

Singapore sees LNG as a pragmatic transition fuel



Chee Hong Tat, Singapore' Senior Minister of State for Finance and Transport

Singapore is backing LNG as a transition fuel for shipping while zero carbon fuels are not yet commercially feasible at scale.

Marcus Hand | Oct 05, 2022

Speaking at the opening of the [Singapore International Bunkering Conference and Exhibition \(Sibcon\)](#) Chee Hong Tat, Singapore' Senior Minister of State for Finance and Transport, said,

“On alternative fuels we believe LNG is a pragmatic transition fuel that is already available today to reduce greenhouse gas emissions.”

He noted confidence in LNG was reflected in the fact that approximately 30% of the gross tonnage in the current newbuilding orderbook is LNG dual-fuel or LNG-capable.

Last year Singapore, the world's largest bunkering port, completed 24 ship-to-ship LNG bunkering operations and the second LNG bunker tanker set to be deployed in the port in Q1 2023, Brassavola, was named on Tuesday at Sembcorp Marine. The vessel will deliver LNG for TotalEnergies Marine Fuels.

Noting concerns over methane slippage Minister Chee said: "Significant funding is going into R&D and engine development to address methane slippage concerns."

He added, "I want to be clear LNG is not a zero-emission fuel but it is better than traditional bunker fuels so I think the approach will be don't let perfect be the enemy of good. We are still exploring, still doing research on the other zero carbon fuels but they are not quite commercially feasible at this stage on a large scale. So, therefore we want to take a practical stand which is to use LNG as transition fuel."

Looking ahead there could be greater emissions reductions from LNG through the use of bio-LNG and synthetic LNG.

In her keynote address to the conference Aw Kah Peng, Chair of Shell Companies in Singapore, said LNG was the lowest carbon fuel that is available today. Shell views LNG as "fuel in transition" rather than as a transition fuel.

Shell is exploring opportunities to develop bio-methane as well as e-methane. "Both of these molecules are the exact same molecule as LNG which means that they can utilise the extensive LNG network on key trading routes, including Singapore, without changes to the ship-to-shore infrastructure and that's a huge plus. And that's why we say LNG is still a fuel in transition," she said.

Shell has 15 LNG bunker locations across three continents with 12 LNG bunkering vessels in operation. "We are committed to expanding that network and building that business even further."