

FETSA - UPEI JOINT STATEMENT

STORAGE AND DISTRIBUTION INFRASTRUCTURE AS 'ENABLING ACTIVITY' IN THE EU TAXONOMY

FETSA, the Federation of European Tank Storage Associations and UPEI, the Association of Europe's Independent Fuel Suppliers, are committed to help achieving the EU's 2030 and 2050 climate targets by replacing fossil fuels with low-carbon and renewable energy carriers. This transition must be driven by legislation (such as the 'Fit for 55' Package and the 'REPowerEU' Plan), market incentives, consumer choices and geopolitical needs.

For this to succeed, investments will be needed to foster the adaptation of existing storage and distribution infrastructure, as well as research, development and innovation in the field of logistics.

Renewable and low-carbon energy carriers replacing conventional fossil fuels include - in a non-exhaustive list of examples - biodiesel (FAME/HVO), bioethanol, e-gasoline, e-diesel substituting diesel, gas oil and gasoline; compressed or liquid hydrogen substituting methane or LNG; e-fuels (hydrogen, methanol, ammonia) substituting marine fuels; e-fuels or sustainable aviation fuel (SAF) substituting kerosene; and bio-LPG substituting LPG.

For each of these alternatives, storage and distribution infrastructure (import/export terminals, pipelines etc.) represent the key step in the supply chain to enable the uptake of low-carbon and renewable fuels¹.

This is why storage and distribution of current and future energy carriers should be classified as an 'enabling activity' under the EU Taxonomy, in accordance with Article 16 of the [Taxonomy Regulation](#).

This should be the case when such infrastructure is used to store and transport **products that meet the Taxonomy criteria** (in line with the current classification of hydrogen storage as an enabling activity, as shown in the Annex to this Statement).

Such recognition is needed to direct private sector funding towards high Capex projects aimed at developing storage and distribution infrastructure that enable the energy transition, particularly in transport. This should be considered a priority issue, as EU-wide legislation, national energy and climate plans and projects (such as TEN-T corridors) have already built clear pathways and trajectories for renewable and low-carbon fuels up to 2050.

¹ In the case of the [REPowerEU Plan](#), this enabling role is all the more evident as the Commission has set a political ambition of 10 million tonnes of domestic renewable hydrogen production and 10 million tonnes of imports into the EU by 2030.

Annex – Proposal for amendment to the [Taxonomy Climate Delegated Act](#) (Climate Change Mitigation Objective)

Activity
3. Manufacturing
3.2. Manufacture of equipment for the production and use of hydrogen (enabling activity)
3.10. Manufacture of hydrogen Manufacture of hydrogen and hydrogen-based synthetic fuels.
4. Energy
4.12. Storage of hydrogen (enabling activity) Construction and operation of facilities that store hydrogen and return it at a later time.
4.13. Manufacture of biogas and biofuels for use in transport and of bioliquids
4.14. Transmission and distribution networks for renewable and low-carbon gases Conversion, repurposing or retrofit of gas networks for the transmission and distribution of renewable and low-carbon gases. Construction or operation of transmission and distribution pipelines dedicated to the transport of hydrogen or other low-carbon gases.
<u>4.15. PROPOSAL FOR AMENDMENT (addition): Storage and distribution of renewable and low-carbon energy carriers (enabling activity)</u> <i><u>Storage and distribution of renewable and low-carbon energy carriers replacing conventional fossil fuels include - in a non-exhaustive list of examples - biodiesel (FAME/HVO), bioethanol, e-gasoline, e-diesel substituting diesel, gas oil and gasoline; compressed or liquid hydrogen substituting methane or LNG; e-fuels (hydrogen, methanol, ammonia) substituting marine fuels; e-fuels or sustainable aviation fuel (SAF) substituting kerosene; and bio-LPG substituting LPG.</u></i>
6. Transport
6.15. Infrastructure enabling low-carbon road transport and public transport (enabling activity) Construction, modernisation, maintenance and operation of infrastructure that is required for zero tailpipe CO ₂ operation of zero-emissions road transport, as well as infrastructure dedicated to transshipment, and infrastructure required for operating urban transport.

ABOUT FETSA

Members of [FETSA](#) are businesses engaged in bulk storage and energy infrastructure across Europe. Bulk liquid and liquified gas terminals are present in ports, airports, logistics platforms and along rivers, canals and pipelines. In total FETSA represents 141 companies operating 743 terminals across Europe.

These tank storage terminals provide an essential interface between sea, road, rail, inland waterways and pipeline logistics. They are critical links in the supply chain for energy carriers, chemicals, animal feeds and fats, oils and other substances, helping to balance out supply and demand and ensure companies and consumers have access to these products.

Many tank storage terminals are designated as Critical National Infrastructure by the EU and national governments due to their importance in providing energy to society. The storage capacity represented by FETSA also includes strategic reserves held for emergencies (such as NATO stocks and IEA mandated reserves) and supply disruptions.

ABOUT UPEI

[UPEI](#) represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers.

They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand. The organisation brings together national associations and suppliers across Europe.

Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.

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EU Transparency Register:

[60758835312-16](https://ec.europa.eu/transparency/regexp1/index.html?lang=en®id=60758835312-16)

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EU Transparency Register:

[42843016904-50](https://ec.europa.eu/transparency/regexp1/index.html?lang=en®id=42843016904-50)