

INTERSESSIONAL MEETING OF THE
WORKING GROUP ON REDUCTION OF
GHG EMISSIONS FROM SHIPS
18th session
Agenda item 2

ISWG-GHG 18/2/17
3 January 2025
ENGLISH ONLY
Pre-session public release: ☒

**FURTHER CONSIDERATION OF THE DEVELOPMENT OF THE BASKET OF
CANDIDATE MID-TERM GHG REDUCTION MEASURE(S), USING ANNEX 1
TO DOCUMENT MEPC 82/WP.9 AS THE BASIS**

**Proposal for an IMO sustainable fuels certification framework in the context of the
IMO LCA Guidelines and the IMO net-zero framework**

Submitted by Brazil, Japan, Singapore, ICS, IPIECA, RINA, IBIA , WSC, SGMF and MI

SUMMARY

Executive summary: This document provides an updated proposal on the development of an IMO sustainable fuels certification framework that will allow certification schemes/standards to operate under the purview of the IMO LCA Guidelines, especially with respect to the implementation of the technical and economic elements under the IMO net-zero framework. To establish such a framework, the co-sponsors propose three concise regulatory paragraphs as well as the development of supporting guidelines and procedures for the recognition by and reporting of certification schemes/standards to the Organization. The co-sponsors propose an IMO sustainable fuels certification framework with new draft regulation and an indication of supporting guidelines to be developed, and invite guidance on how to further progress this matter.

Strategic direction, if applicable: 3

Output: 3.2

Action to be taken: Paragraph 30

Related documents: Resolution MEPC.391(81); ISWG-GHG 16/3/1, ISWG-GHG 16/3/5 and ISWG-GHG 17/3/1

Introduction

1 This document presents an updated proposal for the Organization to develop a certification framework that will facilitate the implementation of future regulatory instruments to promote the energy transition in the maritime sector.

2 Brazil et al. have submitted document ISWG-GHG 17/3/1, providing a proposal on how to address the development of specific certification elements that will enable certification schemes to operate under the purview of the IMO LCA Guidelines, especially with respect to implementation under the IMO net-zero framework. Document ISWG-GHG 17/3/1 highlighted the importance of including a definition of "certification" in relation to existing regulations and guidelines, with the suggestion to develop a new set of guidelines and regulations as appropriate, outlining criteria and procedures for recognizing certification schemes/standards and for the reporting of certification activities.

3 In addition, document ISWG-GHG 16/3/5 (Brazil) outlined the need to develop a certification framework with a proposed set of guiding principles.

4 MEPC 82 agreed to continue working on the development of such a sustainable fuels certification framework, including draft guidelines and proposals on how to reference such certification schemes in the context of the IMO net-zero framework with a view to submitting a more developed proposal to a future session.

5 The co-sponsors of this document worked intersessionally on a concrete proposal for an IMO sustainable fuels certification framework that will facilitate the certification of marine fuels under the purview of the IMO LCA Guidelines, especially in relation to the implementation of the technical and economic elements under the IMO net-zero framework. This document proposes a brief set of regulations and supporting guidelines to establish and implement the IMO sustainable fuels certification framework.

6 The IMO sustainable fuels certification framework would allow the Organization to formally recognize certification schemes/standards that meet basic criteria and are consistent with the relevant IMO guidelines. The proposed framework would also serve to ensure confidence and consistency in the GHG intensity values reported to the IMO Data Collection System (IMO DCS).

Overview of key elements developed

7 Multiple certification schemes/standards are in use today under international and regional frameworks. Some national and international bodies have also established a series of rules and requirements to be followed for compliance and eligibility and provide clarity on how these schemes operate under their purview.

8 As outlined in document ISWG-GHG 17/3/1, the IMO sustainable fuels certification framework would rely on regulations and guidelines with criteria and procedures for the recognition of sustainability certification schemes/standards and on the reporting of certification activities to the Organization.

9 This document provides a proposed "IMO Sustainable Fuels Certification Framework" that would establish a clear structure for IMO to recognize sustainable fuels certification schemes/standards (SFCS) consistent with the IMO LCA Guidelines GHG emissions methodology and sustainability criteria. The proposal defines the relationship between the entities involved in the necessary certification process, such as: SFCS recognized by the Organization (IMO SFCS), economic operators, accreditation bodies and certification bodies.

