

Are you ready for MRV?

Wed 03 Aug 2016 by Paul Fanning



Speaking recently, Lloyd's Register's head of marine business Nick Brown made it clear that owners are increasingly looking to his classification society for greater guidance on regulation.

In particular, it was made clear that there is an increasing demand for guidance on the EU's monitoring, reporting and verification (MRV) regulation for CO₂ emissions that comes into force next year.

Regulation (EU) 2015/757 requires owners to have systems and practices that provide clear and precise evidence of compliance. Mandatory ship emissions monitoring will begin from 1 January 2018, but owners should have submitted monitoring plans by the end of August 2017.

The EU rules affect all ships of more than 5,000gt, regardless of flag. LR estimates that 15,000 ships will be impacted, a figure that represents 55 per cent of ship calls at EU ports.

Shipowners will have to present the first annual emissions assessment — verified by an independent auditor — by April 2019. Even ships that do not trade regularly to the EU could be affected if they are fixed for a one-off trip to the region.

The regulation could have important commercial implications. Owners without a document of compliance could be detained by port state control (PSC), while the results of the reporting scheme will be made public and could turn into a de facto measurement of ship efficiency.

Verifavia Shipping, which provides verification services, advises owners to create monitoring plans now to prevent delays in 2017. "With thousands of ships needing to be assessed from 2017, there will be a bottleneck so owners should begin MRV plans now," said Verifavia chief executive Julien Dufour. "Ship operators can select the monitoring method and have a plan ready by August next year. They should not wait till the last minute, but should start now."

As if this weren't enough, this being the world of maritime regulation, there of course is some confusion and overlap between the EU's regulation and the IMO's own global MRV regulation that could mean there are clashes between what should be complementary regulations. One such difference is how the schemes will be reported, since IMO data would go to flag states, while in Europe, data goes direct to the EU. This is clearly likely to complicate matters.

However, it's fair to say that such complications are increasingly a given in the world of maritime environmental compliance. What is important is that they do not distract from the fact that the deadline for submitting monitoring plans is only just over 12 months away now and shipowners and operators need to ask themselves how ready they are.