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WORKING DOCUMENT

From:	General Secretariat of the Council
То:	Delegations
Subject:	17th meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships (London, 23-27 September 2024)
	82nd session of the Marine Environment Protection Committee (London, 30 September- 4 October 2024)
	 Non-paper from the Commission drafted to facilitate EU co-ordination

DOCUMENT PARTIALLY ACCESSIBLE TO THE PUBLIC (30 October 2024)

Delegations will find attached a non-paper from the Commission drafted to facilitate co-ordination

between the EU Member States and the Commission in respect of the subject mentioned above,

revised in light of the discussions at the Shipping Working Party meeting on 17 September

 $\underline{2024}^{1.2}$

¹ It is the intention of the Presidency to ensure the necessary co-ordination of the Member States' positions on the spot on the basis of the discussion of this paper.

TREE.2.A

² General scrutiny reservation: <u>BE</u>, <u>EL</u>, <u>FI</u>, <u>FR</u>, <u>MT</u>, <u>SE</u>.

NON-PAPER ON THE POSITION OF THE UNION FOR THE EIGHTY-SECOND SESSION OF THE IMO MARINE ENVIRONMENT PROTECTION COMMITTEE (MEPC 82) (30 SEPTEMBER - 4 OCTOBER 2024) AND SEVENTEENTH MEETING OF THE INTERSESSIONAL WORKING CROUP

THE SEVENTEENTH MEETING OF THE INTERSESSIONAL WORKING GROUP ON REDUCTION OF GHG EMISSIONS FROM SHIPS (ISWG-GHG 17) (23 - 27 SEPTEMBER 2024)

The annotated agenda is presented to the Council with the view to establishing the EU positions on agenda items for the 82nd session of the IMO Marine Environment Protection Committee (MEPC 82) as well as the preceding 17th session of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 17).

This document lists all received documents on issues of EU relevance³.

The comments by the Commission are printed in *italics*. The proposed position of the Union is printed in *bold italics*.

Should Member States wish to express a position on matters not covered by the Union position, in accordance with the principle of loyal cooperation they shall refrain from any measure that may jeopardise the attainment of the Union's objectives.^{4 5 6 7}

Scrutiny reservation: ES, FI, FR, IT, PL.

- Reservation: BE, CY, DE, DK, EL, MT, NL, SE.
- 7 **DELETED**

³ Based on documents received up to 11 September 2024.

⁴ Member States urge the Commission to use agreed and long-established wording for the EU coordination documents, including the initial paragraphs of IMO coordination non-papers, namely: "Non-restrictive list of items for which EU, common or coordinated positions could be established. This document lists all received documents. The Commission suggests focussing the discussion on the proposed positions and on the consideration of support to submissions by another EU or EEA State as fellow EU/EEA Member State. This does not exclude the discussion of any other item on the agenda, if explicitly requested by an EU/EEA Member State or the Commission."

⁵ Reservation: all delegations (pending the outcome of discussions on IMO – EU coordination procedural matters within the framework of the SWP in Brussels).

⁶ At BLG 17, the Commission and the Council Secretariat informed the EU Member States' delegations about emerging changes resulting from the adaptation to the requirements of the Lisbon Treaty to the EU IMO coordination process and the scope of EU competence over issues addressed in IMO. Many delegations expressed serious concerns about these changes, including their immediate effect on the current and upcoming EU-IMO coordination exercise(s), and requested the Commission to clarify and elaborate these changes in writing for further consideration. Consequently, the following delegations entered a reservation or a scrutiny reservation against EU competency claims in this document and the procedural changes until their further clarification:

<u>Agenda item 1 – Adoption of the agenda</u>

Docs: MEPC 82/1, MEPC 82/1/1

MEPC 82/1 (Secretariat): provides the provisional agenda for this session.

<u>MEPC 82/1/1 (Secretariat)</u>: provides information on the action the Committee will be invited to take in relation to the items on the agenda of MEPC 82. Annotations to the provisional agenda are contained in annex 1 and the provisional timetable for the meeting is set out in annex 2.

In accordance with MEPC 82/1/1 (Secretariat) the following working and drafting groups are expected to be established at this session:

.1 Working Group on Air Pollution and Energy Efficiency;

.2 Working Group on Reduction of GHG Emissions from Ships;

.3 Drafting Group on Amendments to Mandatory Instruments;

.4 Technical Group on the Designation of PSSA and Special Areas; and

.5 Ballast Water Review Group.

Red Sea situation

DELETED These attacks are violating the IMO Convention and the international law, threatening maritime security and peace in the region, and disrupting global trade.

DELETED

DELETED The High Representative, on behalf of the EU, issued a statement, published on 12th of January, welcoming the 10 January UN Security Council resolution 2722. The UN Security Council resolution recognises that States are entitled to defend themselves against the attacks to their vessels which are in violation of the international law.

The Council launched on 19 February 2024 the operation EUNAVFOR ASPIDES. The objectives of this defensive maritime security operation are to contribute to restoring and safeguarding freedom of navigation in the Red Sea and the Gulf of Aden. Operation ASPIDES is ensuring an EU naval presence in the area where numerous Houthi attacks have targeted international commercial vessels since October 2023. The EUNAVFOR Operation Aspides shares maritime awareness with the US-led multi-nation Operation 'Prosperity Guardian' from its operations in the Red Sea and the Gulf of Aden. In close cooperation with like-minded international partners, ASPIDES is contributing to safeguard maritime security and ensure freedom of navigation, especially for merchant and commercial vessels. Within its defensive mandate, the operation provides maritime situational awareness, accompanies vessels, and protects them against possible multi-domain attacks at sea. On 8 April, the Commission/EEAS announced that Operation Aspides has successfully escorted 68 ships and thwarted eleven attacks, in its initial seven weeks. The announcement was made at a joint press conference held by High Representative/Vice-President Borrell and Operation Commander Rear Admiral Gryparis.

The operation is active along the main sea lines of communication in the Baab al-Mandab Strait and around the Strait of Hormuz, as well as international waters in the Red Sea, the Gulf of Aden, the Arabian Sea, the Gulf of Oman, and the Persian Gulf.

The Operation Commander is Rear Admiral Vasilios Gryparis from EL, and the Force Commander is Commodore George Pastoor from NL. The Operation headquarters is based in Larissa, Greece. Operation ASPIDES is coordinating closely with EUNAVFOR Operation Atalanta to contribute to maritime security in the West Indian Ocean and in the Red Sea, as well as, with like-minded partners contributing to maritime security in its area of operation.

In this context, it is expected that many delegations, whose ships are affected by the Houthi attacks in the Red Sea are going to take the floor to condemn these attacks. **DELETED**

Agenda item 2 – Decisions of other bodies

Docs: MEPC 82/2, MEPC 82/2/1-4

<u>MEPC 82/2 (Secretariat)</u>: provides information on the outcome of FAL 48 regarding items relevant to the work of the Committee.

<u>MEPC 82/2/1 (Secretariat)</u>: provides information on the outcome of LEG 111 relevant to the work of the Committee.

<u>MEPC 82/2/2 (Secretariat)</u>: provides information on the outcome of MSC 108 on matters relevant to the work of the Committee.

<u>MEPC 82/2/3 (Secretariat)</u>: provides information on the outcome of TC 74 on matters relevant to the work of the Committee.

<u>MEPC 82/2/4 (Secretariat)</u>: provides information on the outcome of C 132 on matters relevant to the work of the Committee.

Impact of the Russian armed invasion of Ukraine on international shipping and the marine environment

DELETED

Agenda item 3 – Consideration and adoption of amendments to mandatory instruments

Docs: MEPC 82/3, MEPC 82/3/1

<u>MEPC 82/3 (Secretariat)</u>: invites the Committee to consider, with a view to adoption, proposed amendments to MARPOL Annex VI concerning the designation of ECAs.

<u>MEPC 82/3/1 (Norway)</u>: proposes an amendment to the supplement to the IAPP Certificate to include information to support the implementation of the "three dates criteria" used as the application dates for the Norwegian Emission Control Area.

<u>EU relevance</u>

The designation of Emission Control Areas (ECAs) to be considered under this agenda item are of EU interest in view of the EU's commitment to deliver to the zero pollution and smart and sustainable mobility strategy under the EU Green Deal as well as in view of Directive (EU) 2016/802 relating to a reduction in the sulphur content of certain liquid fuels stipulates the reduction of the emissions of sulphur dioxide resulting from the combustion of certain types of liquid fuels and thereby to reduce the harmful effects of such emissions on human health and the environment. **DELETED**

<u>Background</u>

MEPC 81 had approved the designation of ECAs for nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matter for the Canadian Arctic waters and the Norwegian Sea together with the required amendments to MARPOL Annex VI, with a view to adoption at MEPC 82. **DELETED**

Agenda item 4 – Harmful aquatic organisms in ballast water

Docs: MEPC 82/4, MEPC 82/4/1-10, MEPC 82/INF.5, 6, 11, 33, 40, and 42

<u>MEPC 82/4 (Republic of Korea)</u>: contains the non-confidential information related to the submission of new data relating to the HiBallast 2.0TM BWMS with Final Approval, in line with BWM.2/Circ.13/Rev.5.2.

<u>MEPC 82/4/1 (Denmark)</u>: contains the non-confidential information for re-evaluation of Final Approval of the OceanGuard® Sim ballast water management system submitted in line with the Procedure for approval of ballast water management systems that make use of Active Substances (G9) adopted by resolution MEPC.169(57). The complete application dossier will be submitted to the Marine Environment Division of IMO for review by the GESAMP-Ballast Water Working Group in line with Procedure (G9).

<u>MEPC 82/4/2 (Secretariat)</u>: contains the report of the forty-fifth meeting of the GESAMP-Ballast Water Working Group (GESAMP-BWWG) and includes the evaluations of proposals submitted for approval by the Republic of Korea and Denmark.

<u>MEPC 82/4/3 (BEMA)</u>: presents a revised proposal for amendments to the Guidance for Administrations on the type approval process for ballast water management systems (BWM.2/Circ.43/Rev.1) aimed to support approval of modifications to a BWMS with existing type approval.

<u>MEPC 82/4/4 (Denmark)</u>: provides suggestions towards a revised standard for ballast water compliance monitoring that aim at providing information on disinfection by-products discharged from ballast water management systems (BWMS) after the issuance of the International Ballast Water Management Certificate.

<u>MEPC 82/4/5 (Australia)</u>: indicates items related to the Correspondence Group on Review of the BWM Convention that would benefit from discussion at MEPC 82.

<u>MEPC 82/4/6 (India)</u>: proposes additional examples to be added for providing guidance on recording ports with challenging water quality (PCWQ) related operational scenarios in the ballast water record book (BWRB).

<u>MEPC 82/4/7 (ICS)</u>: highlights the need for regulatory requirements to reflect the best technology standards that are currently available for ballast water management systems (BWMS). In cases of non-compliance with the D-2 standard, consideration should be given to the fact that the quality of intake water exceeding the design limits of BWMS meeting applicable regulations are out of the ship's control.

<u>MEPC 82/4/8 (ICS)</u>: aims to provide additional points to consider when determining the type of analysis of ballast water discharges during surveys.

<u>MEPC 82/4/9 (ICS)</u>: highlights the challenges associated with the implementation of the BWM Convention, particularly the challenges encountered by ships involved in short voyages when seeking an exemption to discharge untreated ballast water into a similar aquatic environment.

<u>MEPC 82/4/10 (Australia, Denmark, Germany and Netherlands (Kingdom of the))</u>: provides comments on document MEPC 82/4/3 submitted by BEMA on the need for harmonized evaluation of modifications to a ballast water management system (BWMS) with an existing type approval through revisions to the Guidance for Administrations on the type approval process for ballast water management systems (BWM.2/Circ.43/Rev.1). Proposed amendments that will support approval of modifications to a BWMS with an existing type approval are presented.

<u>MEPC 82/INF.5 (Global TestNet)</u>: presents information on experience gathered over years of performing independent commissioning testing of ballast water management systems (BWMS). Installed BWMS generally performs well (93-95% removal of organisms across all tests performed) and, while 11% of BWMS are found to fail at installation, the sources of failures can be corrected to ensure optimal performance. From these results, Global TestNet concludes that the failures are largely due to contamination from uncleaned tanks or non-treated ballast water present on board. Additionally, isokinetic sampling to obtain a representative sample of adequate size is found to be the cornerstone to compliance monitoring of the BWM Convention.

<u>MEPC 82/INF.6 (Liberia)</u>: provides information to the Organization that the Liberian Maritime Authority has type approved the EcoGuardian NFTM Ballast Water Management System, manufactured by HANLA IMS Co., Ltd. in accordance with the Code for Approval of Ballast Water Management Systems (BWMS Code) in compliance with regulation D-3.1 of the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004.

<u>MEPC 82/INF.11 (Republic of Korea)</u>: provides the results of an evaluation of the performance of ballast water management systems (BWMS), installed on ships entering ports of the Republic of Korea from 2019 to 2023, in accordance with the BWMS Code and regulation D-2 of the BWM Convention.

<u>MEPC 82/INF.33 (Japan)</u>: presents the results of sampling and laboratory tests on effluent from ballast water management systems (BWMS) fitted on board ships that visited Japanese ports in 2023.

<u>MEPC 82/INF.40 (Australia)</u>: presents the main findings from a study in Australia to evaluate the performance of ballast water management systems (BWMS) fitted on ships that visited the Australian port of Newcastle between March and May 2024. This report follows the report submitted as document MEPC 81/INF.6 that provided data on the use and efficacy of BWMS in Australian ports from 2021 to 2023.

<u>MEPC 82/INF.42 (Colombia)</u>: exposes the advances in the validation of an analysis method to evaluate the viability in the >50 μ m size class. The use of neutral red to stain ballast water samples in Colombia showed a high potential to be used as detailed analysis assay in the size class mentioned.

DELETED

<u>Agenda item 5 – Air pollution prevention</u>

Docs: MEPC 82/5, MEPC 82/5/1-4, MEPC 82/INF.2, 14, and 24, MEPC 81/5/4, 5, and 8, MEPC 81/INF.21, 36, and 38

<u>MEPC 82/5 (FOEI, WWF, Pacific Environment and CSC)</u>: sets out a legal analysis on the use of exhaust gas cleaning systems as an alternative compliance mechanism under MARPOL Annex VI from an air quality impact perspective.

<u>MEPC 82/5/1 (IBIA)</u>: comments on document MEPC 78/9/3 (Germany) and, based on a detailed evaluation of the data set used, concludes that it does not appear to be a suitable and sufficient basis for development of representative emission factors for environmental risk assessment of the discharge water from exhaust gas cleaning systems (EGCS).

<u>MEPC 82/5/2 (FOEI, WWF, Pacific Environment and CSC)</u>: develops the concept of "polar fuels" discussed at PPR 11. It seeks to set out the fuel characteristics that would distinguish polar fuels from residual fuels and thus lead to fuel-based reductions in ship Black Carbon (BC) emissions if mandated for use in or near to the Arctic. It also proposes the drafting of a regulation for inclusion in MARPOL Annex VI. It supersedes the options set out by the co-sponsors in documents MEPC 81/5/5 and MEPC 81/5/8.

<u>MEPC 82/5/3 (ICS and CLIA)</u>: Emission factors are a key input for determining predicted environment concentrations (PECs) used in environmental risk assessments. An agreed standard method to calculate representative emission factors is needed to ensure consistent application of the risk assessment process. This agreed standard would become the basis for an appendix to MEPC.1/Circ.899 on the 2022 Guidelines for risk and impact assessments of the discharge water from EGCS. To that effect, this document outlines, for consideration by the Committee, draft terms of reference for the GESAMP Task Team on EGCS to use in its work on emission factors if re-established.

<u>MEPC 82/5/4 (FOEI, WWF, CSC and Pacific Environment)</u>: Information and summary of an ongoing process with the Commission for Environmental Cooperation on Exhaust Gas Cleaning Systems.

<u>MEPC 82/INF.2 (Secretariat)</u>: summarizes relevant information reported to IMO related to the global 0.50% sulphur limit (IMO 2020) and presents the results of the sulphur monitoring programme for 2023.

<u>MEPC 82/INF.14 (ISO)</u>: provides an overview of the changes introduced in the seventh edition of ISO 8217 and ISO 8217:2024.

<u>MEPC 82/INF.24 (China)</u>: provides the results of a Black Carbon measurement campaign on a lowspeed two-stroke marine engine under different steady-state conditions, which was fueled with heavy fuel oil, light diesel oil and its blend with different proportions of biodiesel. Based on the experimental data, the emission characteristics of Black Carbon, NOx and CO are analysed, providing a reference for the development of Black Carbon emission control measures and related policies. <u>MEPC 81/5/4 (FOEI, WWF, Pacific Environment and CSC)</u>: recalls the duty of State Parties to MARPOL Annex VI to not impair or damage the environment, human health, property or resources when approving alternative compliance methods and reflects on the importance of not interpreting regulation 4.1 of MARPOL Annex VI in isolation of other regulations and obligations.

