REDUCTION OF GHG EMISSIONS FROM SHIPS

Establishing a process for considering shipping’s appropriate contribution to reducing CO₂ emissions

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Introduction

1. This document is submitted in accordance with the provisions of paragraph 6.12.5 of the Guidelines on the Organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies. This paper comments on the issues raised in MEPC 69/7/2 and related matters.

Background

2. During the past decade, the Committee has discussed a range of policy measures (e.g., design standards, market-based instruments, and alternative measures) intended to address global carbon emissions from international shipping. Given the nature and scale of the proposals, the discussion has been understandably challenging, but it has also resulted in significant and positive actions such as adoption of the Energy Efficiency Design Index (EEDI) and the Ship Energy Efficiency Management Plan (SEEMP), which are already bringing about significant emission reductions from the shipping sector. The discussions have proceeded under the general goal of further reducing global carbon emissions, but the Committee has for the most part not sought to define the longer-term objectives it seeks to achieve or the actions that would be necessary to achieve significant carbon reductions in a sector that is expected to grow, albeit not at levels previously experienced, and that is an essential component of global economic growth and trade.

3. The environmental, political, and public policy challenges that IMO faces in addressing this issue are significant. Because of the magnitude of those challenges, a careful, deliberative, and clear understanding of what the Organization seeks to achieve is necessary if the
Organization is to develop policy actions that are effective, equitable, technically achievable, and consistent with sound transportation and economic development objectives.

Process to Determine IMO’s Carbon Objectives

4 In MEPC 69/7/2, the paper’s co-sponsors outline a deliberative process for identifying what international shipping’s “fair share” should be in the reduction of global greenhouse gas (GHG) emissions. The co-sponsors call for the Committee to develop a work plan that would identify a methodology to be used to define the emission reduction efforts of international shipping, the type of GHGs to be covered, reference years, long-term objective, and intermediary steps. In short, the paper calls for a defined process to establish the long-term carbon objectives of the Organization.

5 MEPC 69/7/2 outlines a process to identify the IMO’s long-term carbon objective that at this stage appropriately avoids assumptions about the precise characterization of the objective, timeframe, or the policy mechanisms that may be proposed to reach the objective. The effort to define a long-term carbon objective for international shipping would benefit from the structure of a process such as that described in MEPC 69/7/2.

6 Should the Committee decide to move forward with a process to consider a long-term carbon objective for international shipping, we would encourage the Committee to consider a short set of principles in order to define the scope of such a process:

Principles:

- Gathering actual fuel consumption data across the global fleet is critical to compiling accurate emission figures and to formulating realistic and effective carbon policy;
- International shipping’s contribution needs to be considered in the context of the objectives to be achieved more broadly in the global economy, including the efficient transportation of goods for the global economy, proportionality to the carbon reduction objectives of others, including other transport modes, and the fact that international trade is critical to the Paris Agreement’s focus on poverty reduction together with GHG reductions;
- Any objectives and associated time periods should encourage investments in realistic technical innovation designed to achieve significant improvement in the carbon footprint of the fleet;
- The process should consider how the objective should be defined (e.g., total metric tons of CO₂ produced, carbon-neutral growth, emissions relative to trade volume, or other alternatives); and
- Objectives should be evaluated in the context of actions that are realistically available and appropriate for meeting the objectives within the time provided.

Conclusion

7 The co-sponsors support an open, structured, and deliberative process to consider what should be the long-term carbon objective for international shipping. A process such as that outlined in MEPC 69/7/2 could initiate that discussion, although in our view the proposed schedule would require adjustment to reflect the complexity of the subject matter. Should the Committee decide to proceed with such a process, we would encourage the Committee to consider the principles noted above.

8 Because it is essential to have accurate information on actual fuel consumption and fleet CO₂ emissions to formulate a sound carbon policy, we strongly support finalization and
adoption of the IMO ship data collection system, including the recommendations put forward by the Intersessional Working Group on Further Technical and Operational Measures for Enhancing Energy Efficiency and reported in MEPC 69/6.

**Action requested of the Committee**

9 The Committee is invited to consider the views expressed in this document and to take action as appropriate.

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