



10 April, 2026

*On behalf of Iberostar Hotels & Resorts, a member of the Climate High Level Champions, we would like to submit the following in regards to the Just Transition Away from Fossil Fuels Roadmap.*

*What are the most critical barriers — whether physical, economic, financial, institutional, technological or social— preventing a transition away from fossil fuels? What potential levers, whether economic, financial, institutional, social or technological, exist for accelerating the implementation of the transitioning away commitment?*

The high cost of capital in developing nations and the continued existence of fossil fuel subsidies create significant market distortions that hinder the competitiveness of clean energy. Deficiencies in current grid infrastructure, lack of large-scale energy storage solutions, and limited access to low-emission technologies prevent the reliable integration of renewable sources. In these cases, it is important to leverage financial drivers, such as grants, that make the business case attractive not only from a sustainability perspective but also from an economic one. In recent years, we have relied on available grants in countries like Tunisia and Morocco, making progress in conducting energy efficiency audits. These audits allow us to better understand consumption distribution across our hotels and plan actions to optimize usage, alongside investments in photovoltaic energy for self-consumption, which enable us to reduce our Scope 2 emissions.

*What country, regional or sector roadmap experiences, best practices, and lessons learned can be shared?*

It is important to adapt to the needs and timelines of each country and to leverage financial drivers that can boost renewable energy and energy efficiency projects. Clearly, Iberostar operates hotels in various destinations where the level of maturity regarding clean energy varies. Actually, in less mature countries, the first step is to reduce fossil fuel consumption by increasing the energy efficiency of the facilities and training the teams involved in hotel operations on responsible energy management. Once fossil fuel consumption is optimized, it is time to analyze alternatives and assess their technical, economic, and future viability—bearing in mind that a system must not only be implemented but also maintained, requiring both the capacity and the knowledge to do so.

*How can a just, orderly and equitable transition best reflect the diverse realities of countries at different stages of development and with different degrees of dependence on fossil fuels?*



The roadmap must recognize that countries with a high fiscal dependence on hydrocarbons require differentiated timelines and trajectories to avoid macroeconomic collapses. A just transition must guarantee access to energy, ensuring that the phase-out of fossil fuels does not exacerbate energy poverty in developing nations. Our 2030 roadmap reflects the points mentioned above. In countries like Spain, we have made progress with four fully electrified hotels. We take advantage of major hotel renovations to eliminate fossil fuel use; concurrently, our investment budget includes dedicated funds for projects aimed at phasing out fossil fuels in Domestic Hot Water (DHW) production. Furthermore, our hotels in Spain have a Power Purchase Agreement (PPA) that guarantees the energy we consume comes from renewable sources, thereby eliminating all our Scope 2 emissions. This situation is not yet possible in other destinations, such as the Dominican Republic. Our steps there are different but always focused on the goal of decarbonization, such as our recent 1MWp projects in Costa Dorada and 1.6MWp in the Bávaro Complex (both in the Dominican Republic). While situations vary by country, our objective does not change; instead, it adapts and seeks solutions to advance the energy transition.