<u>MEPC 81/5/5 (FOEI, WWF, Pacific Environment and CSC)</u>: sets out suggestions for regulation to deliver "fast and immediate" action on Black Carbon (BC) emissions via a fuel switch, followed by stricter emission cuts via a polar fuel standard and designation of BC emission control areas (ECAs) as a stepped approach.

<u>MEPC 81/5/8 (FOEI, WWF, Pacific Environment and CSC)</u>: provides additional comment and background on marine fuel quality issues to support the proposals set out in document MEPC 81/5/5 (FOEI et al.) for concrete actions to control and reduce Black Carbon emissions from ships operating in or near to the Arctic.

<u>MEPC 81/INF.21 (Finland)</u>: reports the key findings of the environmental impact assessments of EGCS effluents for the Baltic Sea, North Sea, English Channel, and the Mediterranean Sea areas.

<u>MEPC 81/INF.36 (FOEI, WWF, Pacific Environment and CSC)</u>: summarizes a study by the International Council on Clean Transportation (ICCT) that provides an update on measures restricting the use of scrubbers in various countries and ports. The update includes information up to February 2023, categorizing measures as bans or more limited restrictions. The analysis is organized into five regions: 1. European Union, United Kingdom and Norway; 2. Asia; 3. the Americas; 4. Oceania; and 5. Africa and the Middle East. A supplementary spreadsheet is available on ICCT's website with detailed descriptions of the bans and restrictions, along with links to official documents where available.

<u>MEPC 81/INF.38 (CLIA)</u>: provides information on a risk assessment of open loop exhaust gas cleaning system (EGCS) washwater discharges from cruise ships within the Puget Sound region of the United States as presented by the study team based on the recommended methodology provided in the 2022 Guidelines for risk and impact assessments of the discharge water from exhaust gas cleaning systems (MEPC.1/Circ.899).

a) <u>Exhaust Gas Cleaning Systems (EGCS)</u>

<u>EU relevance</u>

This issue falls under Union exclusive competence.

Directive (EU) 2016/802 of the European Parliament and of the Council of 11 May 2016 relating to a reduction in the sulphur content of certain liquid fuels provides that emission abatement methods referred to in Article 8(4) shall comply at least with the criteria specified in Annex II of the Directive. As regards the criteria for discharge waters from linked to the use of Exhaust Gas Cleaning Systems (EGCS), the Directive refers to IMO Resolution MEPC.184(59) 2009 on Guidelines for exhaust gas cleaning systems.

The EU co-legislators have finalised negotiations on the proposal to review the Ship Source Pollution Directive (2005/35/EC) which will cover in its scope, inter alia, stronger enforcement and penalties in relation pollution from EGCS discharges in alignment with Annex VI relevant guidelines and provisions.

<u>Background</u>

DELETED However, due to time constraints this proposal was deferred to MEPC 77, which subsequently referred it to PPR 9. However, the Sub-Committee did not have the time to consider the proposed amendment to MARPOL Annex VI and agreed to postpone part 3 (Regulatory matters) to a future session of the Sub-Committee, but after PPR 10, subject to further proposals to the Committee on this part.

MEPC 78 had approved the 2022 Guidelines for risk and impact assessments of the discharge water from exhaust gas cleaning systems, as finalised by PPR 9. **DELETED**

DELETED

Regarding MEPC 79/5/3 (FOEI et al.) arguing that EGCS which allowed water discharges from such systems to the seas were effectively transforming air pollution into marine pollution, and hence were inconsistent with UNCLOS which prohibited transferring one pollution to another type of pollution. **DELETED**. While some other delegations supported this view, others clearly stated that they did not agree to a ban on EGCS's discharge waters, as this would be contrary to the scope of the output which was established to develop guidelines on regional circumstances rather than regulatory prohibition of the discharge. In addition, shipowners had already invested in such technology complying with existing regulations although the return of investment for such transitional technology is very short, and there are, on the contrary many issues with the compliance of ships equipped with EGCS with the global sulphur cap. Finally, the Committee invited the Secretariat to provide a legal opinion for a future session, taking into account the existing study on Implications of UNCLOS for the IMO (LEG/MISC.8). The mentioned legal advice formulated by the IMO secretariat is set out in document MEPC 81/9 (Secretariat) which was also deferred to this session under agenda item 10.

In MEPC 80/5/6, Japan comments on the Union submission MEPC 80/5/5. In particular, Japan does not agree with the regulatory text proposal in the Union submission as considers it misleading so as to encourage Parties to regulate discharges. **DELETED** At the same time, in MEPC 80/5/6 Japan acknowledges the results of the studies mentioned in the Union submission although with some remarks. **DELETED**. In MEPC 80/5/7 Japan further provides legal comments to the Union submission including a revised version of the new regulations proposed. **DELETED** Following discussion, the Committee agreed to refer documents MEPC 80/5/5, MEPC 80/5/6 and MEPC 80/5/7 to PPR 11, and instructed the Sub-Committee to consider them in conjunction with documents MEPC 78/9/3 (Germany), MEPC 79/5/1 (CESA), MEPC 79/5/4 (CESA) and MEPC 79/INF.4 (Netherlands), with a view to advising the Committee accordingly.

DELETED



The majority of delegations who spoke supported the need for the establishment of minimum requirements to regulate the quality of EGCS discharges, particularly within the territorial waters. However, there were divergent views on how this should be done. While many supported the Union's proposal in MEPC 80/5/5 for a worldwide holistic and harmonised approach, others supported Japan's proposal in MEPC 80/5/7 for a regional/national approach. Only a few spoke against having provisions in MARPOL Annex VI, but would prefer to include provisions in the existing guidelines, or rely solely on national legislation. Another proposal was to regulate EGCS discharges, particularly in sea areas beyond the territorial waters, through the declaration of sensitive areas. It was even questioned whether it was appropriate to regulate discharges in the aquatic environment through the MARPOL Annex dealing with air pollution and not aquatic pollution. Some delegations, particularly from the industry representatives, stated that any regulations, including those implemented on a national basis, should only be implemented following risk assessments and scientific reviews.

A common tread throughout the discussion was that many delegations maintained that ship owners who have already invested in EGCS should not be penalised with additional requirements. There was also a large number of delegations who spoke against banning the use of EGCS (as proposed by civil society organisations), particular in sea areas outside the territorial waters.

In view of these many divergent views, rather than concluding on how to proceed on regulatory measures, the Chair attempted to propose a common understanding, particularly based on the legal opinion provided by the Secretariat (MEPC 81/9) -referred to this session under agenda item 10- as regards to whether the use of EGCS was incompatible with UNCLOS. The Chair proposed that:

- Parties to MARPOL Annex VI, in their capacity as coastal States, have jurisdiction in their territorial sea to introduce regulatory measures, taking into account generally accepted international rules and standards as well as specific national or local conditions, to control the discharge of EGCS discharge waters;
- With respect to the EEZ of a coastal State, and taking into account the provisions of UNCLOS, should a State wish to introduce stricter regulations to control EGCS discharge waters in its EEZ than those set out in the relevant generally accepted international rules and standards, consultations must take place under the umbrella of IMO as the competent international organization; and
- Any regulations to control EGCS discharge waters should preferably be based on a riskbased approach, also taking into account the 2022 Risk Assessment Guidelines and specific national or local conditions.

DELETED Argentina, supported by a few other delegations, objected to this approach arguing that UNCLOS could only be interpreted by parties to that Convention and not the IMO. Finally, the Chair concluded that this proposal for a common understanding would not be included in the report of the Sub-Committee. The only conclusion was that the Sub-Committee invited interested Member States and international organizations to submit further proposals to PPR 12 on the identification and development of regulatory measures and instruments on the discharge of discharge water from EGCS.

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There was general agreement that it was necessary to gain more insight into the different default emission factors for use in the environmental risk assessment of the discharge water from EGCS, as proposed in the different submissions. Therefore, the Sub-Committee invited interested Member States and international organizations to submit relevant data to a future session of the Sub-Committee, as well as possible terms of reference for the re-establishment of the Group of Experts on the Scientific Aspects of Marine Environmental Protection (GESAMP Task Team) on EGCS, to conduct further work on this matter, to MEPC 82.

DELETED The submission was referred to the working group to advice the Committee on how to proceed. The Committee, noticing the lack of sufficient support for the proposed amendments within the working group, invited interested Member States and international organizations to submit proposals with appropriate justifications to a future session of the MEPC. In addition, **DELETED**, the Committee agreed to refer MEPC 81/5/4 (FOEI et al) to the PPR Sub-Committee.

Consideration at MEPC 82

On document MEPC 82/5 (FOEI, WWF, Pacific Environment and CSC) DELETED

DELETED, different statistical methods for handling concentrations of substances reported as below limit of detection are elaborated upon to highlight their potential importance. Thanks to this new scientific and technical evidence, delegations have now at hand clear and robust emission factors for a wider set of pollutants, taking into account reasonable and representative worst-case scenarios in line with the 2022 Risk and Impact Assessment Guidelines for EGCS discharge waters (MEPC.1/Circ.899), publicly available data sets and methodologies should be included in the Risk and Impact Assessment Guidelines without undue delay. **DELETED**

DELETED



It is crystal clear that robust statistical methods have already been researched, already existing and applied for handling of concentrations below limit of detection.

DELETED

DELETED

b) Impact on the Arctic of Black Carbon emissions from international shipping

<u>EU relevance</u>

The Union has shared competence on this issue.

The sulphur-in-fuel-related requirements and implementing provisions of the revised MARPOL Annex VI have been reflected in Directive (EU) 2016/802 as regards the sulphur content of certain liquid fuels. The Directive transposes in Union legislation the designation of sulphur oxides emission control areas under Annex VI to the MARPOL Convention which requires as a main compliance option the low sulphur distillate fuels production with reduced Black Carbon (BC) emissions. Directive 2008/50/EC of the European Parliament and of the Council on ambient air quality and cleaner air for Europe sets binding air quality standards on particulate matter (PM10 and PM2.5). The Commission proposal to revise the Directive (COM(2022) 542) includes provisions to tighten the air quality standards for particulate matter, and to introduce additional sampling points for unregulated air pollutants of emerging concern, including black carbon and ultrafine particles. The proposal is currently being discussed by the Council of the EU and the European Parliament.

In addition, Directive (EU) 2016/2284 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC, sets national reduction commitments for total PM2.5 emissions for Member States to be attained by 2020-2029 and by 2030 onwards. This Directive transposes the reporting requirements of the amended Gothenburg Protocol to the 1979 Geneva Convention on Long-Range Transboundary Air Pollution (Air Convention) to which the EU is a Party, as amended in 2012, stressing that in the National Air Pollution Control Programmes, Member States shall prioritise emission reduction measures for BC. Data on emissions of BC shall be reported where available as part of the emission inventories. Although the Directive excludes PM emissions from international maritime shipping, Article 15 invites the Commission and the Member States to pursue multilateral cooperation with international organisations, including the IMO, to promote the achievement of future reductions of PM emissions from maritime transport, which will contribute to a decrease of long-range transboundary air pollution affecting background concentrations of air pollution in the EU.

BC is also of great relevance for the EU in view of the EU's air quality policy and the interlinkages to EU climate change policy. **DELETED**

The Joint Communication by the Commission and the High Representative of the Union for Foreign Affairs and Security Policy (JOIN(2016)21 final) on An Integrated European Policy for the Arctic of April 2016 outlines that the EU should contribute to international efforts to limit emissions of short-lived climate pollutants such as BC and methane that further accelerate climatic changes in the Arctic. The implementation of the EU's Arctic policy will help the Union to deliver the targets defined by the EU Green Deal and meet its geopolitical interests.

An EU-funded Action on Black Carbon in the Arctic (EUA-BCA), funded through the EU's Partnership Instrument from January 2018 to June 2021, contributed to the development of collective responses to reduce BC emissions in the Arctic and to reinforce international cooperation to protect the Arctic environment, which is a central theme running through all three priorities of the 2016 integrated EU policy for the Arctic. A successor project, ABC-iCAP, funded through the Partnership Instrument (€820,000) started in December 2021. The focus of the project was on stakeholder engagement, awareness building and knowledge sharing. It continued to address the sources of BC that are of particular relevance to the Arctic, i.e., sources associated with gas flaring, wildfires / open burning, transport and residential heating. It was also relevant to the Zero Pollution Action Plan requirement that "in particular, the EU will advance international cooperation on black carbon policies to reduce the climate change impacts and improve air quality". The project was implemented by the Arctic Monitoring and Assessment Programme (AMAP) Secretariat in cooperation with the Finnish Environment Institute (SYKE) and the Swedish Environmental Research Institute (IVL).

On 2 December 2020, the Commission adopted under its European Green Deal and the 2030 *Climate Ambition, the Sustainable and Smart Mobility Strategy (COM(2020) 789 final, SWD(2020)* 331 final) to foster a green transition to zero emissions, including from maritime transport. The strategy encompasses a variety of initiatives to decarbonise and de-pollute the sector. In synergy with this, the strategy, as well as the Zero Pollution Action Plan, adopted in June 2021, also stress the relevance of the establishment of 'Emission Control Areas' in all EU waters to deliver on zero pollution to air and water from shipping for the benefits of sea basins, coastal areas and ports. It also highlights that the EU will advance international cooperation on BC policies to reduce the climate change impacts and improve air quality. In particular, Regulation 2023/1805, on the use of renewable and low-carbon fuels in maritime transport, by addressing the Greenhouse Gas (GHG) intensity of the energy used onboard ships and introducing additional mandatory shore-power connection for ships at berth, will have a decisive impact on the contribution to the reduction of BC emissions and deposition in the Arctic region. The Regulation is based on a technology-neutral goal-based approach, establishing a framework for a life-cycle assessment of the energy used onboard ships, with fuels being assessed in term of their GHG emissions on a Well-to-Wake (WtW) basis. By pushing for increasingly decarbonized energy used onboard ships, Regulation 2023/1805 will increasingly push for replacement of residual fuels by renewable and low carbon fuels, with direct impact on gradual reduction of BC emissions from ships.

Moreover, the EU participates to the protection of the Arctic through its membership to the OSPAR Convention, which has Arctic waters in its maritime area, and which is an observer to the Arctic Council. OSPAR has launched a process for identifying and prioritising possible additional actions and measures for increased protection of the Arctic, to be submitted to the OSPAR Ministerial, planned for 2025.

Finally, on 13 October 2021 the European Commission and the High Representative of the Union for foreign affairs and security policy issued a Joint communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions (Join (2021) 27 final) on a stronger EU engagement for a peaceful, sustainable and prosperous Arctic. In this communication it is made clear that the Union will promote collective responses to reducing black carbon in the Arctic.

It is therefore evident that there is overall a clear EU momentum in pushing a climate neutral and zero-pollution vision for the Arctic region and in continuing to support the reduction of BC from international shipping through the proposal of concrete regulatory measures.

<u>Background</u>

This issue has been ongoing for a long period of time. In fact, it was MEPC 67, after considering the outcome of PPR 1 regarding the impact on the Arctic of emissions of BC from international shipping, instructed PPR 2 to recommend a definition for BC. MEPC 68, on the recommendation of PPR 2, agreed the definition of BC (Bond et al. definition) for international shipping and determined that the next step should focus on gaining experience with the application of the definition and measurement methods. PPR 3 agreed to the use of a draft BC Measurement Reporting Protocol, while PPR 4 considered a number of submissions providing the results of data collection and research using differing BC measurement reporting methods. PPR 5 identified three methods as being the most appropriate for additional follow-up work on potential control measures: Filter Smoke Number (FSN), Photoacoustic Spectroscopy (PAS), and Laser Induced Incandescence (LII).

On the basis of the identified list of control measures, by PPR 6, MEPC 74 agreed, in principle, the Terms of Reference on reducing the impact on the Arctic of BC emissions from international shipping for further consideration by PPR 7, in particular, to categorise and prioritize the control measures, to identify which measures would lead to a high reduction of BC, and to determine what should be the time frame for their implementation.

PPR 7 and 8 continued to take into consideration the results of the available studies in order to address the reduction of black carbon emissions from petroleum-based marine fuels. However, since no compromise could be found as regards the development of a standardized sampling, conditioning, and measurement protocol, it was decided that additional studies would be required. Subsequently, MEPC 77 approved the revised Terms of Reference to include further work on the reduction of the impact on the Arctic of BC Emissions from international shipping, as proposed by the PPR Sub-Committee. MEPC 77 also adopted resolution MEPC.342(77) on Protecting the Arctic from shipping BC emissions.

