INTERNATIONAL MARITIME ORGANIZATION



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## PREVENTION OF AIR POLLUTION FROM SHIPS

Future IMO regulation regarding green house gas emissions from international shipping

# Submitted by Denmark, Marshall Islands, BIMCO, ICS, INTERCARGO, INTERTANKO and OCIMF

#### **SUMMARY**

**Executive summary:** It is crucial for the shipping industry to show leadership in relation to

the climate change issue and to contribute activly and effectively in both a short term and a longer term perspective. This document provides general viewpoints on the issue of greenhouse gas (GHG) emissions – first and foremost  $CO_2$  – from international shipping and encourages the IMO to take early action. Also, it gives an overview of the basic principles, which the submitting parties believe should be applied in any future regulation regarding GHG emissions from

international shipping.

Action to be taken: Paragraph 12

**Related documents:** MEPC 56/23; MEPC 57/4/1 and MEPC 57/4/3

### Introduction

- In Assembly resolution A.963(23), the Assembly urged MEPC to undertake further work to identify and develop the necessary mechanisms to achieve limitation or reduction of Greenhouse Gas Emissions (GHG) from new and existing ships.
- The parties to this paper (the sponsors) welcome the efforts and initiatives carried out by the Secretary-General in order to facilitate and further accelerate the IMO process and work plan on the issue of air emissions.
- Furthermore, the sponsors appreciate the high quality work of the MEPC Correspondence Group on GHG emissions from ships co-ordinated by Australia and the Netherlands and the comprehensive report (MEPC 57/4/1), submitted to this session.
- Considering that GHG and  $CO_2$  in particular emissions from international shipping constitute a significant challenge that needs to be addressed without further delay it appears crucial for the shipping industry to show leadership in relation to the climate change issue and contribute actively and effectively to find short term and longer term solutions.

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- 5 The substance of this challenge is underscored by the fact that:
  - The most recent studies indicate that emissions from international maritime transport continue to grow to keep pace with the expansion of world trade.
  - The industry has always endeavoured to optimize its fuel consumption.
  - Growth in the shipping industry is expected to continue.
  - Ships and marine engines have long lifecycles.
- It is the view of the sponsors that IMO must maintain its leadership and continue to address the reduction of emissions from international shipping. The sponsors regard it as a matter of major importance that IMO continues to focus its efforts urgently to develop a viable, comprehensive, forward-looking and pro-active framework for future IMO regulations in order to effectively reduce GHG emissions from ships.
- There is no simple way ahead and there is no single miraculous solution to the massive challenge of establishing an effective contribution from shipping to global efforts on GHG emission reduction. If such options had existed, they would have already been obvious. With this in mind, the need to identify, prioritize and to decide upon concrete proposals is pressing.
- 8 On this basis the sponsors encourage IMO to pursue, as a matter of priority and within 2008, the establishment of a coherent solution to the issue of GHG emission from international shipping or at the very least to formulate a clear set of proposals.

## General principles for future regulation

- 9 Shipping is a truly global industry and any form of regulation of emissions from international shipping should be based on concerted global action rather than unilateral initiatives at regional or national level.
- As it is, the sponsors regard IMO as the unique and appropriate UN body to develop global and binding GHG goals for international shipping. It is the sponsors' firm belief that the Organization will be able to take the necessary steps to limit GHG emissions from ships.
- The sponsors are convinced that any future regulations should be based on the following fundamental principles and that a coherent and comprehensive future IMO framework should be:
  - effective in contributing to the reduction of total global greenhouse gas emissions;
  - binding and equally applicable to all flag States in order to avoid evasion;
  - cost-effective;
  - able to limit or at least effectively minimize competitive distortion;
  - based on sustainable environmental development without penalizing global trade and growth;

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- based on a goal-based approach and not prescribe specific methods;
- supportive of promoting and facilitating technical innovation and R&D in the entire shipping sector;
- accommodating to leading technologies in the field of energy efficiency; and
- practical, transparent, fraud free and easy to administer.

## **Action requested of the Committee**

The Committee is invited to consider the information provided in this document and take action as appropriate.