INTERNATIONAL SHIPPING INDUSTRY TAKES SIGNIFICANT ACTION ON DECARBONIZATION AT UNFCCC COP23

BONN – NOVEMBER 15, 2017: A group of international shipping industry leaders have joined forces to drive the decarbonization agenda with a business-focused approach that pushes ahead of regulatory mechanisms at the 23rd session of the Conference of the Parties (COP 23) to the UN Convention on Climate Change (UNFCCC).

The 150+ group of shipping’s most ambitious and commercially-savvy leaders, strategists and entrepreneurs gathered in Bonn to forge a draft Action Plan that maps out how shipping can contribute its ‘fair share’ of GHG reductions and decarbonize quickly and deeply enough to meet the high ambition climate change target of limiting global temperatures to 1.5°C, as indicated in the Paris Agreement.

The summit concluded in consensus that the international shipping industry does have the technology toolbox required for decarbonization. However, some solutions required are still in late-stage development, not yet mature, or require significant upscaling for deployment and market readiness. Also, participants concluded that investments in alternative fuels are key for shipping to decarbonize in the longer term.

The high ambition approaches and conclusions made by participants at the summit for the baseline requirements of a decarbonization Action Plan were:

- We will build demonstrator vessels for the trialling of new technologies.
- We will push for the urgent adoption of a science-based target for carbon emissions.
- We will push for a much tighter, more robust Energy Efficiency Design Index (EEDI).
- We will build a ‘coalition of the willing’ of those ready to collaborate across the industry in tackling the 1.5°C decarbonization challenge.
- We will define ‘transparency’ in the industry and drive the adoption of that transparency in relation to emissions and operational data.
- We will ensure that the decarbonization debate is broadened to involve all stakeholders, enhancing synergies and emission savings across the entire value chain.
- We will develop more global forums based on focused working groups, including an Asia advocacy group.
- We will ‘Make Shipping Sexy’ through communication strategies in order to:
  - A. foster a multiplier ‘Ambition’ effect to encourage other actors to engage in decarbonization projects and;
  - B. attract new talent to a modernizing industry.

Several commitments made at the summit will sit at the core of the decarbonization Action Plan:

- To make a container ship available as a test/demonstrator vessel for low carbon and zero emissions technologies.
- To urgently work towards the establishment of a CO₂ levy to stimulate the uptake of clean technology and low carbon operations.
- To convene a similar summit of the same structure and impact for retailers and local ship owners on a regional basis.
- To continue the ‘technology toolbox’ discussion and build a robust performance verification process.
• To find shipping companies who will go beyond legislation – and actively support them.
• To create an innovation/engineering challenge prize to stimulate the bringing of technology and designs to market.
• To develop a system that brings forward benefits of emissions saving operational changes and adoption of low carbon technology, prior to mandated emissions levies.
• To change company operations to collaborate more intensively with equipment suppliers and to further embed more ambitious R&D into company structures.
• To make a concerted effort to raise the profile of the shipping emissions issue with consumers.
• To create a powerful platform for cross-stakeholder engagement.
• To enhance collaboration between Think-Tanks and NGOs that are active in the sector and to pool resources.
• To call for the greater collaboration of research & technology sharing with developing countries.

Following the summit, a briefing document containing a summary of the main challenges and opportunities of shipping industry decarbonization in addition to the high ambition approaches agreed was delivered to UNFCCC delegates, National delegation focal points, the UNFCCC secretariat and all relevant national policy makers to influence discussions around shipping transportation at the COP23 proceedings. A comprehensive decarbonization Action Plan will also be developed.

Co-organizers of the Ambition 1.5°C: Global Shipping’s Action Plan summit included Lloyd’s Register, MAN Diesel & Turbo, RightShip, MARIKO, Danish Shipping, International Windship Association (IWSA) and Green Ship of the Future. The Sustainable Shipping Initiative (SSI), Carbon War Room and UMAS are advisor to the summit and the official event organizers were The Blue Green Events Company, Mantour Consultancy and Smart Green Shipping Alliance (SGSA).

The summit was officially endorsed by a jury consisting of the UNFCCC partners; the incoming Fijian Presidency of COP23, the German Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety and the City of Bonn and is an official Climate Partner for COP23.

Information about the summit can be found at: www.shippingambition1o5C.com.

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Note to journalists: Quotes from each participating co-organiser can be found in the ‘additional information’ section that follows. Interviews with any co-organisers, advisors or event organisers are available upon request. Please refer to the official press contact details provided.