During the discussion at PPR 9, several delegations **DELETED** stressed that the IMO should aim at developing effective mandatory regulatory measures to control BC emissions from ships and supported, as a starting point, the further development of draft guidelines on recommendatory goalbased control measures, using the annex to document PPR 9/8/1 (Denmark and Finland) as a basis. However, other delegations expressed concerns on the reference to mandatory requirements in MARPOL Annex VI (e.g. IAPP Certificate), considering that the guidelines were voluntary. **DELETED**

PPR 10 made further progress in the development of draft guidelines on recommendatory goalbased control measures and re-established the Correspondence Group on Prevention of Air Pollution from Ships to continue the remaining work. The Sub-Committee also noted the list of potential BC control measures and invited interested Member States and international organizations to work intersessionally on further developing these proposals. In view of the ongoing work, MEPC 80 agreed to extend the target completion year to 2025. In addition, with regard to the geographical scope of BC emissions control measures, the Committee agreed that whilst voluntary measures might be developed for ships sailing in or near the Arctic, in line with the language used in resolution MEPC.342(77) on Protecting the Arctic from shipping Black Carbon emissions, consideration by the Committee of any potential mandatory measures to expand the geographical scope of application or the definition of the Arctic should only be given when such a proposal was co-sponsored by a Party to MARPOL Annex VI.

PPR 11 agreed to draft guidance on best practice on recommendatory goal-based control measures to reduce the impact on the Arctic of Black Carbon emissions from international shipping; draft guidelines on recommendatory Black Carbon emission measurement, monitoring and reporting; and draft guidelines on mitigation measures to reduce risks of use and carriage for use of heavy fuel oil as fuel by ships in Arctic waters, together with the associated draft MEPC resolutions, with a view to adoption by MEPC 82.

Consideration at MEPC 82

DELETED









<u>Agenda item 6 – Energy efficiency of ships</u>

Docs: MEPC 82/6, MEPC 82/6/1-42, MEPC 82/INF.3, 10, 12, 25, 26, 29, 32, 38, 39, 45, 46, and 48, MEPC 81/6/2, 13, 15, 17, and 18, MEPC 81/INF.22 and 27-32, MEPC 80/6/3, MEPC 80/6/5, MEPC 80/6/6, MEPC 80/6/8, MEPC 80/INF.20, MEPC 80/INF.28, MEPC 80/INF.34, MEPC 79/7/1, MEPC 79/7/2, MEPC 79/7/13, MEPC 79/7/15, MEPC 79/7/21, MEPC 79/7/27 and MEPC 79/INF.19

<u>MEPC 82/6 (Secretariat)</u>: provides an initial analysis of available data and proposals to be considered as part of the data analysis stage of the review of the short-term GHG reduction measure; information on the work conducted so far by the Secretariat to facilitate the review process; and a possible preliminary structure for the consideration of submissions during the data analysis stage, taking into account the Review plan.

<u>MEPC 82/6/1 (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands (Kingdom of the), Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and EC):</u> provides further considerations on data quality and integrity of the IMO Data Collection System (DCS), in the context of the revision of the IMO short-term GHG reduction measure and the ongoing development of mid-term measures. It builds on previous contributions in relation to continuous improvement of the DCS. This process consists of multiple steps, with the ultimate goal of ensuring that data relating to ships' fuel consumptions and GHG emissions is at a sufficient level of quality and integrity, and that there is a sound verification process in place. In particular, the document outlines the main features of the EU "Monitoring, Reporting and Verification" (EU MRV) system for maritime transport currently in its seventh implementation year. Moreover, it suggests a possible approach to ascertain the fitness of the IMO DCS as a compliance control tool. Finally, this document invites interested Member States to undertake an independent study on DCS data quality and integrity.

<u>MEPC 82/6/2 (ICS)</u>: provides a detailed examination of the factors affecting the Carbon Intensity Indicator (CII) ratings of ships within a shipping company's fleet.

<u>MEPC 82/6/3 (SIGTTO)</u>: discusses several areas of concern with the application of the Carbon Intensity Indicator (CII) to LNG carriers. It is suggested the application of the CII and its consequences relating to port waiting times, ship-to-ship transfer and small-scale LNG carriers may have perverse consequences and increase emissions of CO2. Proposals are made to mitigate these anomalies.

<u>MEPC 82/6/4 (INTERTANKO)</u>: provides data to indicate that the current reference line is not adequate for LNG carriers smaller than 65,000 DWT. It is suggested that small LNG carriers recently built for refuelling ships using LNG as primary fuel should be exempted from the Carbon Intensity Indicator (CII) rating. It is also suggested that the reference line for the LNG carriers below 65,000 DWT needs to be revised.

<u>MEPC 82/6/5 (INTERTANKO)</u>: provides data to indicate that the current CII reference line is not adequate for small size oil tankers engaged in fuel supply to other ships. It is suggested that small tankers engaged in fuel supply operations should be exempted from the Carbon Intensity Indicator (CII) rating.

MEPC 82/6/6 (Hong Kong, China; ICS, INTERTANKO, INTERCARGO, IPTA and INTERFERRY): introduces the Carbon Intensity Indicator (CII) Informal Exchange Group, which has been coordinated by the Indian Register of Shipping (IRCLASS). This document also presents the results of a voluntary survey poll of some of its members. Although the poll reflects a broad cross section of delegates, the co-sponsors of this document acknowledge that it is a limited sample and can only give an indication of opinions at a single point in time. Nevertheless, the co-sponsors hope that the results may assist a working group, if established at MEPC 82, in exploring possible consensus of Member States. The co-sponsors also propose that the CII review should, inter alia, include a gap analysis, whereby a comprehensive list of system weaknesses (i.e. the gaps) could initially be identified, compiled and agreed, paving the way for the development of appropriate solutions by addressing the gaps.

<u>MEPC 82/6/7 (CLIA)</u>: provides multi-year analyses of cruise ship CII data in support of a revised CII metric for cruise passenger ships (i.e. cgHRS) that will incentivize reductions in absolute CO2 emissions in a manner consistent with the 2023 IMO GHG Strategy.

<u>MEPC 82/6/8 (United Arab Emirates and IPTA):</u> introduces the novel concept of the Carbon Intensity Indicator (CII) called EQ-CII which holistically addresses all the existing CII weaknesses (auxiliary, weather, and capacity) by a twist in the Annual Efficiency Ratio (AER) formula given in the interim CII Guidelines, G5. The EQ-CII concept adds equivalent or virtual transport work based on ship mileage for all the fuel losses due to factors beyond control of ships and without deducting any fuel from the formula. The concept does not need change in existing reference lines, due to the use of DWT or GT of ship as capacity. While fully supporting the ongoing efforts to improve the CII metric via the G5 Guidelines, as a plan B, just by adding two parameters in the IMO DCS data, i.e. average RPM of propeller and mean draft of the ship during a voyage, better CII projections can be achieved based on the EQ-CII concept. This will help during the review of the short-term GHG reduction measure in 2026. This document proposes a two-step approach for smooth implementation of the EQ-CII metric. The co-sponsors propose to consider this concept as one of the options during the review of the short-term GHG reduction measure, which was originally presented by the Indian Register of Shipping (IRCLASS) at the RINA CII conference held at IMO on 16 and 17 January 2024.

<u>MEPC 82/6/9 (IBIA)</u>: Preliminary data gathered by IBIA supports and confirms findings by other organizations in consultative status with the Organization, that is, for ships undertaking short voyages by duration as part of their standard service duties, compliance with the Carbon Intensity Indicator (CII) requirements under regulation 28 of MARPOL Annex VI is already challenging. As part of the current review of the CII, consideration is requested for an amendment of the CII Guidelines, G5 with the inclusion, as with other ship types, of a specific correction factor for bunker vessels that are, and will always be, constrained by the vital operational duty they undertake for international shipping that consists primarily of short voyages (duration).

<u>MEPC 82/6/10 (ICS)</u>: Initially launched in October 2023, the ICS CII Data Collection System has been set up to support the Committee's review of the Carbon Intensity Indicator (CII) rating system. The collected data enables a better understanding of how effectively the CII regulations are performing, and is an important starting point for proposals for system improvement. Responders can elect to share their data in anonymized form with IMO and with trade associations. This document summarizes the key findings to date.

<u>MEPC 82/6/11 (ICS)</u>: highlights the impact of port waiting time on the Carbon Intensity Indicator (CII) rating of ships.

<u>MEPC 82/6/12 (ICS and INTERCARGO)</u>: highlights anomalies within the reference line that is utilized by the Carbon Intensity Indicator (CII) for bulk carriers.

<u>MEPC 82/6/13 (INTERTANKO)</u>: discusses the experience of masters, shipowners, and industry with overridable shaft/engine power limitation (SHaPoLi/EPL) systems on ships complying with regulation 25 of MARPOL Annex VI, outlining the administrative workload and operational cost related to reporting obligations of the SHaPoLi/EPL system. This document proposes to amend the 2021 Guidelines on the shaft/engine power limitation system to comply with the EEXI requirements and use of a power reserve (resolution MEPC.335(76), as amended by resolutions MEPC.375(80) and MEPC.390(81)), to address this situation.

<u>MEPC 82/6/14 (INTERTANKO)</u>: discusses the industry's experience with overridable shaft/engine power limitation systems (ShaPoLi/EPL) on ships complying with regulation 25 of MARPOL Annex VI, outlining increased administrative workload and operational costs related to verification survey(s) required after each reactivation or replacement of SHaPoLi/EPL system. This document proposes to amend resolution MEPC.335(76), as amended by resolutions MEPC.375(80) and MEPC.390(81), to address this situation.

<u>MEPC 82/6/15 (IACS)</u>: discusses the practical implications of implementing the amendments to appendix IX of MARPOL Annex VI adopted during MEPC 81 concerning the information to be submitted to the IMO Ship Fuel Oil Consumption Database (IMO DCS). This document also outlines the understanding of IACS of the implementation of these amendments, as formalized in its unified interpretation MPC 131 (New, July 2024).

<u>MEPC 82/6/16 (WSC)</u>: provides suggestions to assist the Committee when reviewing the carbon intensity indicator (CII) and recommends strengthening the SEEMP and revising the supporting SEEMP Guidelines, including incorporating the process of ISO 50001 standard.

MEPC 82/6/17 (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands (Kingdom of the), Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the EC): provides reflections and recommendations to facilitate the review of the short-term measures and particularly the carbon intensity indicator (CII) framework. A possible two-step approach for the review and revision of the short-term measure framework is recommended. Actions to assess the effectiveness and the need for revising the CII framework are provided as well as guiding principles for the inclusion of correction factors, voyage adjustments and modification of metrics.

<u>MEPC 82/6/18 (China):</u> analyses the quantity of oil residue/sludge discharged as a result of using residual fuels and its different impact on methods for fuel oil consumption data collection. It is proposed to revise the 2022 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP) and the 2022 Guidelines for Administration verification of ship fuel oil consumption data and operational carbon intensity, when reviewing the short-term GHG reduction measure, in order to minimize the impact of oil residue/sludge correction on various methods of fuel consumption data collection.

<u>MEPC 82/6/19 (Republic of Korea)</u>: points out an error in the fuel oil consumption calculation using the bunker delivery note (BDN) method that includes the water contents which is unrelated to the carbon component of fuel oil and suggests a possible improvement for better reflection of actual fuel oil consumption for the robust implementation of the IMO DCS and the Carbon Intensity Indicator (CII) requirements.

<u>MEPC 82/6/20 (RINA)</u>: presents an update on the comprehensive project being carried out by the Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping with focus on the evaluation of the CII. Further operational data have been provided by project partners for different ship categories and voyages for in-depth analysis. The CII assessment aims to identify elements that function well from a ship performance perspective, as well as elements that need to be considered for revision, considering under way and not-under way operational modes and different fuel consumers on board. This document presents the latest results obtained for container ships, tankers and bulk carriers.

<u>MEPC 82/6/21 (RINA)</u>: focuses on providing a perspective on the interactions between short-term and mid-term measures. It is an attempt to highlight that if there exists an overlap, from a compliance perspective, between short-term and mid-term measures, then the industry risks missing out on maximizing the complementary effect of these regulations on GHG emissions reduction. It is therefore suggested that both these regulations should consider the appropriate scope and a correct metric. Moreover, this perspective needs to be supplemented alongside the revision of the CII framework and should be covered by the terms of reference of the correspondence group to be established by MEPC 82.

<u>MEPC 82/6/22 (RINA)</u>: proposes a strengthened SEEMP-based approach to drive energy efficiency and to use the carbon intensity indicator (CII) only for benchmarking. It takes inspiration from successful energy management system approaches and the ISM Code.

MEPC 82/6/23 (Republic of Korea, Singapore and United Arab Emirates): proposes an amendment to the IMO GISIS module "MARPOL Annex VI" to include information on the availability of bio marine fuels at ports, based on the emerging necessity for the use of bio marine fuels in international shipping.

<u>MEPC 82/6/24 (INTERFERRY)</u>: proposes the development of Fleet-Balancing guidelines as an alternative method of compliance with the Carbon Intensity Indicator (CII) rating requirements under regulation 28 of MARPOL Annex VI. The concept builds on the alternative procedures and compliance methods outlined in regulation 4 of MARPOL Annex VI. It aims to enhance the effectiveness of the CII mechanism, by addressing route-dependant implications on attained CII values.

<u>MEPC 82/6/25 (Chile)</u>: proposes the development of explanatory instructions for the Ship Fuel Oil Consumption data collection module in GISIS, for better understanding and use of the data that must be reported to the Organization under the regulations established in Annex VI of the MARPOL Convention.

<u>MEPC 82/6/26 (EDF)</u>: reviews the current state of the IMO Data Collection System (IMO DCS) in light of the upcoming revision of the Carbon Intensity Indicator (CII) and of previous MEPC discussions on increasing the accessibility of the IMO DCS. The review and enhancement of the short-term GHG reduction measure opens an opportunity for greater access to the CII ratings, to enable authorities and stakeholders to provide more effective decarbonization incentives. Further benefits are associated with granting access to the IMO DCS's wider set of fuel and ship data, not least to allow stakeholders to monitor the climate performance of their shipping portfolios and to interpret the CII ratings within a more holistic operational context.

<u>MEPC 82/6/27 (INTERCARGO)</u>: provides information on the Carbon Intensity Indicator (CII) and in particular the impact of idle time on the attained CII rating of bulk carriers. The information provided in this document is derived from studies carried out by INTERCARGO and three Classification Societies (ABS, BV and DNV) using verified IMO Data Collection System (IMO DCS) results, analysing 5,622 bulk carriers.

<u>MEPC 82/6/28 (INTERTANKO)</u>: provides data to indicate that the current carbon intensity indicator (CII) reference line is not adequate for small-size tankers engaged in local trade having very short voyages combined with very frequent and multiple cargo operations at berth. It is suggested that the application of the CII regulation to tankers engaged in such an operational profile is considered during the review period.

<u>MEPC 82/6/29 (IAPH):</u> With this document, IAPH wants to contribute to the review of the IMO short-term GHG reduction measure and the Carbon Intensity Indicator (CII) in particular. Acknowledging in practice the controversy over the accuracy and reliability of CII, IAPH decided to develop its own GHG performance indicator as part of the new Environmental Ship Index (ESI) to be fully operational in 2026. The document informs the Committee of the respective developments in ESI, the standard index used globally by ports for the provision of incentives to ships, and draws recommendations for the Committee's attention on the way forward in reviewing CII.

<u>MEPC 82/6/30 (Liberia)</u>: proposes amendments in the CII Guidelines, G5 to address the detrimental effect that emissions during waiting time have on the CII rating of LNG carriers. In addition, the existing reliquefaction correction factor in the CII Guidelines, G5, included in the FC_{electrical,j}, should not be subject to an annual 3% reduction as it is the only existing viable alternative for LNG carriers to maintain the cargo pressure within safe limits. Furthermore, the application of FC_{electrical,j} should be extended to also cover LNG carriers during cargo transfer while a correction factor for the Gas Combustion Unit (GCU) is proposed since the GCU is a safety measure.

<u>MEPC 82/6/31 (Brazil, Liberia, ICS, BIMCO and INTERCARGO)</u>: presents potential amendments to the Carbon Intensity Indicator (CII) framework, which aim to address the unfair increase of the attained CII due to idle emissions (such as emissions at port, at anchorage and during drydock) and incentivize the reduction of total generated GHG emissions. Determination of revised reference lines excluding idle emissions resolves the issue of the unfair CII ratings for ships with increased idle emissions and of potentially counterproductive CII improvement methods, and ensures a fair and harmonized implementation of the CII regulatory framework while incentivizing true overall GHG reduction.

<u>MEPC 82/6/32</u> (Liberia, Singapore, Türkiye, United Arab Emirates, IACS and RINA): proposed consequential updates to the standardized data-reporting format for the data collection system and operational carbon intensity (appendix 3 of the SEEMP Guidelines), seeking alignment with the amendments to appendix IX of MARPOL Annex VI as adopted by resolution MEPC.385(81), and the amendments to the 2022 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP) (resolution MEPC.346(78)), adopted by resolution MEPC.388(81).

