

## PRESS RELEASE

### **LNG as marine fuel: why it is a true revolution**

*The development of shipping powered by liquid methane will be one of the main themes of the upcoming [“The Small Scale LNG Use, Euro-Mediterranean Conference & Expo” \(Napoli, 15-16 May 2019\)](#), with the the urgency to plan the necessary LNG supply structure for ships at the center of the debate.*

Roma, 24 April 2019 – The main players of the maritime logistics of liquid methane in the central Mediterranean will discuss about the importance of a network of depots and shore-to-ship / ship-to-ship bunkering: **Avenir, Higas with Gas and Heat and CPL, Edison, Olt, Snam** and also the main stakeholders, such as the **Carnival group**.

The question of “egg or chicken”, with regard to **LNG shipping in the Mediterranean**, has been resolved with the choice by cruise shipowners to build ships despite the absence of efficient ground supply points. Now that the ships are working, they sail from the Baltic to the Tyrrhenian Sea, passing through the Atlantic of Madeira and Tenerife crossing Gibraltar, with the tanks asking only to be supplied (3,500 m<sup>3</sup> at a time, for the largest cruise ships).

In mid-April the **AIDAnova** (Carnival-Costa Group, Italian flag), the **first cruise ship that can only use LNG in its engines** (which, however, can also work with marine diesel) entered the “Mare nostrum”. Other fully LNG ships already operating and in line in the Mediterranean are the **“Elio” ferry of Caronte and Tourist** (which however does not know where and how to obtain supplies in the Strait of Messina) and the **“Hypatia de Alexandria” of Balearia** (bunkered by tankers in the port of Barcelona).

AIDAnova is the first of a large series of new LNG cruise ships; more than ten others of similar tonnage are being built and/or ordered by the main world cruise owners. The **Costa Smeralda** and the first LNG of the **MSC cruise** company will also arrive in the Mediterranean this year. The difference with the ferries is that they require hundreds of m<sup>3</sup>, the large ships thousands of m<sup>3</sup>.

To get an idea of what this means for maritime LNG demand, just think that **bunkering in Rotterdam went from 1,500 m<sup>3</sup> in 2017 to 9,500 m<sup>3</sup> in 2018**, despite the competition of the Dunkirk regasification terminal, which can bunker from shore-to-ship through tanks with a capacity ranging from a few thousand m<sup>3</sup> to many tens of thousands. If we assume 30 supplies from here to the end of the year in the Mediterranean we are talking about over 110 thousand m<sup>3</sup> of LNG (from the few hundred in 2018).

The arrival of other **cruise ships** and the spread of **ferries, container ships** (18 under construction only by the French company CMA CGM, which operates in the Mediterranean) and **oil tankers** (increasingly fueled by LNG) will increase statistics tenfold in a few years. The business is now ongoing, and many skeptics are now changing their minds. At this point any missed investment in logistics is a loss.

The management of those **systems, alternatives to LNG**, such as *scrubbers*, which make it possible to reduce emissions even using the most polluting fuel, is proving more complex than expected (cleaning and disposal or recycling of filtered residues) and inspections are in place to prevent misconduct, (e.g. spills at sea). No one has any idea what the **prices of diesel with a sulfur content of 0.5%** will be in 2020 and subsequent years. 0,5% is going to be the mandatory limit in all the seas of the world in just 8 months (from 1 January 2020), for those who choose neither LNG or scrubbers.