10 To this end, the co-sponsors propose a clear organizational structure to recognize established and credible SFCS that may be national and/or multinational frameworks and commercial and/or voluntary certification schemes/standards, among others, and for the reporting of certification activities. The proposed framework comprises the following four key elements:

- .1 recognition of sustainable fuels certification schemes/standards (SFCS) by the Organization;
- .2 procedures for review and recognition of sustainable fuels certification schemes/standards by the Organization;
- .3 periodic review, reporting and renewal of sustainable fuels certification schemes/standards; and
- .4 supporting guidelines.

11 Elements .1 through .3 would be constructed as concise regulatory text under MARPOL Annex VI chapter 5.1, while guidelines specified in element .4 would be approved and adopted per the normal IMO procedure.

12 Therefore, the proposed framework includes clear criteria for the recognition of the SFCS and straightforward procedures for the application, review and reporting of SFCS under MARPOL Annex VI, while also providing a clear link to supporting guidelines.

13 The proposed framework is presented in figure 1.

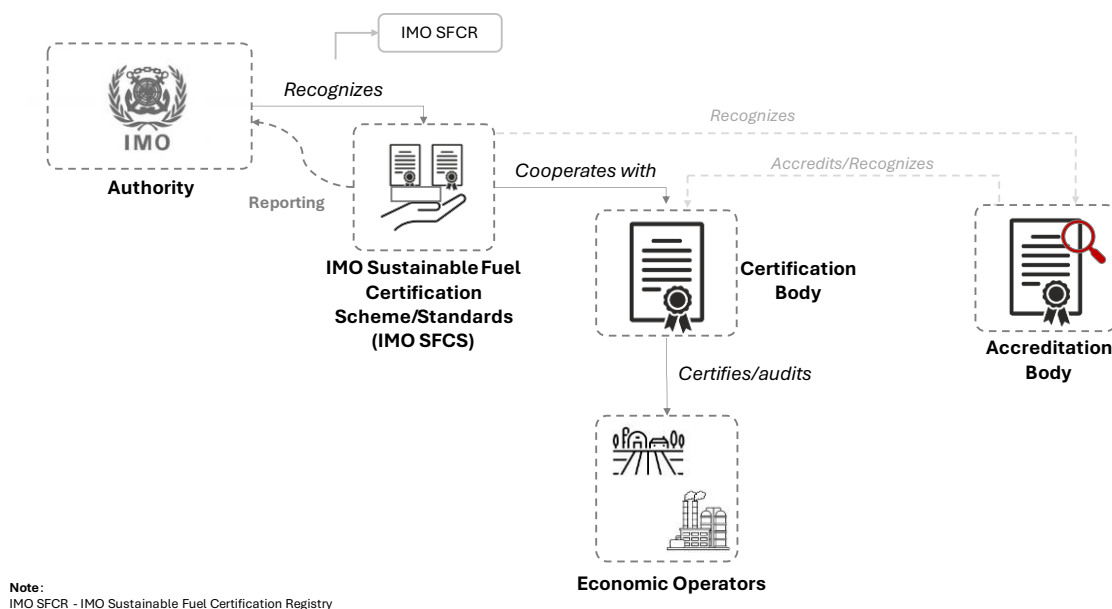


Figure 1: Proposed IMO sustainable fuels certification framework

14 A tentative timeline for the Organization to develop the IMO sustainable fuels certification framework in pace with the development of the IMO net-zero framework is proposed in figure 2.

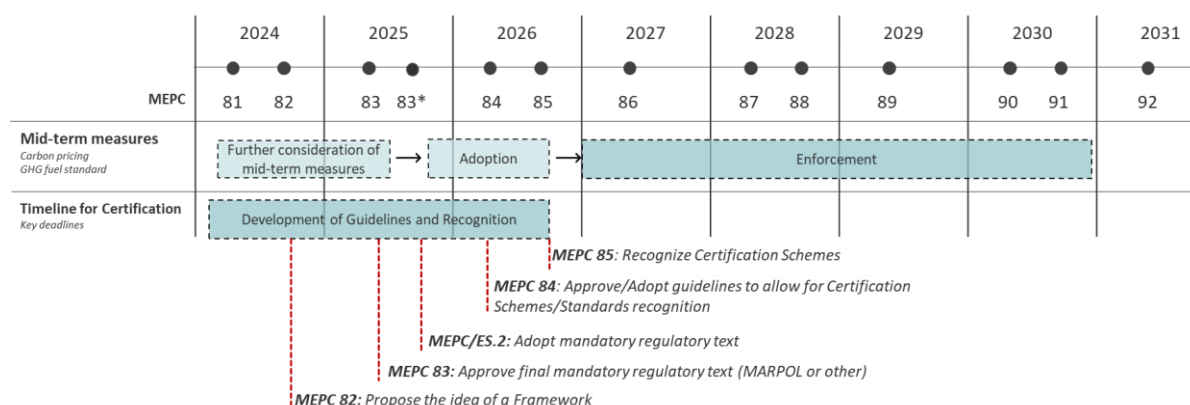


Figure 2: Proposed timeline for the development of the IMO sustainable fuels certification framework