<u>MEPC 82/6/33 (China)</u>: proposes suggestions for optimizing the enforcement mechanism of CII with the aim of improving the effectiveness of enforcement of CII. This proposal is built on further clarification on the role of CII and consists of several elements, including maintaining the integrity of the current concept of CII and introducing the concept of representative operational energy efficiency performance indicator in parallel, as well as the strengthened self-evaluation of operational energy efficiency performance. As the enforcement mechanism is one aspect required by regulation 28 of MARPOL Annex VI and included in the review plan, this proposal may be considered in combination with other suggestions on new metrics or correction factors, etc.

<u>MEPC 82/6/34 (China)</u>: The corrections in the CII Guidelines, G5 do not include the self-handling system on self-unloading bulk carriers, which may lead to unfair treatment. This document proposes the introduction of the corrections for the self-handling system involved in self-unloading bulk carriers to the deductible fuel consumed for production of electrical power as specified in the CII Guidelines, G5, and the introduction of an approach to calculate the fuel consumption relating to the self-handling system.

<u>MEPC 82/6/35 (China)</u>: The corrective factors of CII Guidelines, G5 fail to include the fuel consumption of ships associated with docking, which may lead to unfair application. It is suggested to revise the CII Guidelines, G5 to remove the fuel consumption from a ship relating to docking in the CII calculation.

<u>MEPC 82/6/36 (Brazil)</u>: provides updated information based on the experience gained in implementing the 2021 Guidelines on operational carbon intensity indicators and the calculation methods (CII Guidelines, G1) (resolution MEPC.336(76)). It also emphasizes the importance of considering the ship's capacity – deadweight (DWT) – when defining transport in the calculation of the ship's CII.

<u>MEPC 82/6/37 (Liberia and United Arab Emirates)</u>: This document addresses the different approaches between regulations 27 (IMO DCS) and 28 (CII) of MARPOL Annex VI in cases where a ship changes a flag in the middle of a calendar year, which causes confusion in submitting annual fuel consumption reporting. This document highlights the issue and points out the need for amending appendix IX to MARPOL Annex VI to introduce two sets of fuel reporting dates when a ship changes its flag in the middle of a year. The issue is also addressed in the proposed revision to the SEEMP Guidelines submitted in document MEPC 82/6/32.

<u>MEPC 82/6/38 (Secretariat)</u>: provides the report of the fuel oil consumption data for 2023 submitted to the IMO Ship Fuel Oil Consumption Database in GISIS, in accordance with regulation 27 of MARPOL Annex VI and the 2022 Guidelines for the development and management of the IMO Ship fuel oil consumption database (resolution MEPC.349(78)).

<u>MEPC 82/6/39 (Brazil and India)</u>: comments on the impact on the Carbon Intensity Indicator (CII) from factors such as port waiting times which are outside the control of the ship and suggests a possible way forward.

<u>MEPC 82/6/40 (Brazil and India)</u>: provides comments on the proposed EQ-CII concept detailed in document MEPC 82/6/8 (United Arab Emirates and IPTA).

<u>MEPC 82/6/41 (CLIA)</u>: comments on, and agrees in principle with, the content of document MEPC 82/6/24 (INTERFERRY) on Fleet-Balancing for the Carbon Intensity Indicator rating requirements which proposes the concept of a "Fleet-Balancing" approach as a solution to address some of the recognized shortcomings of the existing CII system.

<u>MEPC 82/6/42 (CSC)</u>: provides comments on document MEPC 82/6/1 (Austria et al.) concerning GHG emissions data quality and integrity as a basis for current and future IMO GHG regulatory measures, as well as document MEPC 82/6/17 (Austria et al.) on the possible two-step approach for the review and revision of the short-term measures. CSC strongly supports the ambition to improve data quality, transparency and accessibility of the IMO Data Collection System (DCS). While cognisant of the need for further data collection and assessment of some aspects of the carbon intensity indicator (CII) calculation, CSC argues that existing IMO DCS data is sufficient to already transform the CII from a carbon intensity metric to a truly energy efficiency metric, as well as increase the required reduction factors for the post-2026 period already in the first step of the two-step approach.

<u>MEPC 82/INF.3 (Secretariat)</u>: provides the latest summary of data and graphical representations of the information in the EEDI database.

<u>MEPC 82/INF.10 (SIGTTO)</u>: provides further information to document MEPC 82/6/3 which discusses the application of the Carbon Intensity Indicator (CII) to LNG carriers. It further highlights several aspects potentially causing perverse consequences, increasing emissions of CO2.

<u>MEPC 82/INF.12 (SYBAss)</u>: proposes a revised method for calculating the Carbon Intensity Indicator (CII) and energy efficiency for yachts, aligning with the Organization's objectives to reduce GHG emissions.

<u>MEPC 82/INF.25 (Secretariat)</u>: provides the final report of a Study on the implementation of the Ship Energy Efficiency Management Plan (SEEMP) framework conducted by the World Maritime University (WMU) and funded through the Future Fuels and Technology (FFT) project.

<u>MEPC 82/INF.26 (Republic of Korea and Pacific Environment)</u>: highlights quantitative improvements in terms of CO2 emissions, attained CII, and ratings by reducing the waiting time for ships to berth at ports. In addition to improving fuel consumption and carbon intensity indicator (CII), it will be necessary to consider cooperation between ships and ports in the mid- to long-term to achieve the level of ambition of the 2023 IMO GHG Strategy and to establish an alternative fuel supply infrastructure as part of a basket of candidate mid-term measures.

MEPC 82/INF.29 (Liberia and United Arab Emirates): presents entry samples for appendix IX of MARPOL Annex VI.

<u>MEPC 82/INF.32 (BIMCO)</u>: Effective voluntary actions are needed to enhance the operational energy efficiency of ships to facilitate compliance with regulations to reduce GHG emissions. Ships waiting for a berth on arrival at a destination port is recognized as one of the major operational inefficiencies. The "Blue Visby Solution" (BVS) demonstrates that such inefficiencies can be addressed through a combination of technical and contractual components and recently conducted prototype trials confirm it would support efforts by ships to improve their carbon intensity indicator rating, as required by regulation 28 of MARPOL Annex VI.

<u>MEPC 82/INF.38 (INTERCARGO)</u>: provides information on a study carried out by BV (Bureau Veritas), on behalf of INTERCARGO, on the impact of idle time on the Carbon Intensity Indicator (CII). The document is supplementary to document MEPC 82/6/27 (INTERCARGO).

<u>MEPC 82/INF.39 (INTERCARGO)</u>: provides information on a study carried out by DNV (Det Norske Veritas) on behalf of INTERCARGO, on the impact of idle time on the Carbon Intensity Indicator (CII). The document is supplementary to document MEPC 82/6/27 (INTERCARGO).

<u>MEPC 82/INF.45 (Liberia)</u>: presents a study conducted by the American Bureau of Shipping (ABS) on the negative impact of anchorage and port waiting time on LNG carriers and the effect of the emissions arising from Gas Combustion Units (GCU) which are currently not covered under the CII Guidelines, G5.

<u>MEPC 82/INF.46 (Liberia and ICS)</u>: provides information on a study carried by American Bureau of Shipping (ABS) on the proposal for a revised Carbon Intensity Indicator (CII) framework which aims to address the increase of the attained CII due to idle emissions (such as emissions at port, at anchorage and during drydock).

MEPC 82/INF.48 (Antigua and Barbuda, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, and Trinidad and Tobago): provides information on the executive summary of a study conducted on the use of the Carbon Intensity Indicator (CII) rating to measure the energy efficiency of ships trading in the Caribbean region.

<u>MEPC 81/6/2 (ICS)</u>: The ICS CII data collection system has been set up to support MEPC's review of the CII rating system. It enables shipowners and ship managers to submit a copy of their aggregate validated DCS data and separately to submit, in unvalidated aggregate form, the additional scope of data agreed at MEPC 80 (e.g. including greater granularity of fuel consumption and transport work). This data will enable a better understanding of how effectively the rating system is performing and is an important starting point for proposals for system improvement. Respondents can elect to share their data in anonymized form with IMO and with trade associations. To support the CII review it is important to collect the widest possible extent of data. Therefore, ICS invites Member States to circulate information on this data collection facility to ships flying their flag and thereby encourage its use.

<u>MEPC 81/6/13 (RINA)</u>: presents the objectives and methodology of a comprehensive project currently being carried out by Mærsk Mc-Kinney Møller Center for Zero Carbon Shipping with initial focus on the evaluation of CII. Extensive operational data have been provided by project partners for different ship categories and operating profiles for in-depth analysis. The CII assessment aims to identify elements that function well from a ship performance perspective, as well as elements that function less well and that need to be considered for revision, requiring, for example, a new or adapted metric. The overall aim of the project is to provide recommendations to IMO as part of the review process of the short-term GHG reduction measure.

<u>MEPC 81/6/15 (INTERFERRY)</u>: outlines a study undertaken to assess an alternative CII metric for ro-ro cargo and ro-ro passenger ships, seeking to mitigate the negative influence of high frequency service on the attained CII. It is noted that when improvements for some issues are achieved by using an alternative metric, other issues are exacerbated. The study was not able to find any solution that would provide for a more fair and robust CII application for these ship types.

<u>MEPC 81/6/17 (India)</u>: presents comments in support of document MEPC 81/6/6 (Bahamas et al.) and highlights factors that will need to be taken into consideration during the review of short-term measures to improve the relevance of the Carbon Intensity Indicator (CII) framework as a measure of a ship's operational efficiency.

<u>MEPC 81/6/18 (WWF, Pacific Environment and CSC)</u>: places the revision of the Carbon Intensity Indicator (CII) in the context of the 2023 IMO GHG Strategy and the negotiation of the basket of mid-term measures, and, in particular, to ensure a clear understanding that the various short- and mid-term measures, that will be developed at the same time but in parallel, are collectively capable of delivering the highest level of climate ambition and contribute to a just and equitable transition.

<u>MEPC 81/INF.22 (Republic of Korea)</u>: shares lessons learned from the Carbon Intensity Indicator (CII) consulting conducted by the Government of the Republic of Korea for the country's shipping companies to emphasize the cooperation among stakeholders for the effective implementation of the CII regulation.

<u>MEPC 81/INF.27 (INTERCARGO)</u>: provides information on Carbon Intensity Indicator (CII) and in particular on the impact of short voyages, port waiting time and ship loading conditions on attained CII. The information is derived from a study between INTERCARGO and five classification societies (ABS, BV, ClassNK, DNV and LR) using DCS and EU MRV data for bulk carriers.

<u>MEPC 81/INF.28 (INTERCARGO)</u>: provides information on a study carried by ABS (American Bureau of Shipping) on behalf of INTERCARGO, on the impact of short voyages on the attained Carbon Intensity Indicator (CII) of bulk carriers. The document is supplementary to document MEPC 81/INF.27 (INTERCARGO).

<u>MEPC 81/INF.29 (INTERCARGO)</u>: provides information on a study carried out by LR (Lloyd's Register) on behalf of INTERCARGO, on the impact of port waiting time on Carbon Intensity Indicator. The document is supplementary to document MEPC 81/INF.27 (INTERCARGO).

<u>MEPC 81/INF.30 (INTERCARGO)</u>: provides information on a study carried by BV (Bureau Veritas) on behalf of INTERCARGO, on the effects of port waiting time on Carbon Intensity Indicator (CII). The document is supplementary to document MEPC 81/INF.27 (INTERCARGO).

<u>MEPC 81/INF.31 (INTERCARGO)</u>: provides information on a study carried by ClassNK (Nippon Kaiji Kyokai) on behalf of INTERCARGO, on the impacts of ship loading condition (laden/ballast voyages) on Carbon Intensity Indicator. The document is supplementary to document MEPC 81/INF.27 (INTERCARGO).

<u>MEPC 81/INF.32 (INTERCARGO)</u>: provides information on a study carried by DNV (Det Norske Veritas) on behalf of INTERCARGO on the impacts of ship loading condition (laden/ballast voyages) on carbon intensity indicator. The document is supplementary to document MEPC 81/INF.27 (INTERCARGO).

<u>MEPC 80/6/3 (Liberia)</u>: outlines significant operational details of self-unloading bulk carriers performing transloading and transhipment operations, and why the calculation of the attained CII for these self-unloading bulk carriers needs to take all these differences into account. The document provides evidence that transloading and transhipment operations reduce carbon emissions compared to standard bulk carrier operations and suggests how to account for these highly variable, but significant, energy demands that occur on those self-unloading bulk carrier types when calculating their attained CII and ratings.

<u>MEPC 80/6/5 (India)</u>: seeks clarification for specific cases regarding the application of the correction factors as provided in resolution MEPC.355(78) on the 2022 Interim Guidelines on correction factors and voyage adjustments for CII calculations (CII Guidelines, G5).

<u>MEPC 80/6/6 (India)</u>: proposes amendments to regulation 19.3 of MARPOL Annex VI to clarify the non-applicability of requirements of SEEMP under regulation 26.3 for category A ships as defined in the Polar Code

<u>MEPC 80/6/8 (IACS)</u>: proposes an amendment to the sample format for the Confirmation of compliance – SEEMP part II (MEPC.1/Circ.876) to update the reference to regulation 26.2 of MARPOL Annex VI in view of the revision adopted by resolution MEPC.328(76). It also proposes the change of the reference to the 2022 Guidelines for the development of a Ship Energy Efficiency Management Plan adopted by resolution MEPC.346(78) instead of the 2016 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP) adopted by resolution MEPC.282(70).

<u>MEPC 80/INF.20 (IACS)</u>: informs of the publication of IACS Recommendation No.175 on "SEEMP/CII implementation guidelines".

<u>MEPC 80/INF.28 (Republic of Korea)</u>: presents the results of an analysis that compares the attained CII values calculated based on the DWT as a transport work proxy in accordance with the current IMO CII Guidelines and the values calculated based on the actual cargo carried using EU-MRV data set. The analysis also provides CII calculation and rating analysis by ship types according to EU-MRV, as well as an analysis of CII rating trends by major ship types up to 2030. The analysis provided concludes that future data collection must be based on actual cargo carried to apply IMO CII criteria more precisely, intuitively and consistently.

<u>MEPC 80/INF.34 (CLIA)</u>: provides a progress report on the work that CLIA and the Cruise Safety and Sustainability Forum (CSSF) have put into development of a CII calculation method for cruise passenger ships better aligned with IMO objectives.

<u>MEPC 79/7/1 (INTERTANKO)</u>: outlines the urgency to consider the case of steam driven LNG carriers which represent a considerable proportion of the current LNG shipping fleet. This group of ships has a totally different type of propulsion system than the majority of commercial ships. Consequently, this group of ships will have a very poor CII rating because the concept of CII and EEXI requirements and guidelines have not taken into account such a significant difference in the operational system of steam driven propulsion system.

<u>MEPC 79/7/2 (INTERTANKO)</u>: explains the negative impact that the lower cruising speeds and / or extended idle times have on the CO₂ footprint of steam driven LNG carriers.

<u>MEPC 79/7/13 (Bahamas, Liberia, ICS, BIMCO, INTERTANKO, WSC and INTERFERRY):</u> comments on the scope of the CII G5 guidelines adopted at MEPC 78, and provides further justification for the addition of correction factors for short voyages and port waiting time. As articulated within the previous document ISWG-GHG 12/2/3, the aforementioned correction factors are two of several key elements that should be incorporated into the CII system.

<u>MEPC 79/7/15 (Bahamas and ICS)</u>: With respect to the G5 interim guidelines within the Carbon Intensity Indicator (CII) rating system, this document presents a proposal to add refrigerated cargo carriers to the scope of application of the FCelectrical, j correction factor. The co-sponsors seek the Committee's consideration and possible adoption.

<u>MEPC 79/7/21 (CLIA)</u>: provides the interim report of the Cruise Ship Safety Forum (CSSF) subgroup for the development of an alternative CII metric for cruise passenger ships.

<u>MEPC 79/7/27 (ICS and INTERCARGO)</u>: presents a proposal to the Committee previously set out in document ISWG-GHG 12/2/5 (ICS and INTERCARGO) to establish self-unloading bulk carriers as a separate category of ship with its own reference line. This builds on the guidelines adopted by the Committee at it last meeting and does not change the method of calculating a ship's carbon intensity. Given many delegations have spoken favourably of this approach, including at the Committee's last meeting, the co-sponsors seek the Committee's consideration for adoption at this session.

<u>MEPC 79/INF.19 (INTERCARGO)</u>: This document provides information on the effects of charterers orders, distance travelled and waiting times on Carbon Intensity Indicators.

EU relevance

The Union has exclusive competence in the matter.

Regulation (EU) 2015/757 on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC establishes the legal framework for an EU system to monitor, report and verify GHG emissions and energy efficiency from shipping (MRV Regulation). The regulation aims to deliver robust and verifiable GHG emissions data, inform policy makers and stimulate the market uptake of energy efficient technologies and behaviours. It does so by addressing market barriers such as the lack of information.

The Energy Efficiency Design Index (EEDI), Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Indicator (CII) values are linked to the MRV Regulation, as the EU Regulation aims to collect and publish information on the technical and operational energy efficiency of ships on a per-ship basis.

