



2016/2059(INI)

7.9.2016

OPINION

of the Committee on Transport and Tourism

for the Committee on Industry, Research and Energy

on the EU strategy for liquefied natural gas and gas storage
(2016/2059(INI))

Rapporteur: Cláudia Monteiro de Aguiar

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SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on Industry, Research and Energy, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Welcomes the Commission's strategy to support the use of LNG as an alternative fuel for transport where it replaces more polluting conventional fuels and does not take the place of renewable energy sources, provided that it is sustainably produced and contributes to the aim of transport decarbonisation; stresses the environmental benefits of blending LNG used in transport with sustainable liquid biomethane made of waste and residues;
2. Stresses that the EU strategy for LNG must be consistent with the framework strategy for a resilient Energy Union and support increased security of energy supply, decarbonisation and long-term sustainability of the economy, as well as the delivery of affordable and competitive energy prices for consumers; underlines, furthermore, that the strategy needs to fit into the wider European climate and energy targets and priorities, and correspond to the COP21 agreement, putting a focus on reducing demand, improving energy efficiency and phasing out fossil fuels;
3. Points out that the use of LNG in heavy-duty vehicles, seagoing ships and inland waterway vessels can reduce emissions of various pollutants (SO_x, NO_x and particulate matter) and, in the case of shipping, can allow the sector to meet the requirements of EU and international environmental legislation by decreasing the sulphur and nitrogen content in marine fuels used in the Emission Control Areas and beyond;
4. Stresses that the use of LNG may also lead to a reduction in greenhouse gas emissions from maritime and road transport, provided that all effective measures are taken to minimise methane slip throughout the lifecycle of the fuel, including in the production, distribution, and combustion phases; calls therefore for adequate measures to minimise methane slip in the overall LNG chain through the use of the best available technologies and to ensure adequate R&D financing for that purpose;
5. Recalls that Parliament has repeatedly called for binding 2030 climate and energy targets of at least a 40 % domestic reduction in GHG emissions, at least 30 % for renewables and 40 % for energy efficiency, to be implemented by means of individual national targets;
6. Notes that LNG, and in particular compressed natural gas (CNG), is also a viable solution for public transport that is already available and can help to reduce air and noise pollution, improving living conditions especially in urban agglomerations;
7. Notes that although LNG and CNG can present viable transitional solutions to reduce the environmental impacts of transport, their long-term benefits will be realised only if a smooth transition towards the use of liquefied biogas (LBG) and other forms of renewable energy is simultaneously promoted by also ensuring the interoperability of LNG and LBG systems;
8. Emphasises that an efficient network of refuelling infrastructure is a prerequisite for the substantive deployment of LNG as an alternative fuel in the transport sector; calls on the Commission and the Member States to create incentives for the development of such

infrastructure in order to close the existing gaps in provision and create a complete supply network;

