies, led by India and Brazil, as well as China.

To help decision-makers and stakeholders assess opportunities for biogas and biomethane at the national and local level, the IEA has also launched a new interactive online map that allows users to explore these findings in greater detail.

Click here for more information.

Biogas upgrading market to top $4bn by 2030

The global biogas upgrading market is expected to double in value by the end of the decade as governments strengthen support for renewable gases and industries seek greater energy security. According to new research from BCC Research, the market will grow from $2.1bn in 2025 to $4.1bn by 2030.

The report cites rising demand for renewable natural gas, expanding waste-to-energy projects and increasingly supportive decarbonisation policies as key drivers behind the growth.

Biogas upgrading has become an increasingly important part of the renewable gas value chain. Raw biogas produced through the anaerobic digestion of organic waste typically contains between 50% and 70% methane, with the remainder made up largely of carbon dioxide and trace impurities such as hydrogen sulphide and moisture.

Click here for more information.

Horsham recycling plant turns thousands of tonnes of food waste into green energy

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West Sussex County Council is boosting recycling across the county with a major upgrade to its Horsham waste site.

In April this year we expanded the Anaerobic Digestion facilities at the site so we can recycle thousands of tonnes of food waste into clean energy and fertiliser each year.

This modern, sustainable way of managing waste and reducing its impact on the environment is already delivering results. Since April 2,670 tonnes of food waste, roughly the equivalent of around 200 double-decker buses, have been converted into renewable energy.

The Anaerobic Digestion and Resource Recovery Facility (ADRRF), run by Biffa as part of the West Sussex Waste Partnership (WSWP), ensures that food waste collected from homes across West Sussex is recycled locally using a process called anaerobic digestion. This creates renewable energy to help power the plant with excess exported to the National Grid, as well as nutrient-rich fertiliser for use on farmland.

Click here for more information.

New biomethane plant adds momentum to UK's renewable gas growth story

A new biomethane plant in Northamptonshire has begun supplying renewable gas into Cadent's network, marking another important step in the rapid growth of the UK's biomethane sector.

The Wormslade facility developed by VIDA bioenergy, has successfully started injecting biomethane into the gas grid, becoming the latest renewable gas project to connect to Cadent's network.

The site, which is near Market Harborough, is designed to process around 46,000 tonnes of feedstock each year and is expected to produce approximately 68GWh of biomethane annually. This is enough energy to heat more than 5,000 homes.

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EfW

MEAG buys 50% of waste-to-energy plant in London

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German asset manager MEAG said on Friday it has acquired a 49.8% stake in a combined heat and power and waste-to-energy plant in London.

The interest was bought from iCON Infrastructure Partners IV LP for an undisclosed sum. MEAG, the asset manager of German reinsurer Munich Re, will co-own the plant together with French water, waste and energy management company Veolia (EPA:VIE), which is also the site's operator.

The South East London facility, known as SELCHP, is located in Lewisham, southeastern London, and is run under inflation-indexed waste supply contracts. The power output is secured by off-take agreements. According to Veolia's website, the plant processes around 420,000 tonnes of waste per year and produces electricity equal to the demand of 48,000 homes, which is sold to National Grid.

Click here for more information.

First waste arrives at Enfinium's Kelvin Energy from Waste facility

Enfinium's Kelvin Energy from Waste (EfW) facility in Sandwell has received its first delivery of waste as the plant moves towards full operations.

The £500 million facility this week accepted 100 tonnes of unrecyclable residual waste from Suez Recycling and Recovery UK.

Once fully operational, Kelvin will process up to 395,000 tonnes of unrecyclable waste each year, expecting to generate up to 44MW of electricity. Simon Forshaw, Vice President of Engineering and Construction at Enfinium, commented: "The arrival of first waste at our Kelvin facility marks a key milestone for the project as it progresses towards full operations later this year and a further example of progress across enfinium's operations.

"Our state-of-the-art Sandwell facility will provide the most circular solution to managing the region's unrecyclable waste, diverting it away from climate-damaging landfill and turning it into homegrown energy."

Click here for more information.

