



PRESS RELEASE

Italian maritime transport goes green

The prospects for the use of liquefied natural gas shown during the workshop of Livorno, organized by the Italian General Command of the Coast Guard along with the company OLT Offshore LNG Toscana

Livorno, October 18th, 2016 - It was held today at the Old Fortress of Livorno the workshop "The green meets blue. The LNG in shipping, including regulatory issues, technology and socio-economic opportunities", organized by the General Command of the Coast Guard - Coast Guard 6th Department - Safety of Navigation and the company OLT Offshore LNG Toscana.

The event, which was attended by large institutional representatives and some important players of the market, was an opportunity for dialogue and exchange on the use of liquefied natural gas as an alternative fuel for maritime transport from a regulatory and operational point of view.

The intervention of Admiral Luigi Giardino of the General Command of the Coast Guard - Coast Guard 6th Department - Safety of Navigation, has opened the debate: *"The workshop represents an important opportunity for discussion and sharing of intent with stakeholders that for various reasons are bearers of a collective interest that converges in the same direction with the public action. Moreover, the attention that the CG of the Coast Guard, as the Flag Administration, showing, on the development of new ship alternative propulsion technologies such as LNG, coincides with the specific activities the national transposition of international standards such as the IGF Code (International Code of Safety for ships that use gas or other fuels with a low flash point). Although the IGF Code will come into force January 1st, 2017, the GC has already ongoing technical studies and related assessment plans, to the full implementation of such a code, in order to allow some cruise ships already under construction the possibility to be fully compliant to the same"*.

The Navy Captain, Maritime Director of Tuscany Region, Head of the Maritime Compartment and Commander of the Port of Livorno, Vincenzo Di Marco, added: *"The LNG stands for the future as fuel to be used more and more in order to save more energy. This will be all-round, that is for both civil/environmental purposes and for those typically maritime. A specific reality as OLT requires a special attention by the Authorities responsible for ensuring the activities in maximum safety conditions and I believe that the Maritime Authority since now has very well compared with those who have been and are today the Company's need to issue"*.

The regulatory environment is ready, as underlined by Liliana Panei of the Ministry of Economic Development: *"Within a month it is expected the transposition of DAFI Directive on the infrastructure for the use of alternative fuels, and this will allow to draw a national strategic framework to develop the market of new alternative fuels, further simplifying the administrative procedures for the storage of LNG"*.



Also the Ministry of Infrastructures and Transport has given its contribution to the workshop, with the intervention of Eugenio Minici: *"With the Decree of July 9th, 2015, the MIT has established a forum for the discussion on alternative fuels in line with the provisions of DAFI Directive and it has come to a Legislative Decree on the creation of infrastructures for alternative fuels. The final objectives of this process are the reduction of polluted emissions and the development of a national strategic framework. The supply network must provide central ports in the TEN-T network and peripheral ports. There were identified three macro areas: Tyrrhenian/Ligurian Sea, Adriatic Sea and the South Sea of Italy"*.

During the workshop, the president of the Port Authority of Livorno, Giuliano Gallanti, has placed emphasis on the environmental issue that plays a central role in the development of the supply chain related to LNG. Afterwards, he also spoke Massimo Provinciali, general secretary of the Port Authority: *"The Port of Livorno is ready to ramp up this planning, already having both the infrastructures and the supply chain"*.

On the prospects related to regulations, technology and socio-economic opportunities, the "FSRU Toscana" Terminal, 22 km off the coast between Pisa and Livorno, represents a focal point for the company OLT Offshore LNG Toscana: *"For the strategic location of our Terminal, in the center of the Mediterranean, and the versatility of the plant from an engineering point of view" - had stressed the management of the company - "we believe that our Terminale is an important asset in this context, to guarantee energy supply of our Country. We have started, to this end, a specific pre-feasibility study with very positive outcome, co-funded by the European Union under the project "Sea Terminals" in collaboration with the Valenciaport Foundation, the Port Authority of Livorno, under the supervision of the Ministry of Infrastructures and Transport and in line with the National Strategic Plan for Consultation Document on the use of LNG in Italy, carried out by the Ministry of the Economic Development. We hope that the discussion begun today may open even more the way for this development path"*.

Assocostieri, as the National Association of coastal deposits - represented by the General Manager Dario Soria - had the opportunity to underline: *"The need to create a link between energy logistics and maritime transport network and beyond"*.

Concrete prospects for development of the sector from a regulatory and technological point of view, were presented and indicated by Benjamin Scholz, Ship Type Expert Gas Carriers of the certification world's leading DNV GL: *"In addition to fully meet the safety criteria, there are many advantages associated with the use of LNG as ship fuel: silent ships, lower consumption of lubricants, greater fuel efficiency, cleaner engine room. There are also many advantages in terms of maintenance of the units, with longer overhaul intervals and less deposits in the engine"*.

Among the speakers of the workshop, there were also some of the major players of the market at national and international level. Peter Fowles, Project Manager LNG Supply Strategy of Carnival Corporation & plc, outlined the best practices implemented by the company on LNG-fueled ships of the AIDA fleet: *"The AIDAPrima was the first cruise ship to generate electricity from liquefied natural gas when at berth, in port areas, with the consequent reduction in emissions by around 20% for CO₂, 99% sulphur and 90% particulates. Working together with the suppliers and class we have developed a safe and reliable supply system. This could not have been possible without the full support of the ships flag administration in Italy"*

Gas and Heat, company operating in the supply of LNG storage and transportation systems and LNG power conversion: *"Our know-how is geared to the planning and the supply of tank vessels LNG fueled - said the CEO, Claudio Evangelisti - In 2014 we started a joint venture for LNG*



storage and supply by land in Sardinia, the only Italian Region to be not achieved by the LNG distribution network in Italy".

On the Livorno area was focused the intervention of Francesco Franchi, President and Chief Executive Officer of Eni Costiero Gas, illustrating the future of LNG coastal storage system in Livorno: *"With a total capacity of 9,000 cubic meters, a maximum flow rate of supply of 1,000 cubic meters per hour, the transfer capacity of barges of 250 cubic meters per hour and a loading capacity of tank trucks and rail tank of 60 cubic meters per hour, we are planning a multimodal cargo terminal, of which we expect to enter into operation by 2019".*

In addition to the OLT Terminal, other projects are ongoing in Italy that may assure an important contribution to the development of the sector, as the LNG Terminal of Gioia Tauro - illustrated by Pier Filippo Di Peio, CEO of LNG Med Gas Terminal - a facility that will provide a reference point for the area of the Southern Mediterranean, in particular for the supply of ships in transit in the Port of Gioia Tauro and the supply of coastal deposits in South Italy.

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