



Liner Shipping Industry Supports Plan to Cut Vessel Air Emissions



Pictured from left to right: (*back row*) Phillip Chow, CEO - OOCL; Chris Koch, President & CEO - World Shipping Council; Robert Brenner, Director, Policy Analysis and Review - U.S. Environmental Protection Agency; Knud Pontoppidan, Executive Vice President - A.P. Moller-Maersk; Ron Widdows, CEO - APL; John Mc Laurin, President - Pacific Merchant Shipping Association; Doren Goder, President & CEO - Zim (*front row*) J. W. Park, President & CEO - Hanjin Shipping; Adolf Adrion, CEO - Hapag Lloyd and Chairman - World Shipping Council; Rear Admiral David Pekoske, Assistant Commander for Operations - U.S. Coast Guard; Tom Crowley, President & CEO - Crowley Maritime Corporation

June 28, 2007 – Washington, D.C.: Today the international liner shipping industry announced its support for a comprehensive and effective international proposal by the United States government to dramatically reduce ship air emissions.

The World Shipping Council (WSC)¹, whose member liner shipping companies carry over 90% of the world's containerized cargo, announced their endorsement of the U.S. government's proposed approach to the International Maritime Organization² to cut particulate matter and sulfur and nitrous oxide emissions through a combination of new fuel standards in agreed coastal areas and new engine system standards. The announcement came after a meeting of the WSC Board of Directors³ with the U.S. Coast Guard and the Environmental Protection

¹ The Council is a non-profit trade association representing the international liner shipping industry. For more information on the organization, see www.worldshipping.org

² The International Maritime Organization is the United Nations specialized agency responsible for improving maritime safety and preventing pollution from ships.

³ WSC Board members are: Chairman, Adolf Adrion (Hapag-Lloyd), Ron Widdows (APL), Xu Lirong (COSCO), Tom Crowley (Crowley Maritime), Klaus Meves (Hamburg Sud), J.W. Park (Hanjin), Knud Pontoppidan (Maersk Line), Masakazu Yakushiji (Mitsui OSK Line), Philip Chow (OOCL), and Doren Goder (Zim Integrated Shipping Services),

Agency. The Pacific Merchant Shipping Association also joined in the meeting and endorsement of this proposal.

The U.S. government's approach is comprehensive in its scope, would achieve aggressive environmental objectives, and does so with an internationally consistent regulatory approach.

The fuel used in large ocean going ships today can have a sulfur content of 4.5%. The U.S. approach calls for the burning of low sulfur, and distillate fuels with a sulfur content in the proposed range of 0.1% in defined coastal areas, where ship operations affect urban areas struggling with air quality issues. This is the same fuel standard proposed by the European Community for vessels while in port starting in 2010, and by California for the Southern California ports of Los Angeles and Long Beach. The California Air Resources Board has gone on record as supporting the U.S. proposal at the IMO, stating that "equally effective international regulation of ship emissions would be a better solution". The U.S. approach also would set new vessel engine standards, which need to be internationally consistent, as ocean going vessels visit many different countries' ports.

"Our industry recognizes that, in order for an international regime developed at the IMO to be accepted, it must be environmentally effective. We have endorsed the U.S. approach because it is comprehensive, environmentally effective, and would provide a predictable and stable set of international standards, which the industry needs to operate effectively," said Adolf Adrion, Chairman of the World Shipping Council and President and CEO of Hapag-Lloyd Container Lines.

"We rely on the IMO to now take decisive and effective actions and establish strict international air emission standards that will be adopted and respected world wide. Only thereby can we avoid unilateral and regional solutions," said Knud Pontoppidan, Executive Vice-President of A.P. Moller-Maersk and immediate past president of BIMCO.

"For the shipping industry and ports to be permitted to grow to meet the economy's rapidly growing demand for the transportation of goods, we have to address the issue of vessel air pollution. This is true in Europe, North America, and in Asia. Efforts are underway to address landside air pollution sources in port areas and to address truck air emissions. We are taking this proactive step to improve air quality and support an effective approach to addressing ships' role in meeting this challenge." said Ron Widdows, CEO of APL.

"Only through such an effective international regime can the industry avoid a patchwork of differing regulations around the globe addressing this issue, which would needlessly increase costs, produce varying fuels standards, complicate operations, and probably produce litigation over national and local government's jurisdiction to regulate international vessels. The Secretary General of the IMO has challenged the industry to "step up" to meet this challenge. Today, the liner shipping industry has accepted that challenge and has endorsed a comprehensive and effective proposed solution. We encourage other sectors of the maritime industry, as well as governments at the IMO, to consider supporting the U.S. proposed approach," said Christopher Koch, President & CEO of the Council.

Attached is a more detailed statement from the Council on this issue.

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