



The president of Puertos del Estado, José Llorca, opens the Second Conference for the Core LNGas hive Project

**"This is a State project making great strides in the search for solutions that favour the decarbonisation of maritime transport"**

- In 2017, 58 LNG supply operations were completed at Spanish ports
- The Core LNGas hive Project will continue with the strategies that were presented at LNGHIVE2 and on which work will soon begin

23-03-2018 (Ministry of Public Works). The second conference for the Core LNGas hive Project to promote liquefied natural gas (LNG) as a fuel in the transport sector took place this morning in Silleda, within the framework of the Galicia Energy Fair. The event was opened by the president of Puertos del Estado, José Llorca; the general manager of Energy and Mines for the Local Government of Galicia, Ángel Bernardo Tahoces; the general manager of Infraestructuras de Enagás, Claudio Rodríguez; and the general manager of Reganosa, Emilio Bruquetas.

**The aim of the conference was to disclose the project's status and the support of the European Commission and Spanish Government in driving decarbonisation in the transport industry, especially the maritime transport industry.**

**The president of Puertos del Estado, José Llorca, noted that the CORE LNGas hive Project "is a State project", and therefore a cooperative project in which all partners are actively participating. "In the scope of international maritime transport, Spain is at the centre of the main routes and it enjoys a privileged position in the provisioning of LNG ships" as it is the leading European country in terms of infrastructure.**

– THE DEMAND FOR LNG CONTINUES TO GROW



# Press release

**Llorca welcomed the developments that took place in the year** this initiative has been in operation. According to the data available, **the world's fleet of ships that run on LNG has increased by 50%**, with there being **119 ships in operation today and 125 in orders to be delivered by 2024**. He said these figures show shipping companies' support for technology using LNG as a fuel thanks to its advantages in terms of emissions. However, much work is still to be done as these ships do not represent even 1% of the global fleet.

**With regards to Spain**, there have also been examples of positive development in this last year, as shown by the **58 operations supplying LNG** as a fuel during 2017, with notable highlights including the start of the first regular supply operations at the Port of Barcelona, the first European direct supply operation from pipe-to-ship (PTS) - undertaken at the Port of Cartagena - and the first ship-to-ship (STS) supply operation in southern Europe - performed at the Port of Bilbao.

In matters of infrastructure, Llorca said that **progress is being made in adapting the docks at Ferrol, Bilbao, Barcelona and Cartagena** for bunkering and small-scale supply. In addition, **adaptations are anticipated at Huelva and Sagunto**.

## – PRACTICAL, EFFICIENT REGULATION

The president of Puertos del Estado declared that **the priority for this year is to provide this port service with regulations that gather the technical and safety requirements of operations**, giving them a practical, efficient focus in relation to their implementation at ports. In this regard, along with matters related to the qualification of people responsible for supply operations, general management at Marina Mercante is collaborating on this task, as are several universities.

Finally, **Llorca announced** that in light of the market's positive development in the last year, the new initiatives that have arisen and the advances at regulatory level (which are hoped will materialise soon), **work on the content of the LNGHIVE2 strategy will begin in a manner that is agreed with all market agents**. This strategy, led by Puertos del Estado, seeks to



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provide coverage to the unveiling of offer (supply points) and demand (ships) implementation projects from 2018 to between 2025 and 2030, which coincides with the Directive on alternative fuel and core network implementation, in accordance with the Trans-European Network Ruling.

**LNGHIVE2** is a project strategy that aims **to provide support from administration to market launch**, maximising opportunities to win grants and facilitating access to funding for projects in competitive conditions (in fact, preliminary discussions are already being held with the EIB).

To finish, the president of Puertos del Estado confirmed that the final goal is to promote deployment that will offer shipping companies the greatest gathering possible of LNG supply options at Spanish ports, which will allow the country to compete in a global market. In this vein, studies indicate that the most competitive logistics solutions in this emerging market phase will be those that offer flexibility and that are supported by Spanish plants' capacity for regasification. **With regards to the long term, with a market that could reach a volume of more than 10 Mm<sup>3</sup> per year in consumption of LNG in Spain, work must begin on developing gas infrastructure at Spanish ports and on models that allow third parties to access and use these facilities.** It is hoped that this exercise will be agreed with all market agents and, of course, developed under the Port Authorities.