EU Policy framework and what BPO is doing concerning LNG bunkering infrastructure

LNG Training for Port Communities
LNG in Baltic Sea Ports II Project

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- TEN-T / CEF MoS Programme & Projects
- LNG Ports in the Baltic Sea Region
- LNG shipping Fleet
- Summary
• BPO is a regional ports association
• Non-Profit Networking organization
• 45 of the most significant ports in nine countries
• Promoting Environmental management in the ports
• Contributing to the clean and sustainable development of the BSR
• Lobbing for port sector in EU bodies
About BPO

BPO represents the interests of the Baltic Sea ports towards EU institutions and other relevant organizations.

BPO contributes to the clean environment of the Baltic Sea, promotes environmental management in the ports and plays an active role in international dialogs where the environment is concerned (BPO Environmental Working Group).

BPO organizes dedicated conferences, seminars, study visits, dealing with questions in the area of port operation and management, and the environmental impact of port activities.

BPO supports and plays an active role in research, science and training which lead to a better understanding of the transport sector in the region and to study future challenges.
Sulphur Directive and LNG as fuel for shipping

BPO has been very concern about the impact of Sulphur Directive

- Cancelation of routes
- Modal shift- sea to land
- Competitiveness of the BSR

However,
- BPO has been taking pro-active approach.
Sulphur Directive and LNG as fuel for shipping

Maritime Stakeholder Event:
“Clean Air at sea: promoting solutions for sustainable and competitive shipping”,
Brussels, 1 June 2011

‘LNG in particular has the potential to be an environmentally friendly and viable alternative to marine fuel oil and marine gas oil, particularly at the beginning for short sea shipping.’

By Mr Siim Kallas,
Vice-President of the European Commission
Sulphur Directive and LNG as fuel for shipping

EU Policy and regulations:

- New TEN-T Policy/CEF
- Clean Fuel Strategy
- Directive on the deployment of alternative fuels infrastructure
  - ‘A core network of refuelling points for LNG at maritime and inland ports should be available at least by the end of 2025 and 2030, respectively.’
- European Sustainable Shipping Forum
EU Commission – Clean Fuel Strategy Development

- Ships: LNG refueling installations in all 130 maritime and inland ports on the Trans European Core Network (2025 – 2030)

- Lang Haul Trucks: LNG refueling installations every 400 km along the roads of the Trans European Core Network (2020)
Infrastructure build-up by 2025/2030

• Minimum number of **recharging points for EVs** reaches set values per MS, with at least 10% publicly accessible
• Minimum number of **hydrogen refuelling stations** to connect those already existent in MS, with maximum distances of 300 km to allow the circulation of HFC vehicles
• **LNG refuelling points for waterborne vessels** in all maritime ports and inland ports of the TEN-T Core Network
• **LNG refuelling points for road transport vehicles** along the TEN-T Core Network with a maximum distance of 400 km
• Sufficient **CNG refuelling points** with maximum distances of 150 km to allow the circulation of CNG vehicles
Sulphur Directive and LNG as fuel for shipping

Therefore; BPO has initiated development of LNG bunkering infrastructure in the Baltic ports

and

In September 2011 the project LNG in the Baltic Sea Ports was delivered to TEN-T EA for co-financing by EC within TEN-T/MoS Program 2011 and accepted after evaluation.

In March 2014 the project LNG in the Baltic Sea Ports II was delivered to TEN-T EA for co-financing by EC within TEN-T/MoS Program 2013 and accepted after evaluation.

Moreover, there are other initiatives focusing on LNG...
HEKLA – Helsingborg & Klaipėda LNG Infrastructure Facility Deployment

The LNG infrastructure action has been initiated by the BPO and is a continuation of the well-established ‘LNG in the Baltic Sea Ports I & II’ – TEN-T, MoS Projects

GLOBAL PROJECT: Development of an LNG bunkering network in the seaports of the Baltic Sea region as an element of the Baltic Motorways of the Sea Programme

- HEKLA action – second phase of the Global Project’s implementation
- Real investment;
  - Helsingborg – Construction of LNG liquefaction plant
  - Klaipeda – Construction of on-shore LNG reloading station
- An important step forward towards creating the LNG bunkering infrastructure network in the BSR.
HEKLA – LNG campaign and LNG Baltic market development

- The HEKLA on-the-road campaign will be provided by permanent distribution of relevant information to all stakeholders having an interest in utilising LNG technology of Helsingborg and Klaipėda.

West Baltic HEKLA on-the-road campaign:
Rostock/Lübeck → Aarhus → Trelleborg/Ystad → Copenhagen/Malmö → Helsingborg

East South Baltic HEKLA on-the-road campaign:
Gdańsk → Gdynia → Riga → Ventspils → Klaipeda

- HEKLA project to be financed from the EU budget- proposed on 10th July by CEF Coordination Committee.
LNG Ports in the Baltic Sea: LNG Bunkering & Terminals
LNG Infrastructure and Shipping Fleet

- MS Viking Grace – bunkering in Port of Stockholm
... and Helsinki

Source: Port of Helsinki
LNG sea going vessels

- 63 LNG fuelled ships in operation worldwide
  May 2015

Source: DNV GL
LNG sea going vessels on order

- 76 LNG fuelled ships on order worldwide, May 2015

### LNG Fuelled Ships on Order

<table>
<thead>
<tr>
<th>Year</th>
<th>Type of Vessel</th>
<th>Owner</th>
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* LNG carriers and inland waterway vessels are not included.

Source: DNV GL
**LNG sea going vessels**

- Current development is behind DNV GL projections

**Global Development combined:**
- Norway: 44%
- Europe: 30%
- America: 20%
- Asia & Pacific: 5%
- Middle East: 1%
TEN-T Policy, CEF for 2014-2020

- 26 billion Euro for transport infrastructure

High priority of environmental issues of the MoS development, referring to implementation of the Sulphur Directive including LNG bunkering infrastructure

- Many new applications on LNG bunkering has been delivered for last call (February 2015)
Summary:

Baltic ports are preparing for LNG bunkering
Summary:

*BPO has been initiating a cooperation between ports to increase preparedness for LNG bunkering*

*BPO will further encourage Baltic ports and initiate new projects focusing in LNG bunkering*
Summary:

- A dozen ports planning LNG infrastructure in BSR
- More mature projects with real infrastructure deployment
- SECA ship-owners going for scrubbers
- More bunkering ports coming
- Challenges and opportunities still remain
Thank you!

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LNG in Baltic Sea Ports Projects