

**Marrakech
Partnership**



**UNFCCC COP 27
Sharm El -Sheikh, Egypt**

**Breakthrough Lab
Concept Note
A climate smart, equitable and resilient Maritime
Sector**

Marrakech Partnership for Global Climate Action

Wednesday 16th November
TIME 1700-1830
Room: Lotus Room

Organised by Climate Champions Team and ITF-OECD

MP “Breakthrough Lab”: A Climate Smart, Equitable and Resilient Maritime Sector Concept note

<p>Description</p>	<p><i>Decarbonizing shipping is a critical part of meeting the Paris temperature targets. Long thought of as a “hard to abate” sector, it is now clear that transformation of the sector is not only possible, but underway, and has the opportunity to show the way for other sectors in areas such as decarbonization, resilience and adaptation, and just and equitable transition. Shipping is in the early stages of its transition but the scale of the opportunity is unfolding rapidly. Realising this opportunity requires radical collaboration, i.e. increasingly open and transparent, across the usual silos and both the public and private sectors. This Breakthrough Lab will explore 3 critical levers to achieving a 1.5 degree-aligned, equitable and resilient transformation:; 1) matching the demand and supply of zero emissions fuels; 2) developing the necessary workforce to power the systems of the future and build resilience to climate change; and 3) creating appropriate national and international policies to support mitigation and adaptation of the maritime sector. A cross-cutting theme will be how through collaboration we can rapidly accelerate towards the 2030 Breakthrough, as part of the wider efforts to get to zero emissions by “avoid shift and improve” actions.</i></p>
<p>Headline</p>	<p><i>Radical collaboration to deliver a zero emission, resilient maritime sector</i></p>
<p>Breakthrough</p>	<ol style="list-style-type: none"> 1. <i>5% zero emission fuel in international shipping requires focussing on the demand for green hydrogen to scale investment (~\$400bn investment into zero emission fuels for shipping will need to have been committed to projects by 2030),</i> 2. <i>Workforce (~450,000 seafarers will need to be reskilled and upskilled by 2030),</i> 3. <i>Policy (international policy to be aligned to 1.5 and national policy action to achieve the 5% zero emission fuel by 2030 which equates to around 0.64EJ of shipping’s energy demand). To ensure a 1.5-aligned decarbonisation, this should contribute to a reduction of 25% of shipping’s GHG emissions compared to 2008 in 2030, and enable a reduction of 90% GHG emissions by 2040.</i>
<p>Guiding Question</p>	<p><i>The 5% zero-carbon fuel in international shipping by 2030 is within reach, and is critical for enabling a reduction of 90% GHG emissions by 2040; What are the actions that need to happen to accelerate and unlock pace to put shipping on a 1.5 aligned trajectory for 2030 and beyond?</i></p>
<p>Targeted Outcomes</p>	<ul style="list-style-type: none"> ● <i>Identify barriers to achieving the breakthrough and collaborative actions to overcome them and accelerate the transition. For example: coalitions,</i>



	<p><i>closing the price gap between conventional and zero-carbon fuels, aggregate demand signals, offtake agreements, reskilling & upskilling workforce, circular economies, selective economic growth models.</i></p> <ul style="list-style-type: none"> ● <i>Identify opportunities from decarbonizing shipping that provides for adaptation and social resilience of workforce, communities, cities and countries</i> ● <i>Ensure the relevance of shipping is understood and goals are connected across government ministries (e.g. environment, trade, transport) to advance both domestic policy and at the IMO.</i>
Objectives	<p><i>For each lever, supply/demand, workforce and policy:</i></p> <ol style="list-style-type: none"> <i>1. Keynote presentation of action / solution / case study being taken</i> <i>2. Facilitated discussion of lessons learned and how to scale across geographies</i> <i>3. Identify collaborative actions to be taken forward</i>
*Participants	<p><i>Stakeholders from the global north and global south representing both the private and public sector.</i></p> <p><i>With actors from across the full value chain from finance, fuel production, shipowners, shipping charterers and customers, ports and civil society representation.</i></p>
Key Action points out of the discussion	<ul style="list-style-type: none"> ● <i>There is sufficient green hydrogen committed to achieve the 2030 breakthrough but we need to rapidly scale investment to achieve targets beyond 2030.</i> ● <i>Shipping can decarbonize in line with the 1.5 degree pathway and policy should put shipping on course to achieve that with ambitious 2030 and 2040 targets, taking account of the possibilities to “avoid, shift and improve”.</i> ● <i>Shipping is a source of solution and decarbonizing shipping creates wider resilience benefits for society in terms of the ecological, economic and industrial opportunities for countries, communities and the workforce.</i>