The commitment by the EU and the relevant legal instruments and policies adopted to reduce GHG emissions, including from shipping, are further described under agenda item 7.

In addition, from a policy point of view, the Commission's Sustainable Blue Economy Communication notes that "A sustainable blue economy offers many solutions to achieve the European Green Deal objectives. Many of the current activities need to reduce their carbon footprint, while new, carbon-neutral activities need to take centre stage. The blue economy can contribute to carbon neutrality by developing offshore renewable energy and by greening maritime transport and ports."

<u>Background</u>

MEPC 75 adopted amendments to regulation 21 to strengthen the EEDI by advancing the starting year of EEDI phase 3 to 2022. It also noted the progress of the Correspondence Group on Possible Introduction of EEDI Phase 4 and instructed it to continue its work and to submit its final report to MEPC 76. The latter Committee session deferred all documents related to EEDI Phase 4 to MEPC 78, but approved amendments to the 2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships; and the unified interpretation to clarify the dates related to EEDI Phase 2 and 3 for "new ships", as draft amendments to circular MEPC.1/Circ.795/Rev.4. Again MEPC 78 did not have the time to consider the submitted documents and deferred them to this session.

Several documents considered by MEPC 79 on this issue concerned issues which were deferred from previous MEPC sessions. They were referred directly to the Working Group on Air Pollution and based on its work, the Committee:

- approved amendments to the 2018 Guidelines on the method of calculation of the Attained Energy Efficiency Design Index (EEDI) for new ships and adopted the relevant MEPC resolution to publish the same guidelines as the 2022 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships;
- agreed to include ShaPoLi and EPL in the EEDI framework, and invited interested Member States and international organizations to liaise with Germany to work informally intersessionally to develop draft amendments to the EEDI calculation guidelines, draft guidelines on the shaft power limitation system to comply with the EEDI requirements and use of a power reserve, and any other instrument as may be necessary, and submit concrete proposals to a future session;
- noted that there was no sufficient support for the draft guidance for Administration in case of use of a power reserve by unlimiting the shaft/engine power limitation system to comply with the *EEXI*;
- approved amendments to the 2014 Guidelines on survey and certification of the Energy Efficiency Design Index (EEDI) and adopted the relevant MEPC resolution to publish the guidelines as the 2022 Guidelines on survey and certification of the Energy Efficiency Design Index (EEDI); and
- *approved unified interpretations clarifying:*
 - the requirements of EEDI data reporting as specified in regulation 22.3 of MARPOL Annex VI;
 - the reporting of boil-off gas (BOG) consumed on board ships in the IMO ship fuel oil consumption data collection system (DCS) as specified in regulations 2, 27 and Appendix IX of MARPOL Annex VI; and
 - several issues relating to the development and verification of SEEMP Part III and the issuance of the Statement of Compliance for the first year as specified in regulations 8, 26 and 28 of MARPOL Annex VI.

As regards the possible introduction of **EEDI Phase 4**, the Committee concluded **DELETED** that it would be more appropriate to put the discussion on hold until work on the IMO Life-cycle guidelines for alternative fuels would be completed when the Committee would be in a better position to provide a clear direction on the role and form of future EEDI in taking into consideration the new regulatory context. However, the Chair invited interested parties to submit relevant papers to a future session of MEPC.

MEPC 80 approved:

- the review plan of the STM which foresees the conclusion of the review at MEPC 83 (2025).
- amendments to appendix IX of MARPOL Annex VI, to include data on transport work and on enhanced level of **granularity** in the DCS, with a view to adoption at MEPC 81; and
- amendments to regulation 27 of MARPOL Annex VI, on accessibility of IMO DCS data, with a view to adoption at MEPC 81. In this regard, the Committee also invited interested Member States and international organizations to work together to submit proposals to a future session on how to address the comments and concerns made on the accessibility of IMO DCS data.
- amendments to the 2022 Guidelines on the survey and certification of the Energy Efficiency Design Index (*EEDI*); and
- amendments to the 2021 Guidelines on the shaft/engine power limitation system to comply with the **EEXI** requirements and use of a power reserve.

The discussions and decisions at MEPC 81 were the following:

a) Data Collection System

MEPC 81 adopted the amendments to appendix IX of MARPOL Annex VI, to include data on transport work and on enhanced level of **granularity** in the DCS and to regulation 27 of MARPOL Annex VI, on **accessibility** of IMO DCS data.

MEPC 81 adopted the following amendments on the accessibility of data of the DCS:

- "14 On an ad hoc basis, the Secretary-General of the Organization may share data with analytical consultancies and research entities, under strict confidentiality rules.
- 15 The Secretary-General of the Organization, on the request of a company, shall grant access to the fuel oil consumption reports of the company's owned ship(s) in a non-anonymized form to the general public."

DELETED This view was also expressed by several other delegations. The working group discussed how best to deal with the different fuel types (VLSFO, ULSFO, biofuels and e-fuels). Several delegations stressed that guidance for uniform reporting of VLSFO and ULSFO to the IMO DCS should be agreed and included in the unified interpretations to MARPOL Annex VI, while other delegations expressed their preference for addressing this in the SEEMP guidelines. After considering the report of the working group, the Committee invited interested Member States and international organizations to submit, to a future session, proposals for unified interpretation for the consistent reporting of VLSFO and ULSFO.

b) Shaft/engine power limitation system

The Committee adopted the amendments to the 2021 Guidelines on the shaft/engine power limitation system to comply with the EEXI requirements and use of a power reserve, as finalised by the working group. The Committee also invite interested Member States and international organizations to submit concrete proposals to a future session of the Committee on cases where specific measures for EPL/ShaPoLi reactivation would not be required. It was also recalled that MEPC 80 had agreed that Administrations should annually report uses of a power reserve to the Organization according to a reporting procedure to be defined by the Secretariat. In this context, the working group considered a draft procedure for reporting to the Organization of uses of a power reserve prepared by the Secretariat. Subsequently, the Committee approved the procedure as well as the accompanying MEPC Circular.

c) Energy efficiency design index (EEDI)

DELETED

d) Carbon Intensity Indicator (CII) calculations

DELETED, the Committee endorsed the outcome of the working group that **LNG carriers** should be reported as LNG carriers and not gas carriers. Therefore, all LNG carriers currently categorized as gas carriers should be reported as LNG carriers for the purpose of DCS reporting and CII. The Committee requested the Secretariat to recalculate the AER of the LNG and gas carrier fleet for 2021 and 2022 once the recategorization was completed.

e) SEEMP

DELETED

Following consideration, the Committee adopted the amendments to the 2022 Guidelines for the development of a SEEMP, as well as amendments to the 2022 Guidelines for Administration verification of ship fuel oil consumption data and operational carbon intensity.
f) Suitability of the DCS for the implementation and enforcement of current and future regulatory GHG reduction measures

DELETED. In fact, this issue was only discussed in Plenary. Several delegations, **DELETED**, even though a few delegations doubted the ability of the Secretariat to carry out the review by MEPC 82.

Finally, the Chair concluded that the Committee agreed to request the Secretariat to carry of a review of the suitability of the IMO DCS for the implementation and enforcement of current and future regulatory GHG reduction measures and to report to a future session of the Committee.

g) Review of the Short-Term Measure

In accordance with the Review plan, the Committee agreed to forward documents MEPC 81/6/2, MEPC 81/6/13, MEPC 81/6/15, MEPC 81/6/18, MEPC 81/INF.22, MEPC 81/INF.27, MEPC 81/INF.28, MEPC 81/INF.29, MEPC 81/INF.30, MEPC 81/INF.31 and MEPC 81/INF.32, together with relevant documents deferred from previous sessions, i.e. documents MEPC 80/6/3, MEPC 80/6/5, MEPC 80/6/6, MEPC 80/6/8, MEPC 80/INF.20, MEPC 80/INF.28, MEPC 80/INF.34, MEPC 79/7/1, MEPC 79/7/2, MEPC 79/7/13, MEPC 79/7/15, MEPC 79/7/21, MEPC 79/7/27 and MEPC 79/INF.19 to MEPC 82 for consideration, where a working group was expected to be established to conduct the review of the short-term measure. **DELETED**

h) Data analysis stage

The delegations were rather divided on the proposal in MEPC 81/6/6 (Bahamas et al.) to agree to a draft MEPC resolution that was intended to raise awareness among all stakeholders (e.g. financiers, insurers, charterers, brokers, and PSC) that the CII was currently within an **experience building phase** and key elements of the system are of an interim nature. Therefore, calling on Member States to advise the wider community of stakeholders not to utilize CII, or its metrics (i.e. AER or cgDIST) for assessment of energy efficiency or regulatory compliance risk.

DELETED Other delegations agreed with the co-sponsors that the CII framework should be of an interim nature as several weaknesses have been found in its implementation which would have to be addressed during the review process.

The Chair concluded that while the Committee noted the commitment of all delegations to the CII process including the review process, the proposed resolution did not receive clear support, and the working group did not have the time to consider the issues raised.

Regarding the proposal in document MEPC 81/6/17 (India) to conduct a study to ensure a more accurate **calculation of the CII reference lines**, several delegations, **DELETED**, remarked that this issue should be considered during the review process and suggested to defer the consideration of this document to MEPC 82, after the data gathering stage had been conducted. **DELETED** The Committee agreed to defer the further consideration of document MEPC 81/6/17 to MEPC 82 so that the scope of the study could be further defined.

The Committee accepted without discussion the editorial amendments proposed in MEPC 81/6/7 (Republic of Korea and IACS) and MEPC 81/6/12 (China) to correct in the 'Interim Guidelines on correction factors and voyage adjustments for CII calculations' (G5) to replace an incorrect reference to the CII Reference Lines Guidelines, G2, for the calculation of a ship's capacity by a reference to the CII Calculation Guidelines, G1. Therefore, the Committee requested the Secretariat to issue a corrigendum to the report of MEPC 78 with an editorial correction to the 2022 Interim Guidelines on correction factors and voyage adjustments for CII calculations (CII Guidelines, G5).

Consideration at MEPC 82

As indicated in MARPOL Annex VI 28 and MARPOL Annex VI.25.3, the review shall assess:

- a. The effectiveness of the framework in reducing the carbon intensity of shipping;
- b. The need for reinforced corrective actions or other means of remedy, including possible additional EEXI requirements;
- c. The need for enhancement of the enforcement mechanism;
- d. The need for enhancement of the data collection system; and
- e. The need for revision of reduction factors and CIIR values.

At MEPC 82, the review of the Short-Term Measures will enter in its analytical phase.

Review process.

To **frame the discussions**, MEPC 82/6 (Secretariat) presents a possible structure for the consideration of submissions. The document also provides an initial analysis of available data and proposals to be considered as part of the data analysis stage and information on the work conducted by the Secretariat.

Document MEPC 82/6/21 (Rina), proposes that the correspondence group for the review of STM considers **potential overlaps between short- and mid-term measures** and that the option of an energy-based CII should be considered only after the present STM review timeline and not earlier than the adoption of MTM. **DELETED**

MEPC 82/6/16 (WSC) proposes that "before reviewing specific (technical) aspects of the current CII regulation, the Committee should consider what the rating system is intended to achieve and how best to achieve that objective. It is proposed to either continue with CII ratings to improve ship specific performance or to focus on a strengthened SEEMP to drive ship specific transport work performance improvement in combination and alignment with mid-term measures and with CII ratings facilitating data for analysis to inform future decision making. **DELETED**

DELETED

a. Effectiveness of the framework in reducing the carbon intensity of shipping

To frame the discussions on the "effectiveness of the framework in reducing the carbon intensity", MEPC 82/6 (Secretariat) proposes to structure the consideration of submissions as follows:

.1 analysis of data and experiences gained through implementation of the short-term measure;

.2 identification of specific challenges arising from the current CII framework and consideration of overarching principles to address them;

.3 further amendments to the CII metrics (CII Guidelines, G1), and their possible impact on existing CII reference lines (as set out in the 2021 Guidelines on the reference lines for use with operational carbon intensity indicators (CII reference lines Guidelines, G2) (resolution MEPC.337(76)), including, inter alia, the use of different metrics for different ship types/sizes and/or to reflect fuel oil consumption when (not) under way; and

.4 correction factors and voyage adjustments (CII Guidelines, G5), and their possible impact on the effectiveness of the short-term measure.

Analysis of data and experience, identification of specific challenges and overarching principles to address them

Document MEPC 82/6/38 (Secretariat) provides a preliminary assessment for the decrease in carbon intensity for the different ship types and distribution of ratings but does not analyse the impact of correction factors and voyage corrections. It should also be noted that there is a significant increase of the consumption of residual fuel oils, a corresponding decrease of light fuel oils and steadiness of both distillate fuels and LNG (between 2019 and 2023). In the first reporting year of CII, around 19% of ships reporting fuel oil consumption data obtained a D or E rating, while around 67% the range from A to C. The estimation of demand-based carbon intensity was not possible due to lack of data but the Secretariat is expected to follow-up with a dedicated report.

DELETED

Changes to G1 and G2 - CII metric and reference lines

For the consideration of any **revision of the CII metrics**, it is recalled in MEPC 82/6/17, that there is only one year of data available, that at least two years of implementation could indicate movement between CII rating, that introduction of new problems should be avoided as well as over adjustments, that a change of the metric will make year on year comparison difficult and that revision might impact the ambition of the major adjustment that needs to be compensated. Changes to the existing **reference lines** are likely to impact the overall ambition of the CII measure, in which case they would qualify as a major adjustment to the metric.

Some submissions suggest excluding some ship segments, such as small LNG refuelling tankers in MEPC 82/6/4 (Intertanko) and small tankers MEPC 82/6/5 (Intertanko). **DELETED**

MEPC 81/6/17 (India) indicates that for **gas carriers and LNG carriers**, the reference lines are not monotonic in nature. It is suggested to instruct the Secretariat to recalculate CII reference lines for LNG and Gas carriers based on IMO DCS data. **DELETED** MEPC 82/6/4 (INTERTANKO) also suggests revising the reference line. It should be noted that the current inconsistencies over the LNG carriers ship type do not relate to their specific size segments rather their propulsion system types (as demonstrated in previous EU MRV Reports).

MEPC 82/6/12 (ICS and INTERCARGO) identifies a problem with the reference line and with differences between size groups for small and medium bulkers. Small bulkers are all rated E. document MEPC 82/6/27 (Intercargo) presents a study on a broader set of ships. The results are not in alignment with those in MEPC 82/6/12 for small bulkers. In the second, study 47% of 'Handy' category ships are classified as D + E (close to regular distribution that is 45%). It is not clear what kind of data were used to make these evaluations. **DELETED**

AV/pl

LIMITE

MEPC 82/6/7 (*CLIA*) proposes to change the CII metric for cruise ships i.e. to remove distance sailed from the denominator and replace it by hours per year. **DELETED**

MEPC 82/6/8 (United Arab Emirates and IPTA) suggests to add 'equivalent distances' in the denominator to compensate for extra fuels consumption. **DELETED**

MEPC 82/6/20 (RINA) deserves further consideration; however, it entails what are considered to be major modifications to the CII regulatory framework and therefore should be deferred to the 2^{nd} phase of the STM review (after January 2026), as soon as more granular DCS data would become available (as of mid-2025), with a view to properly evaluate the need and impact of such modifications.

MEPC 82/6/23 (Republic of Korea et al.) should be supported as additional information would benefit the alternative fuels debate and contribute to a more complete and transparent reporting framework.

It is expected that the proposal to have a fleet balance mechanism presented in MEPC 82/6/24 (INTERFERRY) will create additional administrative burden associated with monitoring, reporting and verification activities i.e. on a fleet level and would not necessarily incentivise individual ship energy efficiency improvements, particularly for the lowest performant ships within a given fleet.

Changes to G5- correction factors and voyage adjustments

For the inclusion of correction factors and voyage corrections, document MEPC 82/6/17 (Austria et al) asks that criteria presented in MEPC 76/7/23 are considered. The overall impact on carbon intensity of the proposed corrections shall be quantified and accompanied by an equivalent compensation measure to ensure that the overall ambition of the measure is maintained.

Correction factors have noticeably been proposed for fuel consumption in docking, presented in MEPC 82/6/35 (China); to ship-to-ship transfer, presented in MEPC 82/6/3 (SIGTTO) and MEPC 82/6/4 (Intertanko); to cargo handling devices for self-unloading ships, presented by in MEPC 82/6/34 (China) and MEPC 82/6/12 (ICS and Intercargo); to frequent port stay and idle time such as presented in MEPC 82/6/9 (IBIA), MEPC 82/6/28 (Intertanko) and MEPC 82/6/31 (Brazil et al.); to fuel consumption by auxiliary for other uses, such as presented in MEPC 82/6/30 (Liberia).

DELETED

The Secretariat should look at the impact of correction factors for the different ship types and its impact on achieving the goals of the Strategy.