Kazakhstan Waste-to-Energy Plants to Undergo Major Expansion

Kazakhstan is preparing a major expansion of waste-to-energy plants backed by Chinese investors, potentially giving waste incineration a central role in a system that still sends most municipal refuse to landfill.

Astana plans to complete negotiations with China Tianying Inc. and submit an investment agreement for approval within two weeks. The proposed agreement would cover waste-treatment plants in at least three major cities, although the government has not disclosed their locations, cost, or construction timetable.

The plans could add at least three facilities to Chinese-backed waste-to-energy plants already under construction in Almaty, Astana, and Shymkent.

Click here for more information.

Hydrogen

EU-funded project validates technology that converts biogas into hydrogen and solid carbon while supporting carbon storage

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The Horizon Europe-funded TITAN project is nearing completion after 48 months of research (official closing 31 August), demonstrating a new process that converts raw biogas into hydrogen and solid carbon.

The project was launched to help address two major challenges on Europe's path to climate neutrality by 2050: reducing emissions from sectors that are difficult to decarbonise, particularly agriculture, and increasing the supply of renewable hydrogen needed by industry, transport and energy systems.

TITAN developed and validated a process that uses microwave energy to convert biogas into a hydrogen-rich gas and solid carbon materials. The process combines several reaction steps in a single system, reducing the need for additional gas treatment and separation processes.

Click here for more information.

Markets

European Biomethane Map 2026

Europe's biomethane sector has crossed a new milestone, adding more than 1 billion cubic metre (bcm) of annual production capacity in just one year and surpassing 8 bcm for the first time. Yet despite growing investor confidence and rising political attention on energy security, the growth falls well behind its true acceleration potential. Installed biomethane production capacity reached 8.2 bcm per year by the end of Q2 2026, up 17% compared to 2025, according to the European Biomethane Map,

The European Biomethane Map is an annual publication by the European Biogas Association (EBA), and in 2026, the initiative continues with the inclusion of an open-access interactive map for the third consecutive year. This map has been developed with the valuable support of EBA members, who contributed the essential data. Both the digital and print editions of the map are the result of an ongoing collaboration between the EBA and Gas Infrastructure Europe (GIE). Each country's data sources are clearly listed on the map. The dataset reflects biomethane production facilities that were operational as of June 2026, based on the most recent information available from EBA.

Click here for more information.

Events

19th - 22nd May 2026

EUBCE 2026 (34th European Biomass Conference & Exhibition)

CONFERENCE

The Hague, Netherlands

Click here for more information.

8th - 9th July 2026

World Biogas Expo & Summit 2026

CONFERENCE

Birmingham, UK

Click here for more information.

