

EU to fund program to expand use of LNG-powered ships in Mediterranean

The European Union is working on a program to support the use of liquefied natural gas (LNG) as marine fuel in the eastern Mediterranean because it could be an economically attractive way to help meet regulations calling for a mandatory decrease in sulphur content in marine fuels to 0.5%.

“This project aims to design an LNG transport, distribution, supply, including bunkering, network and infrastructure for LNG use as marine fuel in the eastern Mediterranean (Greece, Cyprus, Italy) and define the framework for a well-functioning and sustainable market,” the EU said in a statement released on December 19. A total of 2.5 million euros of co-financing will be spent by the EU just in the initial design stage.

There are regulations already approved in Europe under which the region shipping sector must reduce greenhouse gas emissions by at least 40% by 2050. The EU has already mandated that core European ports must offer LNG loading facilities by 2030.

Bunker fuels have the most sulphur of nearly all fuels used. LNG, on the contrary, is seen as a cleaner alternative not just for shipping but increasingly for all other transportation vehicles making long trips including trucks operating in the some of the world's highways.

The design project is to be completed by December 2015, the EU said.