

To ensure sugar supplies, Centre bans mills from using cane juice/syrup to make ethanol

Our Bureau

New Delhi

The Centre today banned sugar mills and distilleries from using cane juice or sugar syrup for the production of ethanol with immediate effect to ensure adequate availability of the sweetener for domestic consumption.

However, the Ministry of Consumer Affairs, Food and Public Distribution order said that supply of ethanol from B-heavy molasses will continue under existing offers received by oil marketing companies (OMCs) in this ethanol supply year (November 2023 to October 2024). B-heavy, or second, molasses has approximately the same DM content as A molasses but contains less sugar and does not spontaneously crystallise. The government has allowed OMCs to accept ethanol already produced directly from sugar-

cane juice or syrup. The Committee of Ministers this week decided that top priority should be given to sugar production this year, an official source said. The government does not want to take any chance with the general elections coming up early in 2024 or of any adverse impact of El Nino on sugarcane crop next year, the source said.

An industry official said: "By this restriction, about 2.5 million tonnes (mt) of additional sugar will be available in the domestic market, which may flare up the estimated surplus of the season to about 4 mt over and above domestic demand and carry-forward stock."

STOCKS TAKE A HIT

Stock market bears took advantage of the situation by crushing sugar company stocks soon after the announcement. The Uttam Sugar Mills stock declined 8.38 per cent to ₹408.35 on the NSE followed by EID Parry (down 6

per cent), Dalmia Bharat Sugar & Industries (5.52 per cent), Balrampur Chini Mills (5.37 per cent), DCM Shriram Industries and Triveni Engineering Industries (4.8 per cent each. Other such as Magadh Sugar, Avadh Sugar, Ugar Sugar Works, Bajaj Hindusthan, Sakthi Sugars, Dwarikesh Sugar and Dhampur Sugar fell 3-4.5 per cent.

BLENDING TARGET

Sources said the Petroleum Ministry has expressed its reservation on the ban, fearing the 15 per cent ethanol blending with petrol (EBP) target for 2023-24 will be missed. In 2022-23, the government achieved a 12 per cent EBP target for which 540 crore litres of ethanol were supplied by sugar mills and distilleries. Official sources said there would be no discontinuation of B-heavy molasses as such a step will further reduce the availability of ethanol.

Earlier the government had

estimated sugar production this season at 29-30 mt against the annual domestic consumption of about 28 mt and last year's output of nearly 33 mt. The opening stock as on October 1 was 5.7 mt; this needs to be 6.5-7 mt to meet any exigency for first two-and-half months of the crushing season starting October.

POLICY TWEAK VS BAN

Many industry officials suggested that the ethanol price policy may be tweaked instead of imposing a blanket restriction, as sugar mills can choose the most profitable means to produce ethanol from sugarcane juice or syrup or B-heavy or C-heavy molasses.

For ESY (ethanol supply year) 2022-23, the OMCs floated a tender for 599.7 crore litres against which letters of intent (LoIs) were issued for 564.45 crore litres as of August 2023.

Crude oil rebounds from 6-month lows



Beijing/Singapore: Crude oil prices reclaimed some ground after tumbling to a six-month low in the previous session but investors remained concerned about sluggish demand and economic slowdowns in the US and China. Brent crude futures rose 27 cents to \$74.56 a barrel. US WTI crude futures rose 24 cents to \$69.62. REUTERS

Russia, Saudi urge OPEC+ members to join oil cuts

REUTERS

Moscow, December 7

SAUDI ARABIA AND Russia, the world's two biggest oil exporters, on Thursday called for all OPEC+ members to join an agreement on output cuts for the good of the global economy only days after a fractious meeting of the producers' club.

Hours after Russian President Vladimir Putin went to Riyadh in a hastily arranged visit to meet Saudi Crown Prince Mohammed bin Salman, the Kremlin released a joint Russian-Saudi statement about the conclusion of their discussions.

The Organization of the Petroleum Exporting Countries (OPEC), Russia and other allies agreed last



Russian President Vladimir Putin with Saudi Crown Prince Mohammed bin Salman in Riyadh on Wednesday

week to new voluntary cuts of about 2.2 million barrels per day (bpd), led by Saudi Arabia and Russia rolling over their voluntary cuts of 1.3 million bpd.

"In the field of energy, the two sides commended the close cooperation between them and the successful efforts of the OPEC+ countries in enhancing the stability of global oil markets," said the statement released by the Kremlin.

"They stressed the importance of continuing this cooperation, and the need for all participating countries to join to the OPEC+ agreement, in a way that serves the interests of producers and consumers and supports the growth of the global economy," the statement,

which was in Russian, added.