ADDITIONAL INFORMATION FOR JOURNALISTS

REPRESENTATIVE QUOTES FROM THE SUMMIT CO-ORGANIZERS

**Lloyd’s Register**

Katharine Palmer, Global Sustainability Manager – Lloyd’s Register

“With the reality to achieve a 50% reduction in CO2 by 2050, in line with the Paris Agreement, zero emission vessels (ZEVs) need to be entering the fleet in about 2030. The big question is how do we make this a reality? As a co-organiser of this Ambition event, we have helped bring together key stakeholders of the shipping value chain to highlight the potential and commercial attractiveness this offer, and identify the key enablers and specific actions we all can commit to and can take forward to demonstrate industry leadership.”

**MAN Diesel & Turbo**

Adrian Hennek, Head of Public Affairs - MAN Diesel & Turbo SE

“We see the need for global action with regards to emissions and CO2 reductions in international shipping. That is why MAN Diesel & Turbo co-organizes the “Ambition 1.5: Global Shipping’s Action Plan” event during the COP23 meeting in Bonn. We are already calling for a “Maritime Energy Transition” and the event will hopefully boost awareness for the topic.”

**RightShip**

Kris Fumberger, Sustainability Manager - RightShip

‘The success of the Ambition 1.5 degrees event demonstrates the willingness of the maritime industry to prioritise sustainability and make the change required to fully decarbonise by 2050. Following our time in Bonn, we are excited to continue our partnerships with charterers, shipowners, banks and ports to explore the viability of low-carbon shipping activity, aligning with the industry-wide journey toward a 1.5 degree future.’

**Danish Shipping**

Maria Bruun Skipper, Director - Danish Shipping

“Danish Shipping firmly believes that the international shipping sector must contribute with its equal share to the Paris Agreement. Danish Shipping actively works for an ambitious IMO GHG Reduction Strategy which is currently under development. I am very encouraged by the atmosphere at this event. In general, there seems to be an agreement among the various stakeholders that the current work in IMO should have full support and continued push for a tangible outcome. Therefore, discussions on short, mid and long-term measures are key and I believe that the 1.5 event served as a fruitful platform. No doubt that all tools need to be included in the toolbox including alternative fuels.”
MARIKO GmbH
Katja Baumann, Managing Director – MARIKO GmbH

“MARIKO GmbH firmly believes in the importance of reducing global GHG emissions and the potential of the shipping industry to contribute its fair share to the Paris Agreement. We are proud to be part of an industry-led initiative to develop an ambitious and viable path to accomplishing these goals. The outcomes of the event are an important step to integrating vital industry viewpoints in the further discussions.”

Green Ship of The Future
Kjartan Ross, Chairman - Green Ship of the Future

“Ambition 1.5C: Global Shipping’s Action Plan presented a unique opportunity to join forces across the global maritime industry and show the capabilities and ambitions when it comes to decarbonisation. Contrary to many other events, this event did not discuss if and when, but rather how to get started on this journey towards greener maritime industry. In Green Ship of the Future, we support the practical approach to this important issue.”

Sustainable Shipping Initiative – SSI (Advisor)
Tom Holmer, General Manager – Sustainable Shipping Initiative

“The SSI’s Roadmap provides a clear pathway for the decarbonisation of the shipping industry, including the transition to a diverse range of clean energy sources, an increase in the uptake of new technologies and innovations, and the development of new vessel designs. The time for action is now, driven by urgent collaboration across the entire shipping supply chain that will see the creation of a sustainable, environmentally and socially conscious, and more profitable shipping industry, which is appropriately and effectively contributing to agreed global warming targets.”

Carbon War Room (Advisor)
Maurice Meehan, Director of Global Shipping Operations - Carbon War Room

“We know that by 2050 we must cut emissions to 70% of 2008’s levels. But critically, we need a clear, unified vision of what that looks like and how we get there – essentially a decarbonisation pathway laid out by the industry for the industry. It would give focus to our collective work, and define clear objectives and what needs to be achieved to meet them. Our collaboration with this initiative, ensures that RMI - CWR will work with market progressives to map out such a successful decarbonisation pathway. Business-led, market-driven solutions have huge potential to unlock decarbonisation opportunities across the industry.”
REPRESENTATIVE QUOTES FROM THE SUMMIT ORGANIZERS

Catherine Austin, Managing Director – The Blue Green Events Company

“The time has come for the industry to act upon decarbonization outside of any regulatory requirements and the Ambition 1.5: Global Shipping’s Action Plan summit provided the platform for such action to be catalysed, with a unified vision and approach towards shipping decarbonization and the significant step changes required for shipping to contribute to the higher ambition target of limiting global average temperature increase to 1.5°C, as indicated in the Paris Agreement The Blue Green Events Company is honoured to have organized this impactful event for the industry.”

