

The European Commission supports new projects to supply LNG to ships in Spanish ports

- **These projects will be developed in the ports of Barcelona, Algeciras**
- **Enagás has arranged to present these projects to the Connecting Europe Facility (CEF) funding instrument together, part of the 'LNGhive2' institutional strategy promoted by Puertos del Estado**
- **By providing this support, Europe recognises the role of liquefied natural gas (LNG) in the decarbonisation of the maritime sector and in improving air quality in ports**
- **Until June 2020, 297 LNG ship supply operations were carried out in Spain, three times the amount for the same period of the last year**

Madrid, 30 July 2020. The EU will allocate 27 million euros to the implementation of two projects in Spain through the Connecting Europe Facility (CEF) mechanism, which promotes more sustainable and efficient transport.

Specifically, the European Commission will support a number of initiatives, including the development of two new projects to supply liquefied natural gas (LNG) to ships –bunkering- in Barcelona and Algeciras, coordinated by Enagás.

The partners in these initiatives are Enagás, Scale Gas—a subsidiary created through Enagás Emprende programme—Knutsen, the Port Authorities of Barcelona and Bahía de Algeciras.

These projects are framed within the 'LNGhive2' institutional strategy led by Puertos del Estado, to support the development of LNG market as maritime fuel and and to guarantee its bunkering in the ports in compliance with EU Directive 94/2014 on alternative fuels.

Natural gas in decarbonising maritime transport

These new grants show how Europe acknowledges the role that natural gas, and in particular LNG, will play in the decarbonisation of the maritime sector. The funds granted by the Connecting Europe Facility, which have been used to support a total of eight projects in Spain in the latest call, will help to achieve the climate objectives set out in the European Green Deal.

To reduce emissions from ships in ports, the EU gives priority to short sea shipping projects using alternative fuels and to the installation of shore-side energy supply systems.

The initiatives proposed by 'LNGhive2' will further strengthen Spain's position as a European reference in LNG bunkering. They follow the initiatives for small-scale supply and adaptation of infrastructure and logistics that are already underway under the 'CORE LNGas hive' project.

The seven regasification plants in Spain are already adapted to supply LNG in transport, as are some ports, barges and tugboats, port cranes and trains.

Sustainable mobility

LNG is, today, the best option for progress in decarbonising maritime transport. It is a fuel that meets the standards of the International Maritime Organization (IMO), which in January 2020 set the limit on the sulphur content of fuel at 0.5%.

Compared with traditional fuels, LNG eliminates 100% of sulphur oxide (SO_x) emissions, between 80 and 90% of nitrogen oxide (NO_x) emissions and between 20 and 30% of CO₂ emissions. The use of LNG as a marine fuel in Spain will reduce around 2 million tonnes of CO₂ by 2030, which would be equivalent to the introduction of more than one million electric vehicles on the market.

Bunkering operations in Spain

Up to June 2020, bunkering operations in Spain increased threefold compared to the same period last year (89 operations in 2019 and 297 in 2020) and the volume of LNG supplied has almost doubled (38,663 m³ in 2019 and 62,837 m³ in 2020).

According to the DNV/GL certifier, there are 169 LNG-powered ships operating in the world, 222 have been ordered and 126 are "LNG ready". Furthermore, six of the 15 barges currently supplying LNG in the world have operated in Spain in recent years, reinforcing the country's role in supplying LNG to ships from trucks, ships or terminals.

This has been made possible by the development and progress of the 'CORE LNGas hive' and 'LNGhive2' public/private initiatives, co-financed by the European Commission. A total of 49 partners are taking part in these initiatives -21 public (including 13 port authorities) and 28 private/industrial partners.