

## UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE (UNFCCC)

### Ad-Hoc Working Group on Long-term Cooperative Action under the Convention Fourteenth session, part four

#### Agenda item 3.2 Cooperative sectoral approaches and sector specific actions, in order to enhance the implementation of Article 4, paragraph 1(c), of the Convention

### CONTROL OF GREENHOUSE GAS EMISSIONS FROM SHIPS ENGAGED IN INTERNATIONAL TRADE

#### POSITION NOTE

by

**The Secretary-General of the International Maritime Organization**

November 2011

#### Introduction

In pursuing its mission – **safe, secure and efficient shipping on clean oceans** – IMO works vigorously and consistently towards developing a comprehensive regulatory regime aiming at effectively protecting and preserving both the marine and atmospheric environment from pollution by ships. It is against this background and in response to its mandate that the Organization will participate at the United Nations Climate Change Conference in Durban, seeking to ensure that the UNFCCC Parties continue to entrust it with developing and enacting global regulations to control and reduce greenhouse gas (GHG) emissions from ships engaged in international trade.

#### Shipping – a uniquely international industry

International shipping – unlike land-based industries, which are regulated mainly through national legislation – requires global regulations if it is to continue functioning, as it has done for centuries, as the principal vehicle for the movement of more than 90% of global trade. Indeed, shipping is perhaps the most international of all the world's major industries, a fact that is demonstrated by the diversity of stakeholders of all nationalities involved in the design, construction, ownership, operation and crewing of a typical ocean-going merchant vessel, not to mention the classification, finance, insurance and cargo ownership aspects. Ships spend their working lives travelling among different countries, regions and continents, characterised by different legal jurisdictions, very often far away from the country of their registry, as they carry the raw materials, foodstuffs, fuel, goods and products that underpin the global economy.

IMO is uniquely placed to continue to service the world community from all the perspectives of its technical mandate, including those within the objectives of the Durban Conference. Indeed, the Organization's environmental credentials speak for themselves: 21 out of the 52 IMO treaty instruments directly address the prevention and control of pollution, a fact that bears testimony to the Organization's commitment to the protection and preservation of our common heritage – both marine and atmospheric – from any adverse impacts caused by shipping operations.

## **IMO achieves GHG emissions breakthrough**

In what represents a major achievement in the fight against global warming and climate change, the first-ever mandatory global GHG reduction regime for an international industry sector was adopted, this year, at IMO after four years of intensive negotiations. This happened when mandatory measures to reduce emissions of GHGs from international shipping were adopted by Parties to Annex VI of the MARPOL Convention, during the 62<sup>nd</sup> session of IMO's Marine Environment Protection Committee (MEPC) in July 2011.

The MARPOL Convention is the primary international instrument regulating international shipping from all perspectives that may cause damage to the environment. The new regulations, which will enhance ships' energy efficiency, thereby reducing their fuel consumption and consequent emissions to air, apply to all ships of 400 gross tonnage and above, and are expected to enter into force on 1 January 2013. It is estimated that they will reduce CO<sub>2</sub> emissions from international shipping by up to 200 million tonnes, by 2020, and that they could help ship operators save US\$50 billion in fuel costs,

Shipping is the most energy efficient way to transport goods and raw materials at long distances and is only a modest contributor to global CO<sub>2</sub> emissions. On 2007 figures, international shipping was estimated to have emitted 870 million tonnes, or about 2.7 per cent of the global emissions of CO<sub>2</sub>, despite carrying more than 90 per cent of world trade by tonne-mile.

Nevertheless, through IMO, Governments have been engaged, for some considerable time, in a process aimed at reducing still further the release of harmful atmospheric emissions from ships. Due to the global character of shipping, an effective control regime requires global regulation that applies universally to all ships and thereby maintains a level playing-field for all. This has now been achieved, through the amendments to MARPOL Annex VI adopted in July this year.

For further information on the adopted measures and their effect on future emissions, please refer to IMO's submissions to the Durban Conference as well as to: [www.imo.org](http://www.imo.org)

## **Market-based measures**

Putting aside the expected GHG emission reductions deriving from new MARPOL amendments, it has been recognized that the adopted technical and operational measures would not, in the longer term, be sufficient to meet the overall reduction objectives indicated by scientific research – particularly in view of the growth projections for world trade and, as a consequence, of shipping. IMO has, therefore, concluded that a market-based measure (MBM) is also needed for the effective regulation of GHG emissions from international shipping and is, therefore, presently engaged in the analysis and development of such a measure for the international shipping sector.

## **Conclusion**

It is for the reasons outlined above that IMO – the established global regulator for a unique, global industry – is participating in the United Nations Climate Change Conference 2011 expecting that, as the Kyoto Conference did fourteen years ago, the global community will continue to place its trust on the Organization, confident that its solidly established regulatory work and track record can and will pave the way for international shipping to make its fair and proportionate contribution towards realizing the objectives that this Conference and the global community pursue.

---