



The 12th International Fujairah Bunkering & Fuel Oil Forum Fuelling The Future - Solutions & Challenges

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FUJCON 2021: LNG bunkering 'has to be part of the solution' for IMO 2030/2050, says FGE Chairman

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The consumption of liquefied natural gas (LNG) as a bunker fuel, together with other solutions, can help the shipping industry meet IMO 2030/2050 targets, believes the Chairman of independent global energy consultancy Facts Global Energy (FGE).

The International Maritime Organization (IMO)'s initial GHG strategy envisages to reduce CO2 emissions per transport work, as an average across international shipping, by at least 40% by 2030 pursuing efforts towards 70% by 2050 compared to 2008; and that total annual GHG emissions from international shipping should be reduced by at least 50% by 2050 compared to 2008.

"I don't think it's possible without LNG to reach those goals. LNG has to be part of that package but it is obviously clear that not one solution is enough," Dr Fereidun Fesharaki told delegates at the 12th Fujairah International Bunkering and Fuel Oil Virtual Forum (FUJCON 2021).

“There may be more desperate and multiple solutions to be able to get us to the target of 50% that IMO is asking for; but basically IMO’s targets are supportive of LNG bunkering and there is still a lot of potential for LNG bunkering in front of us as we go forward.”

Vessels using purely LNG as a bunker fuel, compared to traditionally fuelled ships, will be able to reduce carbon dioxide emissions and nitrogen oxide by between 20 to 25% and 85% respectively.

“This is a benefit that’s very hard to forget and it’s something which will be material and as we go forward this becomes more and more important,” he highlights.

“So far, we have not had the direct support from IMO for LNG bunkering but it has to be part of the solution. There is no way that we can reach the solution that IMO is looking for without LNG bunkering.”

Moving forward, Dr Fesharaki expects rapid growth in the carbon neutral LNG market within the coming years.

“One of the more topical issues today is carbon neutral LNG where it has become very fashionable. Shell has been at the forefront but now globally we see Total, Mitsui, Gazprom, and others selling carbon neutral LNG cargoes,” he shares.

“Currently, there are no international standards [for carbon neutral LNG] but we think this is a growth area and there will be a *lot* of carbon neutral LNG into the market.

“In the long term, it will also help change the face of the LNG business. We expect about 30 million tonnes of carbon neutral energy to be offered in the market in the next two or three years, so it is a market which is likely to grow very fast.”

A series of interviews conducted by Manifold Times as part of pre-event coverage for FUJCON 2021 can be found below:

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