CORE LNGas hive

Co-financed by the European Union
Connecting Europe Facility

Boosting the use of LNG, CORE LNGas hive project

The CORE LNGas hive project, co-financed by the European Commission, is coordinated by the Spanish company Enagás with the leadership of Puertos del Estado (Spanish State Ports). The project has the aim of developing a safe, efficient and integrated logistic chain for the supply of LNG as a fuel for transport, especially within the maritime sector in the Iberian Peninsula. It will foster the use of this alternative fuel not only in vessels but also in the port environment.

All in all it involves 42 partners from Spain and Portugal: 8 state-owned institutions; 13 port authorities and 21 industrial companies, such as ship owners, LNG operators and suppliers of different services in the value chain. The total budget is 33.3M€ and its execution is foreseen until 2020.

25 studies: 14 transversal studies and 11 studies with integrated pilots

14 studies, the "software" of the project that will allow identifying the standards needed for an adequate development of LNG as a fuel, defining training programmes required, accreditation processes and the National Policy Framework.

11 studies with integrated pilots, known as the "hardware" of the project. They will test real parts of the LNG logistic chain needed to supply bunker services of LNG. They include the adaptation of LNG Terminals to offer bunker and small-scale services, the development of logistic equipment (as bunker barges or multimodal transport), and the use of LNG within the port environment.

LNG is a down-to-earth alternative fuel in the maritime transportation sector

In accordance with EU Directive 2014/94 on the deployment of alternative fuels infrastructure (Clean Power for Transport), the project will assist in developing the infrastructure needed to supply LNG as fuel to the maritime sector in the Iberian Peninsula.

LNG is the most environmentally friendly fuel. It helps the decarbonisation process of the European economy and allows for the reduction of our dependence on oil. Moreover, it reduces emissions of sulphur oxides (SOx), particulate matter (PM) and nitrogen oxides (NOx), which will facilitate complying with increasingly tight environmental regulations in the maritime sector.

With 8 LNG terminals, the Iberian Peninsula possesses LNG logistics know-how of more than 45 years, key to the development of the project and the consolidation of the region's leadership in this field. On the other hand, due to its geostrategical position as a very relevant cross point in global shipping routes, the Iberian Peninsula must address the maritime necessities in terms of sustainability, efficiency and operation. All these efforts are in line with the International Maritime Organization (IMO) endeavours, that has set 1 January 2020 as the implementation date for a reduction in the maximum sulphur content of the fuel used, setting the cap on 0.5% m/m.

The CORE LNGas hive project achieved the main items of the Grant Agreement up to date

The project management team of Enagás, with the collaboration of Puertos del Estado and the rest of beneficiaries, following the stabilized plan of the Consortium Agreement signed by all, conducted the first year of execution achieving the main items established in the schedule of the project.

The management aspects of the project based on the Consortium Agreement, where the implementation and the quality assurance plan are defined in order to guarantee the optimal management of the project, as well as ensuring a proper coordination among the activities. According to this, the deliverables and milestones of the project up to date have been achieved.

One of the most important items of the year was the execution of four Working Groups, three Steering Committees and a General Assembly. Thanks to these meetings the level of coordination needed between all the studies and pilots has been achieved.

Moreover, the communication of the project has been fulfilled according to the Communication and Dissemination Plan designed to focus on and fine-tune the activities. In this way, a public website was set up (www.corelngashive.eu), and all dissemination materials foreseen and needed have been produced. Finally, there has been an institutional presentation of the project at the headquarters of the EU institutions in Madrid, Spain.

Some of the deliverables already accomplished are:

- The proposal for the National Policy Framework

  The sub-activity ET0 "Study on National Policy Framework" has fulfilled its aim at drafting the National Policy Framework (NPF) in the section of LNG bunker infrastructure, as provided in the Directive 2014/94/UE on the deployment of alternative fuels infrastructure. This sub-activity was led by Puertos del Estado.

  The results have been integrated as a part of the "National Policy Framework of Alternative Energies for Transport", which is the complete document that Spain as a Member State had to produce in order to comply with Directive 2014/94.

  The study was developed with the collaboration of the so-called "Policy Advisory Group", formed by relevant stakeholders in the field of LNG bunker. As an external body, this Group is an important component of the management structure of the project, since it allowed producing an, as much as possible, consensual proposal of the NPF. Every member state had to notify its NPF to the European Commission by 18 November 2016.
- Conclusions of the LNG demand and supply chain analysis for the Mediterranean, Atlantic, Gibraltar Strait & peripheral island corridors

As planned in ET2, 3&4 sub-activities LNG demand studies and a preliminary supply chain analysis by corridor have been carried out with the support of DNV-GL. The results of these studies aimed at, in a first phase to know the demand in the main corridors and peripheral island ports and in a second phase to develop a safe and efficient, integrated logistics and supply chain for LNG as fuel for maritime transport of the Iberian Peninsula. Furthermore, they are the basis of the roll-out plan for future commercial deployment along the Mediterranean and Atlantic corridors in the Iberian Peninsula.

March/April 2017 **www.lngworldshipping.com**

LNG WORLD SHIPPING

published by riviera

Class of 2017
New LNG projects bring 25 mta to market

Exclusive: the LNG shipping rich list

Gastech 2017: Asia LNG Shipping supplement

"By 2018 we are scheduling to manage LNG transport of some 10 mta by our own fleet"
Yuji Kakimi, president JERA, **page 11**