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Scandinavian Biogas subsidiary to deliver liquid biogas to Hurtigruten

Scandinavian Biogas's Norway-based subsidiary, Biokraft, has signed a multi-year contract with Hurtigruten to supply liquid biogas (LBG) to Hurtigruten's ships. The partnership, which will result in substantial emissions reductions, signals a paradigm shift in the shipping industry. The agreement should be viewed as the next step in Scandinavian Biogas's development, and is a natural consequence of the commissioning last year of the world's largest LBG plant in Skogn, Norway.

Under the 7.5-year contract – the largest global contract to date for supply of liquid biogas (LBG) to a shipping operator – biogas produced from organic waste will be delivered on a near-daily basis to Hurtigruten's ships. Hurtigruten will adapt at least six of its ships to run on biogas as from 2021. The first delivery of liquid biogas produced at the biogas plant in Skogn is expected to be made in 2020.

'With this agreement, Scandinavian Biogas, Biokraft and Hurtigruten are leading the way in the sustainable transition away from fossil fuels in the shipping industry. We are consequently taking a major step to change an industry that currently accounts for a large share of the world's carbon dioxide emissions. Through Biokraft, Scandinavian Biogas wants to clear the decks for Norway to maintain its role as a leading shipping nation by promoting the use of locally produced, renewable energy as a substitute for fossil fuels,' says Matti Vikkula, CEO of Scandinavian Biogas.

Hurtigruten, the world leader in maritime tourism and cruise liner exploration travel, decided in 2017 to invest over NOK 7 billion in technical and sustainable solutions by 2021. By operating its ships on a combination of electricity, natural gas (LNG) and liquid biogas (LBG), Hurtigruten will be the world's first shipping operator to use biogas on a large scale.

'This partnership is a major and significant move for us, for green solutions in the shipping industry and, most importantly, for the environment. Our ships will now literally be fuelled by nature. Biogas is the greenest fuel for our industry, and we view it as an asset and a self-evident solution. Our hope is that the shipping industry will follow this development,' says Hurtigruten CEO Daniel Skjeldam.

Hurtigruten is a key player within the Norwegian and international shipping industry, taking guests from across the globe to destinations such as the Antarctic, the Arctic and the Norwegian coast every year. The Biokraft-Hurtigruten partnership sets an example for the shipping industry. Promotion of renewable energy also helps preserve nature and wildlife along Norway's coastline.

'We are extremely pleased about this collaboration with Hurtigruten, which introduces biogas as a fuel in the shipping industry. Norway's history as a leading maritime nation goes back for many generations. Our oceans are now under serious pressure from pollution and climate change. This is what Biokraft is working to change with dedicated partners like Hurtigruten,' says Biokraft CEO Håvard Wollan.

Scandinavian Biogas's vision is to utilise waste as a valuable resource, rather than viewing it as a costly problem. The group operates the world's largest production facility for liquid biogas (LBG), in

Skogn, Norway, outside Trondheim. The facility produces liquid biogas based on organic waste from the Norwegian fishing and forestry industry, which will now be delivered as fuel to Hurtigruten. At full capacity, the plant will produce 12.5 million normal cubic metres of biogas annually.

As a clean energy source, renewable biogas is considered the most environmentally friendly fuel available today. Biogas is already used as fuel in parts of the transport industry, particularly for buses. Northern Europe and Norway, which have large-scale fishing and forestry industries that produce extensive amounts of organic waste, have a unique opportunity to become world leaders in biogas production.

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The Company in brief:

Scandinavian Biogas is today one of the largest private producers of biogas as a vehicle fuel. The Company also operates a manufacturing plant for pre-treatment of food waste and industrial organic waste, as well as a plant for production of raw biogas in South Korea and a plant for production of liquid biogas in Norway.