Programme

Timing	Session Description	Speaker / Moderator
17:00 - 17:05 (5mins)	<ol style="list-style-type: none"> 1. Welcome and safety 2. Introduction and purpose 3. What does it take today, to convert commitment to solutions so we can reach 5% zero-emission fuels in international shipping by 2030, on the way to zero emissions by 2050 and a 1.5 degree-aligned maritime sector? 	<i>Katharine Palmer, Shipping Lead, Climate Champions team</i>
17:05 - 17:30 (25 mins)	<p>Leveraging supply and demand opportunities at scale</p> <p>Showcase of an inspiring solution to show that shipping is a high-quality demand market to accelerate investment in Green Hydrogen to catalyse and inspire discussion</p> <p>Gather in groups of 2 or 3 with chairs sat next to</p> <ol style="list-style-type: none"> 1. What is needed to replicate this action? 2. What strengthened and enhanced collaboration is needed? <p>Moderator select voices in the room to share answers to the 2 questions</p>	<p>Supply - Siemens Energy (Layla El Hares)</p> <p>Demand - Maersk (Morten Bo Christensen)</p> <p>Katharine Palmer (Moderator) ;</p>



<p>17:30 - 17:55 (25 mins)</p>	<p>Just Transition</p> <p><i>Spoken about mitigation, decarbonisation - now we are getting to the people aspect to ensure a Just transformation</i></p> <p>what do you think of when you hear just transition?</p> <ul style="list-style-type: none"> • Quick introduction of each panellist, if you were to describe it in a sentence to our audience from your perspective (1 mins each - 3 mins) • Martha to comment on comparison of audience responses with panellists <p>Question to participants - yes/no: are we on track to train 800,000 seafarers by 2030?</p> <p>Paris- aligned scenario, hundreds of thousands in 2030 need to be trained on ammonia, hydrogen - but we need certainty to kickstart the training transition.</p> <p>But for some this seems like an overwhelming list of actions - where do we even start?</p> <p>Where to start on just transition planning</p> <p>Question to Panellist</p> <p>We have covered a lot of actions and points here on this roadmap, but it feels like a lot to manage at once. As the company with the first JT strategy, how do you go about addressing these actions in a strategic way? What are the bite-size chunks? And where do you see the critical actions for shipping? (4 mins)</p> <p>Question to participants</p> <p>What is the critical starting point for just transition 1) skills development 2) recruitment 3) training standards</p>	<p>Martha Selwyn UNGC and host of the Just Transition Maritime Taskforce (Moderator) (Katharine)</p> <ul style="list-style-type: none"> • Kate Wallace Lockhardt, Head of Social Impact, SSE • Lindsey Austin, Chief Officer • Cleo Bierneza, OIC- NW, Third officer
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<p>17:55 - 18:20</p> <p>(25mins)</p>	<p>Policy Levers Discussion</p> <p><i>Short intro by Jari/intro to speakers</i></p> <p><i>Guiding question for speakers: What policy levers are key to put shipping on a 1.5 degree aligned trajectory? Please specify what near and what mid term measures are required to achieve the 2030 and 2050 goals.</i></p> <p><i>Q&A from the participants.</i></p>	<p><i>2 Government representatives:</i></p> <ul style="list-style-type: none"> ● <i>UK (confirmed, person TBD)</i> ● <i>Pacific Island - Atina Schutz (confirmed)</i> <p><i>1 business representative:</i></p> <ul style="list-style-type: none"> ● <i>Franciso Laveron, Iberdrola</i> <p><i>Moderator: Jari Kauppila ITF-OECD</i></p>
<p>18:20 - 18:30</p> <p>(10 mins)</p>	<p>Closing remarks:</p> <p>Long considered a “hard to abate” sector, shipping stands ready to be a model of how a sector can decarbonize, as well as increase resilience and support an equitable transition.</p> <p>Reference to resilience breakthroughs and just transition and radical collaboration</p>	<p>Nigel Topping COP26 High Level Climate Champion</p>