Proposed regulations to establish an IMO sustainable fuels certification framework

15 Concise regulatory text is proposed for three regulations to be included under chapter 5.1 of MARPOL Annex VI: regulations X1, X2 and X3. In annex 1 to this document, the co-sponsors provide draft text of the proposed regulations X1, X2 and X3 and suggest placing the draft regulatory text before or after regulation X GFI Data Collection and Reporting in chapter 5 of MARPOL Annex VI.

16 Regulation X1 outlines the recognition of IMO SFCS to assess the GHG intensity and sustainability performance of marine fuels, which would include national and/or multinational frameworks and commercial and/or voluntary certification schemes/standards, among others, taking into account guidelines to be developed by the Organization. Regulation X1 also calls for IMO to establish and maintain a public register of recognized schemes: the "IMO Sustainable Fuels Certification Register (IMO SFCR)".

17 Regulation X1 also contains specific criteria that a given SFCS needs to meet to be included in the IMO SFCR. Regulation X1 and the criteria specified in appendix X1 are to ensure consistency, transparency and credibility in assessing fuels' GHG intensity and sustainability performance (regulation X1 and appendix X1 of the draft regulatory text are appended as annex 1 to this document). By adhering to clear criteria, the Organization can ensure that the IMO SFCS are robust, reliable and aligned with the IMO LCA Guidelines and IMO sustainable fuels certification framework.

18 Regulation X2 outlines the procedure for the Organization to review and recognize a given SFCS. To apply for IMO SFCS recognition, an electronic application must be submitted through a Member State. Once received, the application is reviewed by the Organization to determine if the SFCS satisfies the criteria identified in appendix X1 and is consistent with the relevant IMO guidelines. The application shall be submitted and reviewed consistently with procedures established by the Organization, providing expert sector knowledge and ensuring a balanced geographical participation, taking into account guidelines to be developed by the Organization.

19 Regulation X2 also provides guidance on the communication of the review process by the Organization to the Committee for final IMO SFCS endorsement.

20 Regulation X3 describes the periodic review, reporting and renewal process for IMO SFCS and states that the IMO SFCS must report relevant data annually to the IMO SFCR. The reported data will be compiled by the Secretary-General of the Organization into an annual report for the Marine Environment Protection Committee. It also sets a starting date for the IMO SFCS to collect and report data on the certification activities.

21 The annual report by the IMO SFCS to the Organization is essential to ensure the robustness of sustainability and GHG intensity reduction claims. By regularly submitting detailed data, the IMO SFCS would enable Member States and other interested parties to follow the marine fuel production process throughout the entire supply chain, thereby ensuring that all stages meet the Organization's standards. This process would help to identify any missing or incomplete information, reduce the risk of fraudulent certification, and help ensure that the sustainability performance of marine fuels is accurately certified. If, for any reason, an IMO SFCS is no longer recognized by the Organization, the documents issued within these SFCS, including proofs of lifecycle GHG intensity and sustainability performance of fuels, shall not be accepted for compliance.

22 Regulation X3 also requires a periodic review of each IMO SFCS by the Organization to assess whether recognized schemes continue to satisfy the criteria outlined in appendix X1 and the annual reporting obligations.

Development of new guidelines

23 The draft regulations X1, X2 and X3 to be included under MARPOL Annex VI should be complemented by new supporting guidelines in addition to the IMO LCA Guidelines as amended:

- .1 guidelines on requirements and procedures for the recognition of certification schemes/standards;
- .2 guidelines on the application procedures and continuous review of certification schemes/standards; and
- .3 guidelines on the reporting of certification activities to the Organization by certification schemes/standards.