MEPC 82/6/3 (SIGTTO) proposes to have a separate category for LNG refuelling tankers. **DELETED**

MEPC 82/6/28 (INTERTANKO) suggests that the CII should not apply to small tankers. **DELETED**

b. - The need for reinforced corrective actions or other means of remedy, including possible additional EEXI requirements;

DELETED

c. - The need for enhancement of the enforcement mechanism;

CII

DELETED

MEPC 82/6/39 & MEPC 82/6/40 (Brazil & India) propose to develop 2 different metrics, the AERSupply Chain (CII including all Corrections) and AERVoyage. The comparison between the factors would enable stakeholders to assess whether a poor CII is due to a ship not being maintained and operated in an energy efficient way or to a larger supply chain issue. **DELETED**

SEEMP

The following submissions propose to reinforce the CII enforcement mechanism through the SEEMP: MEPC 82/6/16 (WSC), MEPC 82/6/22 (Rina), MEPC 82/6/33 (China). The proposals suggest to amend the SEEMP to record energy efficiency actions with an enforcement relying on an internal and external audits system (as currently done under the ISM Code), and port State controls.



MEPC 82/6/32 (Liberia et al) propose consequential modifications to SEEMP to take into account the MARPOL amendments adopted at MEPC81. **DELETED**

MEPC 82/6/37 (Liberia et al.) is linked to the change of flag in the middle of a calendar year. **DELETED**

DELETED

EEXI

DELETED In the proposed way forward FSC and PSC would have to rely on what is registered in the OMM to assess if the limit was overshoot episodically and not on a regular basis. **DELETED**

d. - The need for enhancement of the data collection system;

MEPC 82/6/19 (Korea) suggest excluding water content of the fuel when using the BDN method and MEPC 82/6/18 (China) to subtract the amount of **sludge** from the fuel consumption. **DELETED** It is to be noted that with the coming entry into force in 2025 of more granular reporting, fuel consumption would have to rely more on measurements of fuels consumption from the day tank and less on BDN.

MEPC 82/6/26 (EDF) reviews current accessibility of data collected under DCS and calls for increased accessibility to the DCS, without specifying how. This submission also establishes a link between ongoing CII review and DCS data access. MEPC 80/6/9 (Austria et al.) proposed differentiated access rights to the database, or parts of it, for different groups of actors like shipping companies, IMO observer organizations and the general public. DELETED

e. The need for revision of reduction factors and CIIR values.

MEPC 82/7/13 (IMarEST) suggests that the 5th IMO GHG Study clarifies the 2008 baseline, to calculate the required CII value to meet the 2023 IMO GHG Strategy including the absolute emission reduction targets, to extend the required CII reduction rates to 2030 and 2040. It is suggested that reduction factors are revised based on the interim report for the 5th GHG study, in spring 2026. **DELETED**

Phased implementation.

Document MEPC 82/6/27 (Intercargo) and MEPC 82/6/31 propose a multi phased implementation with the first phase having a solution based on current data, followed by further refined solutions as more data becomes available (more granularity in DCS). **DELETED**

DCS

MEPC 82/6/15 (IACS) proposes to clarify that data having to be reported in DCS from 1/8/2025 should either be reported from 1/1/25 (early implementation) or from 1/1/26. **DELETED**

























Agenda item 7 – Reduction of GHG emissions from ships

Docs: MEPC 82/7, MEPC 82/7/1-17, MEPC 82/INF.8 (+Add.1-3), 13, 15-20, 27, 28, 41, and 47

<u>MEPC 82/7 (Secretariat)</u>: provides an update on work undertaken by the Steering Committee on the Comprehensive Impact Assessment (CIA) of the basket of candidate mid-term measures, in particular the outcome of its fourth and fifth meetings, held on 30 and 31 January and 28 February 2024, respectively.

<u>MEPC 82/7/1 (Secretariat)</u>: provides an update on the work of the Steering Committee, in particular on the outcome of its sixth and seventh meetings, which were held on 18 and 19 April 2024 and 13 and 14 May 2024, respectively.

<u>MEPC 82/7/2 (Secretariat)</u>: provides an update on work undertaken by the Steering Committee on the CIA of the basket of candidate midterm measures, in particular the outcome of the eighth and ninth meetings, held on 19 June and 3 and 4 July 2024, respectively.

<u>MEPC 82/7/3 (Secretariat)</u>: provides a preliminary analysis of possible terms of reference, suggested timelines, logistics and administrative arrangements for the conduct of the Fifth IMO GHG Study.

<u>MEPC 82/7/4 (Secretariat)</u>: contains a summary of the conduct of the comprehensive impact as overseen by the Steering Committee, including conclusions and lessons learned. The executive summaries of tasks 1 to 4 are set out in the addenda to document MEPC 82/7/4, the full reports of each task are provided in document MEPC 82/INF.8 and addendum. This document also contains the outcome of the tenth and eleventh meetings of the Steering Committee.

<u>MEPC 82/7/4/Add.1 (Secretariat)</u>: contains the executive summary of the report on Task 1 (Literature review) of the Comprehensive impact assessment of the basket of candidate mid-term GHG reduction measures, as approved by the Steering Committee.

<u>MEPC 82/7/4/Add.2 (Secretariat)</u>: contains the executive summary of the report on Task 2 (Impacts on the fleet) of the Comprehensive impact assessment of the basket of candidate mid-term GHG reduction measures, as approved by the Steering Committee.

<u>MEPC 82/7/4/Add.3 (Secretariat)</u>: contains the executive summary of the report on Task 3 (Impacts on States) of the comprehensive impact assessment of the basket of candidate mid-term GHG reduction measures.

<u>MEPC 82/7/4/Add.4 (Secretariat)</u>: contains the executive summary of the report on Task 4 (Stakeholder analysis) of the comprehensive impact assessment of the basket of candidate mid-term GHG reduction measures, as approved by the Steering Committee.

<u>MEPC 82/7/5 (SGMF)</u>: contains the results of a life cycle GHG emissions and air quality local pollutants study conducted in order to gain more knowledge on the use of ammonia as marine fuel.

<u>MEPC 82/7/6 (IMLA)</u>: highlights the importance of the commercialization of low-carbon and zerocarbon ship technologies and marine fuels and suggests that the commercial readiness of such technologies and fuels could be improved through pilot projects involving technological demonstrations and activities related to capacity-building.

<u>MEPC 82/7/7 (Solomon Islands)</u>: IMO has agreed that mid-term measures must effectively promote the energy transition of shipping. Solomon Islands is developing a plan to support the transition and decarbonization of its maritime sector. Mid-term measures adopted at the global level are essential to support the commitment of SIDS and LDCs for a just and equitable transition of maritime transport. This requires a GHG emissions high-price universal contribution combined with a GHG fuel standard.

<u>MEPC 82/7/8 (OECD)</u>: draws attention to the importance of considering structural uncertainties related to demand for maritime trade in the terms of reference for the Fifth IMO GHG Study.

<u>MEPC 82/7/9 (IWSA)</u>: sets out how wind energy can be incorporated into the mid-term measures developed to implement the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, with reference to the technical measures currently being prepared. It further proposes an amended formula based on the work presented in document ISWG-GHG 16/2/7 (Austria et al.), which is to date the most elaborated upon formula that could be used to calculate the attained Greenhouse Gas Fuel Intensity (GFI), and which provides a concrete illustration of the technical proposal so that wind energy is accounted for equitably in the greenhouse gas emissions intensity balance for the ship.

<u>MEPC 82/7/10 (FOEI, Pacific Environment and CSC)</u>: situates the shipping sector within the triple planetary crisis of climate, biodiversity, and pollution, and prioritizes solutions with co-benefits to address these crises. By focusing on these solutions, action on reversing biodiversity loss and reducing pollution can support climate action and vice versa. The co-sponsors recommend an IMO framework be developed, similar to the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, and a task force struck to consider these issues.

MEPC 82/7/11 (Australia and Republic of Korea): comments on document MEPC 82/7/3 (Secretariat) on preparations for the Fifth IMO GHG Study.

<u>MEPC 82/7/12 (India)</u>: presents comments on document MEPC 82/7/4 and proposes a few critical aspects that need to be considered in furthering the development of the basket of candidate midterm measures and effective transition of the 2023 IMO GHG Strategy by international shipping.

<u>MEPC 82/7/13 (IMarEST)</u>: proposes that the Fifth IMO GHG study should set out an unambiguous value for a 2008 baseline GHG emissions, against which the 2030 and 2040 targets in the 2023 IMO GHG Strategy can be judged. This baseline value and the 2030 and 2040 targets should also be used to set the annual CII reduction rates beyond 2026, to 2030 and 2040, in line with the 2023 IMO GHG Strategy targets once the CII review process is completed.

<u>MEPC 82/7/14 (Togo)</u>: comments on document MEPC 82/7/4 (Secretariat) and proposes further work on the comprehensive impact assessment of GHG mid-term measures. This document proposes the establishment of a new work stream to assess the eight impact criteria which were partially assessed or not assessed in the UNCTAD report.

<u>MEPC 82/7/15 (Egypt)</u>: presents comments and suggestions on document MEPC 82/7/4 on the comprehensive impact assessment of the basket of candidate GHG reduction mid-term measures and provides recommendations for the need for further assessment of the impacts on food security.

<u>MEPC 82/7/16 (China, Saudi Arabia and United Arab Emirates)</u>: comments on document MEPC 82/7/4 (Secretariat) and provides insights on the conduction of the comprehensive impact assessment (CIA) of the basket of candidate GHG reduction mid-term measures, particularly the limitations in task 3 and proposes not to make policy decisions of mid-term measures based on the unconvincing and misleading conclusions from the task 3 report.

<u>MEPC 82/7/17 (WWF, Pacific Environment and CSC)</u>: provides new information on planetary tipping points and introduces the concept of positive tipping points or sources of hope, in support of proposals contained in document MEPC 82/7/10 (FOEI et al.).

<u>MEPC 82/INF.8 (Secretariat)</u>: provides the full report on Task 1, Literature review, of the comprehensive impact assessment of the basket of candidate GHG reduction mid-term measures as conducted by WMU.

<u>MEPC 82/INF.8/Add.1 (Secretariat)</u>: provides the full report on Task 2, Assessment of the impacts on the fleet, of the comprehensive impact assessment of the basket of candidate GHG reduction mid-term measures as conducted by DNV.

<u>MEPC 82/INF.8/Add.2 (Secretariat)</u>: provides the full report on Task 3, Assessment of the impacts on States, of the comprehensive impact assessment of the basket of candidate GHG reduction midterm measures as conducted by UNCTAD, together with the collation of substantive comments by members of the Steering Committee and external quality assurance and quality control (QA/QC) reviewers and responses provided by UNCTAD.

<u>MEPC 82/INF.8/Add.3 (Secretariat)</u>: provides the full report on Task 4, Complementary qualitative/quantitative stakeholders analysis, of the comprehensive impact assessment of the basket of candidate GHG reduction mid-term measures as conducted by Starcrest Consulting.

<u>MEPC 82/INF.13 (Singapore and United States)</u>: provides context and spotlights a report prepared by the non-profit organization Aspen Institute that offers reflections and insights based on a tender process for zero emission shipping services conducted by the Zero Emission Maritime Buyers Alliance (ZEMBA). Private sector-led initiatives like ZEMBA showcase the growing demand-side signal for near-zero and zero emission fuels that will contribute to the fuel uptake level of ambition of the 2023 IMO GHG Strategy.

<u>MEPC 82/INF.15 (NI)</u>: brings to the Committee's attention the initiation and availability of a new course to promote the safe implementation of new, novel and innovative "alternative fuels" for seagoing ships, in pursuit of the 2023 IMO GHG Strategy. The course is publicly available for all maritime diplomats and professionals to attend.

<u>MEPC 82/INF.16 (Finland)</u>: reports the key findings of a methane emission study conducted on board a state-of-the-art LNG-powered cruise ship. The study is part of a large international research project (GREEN RAY) concentrated on mitigating methane slip from LNG powered engines.

<u>MEPC 82/INF.17 (WNTI)</u>: Nuclear power will enable ships to achieve true zero GHG emissions on a well-to-wake basis (WtW), as well as zero emissions of other harmful pollutants to air or water. Nuclear-powered ships can operate for years without refuelling, alleviating concerns about low and zero carbon fuel availability and supply infrastructure. The Code of Safety for Nuclear Merchant Ships, adopted in 1981, has been identified as a barrier to the timely deployment of nuclear-electric ships using advanced reactor technologies. This document outlines major work already done by WNTI to provide a framework for revising the Code to be fit for purpose and support a new generation of nuclear-powered ships.

<u>MEPC 82/INF.18 (Antigua and Barbuda, Belize and Suriname)</u>: provides an overview and reports on the outcome of the GHG thematic side event "Sustainable shipping and ports for SIDS: resilience and strengthened climate investment" at the United Nations Fourth International Conference on Small Island Developing States (SIDS4), held from 27 to 30 May 2024, in Antigua and Barbuda.

<u>MEPC 82/INF.19 (IMLA)</u>: provides information on the challenges of maritime education and training institutions for equipping seafarers with competent knowledge and skill in the decarbonization of shipping.

<u>MEPC 82/INF.20 (Indonesia)</u>: provides information on Indonesia's experience on biofuel development as part of its decarbonization efforts in the energy and transportation sectors, which is part of their key strategies toward net-zero emissions.

<u>MEPC 82/INF.27 (Republic of Korea)</u>: provides lessons learned from the development and demonstration of fully electrified car ferry technology powered by swappable power supply systems through a research and development (R&D) project in the Republic of Korea.

<u>MEPC 82/INF.28 (Republic of Korea and Pacific Environment)</u>: presents the results and highlights the significance of the First International Forum on shipping and port decarbonization held in Busan on 9 November 2023, through a joint collaboration between the Republic of Korea, Pacific Environment, and ClimateWorks Foundation.

<u>MEPC 82/INF.41 (Brazil)</u>: presents the results of a study conducted to evaluate the impacts and risks of climate change on Brazilian coastal public ports. It was carried out based on three axes: the research of the vulnerability of 21 ports; a customized analysis for climate risk assessment focusing on three ports that were chosen based on criteria from axis 1; and the conception of a guide for conducting climate risk surveys and adaptation measures for port infrastructure to mitigate vulnerabilities.

<u>MEPC 82/INF.47 (IMLA)</u>: provides further details on the proposal for improving the commercial readiness of the low-carbon and zero-carbon ship technologies and marine fuels contained in document MEPC 82/7/6 (IMLA) and contains three annexes.

<u>Seventeenth Meeting of the Intersessional Working Group on Reduction of GHG Emissions</u> <u>from Ships (ISWG-GHG 17)</u>

Docs: ISWG-GHG 17/1, ISWG-GHG 17/2, ISWG-GHG 17/2/1-21, ISWG-GHG 17/3, ISWG-GHG 17/3/1-6, ISWG-GHG 17/4, ISWG-GHG 17/4/1, ISWG-GHG 17/INF.2

Agenda item 1 - Adoption of the agenda

ISWG-GHG 17/1 (Secretariat): provides the provisional agenda for this session.

Agenda item 2 - Further consideration of the development of candidate mid-term measure(s)

ISWG-GHG 17/2 (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands (Kingdom of the), Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Ukraine and the European Commission): All current proposals for new IMO regulations to incentivize the decarbonization of international shipping involve collection of payments. This document outlines what the relevant basic functions of such a system may be and explores some options for its management. While there are lessons to be drawn from the establishment of existing international funds, such as the Green Climate Fund (GCF), experience shows that it could be more feasible to establish a new system under the IMO umbrella, rather than using any of the existing funds. The co-sponsors recommend proceeding with the development of a fund structure in parallel with the development and adoption of a basket of mid-term measures. Interested Member States and organizations are invited to contribute to the further detailing of the functions of a fund and of how they could be organized.

<u>ISWG-GHG 17/2/1 (WSC)</u>: describes the core purpose, objectives, and operation of the proposed "Green Balance Mechanism". This submission also highlights refinements made since ISWG-GHG 16, presents illustrated examples of how the mechanism works in conjunction with the GHG Fuel Intensity (GFI) and includes draft legal text for consideration under MARPOL Annex VI.

ISWG-GHG 17/2/2 (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Latvia, Lithuania, Luxembourg, Malta, Netherlands (Kingdom of the), Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the European Commission): describes the full design of a basket of measures consisting of a GHG Fuel Standard (GFS) and a universal GHG contribution, and explains how it can deliver on all objectives of the 2023 IMO GHG Strategy. The proposal is translated into proposals for MARPOL amendments (annex to the submission), following the agreed structure of the IMO net-zero framework.

<u>ISWG-GHG 17/2/3 (Republic of Korea)</u>: outlines the considerations for establishing the IMO Net-Zero Fund. With the implementation of the maritime GHG emissions pricing mechanism, it is expected that an unprecedentedly large-scale fund will be managed. Accordingly, this document investigates multilateral climate funds under the UN system and proposes the considerations for the establishment of the IMO Net-zero Fund.