5th - 6th November 2026

European Bioenergy Future

CONFERENCE

Brussels, Belgium

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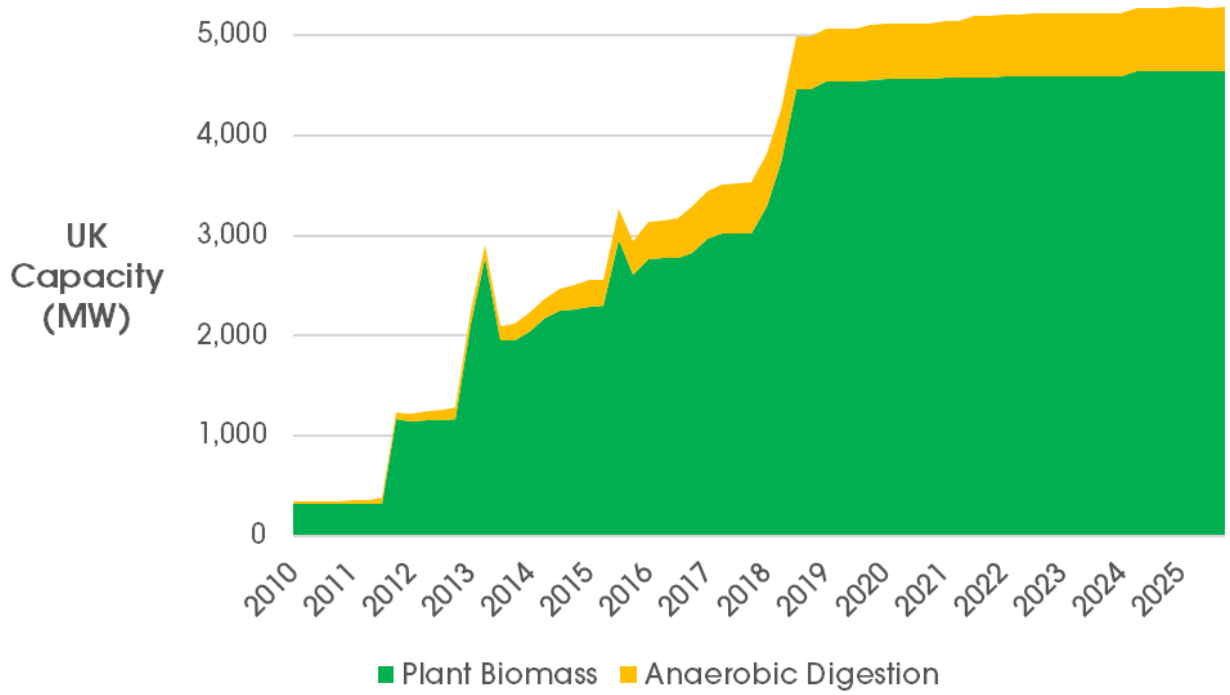
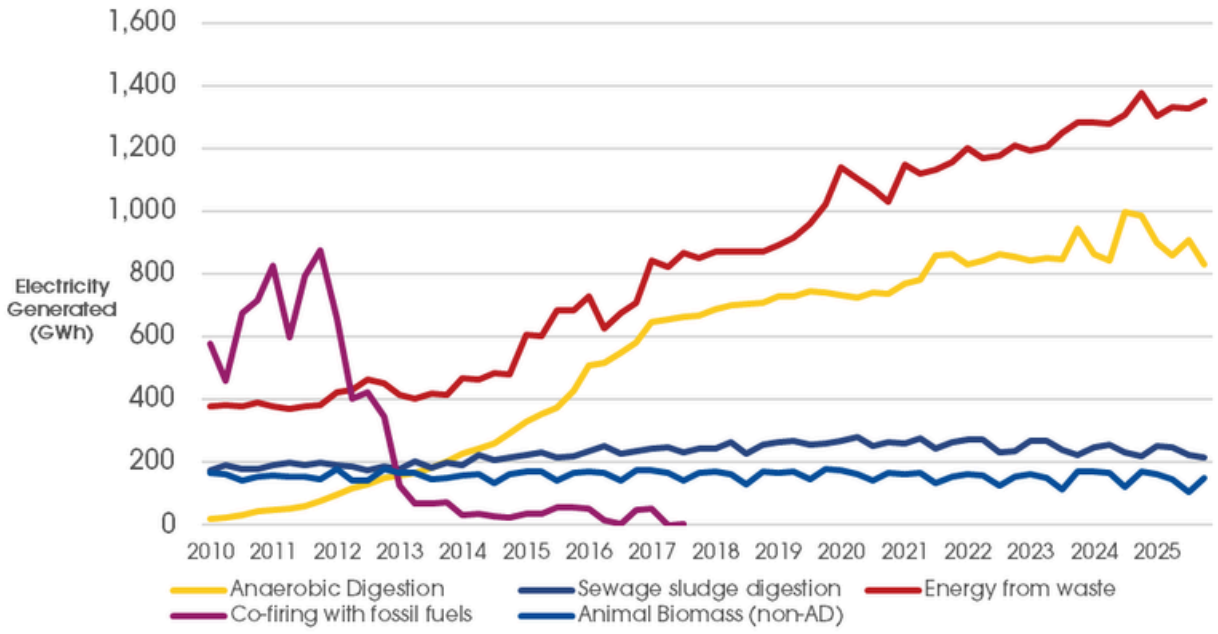
Deployed biopower capacity

Quarterly information on installed electricity generation capacity from plant biomass and AD (Office for National Statistics)



Quarterly information on UK renewable electricity generated from various bioenergy resources (Office for National Statistics)



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Alder Bio Insights is a leading international consultancy with expertise on the conversion of biomass to bioenergy, biofuels and biobased products.

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