24 A draft table of contents of these guidelines is provided in annexes 4 to 6.

Update of existing regulatory texts

25 The introduction of new terms under the proposed IMO sustainable fuels certification framework requires new definitions to be added under regulation 2 of MARPOL Annex VI. The co-sponsors of this document offer new draft definitions in annex 2 of this document for consideration by the Committee.

26 In addition, during the development of the IMO sustainable fuels certification framework, the co-sponsors of this document identified some issues and missing information in the IMO LCA Guidelines that should be considered by the Committee when the current LCA Guidelines are next amended:

- .1 the IMO LCA Guidelines refer intermittently to both certification and verification, implying these would be equivalent, which in practice it is not. Verification is a terminology widely used in IMO documents, referring to the need to verify the data collected by ship operators and submitted to the

respective administrations, while certification, in the context of the IMO LCA Guidelines, refers to the process that ensures that the fuel supplied to ships complies with the sustainability and life cycle GHG emissions performance requirements defined therein;

- .2 total and disaggregated default values can be applied to calculate marine fuels' WtW (well-to-wake) emissions as reflected in the IMO LCA Guidelines. However, only the WtW default GHG intensity values of marine fuels are listed in appendix 2 to the IMO LCA Guidelines at this point. Disaggregated default or actual values for the GHG intensity of fuels should be presented in the IMO LCA Guidelines, so that the final WtW GHG emissions of fuels can be calculated as the sum of the actual and/or default factors throughout the supply chain; and
- .3 the IMO LCA Guidelines should ensure the full accounting of emissions reduction from Carbon Capture and Storage (CCS) systems to assess the life cycle GHG intensity of marine fuels.

27 Annex 3 provides a provisional list of regulatory texts to be amended.

Recommendations

28 The Working Group is invited to consider and recommend to the Committee to:

- .1 proceed with the development and consideration of an IMO sustainable fuels certification framework, as proposed in paragraphs 9 to 14 of this document;
- .2 consider and approve the draft regulatory text under chapter 5.1 of MARPOL Annex VI provided in annex 1 to this document;
- .3 amend regulation 2 of MARPOL Annex VI considering the draft definitions proposed in annex 2 to this document; and
- .4 develop guidelines specified in paragraphs 23 and 24 of this document taking into account annexes 4, 5 and 6 to this document.

29 The Working Group is invited to recommend to the Committee a way forward to proceed with the development of the IMO sustainable fuels certification framework in view of developing the content outlined in the annexes to this document.

Action requested of the Working Group

30 The Working Group is invited to consider the information and recommendations provided in this document, especially the proposed way forward contained in paragraphs 28 and 29 and take action as appropriate.

ANNEX 1

NEW DRAFT REGULATIONS REGARDING THE IMO SUSTAINABLE FUELS CERTIFICATION FRAMEWORK - MARPOL ANNEX VI, CHAPTER 5.1

Regulation X1

Recognition of sustainable fuels certification schemes/standards by the Organization

1 Sustainable Fuels Certification Schemes/Standards (SFCS) shall be recognized by the Organization¹. The Organization shall maintain and periodically update a publicly accessible register of recognized schemes, the IMO Sustainable Fuels Certification Register (IMO SFCR).

2 SFCS recognized by the Organization (IMO SFCS) shall be mutually accepted by other IMO SFCS and Parties to this Annex.

3 IMO SFCS shall meet the criteria in appendix [X1] of this chapter and operate in accordance with guidelines to be developed by the Organization².

Regulation X2

Procedure for the review and recognition of sustainable fuel certification schemes/standards by the Organization

1 SFCS applying to be recognized by the Organization pursuant to regulation X1 of this Annex, shall prepare an electronic application which shall be submitted to the Committee by a Member State, taking into account guidelines to be developed by the Organization³.

2 To be recognized by the Organization, the SFCS shall meet the criteria in appendix [X1] as required in regulation X1.3.

3 Upon completion of the SFCS application review by the Organization, the Secretary-General of the Organization shall communicate the outcome to the Committee for endorsement. On recognition by the Committee, the IMO SFCS shall be published in the IMO SFCR.

Regulation X3

Periodic review, reporting and renewal of sustainable fuel certification schemes/standards

1 From calendar year [2027] [2028] IMO SFCS shall collect and aggregate relevant data in that calendar year, as appropriate, and report to the IMO SFCR, using guidelines to be developed by the Organization⁴.

2 On the basis of the reported data, the Secretary-General of the Organization shall produce an annual report to the Marine Environment Protection Committee summarizing the data collected, and such other relevant information as may be requested by the Committee.

