

29 November 2023

## COP28

### Joint FETSA-UPEI Statement

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**FETSA**, the Federation of European Tank Storage Associations and **UPEI**, the Association of Europe's Independent Fuel Suppliers fully align with the 2050 climate neutrality goal of the Paris Agreement and strongly encourages the successful conclusion of the first Global Stocktake at the 28<sup>th</sup> Conference of the Parties (COP28) of the United Nations Framework Convention on Climate Change (UNFCCC).

Echoing the recent Council conclusions<sup>1</sup> ahead of COP28, **FETSA and UPEI recall with concerns the findings of the Synthesis Report of the Sixth Assessment Report published in March 2023 by the Intergovernmental Panel on Climate Change (IPCC).**<sup>2</sup>

As reported by the IPCC, **Nationally Determined Contributions (NDCs) collectively are not nearly enough to limit the global temperature increase further to 1.5°C during the 21<sup>st</sup> century**, and global emissions need to be nearly halved by 2030 for the world to limit global temperature rise.

As the first global stocktake will give policymakers and stakeholders the opportunity to improve climate policies and actions, **FETSA and UPEI urge the EU to consider that all technological and financial solutions must be fully mobilised to reach the climate neutrality goals of the Paris Agreement.**

The IPCC Synthesis Report clearly demonstrates that it is **possible to limit global warming to 1.5°C by setting strategic goals and by relying on *feasible, effective, and low-cost* mitigation and adaptation options that are *already available* across sectors and countries.**

In an era of high inflation and cost of living challenges, UPEI and FETSA urge the EU to acknowledge the **strategic role of clean molecules used in industry, energy supply, transport, and buildings** to meet the 2050 climate targets. These include, and are not limited to, **Renewable Fuels of Non-Biological Origin (RFNBOs), advanced biofuels, feedstock used for decarbonization of industry – such as ammonia – , as well as carbon capture usage and storage (CCUS) technologies.**

- According to the IPCC Synthesis Report, "*Global modelled mitigation pathways reaching net zero CO<sub>2</sub> and GHG emissions include very low- or zero-carbon energy sources, such as **renewables or fossil fuels with CCS**. [...] In global modelled pathways that limit warming to 2°C or below, almost all electricity is supplied from zero or low-carbon sources in 2050, such as **renewables or fossil fuels with CO<sub>2</sub> capture and storage**". (Page 86)*
- Similarly, the Synthesis Report states that "*net zero CO<sub>2</sub> energy systems entail **alternative energy carriers** in applications less amenable to electrification". (Page 104) These include, for example, ammonia as a hydrogen energy carrier.*

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<sup>1</sup> Preparations for the 28th Conference of the Parties (COP28) of the United Nations Framework Convention on Climate Change (UNFCCC) (Dubai, 30 November – 12 December 2023), <https://data.consilium.europa.eu/doc/document/ST-14285-2023-INIT/en/pdf>

<sup>2</sup> IPCC, 2023: Sections. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)]. IPCC, Geneva, Switzerland, pp. 35-115, doi: 10.59327/IPCC/AR6-9789291691647

- According to the Report, **low- and zero-GHG emitting molecules** (e.g., hydrogen, ammonia, and bio-based and other synthetic fuels) also play a significant role in the decarbonization of industry and manufacturing, while reducing emissions from the production and use of chemicals would need to rely on a life cycle approach, including **CCU and CCS**. (Page 105)
- Finally, the Report clearly states that *“sustainable biofuels can offer additional mitigation benefits in land-based transport in the short and medium term. Sustainable biofuels, low-emissions hydrogen, and derivatives (including ammonia and synthetic fuels) can support mitigation of CO2 emissions from shipping, aviation, and heavy-duty land transport but require production process improvements and cost reductions”*. (Page 105)

## 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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