The Russian version used the word "join" while an English translation of the statement, also released by the Kremlin, used the word "adhere" to the OPEC+ agreement.

Saudi state news agency SPA said that the crown prince, known as MbS, and Putin had emphasised in their meeting the need for OPEC+ members to commit to the group's agreement.

Oil market sources said that such an explicit public remark from the Kremlin and the kingdom about "joining" cuts appeared to be an attempt to send a message to members of the OPEC+ club who had not cut or not cut enough.



Not just coal

Rich nations must prevail on the fossil fuel lobby to act in the interest of the planet

A **DRAFT** OF the Global Stocktake document being negotiated at the UN's 28th annual climate-change talks (CoP28) includes a clause committing all signatories to "an orderly and just phase-out of fossil fuels". This is significant as all previous CoPs had focused on a phase-out of only coal, thanks to the rich nations refusing to commit to weaning the globe away from other fossil fuels. At the same time, host UAE is a petro-state and CoP28 president Sultan Ahmed al Jaber, the country's industry and advanced technology minister, is also the CEO of one of its largest oil companies. So, the language of the final stocktake document can very likely bear the imprint of the fossil fuel lobby. What the petro interests would call a "just fossil fuel phase-out" may not be 'just' from a climate-action perspective. To that end, what shape the final Stocktake document takes will also decide whether the planet can keep to the Paris Agreement pathway (limit warming from pre-industrial levels to "well below 2°C" by 2100, with a vision to limit it to 1.5°C).

It is important to bear in mind that the UN's assessment of the global community's efforts since Paris (2015) makes it clear that we are completely off-track on realising the emission reduction goals. With current efforts, the temperature rise will be close to 3°C by 2100, scientists project. And, it is the developed nations that are most in the deficit when it comes to matching intentions with actions. What will be important, therefore, is how they work towards fixing their shortcomings. Staving off unlivable temperatures needs fossil fuels to go, something that India along with China has been demanding that the West acknowledge and act on. Even as big and rich polluters like the UAE, the US, Canada, and Australia were among the 118 countries that announced a pledge to triple renewable energy capacity by 2030, it was shocking that Al Jaber, whose appointment as president itself was questionable, held that there was "no science" showing phasing out fossil fuels is key to a 1.5°C-warming world—fossil fuels account for 80% of the global greenhouse emissions.

That there is an alignment of such views among petro states is clear from the Saudi energy minister prince Abdulaziz bin Salman telling *Bloomberg TV* that his country would "absolutely not" agree to any deal on phasing down fossil fuel, let alone a full phase-out. Making mere emissions the enemy without acknowledging the role of fossil fuels, as UAE energy minister Suhail al-Mazrouei sought to do earlier this week, is all too familiar a trope of evading responsibility.

With CoP28 entering its last leg, the celebratory mood after the flashy announcements of the Loss and Damage Fund and renewable-capacity/energy-efficiency targets could turn sombre if the final Global Stocktake text falls short of the talk it has sparked. The draft text gave two other options: a rapid phase-out and no text on phase-out. Given that the UAE presidency will be judged on the plan the Global Stocktake negotiations generate, it is important that it walks away from the 'no phase-out' option. Doing that as a petro-state and Opec-plus member would make it more difficult for a Saudi or a Russia to oppose such language. For their part, rich nations, some of which are expanding fossil fuel usage at least in the near future, need to prevail on petro interests to act in the interest of the planet.



Now, 10,000 Fuel Pumps Offer EV Charging Points

Indian Oil leads with facilities at 6,300+ outlets

Sanjeev Choudhary

New Delhi: Around 10,000 fuel pumps across India are currently offering electric vehicle charging facilities, thereby indicating that traditional energy suppliers wouldn't want to be left behind in the country's accelerated transition to electric mobility, as per oil ministry data.



Indian Oil, the nation's top fuel retailer, is leading the race with EV charging facilities at more than 6,300 outlets, according to oil ministry data. Hindustan Petroleum has more than 2,350 outlets with EV chargers while Bharat Petroleum has more than 850 outlets.

Among private fuel retailers, Shell has EV charging facilities at over 200 outlets while Nayara Energy has fewer than 200 outlets, the government data showed. The joint venture of Reliance Industries and BP has EV chargers at less than 50 retail outlets. The government has been pushing state-run oil companies to build a reliable network of charging facilities to help EV drivers overcome range anxiety. This is crucial for faster adoption of electric mobility in the country and bolster the government's aim to cut costly fuel imports besides reducing rampant pollution. On its part,

the oil ministry has mandated all petrol pumps commissioned after November 2019 to have one alternate energy supply besides petrol and diesel. This could be either CNG, biogas, or EV charging. In total, Indian Oil, HPCL and BPCL aim to set up EV charging facilities at 22,000 pumps and have achieved about 40% of their target. Companies are setting up charging facilities within cities as well as on highways.