9. Calls on the Member States to transpose Directive 2014/94/EU on the deployment of alternative fuels infrastructure by 18 November 2016, and to ensure its implementation within the prescribed time limits, in particular as regards the establishment of LNG refuelling points, at least along the existing TEN-T Core Network, to ensure that LNG heavy-duty motor vehicles can circulate throughout the Union, and at maritime and inland ports to enable LNG inland waterway vessels or seagoing ships to circulate throughout the TEN-T Core Network; recalls that Member States should assess, in their national policy frameworks, in close cooperation with their regional and local authorities, the need to install refuelling points for LNG in ports outside the TEN-T Core Network, and emphasises that this assessment should include a detailed cost-benefit analysis; calls also on the Commission to assess whether the existing financial instruments are adequate for supporting the construction of LNG refuelling points in ports outside the TEN-T Core Network;
10. Calls also on the Member States to ensure the implementation of Directive 2014/94/EU as regards the establishment of CNG refuelling points to ensure that motor vehicles running on that fuel can circulate in urban/suburban agglomerations and other densely populated areas, and at least along the existing TEN-T Core Network to ensure that those vehicles can circulate throughout the Union;
11. Stresses the need to establish common technical specifications for LNG refuelling points for seagoing ships, inland waterway vessels and motor vehicles, as provided for in Directive 2014/94/EU; calls for rigorous harmonised safety rules and training for LNG storage, bunkering and on-board use throughout the Union, while also allowing the possibility of simultaneous bunkering and cargo operations; notes that this work should be carried out in close cooperation with the International Maritime Organisation (IMO) and the European Maritime Safety Agency (EMSA);
12. Stresses the need to ensure adequate R&D financing for the development of improved technologies for inland waterways vessels, seagoing ships and motor vehicles with the aim of shifting swiftly to a lower-carbon fleet, as well as for the development of unmanned systems for the installation of LNG refuelling points; calls also on the Commission and Member States to create incentives for the development of vessels and motor vehicles running on LNG, or retrofitting those running on conventional fuels to enable them to use LNG;
13. Calls on the Commission and the Member States to create incentives for the transport of LNG by rail, as this will both reduce road transport and contribute to the environmentally sound and safe transport of a fuel which is sustainable and low in pollutants;
14. Calls on the Commission to revise Directive 2009/33/EC on the promotion of clean and energy-efficient road transport vehicles in order to provide stronger incentives for contracting authorities and entities and certain operators, when buying road transport vehicles, to take the energy and environmental impact into account, one aim being to promote fleet renewal by encouraging greater use of substitute fuels such as LNG and biogas;

15. Calls on the Commission, as regards the Fuel Quality Directive, to set a new target for lowering the lifecycle greenhouse gas intensity of transport fuels, not least with a view to promoting LNG and biogas, whose lifecycle carbon intensity is lower than that of conventional fuels;
16. Calls on the Commission, after consulting the stakeholders, to consider whether, alongside Regulation (EC) No 443/2009 setting CO₂ emission performance standards for new passenger cars, it might establish a CO₂ equivalent for hydrocarbon emissions, not least with a view to informing consumers;
17. Points out that the prospect of a dramatic expansion of around 50 % in global supply of LNG over the next few years, and consequently of lower prices, presents a major opportunity for the Union, particularly when it comes to gas security and resilience;
18. Calls on the EU to complete the internal gas market so that it sends the right price signals – both to attract LNG to where it is needed and to allow the necessary investments in infrastructure to take place;
19. Calls on the EU to step up its efforts to cooperate closely with international partners to promote free, liquid and transparent global LNG markets;
20. Stresses that access to LNG must also be facilitated internationally, and that LNG storage must therefore be based on a transparent and non-discriminatory tariff structure agreed between Member States;
21. Stresses the importance of LNG infrastructure at maritime and inland ports in promoting multimodality, as they can be used by sea-going ships, inland waterway vessels and trucks for the further overland transport of the fuel; urges national and regional operators to cooperate closely, with the aim of enhancing the multi-functionality and exploitability of the infrastructure;
22. Notes that the current LNG terminals are not optimally distributed across the EU; stresses that sea ports play an important role in optimising the distribution of LNG across the Union by acting as LNG hubs; calls for the establishment of a long-term and stable financial framework and continuous funding opportunities through the European Fund for Strategic Investments (EFSI), the Connecting Europe Facility (CEF) and its synergies between the transport and energy sectors, Motorways of the Sea, Horizon 2020, the European Structural and Investment Funds and the European Investment Bank;
23. Stresses that the TEN-E Regulation, together with the Connecting Europe Facility, establishes an appropriate policy framework for also supporting the EU's gas infrastructure, including transmission, LNG terminals and storage, making it considerably easier to identify projects the EU needs and ensuring their implementation;
24. Calls on the Commission to identify together with the Member States gas storage facilities of regional importance, and to ensure financial support to promote the most efficient construction and use of infrastructure or improve the existing capacity in a timely manner;
25. Considers that the principle of geographical balance should be taken into account when selecting the future location of new LNG terminals or modernising/increasing the capacity

of existing LNG terminals supported by EU funds; stresses that the full economic case for new terminals should be considered and the most cost-effective solutions be adopted, in order to allow all Member States to benefit from access to international LNG markets, either directly or via other Member States;

