



Brussels, 7.6.2013
C(2013) 3383 final

COMMISSION DECISION

of 7.6.2013

**concerning the adoption of a financing decision for 2013 to finance a preparatory action
in the field of mobility and transport**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹ (the 'Financial Regulation'), and in particular Article 54 (2)b thereof,

Having regard to Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union²,

Whereas:

- (1) In September 2011, the Commission issued a staff working paper on a "sustainable waterborne transport toolbox"³ describing possible measures to minimise the compliance costs for the industry in view of the proposed new sulphur limits on sulphur content of marine fuels. As part of the toolbox implementation, the European Maritime Safety Agency (EMSA) has carried out a study on standards and rules for bunkering gas fuelled ships.
- (2) The study made an inventory of the existent rules and standards, as well as on-going regulatory developments at international level on LNG as ship fuel. The final report provides a "gap analysis" relating to LNG bunkering and recommends the development of possible EU standards⁴.
- (3) A preparatory action should be adopted based on this "gap analysis" study and the recommendations it puts forward, as well as on the outcome of the on-going regulatory developments at international level (within the IMO, ISO, SIGTTO, and IAPH). This preparatory action should aim to obtain an overview of market developments as regards the introduction of LNG-fuelled ships or "LNG ready" ships, as well as LNG fuel provision infrastructure (on-shore or by bunker barges) in the EU
- (4) In accordance with Article 84 of the Financial Regulation and Article 94(1) of Delegated Regulation (EU) No 1268/2012, the commitment of expenditure from the Community budget shall be preceded by a financing decision setting out the essential elements of the action involving expenditure and adopted by the institution or the authorities to which powers have been delegated by the institution.

¹ OJ L 298, 26.10.2012, p. 1.

² OJ L 362, 31.12.2012, p.1.

³ SEC(2011) 1052 final

⁴ See <http://www.emsa.europa.eu/implementation-tasks/environment/sustainable-toolbox.html>

- (5) This financing decision may also cover the payment of default interest due on the basis of Article 92 of the Financial Regulation and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (6) For the application of this Decision, it is appropriate to define the term ‘substantial change’ within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012.

HAS DECIDED:

Article 1

The preparatory action in the field of mobility and transport, as set out in the Annex, is hereby adopted. It constitutes a financing decision within the meaning of Article 84 of the Financial Regulation.

Article 2

The maximum contribution of the Union for the implementation of the preparatory action is set at EUR 1 000 000 to be financed from budget line 06 02 15: EUR 1 000 000 of the general budget of the European Union for 2013.

These appropriations may also cover default interest.

Article 3

Cumulated changes of the allocations to the actions covered by the preparatory action not exceeding 20% of the maximum contribution provided for in Article 2 shall not be considered to be substantial within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objective of the preparatory action.

The authorising officer may adopt any changes to this Decision which are not considered substantial within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, in accordance with the principles of sound financial management and of proportionality.

Done at Brussels, 7.6.2013

For the Commission
Siim KALLAS
Vice-President

ANNEX

Preparatory Action - Ships fuelled by liquefied natural gas (LNG)

Objective(s):

Objective 1. To address the remaining aspects for completing an EU-wide framework for marine LNG distribution, bunkering and use

The preparatory action should identify and address the remaining issues and need for EU-wide harmonisation (beyond local rules and procedures already in place), taking account of the on-going work and preliminary results at the international standardization organization (ISO) and the international maritime organization (IMO) as well as those described in the "gap analysis study"⁵ including safety and security aspects of LNG storage, bunkering, and handling (ports/supply side and ships).

Objective 2: To create awareness

Despite its excellent safety record, the public perceives LNG as a potential danger. The preparatory action should focus on creating awareness through:

Providing a general overview and developing in close cooperation with all stakeholders concerned informative material on likely LNG risks and opportunities.

Developing and carrying out a tailored, EU-wide public campaign concept.

Objective 3: To provide a market overview

Provide an overview and future estimations of the LNG market (LNG supply and demand, price), including developments as regards the introduction of LNG-fuelled ships or "LNG ready" ships, as well as LNG infrastructure development in the EU.

Identify some of the barriers (market and administrative barriers, LNG availability, the permit and the building of infrastructure process) that are hampering the deployment of LNG.

Perform a cost-benefit analysis and provide general advice and information to both ship-owners and ports, in order to help them to identify suitable solutions for their specific businesses.

Objective 4. To assess and develop financial mechanisms

To strengthen and scale-up existing financing mechanisms that could support the rapid deployment of marine LNG technology.

To examine the case for specific public support for the deployment of marine LNG.

To assess and identify new innovative financing mechanisms.

The European Sustainable Shipping Forum (ESSF) to be set-up by the Commission during the 1st semester of 2013⁶ will provide guidance to the contractor in the execution of his work.

Expected result(s):

A dynamic analysis of remaining gaps in the framework for shipping LNG and respective proposals for rules, standards and guidelines.

A general overview and informative material on likely LNG risks and opportunities.

A tailored public campaign concept.

An overview and future estimations of the LNG market.

An overview on barriers that are hampering the deployment of LNG for shipping.

A cost-benefit analysis and general advice and information to both ship-owners and ports, in order to help them to identify suitable solutions for their specific businesses.

An information portal ("one stop shop") on existing legislation and framework conditions, best practices as well as on-going developments.

Foreseen launch of the procedure and its progressions:

⁵ See <http://www.emsa.europa.eu/implementation-tasks/environment/sustainable-toolbox.html>

⁶ In order to advance the implementation of the "Toolbox" measures, the Commission is contemplating the

setting-up of a Stakeholder Forum (the European Sustainable Shipping Forum) with the European Parliament, Member States, EU shipping and marine industries representatives etc. This Stakeholder Forum should provide a platform for a structural dialogue, exchange of best practices and technical knowledge, cooperation, and coordination amongst relevant maritime industries' stakeholders.

Step	Date
Publication of call for proposals / call for tender	30/08/2013
Closing date of call for proposals / call for tender	30/11/2013
Award decision	28/02/2014
Prefinancing payment	15/04/2014
Interim payment	-
Final payment	15/04/2015

CONTRACT FOR EXPENDITURE RELATED TO A PREPARATORY ACTION

Budget line	06.02.15 Preparatory action – Ships fuelled by liquefied natural gas (LNG)		
Legal basis	Preparatory action within the meaning of Article 54 (2) b of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union		
Subject	Action is needed Contract: <ul style="list-style-type: none"> • To address the remaining aspects for completing an EU-wide framework for marine LNG distribution, bunkering and use. • To create awareness of LNG risks and opportunities. • To provide a market overview on LNG for shipping. • To assess and develop financial mechanisms to support deployment of LNG for shipping technology. 		
2013 appropriations	Initial budget	1 000 000	
	Transfers	0	
	Total	1 000 000	
Use of appropriations	Contract(s):	1 000 000	
Amount covered by the Annex to this Decision for financing the abovementioned budget line		1 000 000	
Details of grants			
N/A			
Details of contracts			
<i>Type</i>	<i>Number</i>	<i>Indicative amount</i>	<i>Date of conclusion of contract</i>
Procurement	Consultant (1)	1 000 000	Q4

Q1: 1st quarter, Q2: 2nd quarter, Q3: 3rd quarter, Q4: 4th quarter