"BPCL has launched more than 90 EV fast charging highway corridors in the country, with fast charging stations at roughly every 100 kms on both sides of the highways," BPCL said in an email response to queries. "Corridors cover more than 30,000 km (both ways) across highways. Chennai-Trichy-Madurai, Chennai-Bengaluru and Bengaluru-Coorg were the first three EV fast-charging corridors set up by BPCL."

Shell, whose EV chargers are concentrated in Maharashtra, Karnataka and Tamil Nadu, offers cafes and car care at its outlets to allow drivers use these facilities while their cars are charged. Other oil companies have opened convenience stores, eating joints and other services at their outlets. These services help to bring additional revenues to these companies.

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More fossil fuel lobbyists at COP28 than reps from worst-hit nations: Report

Dubai: A record number (2,456) of fossil fuel lobbyists are attending the UN climate summit (COP28) and their strength is higher than that of delegates from 10 most vulnerable countries (1,509), mainly small island nations, underscoring how industry presence is dwarfing that of those on frontlines of the climate crisis, said the Kick Big Polluters Out (KBPO) coalition in its analysis released this week, **reports Vishwa Mohan.**

The summit presidency said COP28 has “dedicated spaces and platforms for all voices to be heard” as part of its commitment to delivering an inclusive conference.

The KBPO coalition — comprising over 450 organisations worldwide united in demanding an end to “big pol-

'4-FOLD INCREASE'

➤ There is an **'explosion of fossil fuel lobbyists'** at Dubai climate talks, says a report by **Kick Big Polluters Out**, a coalition of 450 organisations

➤ Their number has increased 4-fold since previous meet, it says. 'Uptick coincides with a **COP where fossil-fuel phaseout is a focal point'**

➤ Summit presidency says it has given **'dedicated spaces for all voices to be heard'** for an inclusive conference

luters” writing the rules of climate action — said fossil fuel lobbyists are only outnumbered by a 3,081-strong team from Brazil (likely to host COP30 in 2025), and the host nation, UAE (4,409).

► **Big polluters, P 15**

Big Polluters using COP28 to push fossil-fuel agenda: KBPO

'9 Of The 10 Biggest Groups Came From The Global North'

Vishwa.Mohan
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Dubai: A report by a climate coalition (KBPO) pointing to a massive increase in the number of fossil fuel lobbyists attending the COP28 here came at a time when conference president Sultan Al Jaber was at pains to clear the air over his reported remark that there was no science behind the need to phase out fossil fuels.

Emphasising a "better outcome" at COP28, Al Jaber said "phasing down and phasing out of fossil fuels" was inevitable to deal with the climate crisis and his presidency was the first ever to actively call on countries to come forward with language on phase out of fossil fuels.

On a specific question by **TOI** on whether fossil fuel lobbyists were swarming the COP28, the conference spokesperson said, "As part of our commitment to delivering an inclusive COP, COP28 has dedicated spaces and platforms for all voices to be heard across the Blue (official delegates, observers and

media) and Green zones (NGOs, think tanks, advocacy groups and industries).

"We continue to welcome applications to the COP28 Voice for Action Hub, where people are already assembling peacefully around a variety of topics. All applications in the Blue zone are reviewed exclusively by UNFCCC under the longstanding guidelines de-



termined by them. Applications in the Green zone are managed by the host country and are reviewed using the same UNFCCC guidelines from the Blue zone."

The KBPO in its analysis pointed out that there has been an "explosion of fossil fuel lobbyists" heading to UN talks, with nearly four times more than the number granted access last year. "This uptick coincides with a COP where fossil fuels and their phaseout are a focal point," said the KBPO.

Citing examples, it said France brought fossil fuel giants such as TotalEnergies and EDF as part of its country delegation, Italy brought a team of ENI representatives, and the European Union brought employees of BP, ENI and ExxonMobil.

It said, "Vast number of fossil fuel lobbyists were granted access to the COP as part of a trade association. Nine out of the ten biggest of these groups came from the Global North (developed countries). The largest was the Geneva-based International Emissions Trading Association (IETA), who brought 116 people including representatives from Big Polluters Shell, TotalEnergies and Norway's Equinor."