¹ Refer to resolution MEPC.391(81) on 2024 Guidelines on life cycle GHG intensity of marine fuels (2024 LCA Guidelines).

² Guidelines on requirements and procedures for the recognition of certification schemes/standards.

³ Guidelines on the application procedures and continuous review of certification schemes/standards.

⁴ Guidelines on the reporting of certification activities to the Organization by certification schemes/standards.

3 A review of the IMO SFCS shall be conducted at least every [three][five] years, or earlier when deemed necessary, by the Organization to assess whether recognized schemes continue to satisfy the criteria outlined in appendix X1 and the reporting obligations referred to in paragraph 1 of this regulation.

4 The Organization shall make available information about any IMO SFCS that is no longer recognized by the Organization as endorsed by the Committee. The IMO SFCS shall indicate the date from which the documents issued within these SFCS are no longer accepted for compliance with the requirements of this annex, date to be defined as [40] days after endorsement by the Committee.

Appendix X1

Criteria for sustainable fuel certification schemes/standards recognition by the Organization

(refer to regulation X1 of chapter 5.1)

IMO sustainable fuel certification schemes/standards (IMO SFCS) shall satisfy the criteria set out below as required under regulation X1 of chapter 5.1, taking into account guidelines to be developed by the Organization⁵. IMO SFCS shall:

- .1 Implement a rigorous and structured system for assessing fuels' lifecycle GHG emissions, incorporating traceability and chain of custody mechanisms to ensure transparency and avoid double counting.
- .2 Apply the LCA Guidelines adopted by the Organization⁶.
- .3 Demonstrate that certification bodies and accreditation bodies operate in accordance with international standards.⁷ The accreditation must demonstrate the certification body's technical competence, impartiality, and adherence to rigorous evaluation practices.
- .4 Establish and maintain robust governance structures and measures that promote impartiality and integrity, preventing undue influence from interested parties and any affiliation that compromises the scheme/standard's ability to conduct impartial verification.
- .5 Incorporate independent third-party audits conducted by entities separate from the certification schemes/standards' operational control to assess compliance with established principles and guidelines.
- .6 Demonstrate technical expertise and capacity to provide ongoing training to ensure the maintenance of verification standards. This includes ensuring that all certification involved personnel are adequately qualified and updated on relevant regulatory and technical developments.
- .7 Establish procedures for mutual acceptance of other recognized IMO SFCS across all economic operators, taking into account the scope the SFCS have been recognized for.

⁵ Guidelines on procedures for the recognition of certification schemes/standards.

⁶ Resolution MEPC.391(81) on 2024 Guidelines on life cycle GHG intensity of marine fuels (2024 LCA Guidelines).

⁷ ISO 17065, ISO 17011, or equivalent.

ANNEX 2

DRAFT NEW DEFINITIONS REGARDING THE IMO SUSTAINABLE FUELS CERTIFICATION FRAMEWORK – MARPOL ANNEX VI, CHAPTER 1, REGULATION 2

Regulation 2 *Definitions*

1 For the purposes of this annex:

...

- .34 *IMO Sustainable Fuel Certification Schemes/Standards* (IMO SFCS) means sustainable fuel certification schemes/standards (SFCS) recognized by the Organization.
- .35 *Accreditation body* means authoritative bodies recognized by IMO SFCS organizations that perform third-party attestation related to a certification body conveying formal demonstration of its competence to carry out specific conformity assessment tasks.
- .36 *Certification body* means third-party conformity assessment bodies recognized or accredited by accreditation bodies, issuing documents to economic operators as proof of compliance with an IMO SFCS.
- .37 *Economic operator* is an entity subject to audits by certification bodies.

ANNEX 3

LIST OF EXISTING REGULATIONS AND GUIDELINES TO BE AMENDED REGARDING THE IMO SUSTAINABLE FUELS CERTIFICATION FRAMEWORK

- 1 Chapter 5 of MARPOL Annex VI of the IMO net-zero framework - reference to the need of certifying fuels as per the 2024 LCA Guidelines.
- 2 Chapter 4 of MARPOL Annex VI, regulation 27 (data collection) – reference to the need of reporting the GHG intensity and sustainability performance of fuels to the Organization.
- 3 Other MARPOL regulations and guidelines according to the IMO net-zero framework such as SEEMP and DCS.
- 4 Resolution MEPC.388(81) - *2024 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP)* - include additional information such as the FLL and any other entries as required as part of the verification procedures by the ship administration for the purposes of compliance with the regulations in the IMO net-zero framework.
- 5 Resolution MEPC.391(81) - *2024 Guidelines on life cycle GHG intensity of marine fuels* (2024 LCA Guidelines).
- 6 MEPC.1/Circ.905.
- 7 Other - TBD