Diane Gilpin, Founder CEO – Smart Green Shipping Alliance

The ‘Ambition 1.5’ event gave multiple stakeholders, from across the shipping industry, a unique opportunity to engage in open, honest and authentic dialogue. Throughout the day enthusiasm to take on eye-watering challenges built and our Action Plan includes some extra-ordinary spontaneous and tangible commitments. A powerful coalition of the willing has emerged, prepared to hold itself to account going forward. Participants fully embraced the decarbonisation challenge and the Structured Visual Thinking (TM) process that underpinned the event revealed myriad of new commercial opportunities.”

Gavin Allwright, Secretary General – International Windship Association

“We are delighted there was a clear understanding of the challenges, scale and urgency required from the Shipping Industry to decarbonise to meet the high ambition commitment shown in Paris. Delegates embraced a whole raft of solutions and commitments, going in front of regulation to ensure that ships being designed and built today will be able to operate in a net zero emission world by the end of their commercial lifetime. The positive attitude on display at the Ambition 1.5°C: Global Shipping’s Action Plan event underlines that the challenge of urgent decarbonisation of shipping is really achievable. The International Windship Association pledges to take an active role in continuing to participate in the emerging ‘coalition of the willing’”

ABOUT THE CO-ORGANISERS

**Lloyd’s Register (LR)** is a global engineering, technical and business services organisation wholly owned by the Lloyd’s Register Foundation, a UK charity dedicated to research and education in science and engineering. Founded in 1760 as a marine classification society, LR now operates across many industry sectors, with some 8,000 employees in 78 countries. LR is a leading international provider of classification, compliance and consultancy services to the marine and offshore industry, helping its clients design, construct and operate their assets to the highest levels of safety and performance. LR has a long-standing reputation for integrity, impartiality and technical excellence. Its compliance, risk and technical consultancy services give clients confidence that their assets and businesses are safe, sustainable and dependable. Through its global technology centres and research network, LR is at the forefront of understanding the application of new science and technology to future-proof its clients’ businesses.

[www.lr.org](http://www.lr.org)
MAN Diesel & Turbo SE, based in Augsburg, Germany, is the world’s leading provider of large-bore diesel engines and turbomachinery for marine and stationary applications. It designs two-stroke and four-stroke engines that are manufactured both by the company and by its licensees. The engines have power outputs ranging from 450 kW to 87 MW. MAN Diesel & Turbo also designs and manufactures gas turbines of up to 30 MW, steam turbines of up to 150 MW and compressors with volume flows of up to 1.5 million m³/h and pressures of up to 1,000 bar. The product range is rounded off by turbochargers, propellers, gas engines and chemical reactors. MAN Diesel & Turbo’s range of goods includes complete marine propulsion systems, turbomachinery units for the oil & gas as well as the process industries and complete power plant solutions. Customers receive worldwide after-sales services marketed under the MAN PrimeServ brand. The company employs around 14,500 staff at more than 100 international sites, primarily in Germany, Denmark, France, Switzerland, the Czech Republic, India and China. MAN Diesel & Turbo is a company in the Power Engineering business area of MAN SE.

www.mandieselturbo.com

RightShip is the world’s leading maritime risk management and environmental assessment organisation. RightShip’s online risk management tool, RightShip Qi, brings all the benefits of big data and predictive analytics to maritime risk management, providing users with sophisticated, real-time vetting insights and enhanced reporting capabilities. Adding depth to the risk management assessment, RightShip’s Greenhouse Gas (GHG) Emissions Rating has been widely adopted by the maritime industry to measure and recognise the relative CO2 output of individual vessels. It is now used as a selection tool for 1 in every five ships chartered, equating to 2.4 billion DWT and around 30,000 vessel movements each year. Available free of charge, the GHG Rating provides a systematic and transparent framework for comparing the relative efficiency of ships, enabling users to select vessels with a lower CO2 footprint and fuel bill.

www.rightship.com/ghgrating

MARIKO: The main task of MARIKO GmbH is the support of actors and stakeholders in the maritime industry. Through networking activities and the initiation of research and cooperation projects, innovative projects with a focus on the field of green shipping and efficient ship operation are being developed especially for companies along the Ems axis, in Germany and the Netherlands. The main priority is on cooperation with small and medium-sized companies operating in the maritime and inland waterway transport sector.

www.mariko-leer.de

Danish Shipping is a trade and employer organization for more than 40 ship owners and two offshore companies. Altogether, the members of Danish Shipping own around DWT 33 million, which add up to more than 95 per cent of the Danish merchant fleet registered in the Danish International Shipregister (DIS). Danish Shipping was established in 1884. Since then it has been working as a collective point for the Danish shipping industry, and today it plays an important and active role in relation to the authorities and decision-makers nationally and internationally. The organization also has a permanent representation office in Bruxelles. Additionally, Danish Shipping is a member of and works with foreign ship owners' organizations such as ICS and ECSA. Danish Shipping firmly believes that international shipping must reduce its absolute CO2 emissions in pace with the rest of the world economy to contribute with its "fair share" in meeting the 2°C target of the Paris Agreement. To do this, the IMO GHG Reduction Strategy must contain establish ambitious and time dependent CO2 reduction targets and mechanisms. The targets must ensure that shipping's emissions are reduced sufficiently to keep the sectors' share of global emissions below 2.2 %.

