



Representing the Global Shipping Industry

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Immediate Release

WORLD'S NATIONAL SHIPOWNER ASSOCIATIONS PRESS SHIPPING'S GLOBAL REGULATOR TO SET TIMELINE FOR REDUCING GREEN HOUSE GAS EMISSIONS

About 90% of global trade is moved by cargo ships which are collectively responsible for about 2.2% of the world's total Green House Gas (GHG) emissions (similar to that emitted by international aviation).

As a considered response to the Paris Agreement on climate change, the world's national shipowner associations – represented by their global trade association, the International Chamber of Shipping (ICS) – have pledged their support for the development of a timeline for the further reduction of the shipping sector's GHG emissions.

ICS has proposed that the details of a CO₂ reduction commitment should be developed on behalf of the sector, as soon as possible, by the industry's global regulator, the International Maritime Organization (IMO).

The goal is to build on the substantial CO₂ reductions already achieved by shipping, and the mandatory IMO CO₂ reduction regime which is already in force worldwide.

Responding to the expectation that the International Civil Aviation Organization (ICAO) may reach agreement this week on a CO₂ reduction plan for the aviation sector, ICS Chairman, Esben Poulsson, explained:

“Shipping is the only industrial sector which already has a mandatory global CO₂ reduction regime in place, applicable to the entire world fleet and which predates the Paris Agreement by 4 years. Shipping has a very good story to tell. The most recent data from 2014 shows that shipping reduced its total CO₂ emissions by over 10% in just 5 years, despite continuing growth in maritime trade.”

Mr Poulsson added:

“The binding IMO rules, in force worldwide since 2013, will mean that future ships will be even more efficient and most ships built after 2025 will be at least 30% more efficient than those delivered in the 2000s. It is amazing to consider that the most

efficient ships today only burn 1 gram of fuel per tonne of cargo moved one kilometre. With bigger ships, better engines, cleaner fuels and operational efficiency measures such as satellite-assisted speed management, we are confident of reducing CO₂ emissions per tonne-kilometre by 50% by 2050.”

Despite their current reliance on fossil fuels, individual ships are becoming far more efficient. But the industry also wants IMO to respond to the challenge of addressing the total CO₂ emissions from the sector if demand for maritime trade continues to increase due to population growth and economic development – factors over which the industry has no control.

The first step will be a global CO₂ data collection system for ships, which IMO Member States will officially establish this October, with full industry support. This system should then become fully operational by 2018.

But ICS asserts that, in the same way that governments under the Paris Agreement have set out Intended Nationally Determined Contributions (INDCs) for reducing the total GHG emissions by their national economies, IMO needs to do something similar on behalf of the international shipping industry, even though it is a sector and not a country.

ICS Chairman, Esben Poulsson, explained:

“We wish to see IMO Member States adopt a course similar to that agreed by governments in Paris and which reflects the spirit of the Agreement. This will help IMO Member States to demonstrate they are serious about building on the real progress already made by the shipping industry to reduce CO₂. Our hope is that this can be done in a way that will also be acceptable to developing nations whose support will be vital if IMO is to continue making progress on a global basis.”

The Paris Agreement on climate change makes no explicit reference to international transport. But the UNFCCC Kyoto Protocol, which is still in force, makes clear that both the shipping and aviation sectors have a responsibility to reduce their GHG emissions.

Shipping's current share of the world's CO₂ emissions are a reflection of the fact that shipping is a truly enormous industry transporting almost 10 billion tonnes of cargo a year. It may be out of sight, but international cargo shipping (about 70,000 ships) keeps the world economy running, transporting energy, food and raw materials, as well as most of the world's manufactured products.

Notes:

The International Chamber of Shipping (ICS) is the global trade association for shipowners representing 37 national shipowners' associations, from the Americas, Asia and Europe, at intergovernmental bodies that impact on shipping, including IMO and the UN Framework Convention on Climate Change (UNFCCC). ICS represents all sectors and trades and over 80% of the world merchant fleet.

The International Maritime Organization (IMO) is the UN agency responsible for maritime safety and environmental protection, regulating the global shipping industry. This includes the 2011 amendments to the MARPOL Convention addressing CO₂ reduction measures which apply to over 96% of global tonnage.

The IMO Marine Environment Protection Committee (MEPC) next meets from 24 – 28 October in London. IMO Member States are expected to adopt a global CO₂ data collection system in which it will be mandatory for merchant ships to participate, as a precursor to the consideration by IMO Member States of additional Green House Gas reduction measures applicable to the international shipping sector.

The 39th Assembly of the UN International Civil Aviation Organization (ICAO) meets in Montreal from 27 September to 7 October, and is expected to agree a CO₂ reduction plan for the aviation sector.

Sources:

2014 IMO GHG Study

UNCTAD Review of Maritime Transport 2015