

## Shipping and climate change

### A statement from IMO Secretary-General Koji Sekimizu

Later this year, parties to the UN Framework Convention on Climate Change (UNFCCC) will meet first in Bonn and then in Paris for discussions that will be pivotal for the sustainable future of mankind.

The world knows that climate change, and greenhouse gas emissions, simply must be addressed, and this is the mechanism through which world leaders are doing so.

Everyone must play a part in this effort – no industry or sector can be excluded, and that applies to shipping, too. As the industry that physically delivers around 90 per cent of global trade, and a key driver of the world's economic engine, it is incumbent on shipping to make its own contribution.

For decades, the member nations of the International Maritime Organization (IMO) have exercised **strong and decisive leadership** in creating the legal and technical framework within which shipping has become progressively cleaner, greener and safer - while continuing to provide the world with a cost-effective way to transport the goods and commodities that underpin the global economy and sustain global society.

The need to reduce emissions from ships has been clearly understood by the IMO. It has led the way in steering the shipping industry towards a clean, sustainable future. Efforts to reduce airborne emissions from ships took a major step forward in 1997, with the adoption of the Protocol to the International Convention for the Prevention of Pollution from Ships, known as MARPOL Annex VI, which currently regulates air emissions from 95.4% of the world's shipping tonnage. And work to build on the success of 1997 is already well underway. Further, more stringent global measures to reduce emissions from individual ships by 30 per cent by 2030 established through amendments to MARPOL Annex VI are now in force.

These efforts are working. Through compliance with these IMO regulations, international shipping has taken a genuine leadership role in mitigating its contribution to climate change. According to figures contained in IMO's most recent study of greenhouse gas emissions, during the five years to 2012 the total contribution from international shipping to global emissions actually reduced from 2.8 percent to 2.2 percent. This was despite significant overall growth in seaborne trade and a corresponding growth in cargo-carrying capacity during the same period. Through compliance with IMO regulations, shipping can grow with the global economy and reduce emissions at the same time.

It is important to stress that IMO is, to date, the **only** international organization to have adopted global legislation to significantly reduce CO<sub>2</sub> emissions from a particular industry. Nothing similar exists for any other industry or business sector. IMO has consistently and successfully, over time, explored new possibilities to improve upon existing technical, operational and management measures to reduce vessel-source air pollution, including greenhouse gas emissions. IMO continues to contribute to the global efforts to reduce greenhouse gas emissions in the context of the climate change debate.

But the need for further progress is clearly recognized at IMO. Since the amendments to MARPOL Annex VI came into force in 2013, IMO has continued to develop practical assistance to support their uniform implementation throughout the global fleet, as well as to develop an all-encompassing data collection system for ships' fuel consumption. While the most recent proposal to further limit greenhouse gas emissions from ships was delayed citing the need for further study, there is no question that the work will continue.

IMO regulations already in force will ensure that emissions per ship will be significantly reduced. But what they cannot do, and what shipping cannot do, is control the **total, global demand** for cargo to be carried. This is directly related to growth in the global economy.

Of course, in a future, low-carbon society, the growth of demand for oil, coal and gas may fall. This, in turn, may serve to limit overall emissions from the shipping sector. But, if the global economy grows, demand for shipping will grow as well; which means that, even though emissions per ship will be greatly reduced under established IMO measures, the overall emissions from the sector may actually increase. History is certainly on the side of growth - seaborne trade has grown more than three-fold during the past four decades. This may give rise to calls for other measures, beyond those already adopted, or currently under consideration, by IMO.

But who should decide on such measures and where should this be done? Clearly, this is an issue that needs to be addressed by Governments – and by Governments willing to act together, in a spirit of cooperation. Historically, debate among Governments about shipping, be it technical, operational or fiscal, has taken place within IMO, where the nature of, and impact on, the shipping industry is best understood.

And I believe IMO is the **only** place to take this debate forward, too. Indeed, this was already recognised in the Kyoto Protocol, where IMO was designated as the agency to deal with greenhouse gas emissions from shipping – a responsibility that it has diligently and successfully undertaken.

But, whatever world leaders decide with regard to shipping during the forthcoming climate change negotiations, they must first carefully consider the **impact** of those decisions in light of the **enormous contribution** that shipping makes to the world economy.

In the process leading up to the Paris meeting, world leaders might be tempted to consider specific measures aimed at reducing shipping's overall contribution of CO<sub>2</sub> emissions, such as an overall cap. Such measures would artificially limit the ability of shipping to meet the demand created by the world economy, or would unbalance the level playing field that the shipping industry needs for efficient operation, and therefore must be avoided. In addition, fiscal measures such as a levy on fuel are under active consideration, but such measures require careful analysis and development, considering a host of environmental, technical, economic and geopolitical factors. For these matters, so crucial to the world's future, there are no simple answers. But IMO is the most capable and appropriate forum for such complex considerations to occur and be resolved.

IMO has a solid track record of solving problems with complex multinational dimensions. For decades, by developing measures that are applied universally to the world's most international of industries, IMO has served global society well. As its record to date so clearly demonstrates, it should be entrusted to continue that work when it comes to addressing greenhouse gas emissions from shipping.

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