ANNEX 4

GUIDELINES ON REQUIREMENTS AND PROCEDURES FOR THE RECOGNITION OF CERTIFICATION SCHEMES/STANDARDS

1 INTRODUCTION

2 DEFINITIONS

This section should define various terms related to sustainability certification schemes/certificates, as for example (non-exhaustive): voluntary schemes, national certifications, certification and auditing, economic operators, status of certificates.

3 REQUIREMENTS FOR CERTIFICATION SCHEMES

This section would outline guidance relevant to implementing the requirements stipulated under regulation X1 and appendix X1. This addresses how an IMO SFCS would demonstrate an appropriate governance framework, and to elaborate the certification process documentation, specially related to document management, audit set-ups and relationship with the Organization.

3.1 Governance

3.2 Documentation management

3.3 Evidence requirements

3.4 Use of other sustainable fuel certification schemes/standards

3.5 Audit competencies

3.6 Non-compliance with certification requirements

3.7 Monitoring and system review and ongoing recognition

3.8 Transparency

3.9 Annual reports

3.10 Risk management plan

3.11 Accreditation of certification bodies

3.12 Stakeholder engagement

3.13 Complaint procedure

3.14 Transparency on GHG reporting and accounting

4 REQUIREMENTS SET BY CERTIFICATION SCHEMES ON ECONOMIC OPERATORS

This section should set the criteria on the relationship between SFCS and economic operators, for example, in terms of documentation to be provided, access to economic operators' data, calculation of greenhouse gas emissions and adherence to sustainability criteria.

4.1 Documentation management

4.2 Transparency on participation in other IMO SFCS by economic operators

4.3 Recognition of other IMO SFCS

4.4 IMO LCA Guidelines certification requirements

4.5 Information transmission requirements set by IMO SFCS on economic operators (transmission of information in the supply chain)

5 TRACEABILITY REQUIREMENTS SET BY CERTIFICATION SCHEMES ON ECONOMIC OPERATORS

This section should outline the traceability requirements (e.g. system documentation, level of operation and time frame) established by SFCS for economic operators as well as set the criteria for the assessment of the data demonstrating the traceability of the marine fuels consistently with the LCA Guidelines. Note: Decision on the chain of custody models (e.g. mass balance, book and claim) should be done under the Committee purview.

6 INFORMATION TRANSMISSION REQUIREMENTS SET BY CERTIFICATION SCHEMES ON ECONOMIC OPERATORS

7 REQUIREMENTS SET BY CERTIFICATION SCHEMES ON CERTIFICATION BODIES

This section should elaborate on accreditation, auditing standards, and the overall audit process.

7.1 Accreditation and auditing standards

7.2 Audits

7.3 Transfer from one certification scheme to another

7.4 Certificate issuance

7.5 Group auditing

7.6 Auditing of waste and residues

7.7 Auditing of actual GHG emission calculations

7.8 Audits of mass balance systems

7.9 Auditing of natural and non-natural highly biodiverse grassland

7.10 Auditor competencies

7.11 Audit process and establishment of level of assurance

ANNEX 5

**GUIDELINES ON THE APPLICATION PROCEDURES AND CONTINUOUS REVIEW OF
CERTIFICATION SCHEMES/STANDARDS**

(TBD)

ANNEX 6

GUIDELINES ON THE REPORTING OF CERTIFICATION ACTIVITIES TO THE ORGANIZATION BY CERTIFICATION SCHEMES/STANDARDS

1 INTRODUCTION

2 DEFINITIONS

3 GENERAL INFORMATION FIELDS

List of audits of economic operators executed during the reporting year

Certification body assurance

Accreditation body assurance

Public location (e.g. web page link) of information on the Certification Schemes

Certification bodies and robustness of the scheme

List of system documents updated within the reporting year

4 INFORMATION ON EACH CERTIFIED ECONOMIC OPERATOR THROUGHOUT THE SUPPLY CHAIN FOR THE REPORTING YEAR

Economic operator's information

Product certified by each certified economic operator throughout the supply chain

Batch information of product certified

5 TEMPLATES