<u>ISWG-GHG 17/2/4 (IPIECA)</u>: provides input regarding efforts to support the development of an effective basket of mid-term candidate measures targeting the irreversible reduction of GHG emissions from ships aligned with the 2023 IMO Strategy on Reduction of GHG emissions from ships (resolution MEPC.377(80)), in particular, to provide further input on the informal discussions that took place in Bonn, Germany on 8 and 9 June 2024.



<u>ISWG-GHG 17/2/5 (Bahamas, Liberia and ICS):</u> To present an integrated "IMO net-zero framework" which is readily implementable, enabling achievement of all the 2023 IMO GHG Strategy's goals, the co-sponsors revised and combined proposals for a simplified goal-based fuel standard and a distinct maritime GHG emissions pricing mechanism. Using the "illustration" agreed at MEPC 81, draft amendments to MARPOL Annex VI are provided. Critically, these include an initial flat rate GHG fee per tonne of CO2e emitted, e.g. \$18.75 (or \$60 per tonne of conventional fuel oil), with a feebate (reward) element per tonne of CO2e prevented to incentivise accelerated production and uptake of zero/near-zero GHG fuels, energy sources and innovative technologies, allowing, as a by-product, up to about \$2.5 billion per year to be allocated to an "IMO Net-Zero Shipping Fund" to support developing countries. Without these crucial elements, the Organization will not succeed in achieving the 2023 IMO GHG Strategy's goals, leading to proliferation of piecemeal, unilateral GHG charges being applied to shipping worldwide, with regulatory chaos, economic inefficiency and damage to IMO's authority as shipping's global regulator.

<u>ISWG-GHG 17/2/6 (ICS)</u>: sets out some criteria to help Member States determine whether the regulatory text which is finally adopted for the IMO net-zero framework will meet core objectives, not least the GHG reduction goals of the 2023 IMO GHG Strategy. ICS sets out the criteria which the global shipping industry, as represented by ICS, will use to assess the likely effectiveness, or otherwise, of the amendments to MARPOL Annex VI which are approved by the Committee at MEPC 83.

<u>ISWG-GHG 17/2/7 (Angola, Argentina, Brazil, China, Ecuador, Norway, South Africa, United Arab Emirates and Uruguay)</u>: explains the major updates made to the International Maritime Sustainable Fuels and Fund (IMSF&F) mechanism and provides the revised draft amendments to MARPOL Annex VI using the structure of the "IMO net-zero framework". Drafts of key guidelines supporting the implementation of the IMSF&F mechanism are provided in document ISWG-GHG 17/2/8

<u>ISWG-GHG 17/2/7/8 (Angola, Argentina, Brazil, China, Ecuador, Norway, South Africa, United</u> <u>Arab Emirates and Uruguay)</u>: provides drafts of three key guidelines for supporting the implementation of the IMSF&F mechanism. It further provides a list of potential guidelines to be developed and a list of existing guidelines that need to be updated, including the identified key elements, with the aim of providing building blocks for further development of a basket of mid-term measures consisting of both technical and economic elements.

ISWG-GHG 17/2/9 (Angola, Argentina, Austria, Belgium, Brazil, Bulgaria, Canada, Chile, China, Croatia, Cyprus, Czech Republic, Denmark, Ecuador, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Republic Of Korea, Latvia, Lithuania, Luxembourg, Malta, Netherlands (Kingdom of the), Norway, Peru, Philippines, Poland, Portugal, Romania, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, United Arab Emirates, European Commission and World Shipping Council): proposes using a single draft working document containing all proposals transposed to draft amendments to MARPOL Annex VI, and applying as much as possible the IMO net-zero framework structure as a mode of work for the further development of candidate mid-term measure(s) during ISWG-GHG 17 and MEPC 82.

<u>ISWG-GHG 17/2/10 (Brazil)</u>: offers an analysis of the complex issue of energy efficiency and greenhouse gas emissions from maritime ships, and proposes, by means of synergy with the GHG fuel standard, a complementary approach to consider the technical and operational aspects of ships as a contribution to the accounting and accurate verification of absolute COeq emissions.

<u>ISWG-GHG 17/2/11 (EDF)</u>: aims to showcase how a maritime GHG pricing mechanism that raises sufficient revenues can deliver on the Organization's decarbonization commitments and on its vision of promoting a just and equitable transition for the shipping sector. The document analyses the implications of a universal price on emissions ("levy"), a feebate, or an integrated measure consisting of an economic element and a goal-based fuel standard (GFS) on revenue disbursement.

<u>ISWG-GHG 17/2/12 (IAPH)</u>: presents the findings of a study commissioned to Maritime & Transport Business Solutions (MTBS) on port climate adaptation and decarbonization investment needs of developing nations. It further highlights the important role of ports in the energy transition and advocates for the strategic allocation of revenues generated from a carbon pricing mechanism to port-related climate adaptation and mitigation measures to support a just and equitable transition.

<u>ISWG-GHG 17/2/13 (Fiji, Kiribati, Marshall Islands, Nauru, Palau, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu)</u>: provides a just and equitable framework for the use of revenues required to achieve the objectives of the 2023 IMO GHG Strategy. The framework envisages revenue generated from both a GFS and a universal levy and disbursement to both active and passive mitigation and reparation uses. In determining revenue use it is necessary to clarify the terms 'in-sector' and 'out-of-sector'. Recommended text is offered for inclusion in a new chapter 5 of MARPOL Annex VI.

<u>ISWG-GHG 17/2/14 (Belize, Fiji, Kiribati, Marshall Islands, Nauru, Palau, Tuvalu, Tonga,</u> <u>Solomon Islands and Vanuatu):</u> The Committee is required to confirm the specificity of an economic mid-term measure(s) for agreement by MEPC 83, having already agreed that the technical measure will comprise a goal-based GFS. The emission reduction targets are set in chapter 3 of the 2023 IMO GHG Strategy and the required objectives these measures are designed to meet is defined at paragraph 4.5. Additionally, paragraph 5.3, states that when developing candidate midand long-term GHG reduction measures, due account should be taken to ensure a just and equitable transition that leaves no country behind, including supportive measures. The co-sponsors consider that the only proposal for a combination of measures that can adequately deliver on the 2023 IMO GHG Strategy objectives, in particular enabling a realistic contribution to ensure a just and equitable transition, requires a universal levy on GHG emissions with a sufficiently high entry price and a simple GFS that is progressively strengthened over time as technologies and fuels come to market.

ISWG-GHG 17/2/15 (Belize, Fiji, Kiribati, Marshall Islands, Nauru, Palau, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu): offers an evidence-based summary of the benefits from supporting a levy/GFS combination of mid-term measures as opposed to a contrary view that such a levy would be uniquely damaging and must not be included in the basket of mid-term measures. Results from CIA modelling reported by DNV and UNCTAD allows comparison of a levy with an initial \$150/t CO2e price in combination with a simple GFS (no flexibility mechanism), with many alternatives, including a GFS with a flexibility mechanism but no levy. Contrary to narratives used by some countries when arguing not to include a levy, these reports evidence that the levy is a lower cost, lower impact policy solution for all countries, including developing countries, SIDS and LDCs. Consistent with wider literature, the results provide evidence that countries remote from their export markets are not uniquely adversely affected, instead it is the lowest income countries and especially SIDS and LDCs that see the greatest negative impacts from an increase in cost. This evidence shows that levies are an essential tool for contributing both to shipping's energy transition and to a just and equitable transition leaving no States behind because, unlike other policy options, they enable targeted distribution of significant revenues which can reduce inequities that occur due to the generalized cost increases associated with reducing shipping's GHG emissions.

ISWG-GHG 17/2/16 (Kiribati, Marshall Islands, Nauru, Solomon Islands, Tuvalu, and Vanuatu): responds to the invitation from the Secretariat at Task 4 of the mid-term measures comprehensive impact assessment (CIA) process for States to submit relevant country case studies, the co-sponsors present here their results to date from their own data collection and analysis program. This work program was initiated prior to the formulation of the CIA Task 4 work plan with the primary objective of informing the negotiating position of those States. In developing these case studies, the co-sponsors have been cognizant of the developing work under the CIA process, and have used methodologies that could be of value to those processes.

<u>ISWG-GHG 17/2/17 (Pacific Environment and CSC)</u>: sets out key legal obligations relevant to the international shipping sector as explained by the International Tribunal for the Law of the Sea (ITLOS) in its advisory opinion of 21 May 2024 in case number 31 and puts forward policy recommendations that will assist States in complying with such obligations.

ISWG-GHG 17/2/18 (Antigua and Barbuda, Belize, Dominica, Grenada, Jamaica and Saint Lucia): The economic stability and growth of the Caribbean region is reliant on its maritime sector. As climate change intensifies, the need for globally coordinated strategies to finance and secure technologies for the decarbonization of the maritime sector is critical. For the Caribbean, events like Hurricane Beryl underscore the need for adaptive strategies to protect and upgrade maritime infrastructure, maintain operational continuity and ensure a just and equitable transition. At the IMO GHG Workshop held in Belize in July 2024, the implementation of a universal levy on shipping emissions to transition the sector, proposed in document ISWG-GHG 16/2/6 (Belize et al.) was discussed. The co-sponsors recommend to proceed with the negotiating process for the Organization's mid-term measures – which should be fair, inclusive and transparent –, whilst considering the annex to this document with preliminary findings of the impacts of the implementation of the 2023 IMO GHG Strategy on the Caribbean region.

<u>ISWG-GHG 17/2/19 (Clean Shipping Coalition and Pacific Environment)</u>: comments on documents MEPC 81/16 and MEPC 81/16/Add.1, annex 12 and invites the Working Group to ensure an inclusive, deliberative and transparent process for the further development of the basket of candidate mid-term measures during working groups at ISWG-GHG 17, MEPC 82 and at any other formal and informal sessions that might happen in between. The co-sponsors especially reflect on intersessional informal exercises that sought to discuss and consolidate where possible a sample of mid-term measures, including the most appropriate use of any outputs produced.

<u>ISWG-GHG 17/2/20 (CSC)</u>: provides elements to consider in designing the GHG Fuel Standard (GFS), especially in relation to the GHG Fuel Intensity (GFI) targets, the competitiveness of alternative fuels and non-fuel technologies, and what constitutes a sustainable zero and near-zero emission fuel. Concretely, this document suggests the incorporation of dedicated mechanisms to promote non-fuels on-board energy sources (e.g. wind and solar) as well as sustainable marine fuels based on electrolytic-hydrogen. It provides draft amendments to modify the proposals contained in the annex to document ISWG-GHG 15/3/1 (Austria et al.) as well as in annexes 1 and 2 to document ISWG-GHG 16/2/7 (Austria et al.) in order to operationalize the aforementioned mechanisms.

<u>ISWG-GHG 17/2/21 (Switzerland)</u>: provides an industry assessment of three model measures – simple GFI, GFI + GFI Flexibility and GFI + Levy or Feebate – against the criteria of investability, flexibility, practicability and fairness as a decision aid for the development of the basket of midterm measures to be adopted by MEPC 83.

<u>ISWG-GHG 17/INF.2 (Secretariat)</u>: provides information on existing regulatory frameworks for carbon capture and storage with relevance for IMO's work, in particular in the context of the use of onboard carbon capture and storage (OCCS).

Agenda item 3 - Further development of the Life Cycle GHG Assessment (LCA) framework

<u>ISWG-GHG 17/3 (CSC)</u>: shares the findings of an extensive literature review on the well-to-tank (WtW) GHG intensity of liquified natural gas (LNG) imports to the European Union. The review aggregates data from 153 references from eight LNG-exporting nations, covering 92.6% of EU imports in 2023. The study concludes that the overall WtT GHG intensity of LNG in Europe is 23.51 gCO2e/MJ.

<u>ISWG-GHG 17/3/1 (Brazil, ICS, IPIECA, RINA, WSC and SGMF)</u>: provides a concrete 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 the implementation of the technical and economic elements under the IMO net-zero framework. For this, it is important to include a definition of "certification" in existing regulations and guidelines, and to develop a new set of guidelines and regulations as appropriate, outlining criteria and procedures for recognizing certification schemes and on the reporting of certification activities. The co-sponsors also propose a tentative timeline for this work and invite further proposals addressing the necessary technical and scientific issues and providing guidance on how to develop its contents.

<u>ISWG-GHG 17/3/2 (China)</u>: discusses whether the emissions from industrial captured CO2 to produce synthetic fuels in the fuel production process are accounted for in the calculation of the tank-to-wake (TtW) value, and puts forward recommendations for revising the LCA Guidelines.

<u>ISWG-GHG 17/3/3 (China)</u>: contains proposals for producing synthetic marine fuels from onboard captured carbon, classifying such fuels as "marine circular fuel". Since the carbon source originates from the international shipping sector, the emissions from these fuels should be excluded from the tank-to-wake (TtW) value. The proposed amendments to the LCA Guidelines based on this concept would facilitate carbon recycling within the shipping sector, align with the 2023 IMO GHG Strategy, and reduce the need for new fuel carbon sources from upstream. This approach offers a circular fuel pathway for onboard captured carbon, complementing permanent storage in the existing LCA framework, and avoids the regulatory and storage challenges of different countries.

<u>ISWG-GHG 17/3/4 (Argentina and Brazil)</u>: emphasizes the latest advancements and the crucial role of biofuels as viable alternatives for decarbonizing the maritime sector so that they are considered as an option in the basket of measures for decarbonizing the maritime sector.

<u>ISWG-GHG 17/3/5 (Brazil)</u>: reports the well-to-tank (WtT) and tank-to-wake (TtW) default emission factors for three well-known biofuel pathways: .1 biodiesel from soybeans, .2 multicropping (or second) corn ethanol, cultivated on a no-till basis, using biomass for energy process, with surplus electricity sold to the grid; and .3 sugarcane ethanol, with mechanized harvesting of the crop, using biomass in cogeneration (bagasse burning), with surplus electricity sold to the grid. This document clarifies that the three biofuel production systems are representative of the total global production. It is suggested that the GESAMP Working Group on Life-Cycle GHG Intensity of Marine Fuels (GESAMP-LCA WG) builds on previous efforts and prioritizes the analysis of WtT and TtW default emission factors for the three biofuel pathways proposed in this document and incorporates the values into the table of emission factors of the 2024 LCA Guidelines (resolution MEPC.391(81)).



<u>ISWG-GHG 17/3/6 (Argentina and Brazil):</u> provides a comprehensive analysis of the decarbonization process in international shipping, with a focus on the ambitious targets set by resolution MEPC.377(80) on the 2023 IMO Strategy on Reduction of GHG emissions from Ships (2023 IMO GHG Strategy). It highlights the challenges faced by Member States due to the large global fleet, the advanced age of many ships, and the slow pace of fleet renewal. This document underscores that new technologies, currently at a low technology readiness level (TRL) and commercial readiness level (CRL), will not be ready in order to contribute to the reduction of GHG emissions by 2030, or even by 2035, which intensifies the challenges to meet these targets. It emphasizes the importance of recognizing the unique regional attributes of Member States and advocating for an appropriate decarbonization approach. This document proposes biofuels as a cost-effective, short, medium and long-term solution for nations to progressively reduce emissions from 2027 and should be recognized as an important decarbonization option for the maritime transport sector along with regional nuances areas that are crucial when creating sustainable solutions to achieve the goals of the 2023 IMO GHG Strategy.

Agenda item 4 - Development of draft terms of reference for the Fifth IMO GHG Study

<u>ISWG-GHG 17/4 (Brazil)</u>: recalls the guidance adopted at MEPC 81, which recommends, "Following consideration, the Committee, while having noted the need for further discussion on possible terms of reference and timelines, agreed that there was general support to initiate a Fifth IMO GHG Study, and subsequently requested the Secretariat to submit a proposal with draft terms of reference, suggested timelines, logistics, and administrative arrangements to MEPC 82, taking into account relevant documents submitted to this session and the comments made. The Committee also invited interested Member States and international organizations to submit further proposals and comments on this matter to MEPC 82" (MEPC 81/16, paragraph 7.45). In response to this request, Brazil proposes expanding the scope of the Fourth IMO GHG Study to include an assessment of the current availability of green energy, considering the demands of sectors other than shipping, and a forecast of this availability up to the year 2050. A survey on the average age of operational ships, segmented by size and type, and the anticipated fleet renewal schedule would also be crucial. Document MEPC 82/7/3 on the preparation for the Fifth IMO GHG Study, submitted by the Secretariat, covers almost all the aspects mentioned in this document. However, this proposal aims to focus on them in more detail.

<u>ISWG-GHG 17/4/1 (Brazil and Chile)</u>: invites the Working Group to discuss the need to consider in the terms of reference of the Fifth IMO GHG Study, the analysis and evaluation of both global and regional information, in order to understand how the behaviour and trends of the variables studied have been in the different regions of the planet.

Agenda item 5 - Any other business

<u>EU relevance</u>

The Union has exclusive competence for GHG emissions in shipping.