26. Calls on the Commission and the Member States to present cost-effective, environmentally sustainable solutions for the distribution and storage of LNG in the Union, in particular in its outermost regions, and for adequate financing, ensuring affordable prices for the end-users; stresses the need to look at all existing solutions for the storage and distribution of LNG, in particular in island regions, including solutions such as virtual pipelines, small-scale infrastructure or the use of vessels transporting LNG, taking into consideration the potential evolution in demand for that fuel;
27. Stresses that the strategy should also include the use of LNG as an alternative to the development of gas distribution and transmission infrastructure in areas where it is not currently cost-effective; notes that small LNG installations can provide the optimal infrastructure for increasing the use of natural gas in areas where investments in gas infrastructure are unprofitable, including for increasing the use of gas to generate heat and thus curb so-called low-stack emissions;
28. Stresses that investment in LNG or gas infrastructure should avoid the risk of technology lock-in or stranded assets in relation to fossil fuel infrastructure; stresses the need to assess LNG supply alternatives, regional options and environmentally sustainable solutions, and to promote the most efficient use of existing LNG terminals with a cross-border perspective; stresses that priority should be given to market-based solutions responding to real gas demand and to the further development/enhancement of interconnections;
29. Stresses the importance of regional cooperation when building new LNG terminals, and underlines that Member States with access to the sea should cooperate closely with landlocked countries; stresses that, in that regard, an optimal use of the West-East and North-South corridors with improved reverse-flow capacity would allow the transmission of LNG in countries that do not have direct access to a regasification terminal;
30. Asks the Commission to create, jointly with the Member States and their regions, a common project of 'LNG Blue Corridors for Islands' for the maritime sector, including ports of the TEN-T Comprehensive Network in order to establish the necessary LNG infrastructures and to link this network to the TEN-T Core Network;
31. Calls for a rapid implementation of the key projects of common interest which have already been agreed, especially the ones which will ensure the integration of the gas market of the Iberian Peninsula with the rest of Europe;
32. Welcomes the fact that important LNG projects (e.g. the North-South corridor) are being defined as projects of common interest; calls on the Commission to fully include Balkan countries when planning the further construction of gas pipelines and the TEN-E network so as to ensure a key role for the EU energy sector in the region;
33. Stresses the importance of security of supply in the Member States of the Black Sea region, which has increasing potential for further development of LNG projects, aiming at the transport of natural gas from the Caspian region to Europe;

34. Emphasises the importance of further expansion of the gas supply infrastructure from the East Med Gas Corridor and of exploring the possibility of developing its capacity to become a Mediterranean LNG terminal hub.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	1.9.2016
Result of final vote	+: 38 -: 5 0: 0
Members present for the final vote	Daniela Aiuto, Lucy Anderson, Inés Ayala Sender, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Andor Deli, Karima Delli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Tania González Peñas, Dieter-Lebrecht Koch, Miltiadis Kyrkos, Bogusław Liberadzki, Peter Lundgren, Marian-Jean Marinescu, Georg Mayer, Cláudia Monteiro de Aguiar, Jens Nilsson, Markus Pieper, Salvatore Domenico Pogliese, Gabriele Preuß, Christine Revault D'Allonnes Bonnefoy, Dominique Riquet, Massimiliano Salini, Claudia Țapardel, Keith Taylor, Pavel Telička, István Ujhelyi, Wim van de Camp, Janusz Zemke, Roberts Zile, Kosma Złotowski, Elżbieta Katarzyna Łukacijewska
Substitutes present for the final vote	Ivo Belet, Michael Gahler, Karoline Graswander-Hainz, Werner Kuhn, Jozo Radoš, Henna Virkkunen
Substitutes under Rule 200(2) present for the final vote	Urszula Krupa