www.danishshipping.dk/
The International Windship Association (IWSA) facilitates and promotes wind propulsion solution for commercial shipping worldwide and brings together all parties in the development of a windship sector to shape industry and government attitudes and policies. IWSA is a member driven, not-for-profit association made up of wind propulsion technology suppliers and ship development projects, designers, naval architects, engineers, academics, NGO’s and seafarers with five areas of activity:

- Network – grouping like-minded organizations and individuals sharing ideas, skills, technical and market information for the development of commercial windships.
- Promote – promoting the economic value of wind propulsion to the industry.
- Educate – acting as a central information hub for the wind propulsion sector, ship owners and operators, shipyards, ports, governments, equipment producers, the media, NGOs, and the wider public.
- Incubate – securing funding streams, project collaboration, grant applications, research and the pooling of resources.
- Facilitate – establishing common approaches/criteria for all stages of project development, support stakeholders, advise and lobby legislative bodies on policies, activities, funding and incentives required to retrofit existing ships and build new commercial windships.

www.wind-ship.org

Green Ship of The Future (GSF) is a public private partnership with 50 members from across the maritime industry from shipowners, OEMs and suppliers to class, authorities and research institutions. Green Ship of the future is working towards emission free maritime transport, is ambitious in the exploration and use of new technologies and enables innovation across maritime value chains. Through collaborative innovation across the maritime supply chain, GSF members explore, develop and demonstrate green technology in ambitious projects with the overall goal of making shipping and the maritime industry more innovative, energy efficient and sustainable. Green Ship of the Future is funded by the members, but with important and appreciated donations from The Danish Maritime Fund, the Orient's Fund and the Lauritzen Foundation.

www.greenship.org

ABOUT THE ADVISORS

The Sustainable Shipping Initiative (SSI) is an independent charity, comprised of ambitious leaders spanning the whole shipping value chain from charterers and ship owners, to ship yards, class societies and technology companies. The SSI’s objective is to make sustainability mainstream; working with its members and other shipping stakeholders to create a more environmentally responsible, socially conscious, safer, accountable, and more economically profitable industry. One that is truly sustainable by 2040, as outlined in its Vision. The SSI was founded by global sustainability non-profit organization Forum for the Future in conjunction with WWF, the global conservation NGO and a number of leading shipping industry companies. Forum for the Future and WWF remain as NGO members of the SSI.

www.ssi2040.org

Carbon War Room (CWR) was founded in 2009 as a global non-profit by Sir Richard Branson and a group of like-minded entrepreneurs. Carbon War Room’s purpose has been to accelerate the adoption of business solutions that reduce carbon emissions at gigaton scale and advance the low-carbon economy. In 2014, Carbon War Room merged with Rocky Mountain Institute, and RMI continues to use the Carbon War Room brand in many markets given its exceptional reputation. Central to the approach of Carbon War Room programmes is overcoming market barriers that prevent capital from flowing to sustainable decarbonisation solutions, or that prevent uptake of such solutions. These programmes engage directly with industry to generate business-led solutions with clear
pathways to accelerate the deployment of profitable low-carbon solutions—even in the face of weak mandates. Carbon War Room’s Shipping Program focuses on data transparency, new technologies and fuels, and shipping finance practices to inject much-needed disclosure and innovation into the shipping sector. This approach will provide market advantages for cleaner ships and encourage sustainable ship financing.

[URL to Carbon War Room]

UMAS: In combination, UCL Energy Institute, MATRANS and UCLC operate under the branding of the entity UMAS. UMAS is a sector focused commercial advisory service that draws upon the world leading shipping expertise of the UCL Energy Institute, combined with the advisory and management system expertise of MATRANS. Work undertaken by UMAS is underpinned by state of the art data supported by rigorous models and research practices. This makes UMAS world leading on two key areas; using big data to understand trends and drivers of shipping energy demand or emissions and using models to explore what-ifs for future markets and policies.

[URL to UMAS]

ABOUT THE OFFICIAL EVENT ORGANISERS

The Blue Green Events Company is a dynamic events company that delivers impactful platforms and campaigns with sustainability and the low carbon economy at their core.

[URL to Blue Green Events]

The Smart Green Shipping Alliance (SGSA) is an award-winning collaboration of SMEs and large corporations pioneering maritime renewables.

[URL to SGSA]

Mantour Consultancy is a highly recognised German consultancy on all aspects of sustainability.

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