GHG & Shipping

Global industry, Global rules

Lars Robert Pedersen,
Deputy Secretary General
• IMO has delivered an important package for the future of our sector
• Shipping is a cornerstone in providing development to developing countries
• Capping shipping emissions is capping trade and thus development
• Shipping must be regulated with global rules to avoid evasion and market distortion
• We should not be distracted when discussing MBM's - emission reduction is what matters
• Tackling climate change is a global effort - IMO cannot do it alone
EEDI & SEEMP

• Provides tangible reductions in emissions from new ships
• Targets the core solution for future use of fossil fuel; Energy Efficiency
• Provides a structured approach to enhancing operational energy efficiency – compatible with ISO14001
• Triggers commercial changes; BIMCO slow steaming clause

• Above all, it provides for new transparency in shipping
Why shipping?

- Trade is what generate development in the world
- Trade fulfils the needs in the world
- Trade is primarily facilitated by seaborne freight
- Clear link between growth in global GDP and growth in seaborne trade
No cap on emissions

• Cap on emissions from ships is capping seaborne trade
• Clearly, this will cap development

• To facilitate necessary development shipping should always be measured against its carbon efficiency
Global rules

• Core reason why IMO was established
• Provide for common rules in the most international of sectors
• Global rules means;
  • Seafarers knows what rules they must comply with
  • Safety is not a selection criteria for flag
  • Protection of the environment is according to common standards
• Evasion is avoided
• Maximum impact when adopted
MBM’s – what matters?

Emissions!

• Too much focus on spending funds not yet collected
• IMO will continue its work on a possible MBM for international shipping
• The aim is to use market forces to reduce emissions in the sector
• Maybe, the MBM will provide funds
• An MBM cannot be a tax!
• IMO has taken an important first step
• Further steps are in the regulatory pipeline in IMO
• Successfull outcome depends not only on IMO – momentum is required on the global scene

IMO GHG regulation cannot stand alone