

EUROPEAN COMMISSION

PRESS RELEASE

Brussels, 28 June 2013

Maritime transport: first step to reduce emissions

The European Commission today took the first step towards cutting greenhouse gas emissions from the shipping industry. It proposed legislation which will require owners of large ships using EU ports to monitor and report the ships' annual carbon dioxide (CO_2) emissions. The Commission also published a Communication setting out its strategy to address and reduce these emissions, preferably through measures at global level.

Connie Hedegaard, EU Commissioner for Climate Action, said: "Today we are charting a clear course towards reducing maritime greenhouse gas emissions. The EU monitoring system will bring environmental and economic gains for the shipping sector by increasing transparency about emissions and creating an incentive for ship-owners to cut them. This initiative is fully in line with the latest proposals on global fuel efficiency standards and market-based measures being discussed in the International Maritime Organization. Robust monitoring, reporting and verification of emissions is an essential precondition for informed discussions in Europe and worldwide on reduction targets for the sector."

Siim Kallas, Commission Vice-President, responsible for mobility and transport, said: "We recognise that shipping must contribute to efforts to reduce greenhouse gas emissions, preferably through global measures which are the most environmentally effective and make economic sense. For a global sector such as maritime transport, this can best be achieved through the International Maritime Organization. On the basis of today's policy outline, the EU will continue its efforts, jointly with its global partners, to achieve a comprehensive international solution. Today's proposal is a significant contribution to IMO efforts to cut fuel use and increase the fuel efficiency of ships with a range of instruments including technical and market-based measures."

Focus on emissions from large ships

The proposal¹ will create an EU-wide legal framework for collecting and publishing verified annual data on CO₂ emissions from all large ships (over 5 000 gross tons) that use EU ports, irrespective of where the ships are registered.

Ship owners will have to monitor and report the verified amount of CO_2 emitted by their large ships on voyages to, from and between EU ports. Owners will also be required to provide certain other information, such as data to determine the ships' energy efficiency.

A document of compliance issued by an independent verifier will have to be carried on board ships and will be subject to inspection by Member State authorities.

It is proposed that the rules apply from 1 January 2018.

 $^{^{1}}$ Proposal for a Regulation on the monitoring, reporting and verification of CO_{2} emissions from maritime transport



Towards a global system

The European system is intended as a building block for a global system. The proposed rules are designed to support a staged approach towards setting global energy efficiency standards for existing ships, as proposed by the United States and supported by other members of the International Maritime Organization. The EU rules would be adapted to the global standards if and when a global system is set up.

Administrative burden minimised

The Commission's proposal aims to minimise the administrative burden on companies by basing the rules on existing documents and equipment carried on board ships. Companies will be able to select their preferred monitoring methodology.

Reduced emissions and costs

The EU-wide system of monitoring, reporting and verification (MRV) proposed is expected to cut CO_2 emissions from the journeys covered by up to 2% compared with a 'business as usual' situation, according to the Commission's impact assessment. The system would also reduce net costs to owners by up to $\in 1.2$ billion per year in 2030.

In addition it will provide useful insights into the performance of individual ships, their associated operational costs and potential resale value. This will benefit ship owners, who will be better equipped to take decisions on major investments and to obtain the corresponding finance.

Next steps

The proposal will now be examined by the European Parliament and Council, whose approval is needed for it to become law.

Background

Emissions from the international maritime transport sector today account for 3% of global greenhouse gas (GHG) emissions and 4% of EU GHG emissions. Without action they are expected to increase significantly in the future, in line with expected increases in trade volumes between all continents. Such growth would undermine efforts being undertaken in other sectors to reduce the EU's overall GHG emissions.

Memo/13/626

Contacts:

<u>Isaac Valero Ladron</u> (+32 2 296 49 71)

Stephanie Rhomberg (+32 2 298 72 78)

Helen Kearns (+32 2 298 76 38)

Dale Kidd (+32 2 295 74 61)