The KBPO alleged that such a large number of fossil fuel lobbyists signals that "COP28 is being used by Big Polluters as an opportunity to advance a fossil-fuelled agenda at the expense of frontline communities... there are more than seven times the number of fossil fuel lobbyists permitted entry to the Dubai talks

than official indigenous representatives (316)".

"Unprecedented access of fossil fuel lobbyists at COP28 raises serious concerns about the integrity of the conference... The involvement of these lobbyists within rich country delegations starkly contrasts with their public stance as climate leaders, exposing a deep-seated hypocrisy," said Harjeet Singh, director of global engagement for the Fossil Fuel Treaty initiative.

Responding to a question from **TOI**, he said, "This year's COP28 is marred by the blatant influence of fossil fuel corporations... To make meaningful progress in equitably phasing out fossil fuels, it is fundamental to root out the influence of these powerful lobbies."

The KBPO analysis noted that the corporate access and lobbying at UN climate talks isn't limited to the fossil fuel industry. It said other polluting industries deeply implicated in the climate crisis such as agribusinesses and transportation are also present, although they are not included in this analysis.

Russia, Saudi urge OPEC+ powers to join oil cuts after Putin-MbS meet

REUTERS

MOSCOW, DECEMBER 7

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Oil market sources said that



Vladimir Putin; Mohammed bin Salman. Reuters

PUTIN EYES 5TH TERM, POLLS ON MARCH 17

Moscow: Russian lawmakers on Thursday set the date of the country's 2024 presidential election for March 17, moving Vladimir Putin a step closer to a fifth term in office. Members of the Federation Council, Russia's upper house of parliament, voted unanimously to approve a decree setting the date. **AP**

such an explicit public remark from the Kremlin and the kingdom about "joining" cuts appeared to be an attempt to send a message to members of the OPEC+ club who had not cut or not cut enough.

The biggest member of OPEC excluded from the cuts is Iran, the economy of which has been under various US sanctions since 1979 after the seizure of the US embassy in Tehran.



Diwali effect: Nov diesel consumption down 3% y-o-y, petrol sales up 9.4%

SUKALP SHARMA

NEW DELHI, DECEMBER 7

INDIA'S DIESEL consumption in November declined year-on-year (y-o-y), even as festival demand pushed up petrol consumption in the Diwali month, according to official fuel consumption data. Oil industry executives said that diesel demand saw a temporary hit in November as a sizable number of trucks would have not plied for a few days given that many truckers tend to take a break around the major festival.

On the other hand, use of personal vehicles usually shoots up amid Diwali festivities, explaining the rise in petrol consumption during the month. Aviation turbine fuel (ATF) consumption also registered robust on-year growth in the peak festival travel season. Diwali was in November this year, while last year, it was in October. This is also likely to have played a role in year-on-year fuel consumption patterns.

India's November diesel consumption declined 3 per cent y-o-y to 7.53 million tonnes, according to data released on Thursday by the Petroleum

FUEL CONSUMPTION			(MT: million tonnes)
	NOV 2022	NOV 2023	Y-O-Y CHANGE
Diesel	7.76 MT	7.53 MT	-3.0%
Petrol	2.86 MT	3.13 MT	9.4%
ATF	0.62 MT	0.69 MT	11.7%
OTHERS	7.86 MT	7.37 MT	-6.2%
TOTAL	19.10 MT	18.72 MT	-2.0%

Source: PPAC, Ministry of Petroleum and Natural Gas

Planning & Analysis Cell (PPAC) of the oil ministry. Diesel is the most consumed petroleum fuel in India, accounting for around 40 per cent of the country's overall consumption of petroleum. The transportation sector accounts for over two-thirds of diesel consumption in the country. A senior official with one of the public sector oil marketing companies (OMCs) said that diesel consumption is likely to normalise in December.

Petrol consumption in November rose 9.4 per cent y-o-y to 3.13 million tonnes, while ATF consumption rose nearly 12 per cent to 0.69 million tonnes according to the PPAC data. Despite higher consumption of petrol and ATF, overall consumption of petroleum products, con-

sidered a proxy for oil demand, declined 2 per cent y-o-y to 18.72 million tonnes.

Apart from the fall in consumption of diesel, lower consumption of products like bitumen, fuel oil, and petroleum coke, among others led to the decline in overall petroleum consumption. On a sequential basis, diesel consumption in November declined 1.4 per cent from October's level, while petrol consumption also contracted slightly--by 0.4 per cent. ATF consumption in November was largely flat vis-à-vis October.

According to industry executives, fuel demand in October was higher due to the onset of the festival season as well as increased demand from the agriculture sector.

