

MARINE ENVIRONMENT PROTECTION
COMMITTEE
69th session
Agenda item 7

MEPC 69/7/1
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REDUCTION OF GHG EMISSIONS FROM SHIPS

Proposal to develop an "Intended IMO Determined Contribution" on CO₂ reduction for international shipping

Submitted by International Chamber of Shipping (ICS)

SUMMARY

Executive summary: ICS proposes that the Organization should develop an Intended IMO Determined Contribution on CO₂ reduction for the international shipping sector as a whole, taking account of the UNFCCC (COP 21) Paris Agreement

Strategic direction: 7.3

High-level action: 7.3.2

Output: 7.3.2.1

Action to be taken: Paragraph 14

Related documents: MEPC 68/5/1 and MEPC 69/7

Establishing CO₂ reduction commitments on behalf of the international shipping sector

1 ICS asserts that the message from the UNFCCC Conference (COP 21) and the Paris Agreement is clear. All sectors of the global economy are now expected to determine how they can reach peak CO₂ emissions as soon as possible before eventually decarbonizing completely. ICS agrees that international shipping must play its full part in contributing to this objective.

2 Now that work on the global CO₂ data collection system is almost complete, and in expectation of its mandatory application by 2018, ICS supports in principle the request by the Marshall Islands at MEPC 68 (MEPC 68/5/1), supported by other IMO Member States that the Committee should discuss the establishment of IMO commitments for CO₂ emission reduction on behalf of the entire international shipping sector. This would be consistent with the UNFCCC Paris Agreement and commitments made by nations to produce Intended Nationally Determined Contributions (INDCs) and to update these on a five year basis.

3 ICS notes that the UNFCCC Paris Agreement recognizes that different parts of the global economy (which includes international shipping) will need to decarbonize at different speeds. In view of projected increases in demand for maritime transport, over which the sector has no control, and recognizing the vital role that shipping plays in the sustainable development of emerging economies, it is important that this feature of the Paris Agreement is fully reflected in any consideration of CO₂ reduction commitments for international shipping.

4 ICS further notes that the 2015 UNCTAD Review of Maritime Transport confirms that more than half of current international shipping activity now services developing economies, a proportion that is expected to increase in the future. An expectation that international shipping should somehow decarbonize at the same rate at which developed nations have committed to decarbonize their economies in their INDCs would therefore be inconsistent with the "spirit of Paris" and the principle of differentiation as set out in Article 2 of the UNFCCC Paris Agreement.

5 It is also important to recognize that, whereas many land-based industrial and transportation sectors are expected to have increased access to alternative low carbon energy sources in the relatively immediate future, low carbon fuels are unlikely to be readily available for the transportation of maritime trade which will probably continue to be dependent on fossil fuels for several more decades.

6 The above notwithstanding, ICS believes that, with the shipping industry's support, IMO Member States should be able to develop meaningful CO₂ reduction commitments for the international shipping sector as a whole that are both ambitious and realistic.

Terminology: Intended IMO Determined Contribution

7 The terminology used when adopting any commitment for international shipping will be important, and should be consistent with the language used in the UNFCCC Paris Agreement.

8 Consistent with the commitments i.e. the Intended Nationally Determined Contributions (INDCs) which UNFCCC Parties have made, ICS believes it would be appropriate for the Organization to speak in terms of adopting an Intended IMO Determined Contribution on behalf of the international shipping sector.

9 ICS suggests that the term Intended IMO Determined Contribution is appropriate because the concept of reduction targets has not been applied to individual Parties under the UNFCCC Paris Agreement. This avoids the implication that some kind of sanction might follow any reduction target not being reached, which was one of the key reasons for the success of COP 21 and consensus being achieved among all nations. ICS sees no reason why the international shipping sector should be treated differently, and notes that binding global targets have not been developed for any other industrial sector.

10 IMO Member States and the shipping industry should nevertheless be answerable to the international community for the delivery of an Intended IMO Determined Contribution, in the same way that governments committed to INDCs will be answerable to the international community for their delivery.

11 The adoption of an Intended IMO Determined Contribution would also serve to make clear that the reduction of the sector's CO₂ emissions is being addressed robustly by IMO Member States, even though there is no explicit reference to this in the UNFCCC Paris Agreement and international shipping is not covered by the INDCs which have been presented to UNFCCC by governments.

12 ICS therefore proposes that the Committee should agree to develop an Intended IMO Determined Contribution on behalf of the international shipping sector as soon as possible, to be made publically available and to be reported to future UNFCCC meetings.

13 ICS intends to elaborate upon its ideas on what an Intended IMO Determined Contribution might comprise at a future session of the Committee, following an in depth discussion among industry stakeholders.

Action requested of the Committee

14 The Committee is invited to consider the proposal in paragraph 12 above, and to decide as appropriate.
