

Maritime emissions – August 2013 update

The latest news affecting maritime emissions and climate change is below:

Marine Environment Protection Committee 65 outcomes

The International Maritime Organisation's (IMO) Marine Environment Protection Committee's 65th (MEPC 65) session took place in May 2013 to continue to develop measures to reduce greenhouse gas (ghg) emissions from the shipping industry. Outcomes of the Committee included:

Greenhouse gas (ghg) emission levels and reporting

Currently, maritime emissions are reported to make up 2.7 per cent of global ghg emissions. MEPC 65 approved the terms of reference and agreed to initiate a study for an updated greenhouse gas (GHG) emissions' estimate for international shipping.

An updated GHG inventory is considered necessary as the current estimate from 2009 does not take account of the economic downturn experienced globally since 2008. The inventory would include current global emissions emitted from ships of 100 GT and above, engaged in international transport.

Development of energy-efficiency measures for ships

MEPC 65 continued its work on further developing technical and operational measures relating to energy efficiency measures for ships. This follows the adoption of the new chapter 4 of MARPOL Annex VI, which entered into force on 1 January 2013 and includes new requirements mandating the Energy Efficiency Design Index (EEDI), for new ships, and the Ship Energy Efficiency Management Plan (SEEMP).

Further measures to improve the energy efficiency of ships

MEPC 65 also considered the importance of enhancing energy efficiency and reducing fuel consumption with subsequent reductions of CO₂ emissions and other pollutants emitted to air. The Committee favoured the use of a phased approach to implementation, with the focus of its initial work being on data collection, as a basis for future technical work. This will be further discussed at MEPC 66 in March 2014.

Progress on market-based measures (MBMs)

MEPC 64 in October 2012 received updates to several of the proposed market-based measures (MBMs) to reduce ghg emissions. A detailed debate was postponed until MEPC 65 but again no further progress was made. IMO is due to undertake an impact assessment on direct and indirect impacts on developing countries of the introduction of an MBM for international shipping.

Green Climate Fund

An agreement to establish the Green Climate Fund was reached at the UN Framework Convention on Climate Change held in Copenhagen in December 2009. The fund will provide support to developing countries to limit or reduce their greenhouse gas emissions and to adapt to the impacts of climate change.

The fund is governed and supervised by a 24-Member Board with equal representation from developed and developing countries. The Republic of Korea has been appointed to host the Green Fund. Further

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information can be found at www.gcfund.net. At the last meeting of the Fund in mid March 2013, the Board agreed that the funds should follow a country-driven approach as a core principle. They also recognised that contributions will need to be leveraged from both public and private funds.

Both the shipping and aviation industries have been highlighted as areas where significant funding could be raised. At MEPC 64, climate finance was debated including the potential to use a rebate mechanism in MBMs based on a country's share of value-distance global imports.

At the last global climate change talks in Doha, Qatar, Japan and China rejected calls for international shipping to help finance the Green Climate Fund.

Please see GSF's Maritime Emissions Briefing Note for more details on MBMs and how the industry is reducing emissions. More information on the IMO can be found at www.imo.org

European Commission proposes monitoring and reporting system to curb carbon emissions from shipping

The European Commission has proposed the establishment of an EU-wide system to reduce carbon emissions (CO₂) from the maritime sector. The Commission will legislate for a monitoring, reporting and verification (MRV) system for large ships (over 5,000 gross tons) from 2018 that use EU ports, irrespective of where the ships are registered.

A stakeholder meeting on the proposals was held in December 2012 where the Global Shippers Forum gave a presentation on the crucial role of shippers' in reducing maritime emissions and developing MVR.

Ship owners will be required to monitor and report the verified amount of CO₂ annually emitted by their large ships on voyages to, from and between EU ports. Information such as distance travelled, cargo carried and time spent at sea will be required to ascertain a ships' average energy efficiency. A document of compliance issued by an independent verifier will need to be carried on board ships and will be subject to inspection by Member State authorities.

Ship owners will be able to select their preferred monitoring methodology from the options below:

- Bunker fuel delivery note and periodic stock take
- Bunker fuel tank monitoring on board
- Flow meters for applicable combustion processes
- Direct emissions measurements

Frustrated by a lack of global progress on maritime emissions at the International Maritime Organisation (IMO), the Commission originally consulted with industry during 2012 on potential market based mechanisms for Europe but subsequently announced plans for a MVR system. This approach gives more time for the IMO to reach agreement on global measures to reduce ghg emissions. Additionally, it allows for informed discussions on the provision of reliable and comparable data to set precise emission reduction targets.

The MRV proposal is now being examined by the European Parliament and Council, whose approval is needed for it to become law.

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UN Framework Convention on Climate Change (Doha, Qatar)

International Climate Change talks took place in Doha, Qatar at the end of November 2013. This was the eighteenth session (COP18) of the Conference of the Parties to the UN Framework Convention on Climate Change since 1992. The conference agreed a work plan for 2013 to draw up a new global climate agreement, to be adopted in 2015, and to identify ways to achieve more ambitious global emission reductions for 2020 in order to hold global warming below 2°C. Doha also agreed to address the loss and damage associated with the impacts of climate change in particularly vulnerable developing countries. Additionally, the conference adopted a ratifiable amendment setting out the rules governing the second period of the Kyoto Protocol. However, countries such as Japan, Canada, Russia and New Zealand have suggested that they will opt out of a second phase.

The next major UN Climate Change Conference (COP19) will take place in Warsaw, Poland at the end of 2013.