The related Union legal instruments and policies, include the following:

- In April 2015, the European Parliament and the Council adopted Regulation (EU) 2015/757 to i. establish the legal framework for an EU system to monitor, report and verify (MRV) CO₂ emissions and energy efficiency from shipping. The regulation aims to deliver robust and verify CO₂ emissions data, inform policy makers and stimulate the market up-take of energy efficient technologies and behaviours by addressing market barriers such as the lack of information. This Regulation entered into force on 1 July 2015. It was amended in May 2023 to provide for the inclusion of maritime transport activities in the EU Emissions Trading System and for the monitoring, reporting and verification of emissions of additional greenhouse gases and emissions from additional ship types. Related delegated Commission regulations on verification and accreditation of verifiers and on the refinement of monitoring methods were adopted on 22 September 2016. Two additional implementing regulations on cargo parameters and templates were adopted by the Commission on 4 November 2016. The EU MRV Regulation provides for emission factors for fuels on board. Following the revision of Regulation (EU) 2015/757, several implementing and delegated acts were adopted in 2023 to spell out detailed rules and allow for a timely inclusion of the emissions from maritime transport within the EUETS.
- ii. The Renewable Energy Directive (2009/28/EC), in its 2018 revision (RED II - Directive 2018/2001/EU), establishes an overall policy for the production and promotion of energy from renewable sources in the EU. It defines a new binding renewable energy target for the EU for 2030 of at least 32%, with a clause for a possible upwards revision by 2023 – to be achieved through the attainment of individual national targets. More recently, on 31 October 2023, as part of the Fitfor55 initiative (addressed further below), a new RED revision was published (RED III – Directive 2023/2413) containing an augmented binding target of at least 42.5% by 2030, but aiming for 45%. Regarding the use of renewable energy in the Transport Sector, Member States have 2 options: 1) A binding target of a 14.5% reduction in greenhouse gas intensity from the use of renewables by 2030 or, alternatively, 2) A binding share of at least 29% of renewables within the final energy consumption of the transport sector by 2030. Specific multipliers of 1,2 and 1,5 are set in order to incentivise the supply of advanced biofuels/biogas, and green synthetic fuels for Maritime Transport, respectively. Article 25(1) RED II sets out that "Member States with maritime ports shall endeavour to ensure that as of 2030 the share of renewable fuels of non-biological origin in the total amount of energy supplied to the maritime transport sector is at least 1,2 %."
- *iii.* Directive (EU) 2018/410 on enhancing cost-effective emission reductions and low-carbon investments mandates the EU to review the progress achieved in the IMO towards an ambitious emission reduction objective, and on accompanying measures to ensure that the sector duly contributes to the efforts needed to achieve the objectives agreed under the Paris Agreement.
- *iv.* In the Climate Diplomacy Council Conclusions of 18 February 2019, the EU also calls on the IMO to implement its initial greenhouse gas emission strategy consistent with the temperature goals of the Paris Agreement.
- v. The Communication on the European Green Deal of 11 December 2019 states that greenhouse gas emissions from shipping need to be reduced and that actions by the EU to achieve this should be coordinated with the IMO.
- vi. The Smart and Sustainable Mobility Strategy of 9 December 2020 calls for the EU to strive at IMO for high standards, including in the field of safety, security, and environmental protection, notably climate change. Its accompanying Action Plan includes actions to foster development of energy efficiency and alternative fuel measures at IMO and to put forward market-based measures for shipping at IMO.

- vii. In line with the European Union's commitment to global climate action under the Paris Agreement, the EU decided to become a climate-neutral economy by 2050, by enacting the European Climate Law (Regulation 2021/1119). This objective is at the heart of the European Green Deal and the Climate Law aims to keep the global temperature increase to well below 2°C and pursue efforts to keep it to 1.5°C. The Climate Law also addresses the necessary steps to get to the 2050 target, including the new EU target for 2030 of reducing greenhouse gas emissions by at least 55% compared to levels in 1990. To achieve these ambitious levels of reduction, all sectors of the economy will need to contribute, including shipping.
- viii. On 14 July 2021, the Commission adopted the Fit for 55 package of proposals to reduce GHG emissions to deliver on the 2030 climate target under the EU Green Deal. The package included a number of Commission's proposals that specifically target the shipping sector, such as the revision of the EU Emission Trading System (ETS) to include the maritime transport sector (and the corresponding amendments to the EU MRV Regulation) but also the FuelEU Maritime proposal, which focuses specifically on the use of renewable and low-carbon fuels in the maritime sector and mandates the uptake thereof by ships calling at EU ports.
 - ix. On 25 of April 2023 the revised ETS Directive has been adopted. The EU ETS Directive includes the emissions from bigger ships (above 5000 gross tonnage) into EU's Emissions Trading System. As of 1st January 2024 those ships are facing a price on CO₂ emissions starting with surrendering obligations of 40% of emissions reported for 2024, 70% of emissions reported for 2025 and 100% of emissions reported from 2026 and beyond. Emissions from voyages from and to non-EU are priced in 50%. The revised ETS Directive includes clauses to review this legislation subject to several criteria, should the IMO adopt a global market-based measure to reduce the emissions from the maritime sector.
 - x. On 23 September 2023, the FuelEU Maritime Regulation was adopted (Regulation 2023/1805) requiring all vessels larger than 5000 GT used for commercial purposes, irrespective of their flag, to meet annual target reductions for GHG intensity of the energy they use on board (2025 -2%, 2030 -6%, 2035 -14.5%, 2040 -31%, 2045 -62%, 2050 -80%). The regulation is technology neutral as different compliance strategies are available to reduce the carbon intensity of the energy used and meet targets and, in addition, for the first time, in the regulatory framework for shipping, a "Well-to-Wake" life-cycle assessment methodology is established for the evaluation of GHG emissions form marine fuels. Default Emission factors are defined, for both Well-to-Tank (WtT) and Tank-to-Wake (TtW) emissions, including values for slippage emissions from use of dual-fuel gas engines. A GHG marine fuel certification framework is defined, based in RED sustainability criteria and certification. In addition, container and passenger ships, when at berth, are required to connect to onshore power supply (OPS) in all ports covered by the Alternative Fuels Infrastructure Regulation (AFIR) as from 2030 and in all other ports which decide to install OPS as from 2035 to reduce air pollution in port areas.

<u>Background</u>

(a) Update on UNFCCC matters

The Secretariat informed MEPC 81 that the IMO Secretary General, together with other officers, participated in COP 28, to explain what the IMO was doing to reduce GHG emissions from international shipping. They also organised two side events and participated in various other events. The 2023 IMO GHG Strategy was well received as a strong indication of the shipping industry's commitment to decarbonise. The IMO Secretariat will also participate in COP 29 which will be held in Azerbaijan on 22-24 November 2024. The UNFCC representative highlighted the outcome of COP 28, again emphasising the urgent need to take further long-term action to achieve the 1.50 pathway by transitioning away from fossil fuels. The delegate remarked that although the IMO targets are not perfect, they are a valuable step forward.

(b) IMO Strategy on GHG Emissions reduction from ships

The Initial IMO Strategy on reduction of GHG emission from ships was adopted at MEPC 72 (2018) with a view to be revised by 2023 (i.e. MEPC 80 (July 2023)). In fact, after long and difficult discussions over several meetings, MEPC 80 adopted, with acclamation, the 2023 IMO GHG Strategy which sets a goal of net zero emissions from shipping by or around, i.e. close to, 2050, taking into account different national circumstances. This was a major increase in ambition compared to the previous Initial Strategy, which aimed at reducing emissions from ships by just 50% in the same time horizon. A trajectory has also been agreed with indicative checkpoints set at reducing GHG emissions from ships by at least 20% - striving for 30% - in 2030 and at least 70% - striving for 80% - in 2040, both in comparison to 2008 levels. The 2023 Strategy also sets an important target of at least 5% - striving for 10% - uptake of zero or near-zero GHG emission technologies, fuels and/or energy sources by 2030.

(c) Impact on states

The Initial IMO GHG Strategy acknowledged the need to assess the impact of any emission reduction measure on States. For this purpose, MEPC 74 (2019) approved the Procedure for assessing impacts on States of candidate measures (MEPC.1/Circ.885). As part of the agreement on the short-term measure, the Committee agreed to undertake a lessons-learned exercise from the comprehensive impact assessment that was carried out by UNCTAD on behalf of the IMO and overseen by a Steering Committee comprising a number of IMO member states. MEPC 79 finalized the lessons-learned exercise which led to the approval of MEPC.1/Circ.885/Rev.1 on Revised procedure for assessing impacts on States of candidate measures. MEPC 80 requested the Secretary-General to establish the Steering Committee on the comprehensive impact assessment of the basket of candidate mid-term measures, so that the Steering Committee could conduct the comprehensive impact assessment in accordance with MEPC.1/Circ.885/Rev.1 and the terms of reference agreed by the working group. The interim report of the comprehensive impact assessment should be submitted to MEPC 81 with a view to have a finalized report at MEPC 82 (Autumn 2024).

(d) Concrete measures

At MEPC 76 (2021), the Committee adopted the short-term measure in the form of amendments to MARPOL Annex VI concerning mandatory goal-based technical and operational measures to reduce carbon intensity of international shipping (primarily the Energy Efficiency Existing Ship Index (EEXI) to determine the energy efficiency of ships, and the annual operational Carbon Intensity Indicator (CII) with an associated CII rating). The Committee also approved several sets of guidelines to support the implementation of the short-term measure. MEPC 76 also approved a Workplan on mid- and long-term measures. Several proposals were submitted proposing both market-based and technical proposals with a view to considering a possible basket of measures.

During the discussions in subsequent MEPC and ISWG-GHG sessions, the delegates were divided between those who supported measures that could lead to zero GHG emissions by 2050 and those who argued for a slower phasing out of GHG emissions. **DELETED**

MEPC 80 agreed to initiate Phase III of the Work Plan on the development of mid-term measures, with a view to be approved by MEPC 83 (Spring 2025) and adoption during an extraordinary oneor two-day MEPC (six months after MEPC 83 – autumn 2025) in order to come into force 16 months after adoption (2027). The Committee also agreed on the terms of reference for ISWG-GHG 16 which will primarily focus on further development of candidate mid-term measure(s) in the context of Phase III of the Work plan.

ISWG-GHG 16 was held ahead of MEPC 81 and discussed ways how to develop the basket of candidate MTMs to achieve the targets of the 2023 IMO GHG Strategy. Although delegations were in agreement to develop a Global Fuel Standard (GFS) in the form of a GHG fuel intensity limit and trajectory for emissions reductions, there were diverging views on methodological aspects, including whether or not to include a flexibility mechanism to encourage compliance by all ships. This would either be in the form of flexible compliance units (FCUs), Remedial Units (RUs), or a pooling mechanism, as outlined in the various proposals. For the accompanying global pricing mechanism, further work is required to align delegations. **DELETED** Additionally, some argued that the generation of revenues is a by-product of the measure and not the sole purpose, thus continued to advocate for their respective proposals for a feebate mechanism, or a combined approach to ensure a just and equitable transition.

(e) Lifecycle GHG/carbon intensity guidelines

In parallel to the consideration of mid- and long-term measures, MEPC 76 agreed to consider the development of a life cycle GHG/carbon intensity guidelines (LCA guidelines) for all types of fuels, in order to prepare for an implementation programme for effective uptake of alternative fuels. The development of the guidelines continued to be considered during different MEPC sessions. **DELETED** MEPC 80 had agreed to continue the discussion within a correspondence group as well as during ISWG-GHG 16.

As part of the further development of the LCA framework, ISWG-GHG 16 developed the draft MEPC resolution on the 2024 Guidelines on life cycle GHG intensity of marine fuels (LCA Guidelines), agreed to recommend the establishment of a GESAMP Working Group on Life Cycle GHG Intensity of Marine Fuels, and agreed the need to further work on sustainability aspects/certification and third-party verification issues, including possible approaches to address Indirect Land Usage Change (ILUC) risk. The Group also requested the Committee to consider how to develop a framework for the measurement and verification of Tank-to-Wake emissions of methane (CH4), nitrous oxide (N2O) and other GHGs along with associated engine certification issues in the context of the further development of the LCA Guidelines.

(f) Onboard CO₂ capture

Owing to time constraints, MEPC 79 did not consider in detail the proposals contained in the submitted documents and instead focused on possible ways of how to progress the matter. Several delegations expressed the importance of onboard CO_2 capture as possible technological means to achieve the levels of GHG reduction set out in the IMO GHG Strategy, in particular during the transition to zero-carbon fuels, and the need to further enhance the general understanding of these technologies in shipping. Several delegations referred to IPCC reports which recognized CO_2 removal and storage as one of the means to achieve carbon neutrality. **DELETED** Those delegations emphasized that it would be preferable to finalize the development of the LCA guidelines before initiating a comprehensive consideration of how to integrate onboard CO_2 capture in the various IMO instruments. Finally, the Committee agreed to further consider proposals related to onboard CO_2 capture at MEPC 80 and invited interested Member States and international organizations to submit further information, comments and proposals to that session.

MEPC 80 only discussed MEPC 80/7/7 (China et al.) which collated the proposals and recommended how to structure the discussion on this topic. Finally, the Committee agreed to establish the new workstream and to refer all documents for the consideration of ISWG-GHG 16, but to be discussed only if time permits.

At ISWG-GHG 16, the delegations were divided on how best to deal with Carbon Capture Systems (CCS). Several delegations emphasized that the industry was already investing in onboard CO2 capture technology and supported that all technologies that could help in reaching the 2023 IMO GHG Strategy goals should be fully explored. Therefore, they supported the proposal to initiate a dedicated workstream to ensure the timely development of a suitable regulatory framework by the IMO to ensure harmonised implementation, including relevant safety and environmental protection provisions. **DELETED** Some even stated that the use of CCS could considerably increase the ship's fuel consumption, further stressing that accounting for the emissions reductions through CCS should be on a full WtW basis, also taking into account carbon sequestration. They also expressed the view that it was too early to consider integrating CCS in existing energy efficiency regulations, such as the EEDI, EEXI and CII.

(g) GHG related Trust Funds

The Secretariat informed the Committee that the IMO GHG Technical Cooperation Trust Fund, where \$2 million were donated since its inception in 2019, was used to fund the 4th IMO GHG Study 2020, as well as the Comprehensive Impact Assessments (CIAs) of the short-term GHG reduction measure and the basket of MTMs. On the other hand, the GHG Voluntary Multi-donor Trust Fund facilitated the participation of 41 experts from 34 countries in meetings of the ISWG-GHG and MEPC. It was also clarified that the Fund could be used to finance participants to the Steering Committee for the conduct of the CIA of the MTMs but was not done for logistical reasons. During the discussion several delegations thanked the EC for financing the extension of the global network of IMO Maritime Technologies Cooperation Centres (MTCCs).

(h) 5th IMO GHG Study

DELETED

Several other delegations supported the need for the 5th IMO GHG Study. Some delegations highlighted that this study should not stop the ongoing work on developing the MTMs. However, some delegations argued that such a study was unnecessary because when the IMO conducted the other IMO GHG Studies, it did not have annual DCS and carbon intensity data at its disposal, as was the case now. In view of the administrative and resource implications of preparing another Study, it would be preferable to receive annual emissions estimates from the Secretariat using DCS data and other available information, instead of initiating a 5th IMO GHG Study

The Chair concluded that there was enough support to initiate the 5th IMO GHG Study. He, therefore, requested the IMO Secretariat to provide a proposal for next session, including Terms of Reference, timeframes taking into consideration the ongoing GHG works, logistics and administrative arrangements. Interested parties may also submit proposals on this issue to MEPC 82.

(i) Outcome of MEPC 81

Following the presentation of the report of the working group, the Committee

• approved the terms of reference for ISWG-GHG 17;

• approved the terms of reference for the Fifth GHG Expert Workshop on the further development of the basket of MTMs (GHG EW 5);

• approved the terms of reference for the GESAMP Working Group on Life Cycle GHG Intensity of Marine Fuels (GESAMP-LCA WG), requested the Secretariat to finalize the request to GESAMP; and invited interested Member States and international organizations to consider making financial contributions to support the work of the GESAMP-LCA WG; and to nominate possible experts to the Secretariat for validation by GESAMP, taking into consideration geographic and gender balanced representation; • approved the terms of reference for a LCA Correspondence Group to consider "Other social and economic sustainability themes and aspects of marine fuels" for possible inclusion in the LCA Guidelines, to be coordinated by the United States;

• agreed to the Illustration of a possible outline of the "IMO net-zero framework" on possible amendments to MARPOL Annex VI. In this context, the Committee invited delegations to work together to prepare a consolidated proposal for the basket of MTMs; and

• established a correspondence group on measurement and verification of non-CO2 GHG emissions (i.e. tank-to-wake emissions of CH4 and N2O) and onboard carbon capture.

Consideration at ISWG-GHG 17 and MEPC 82






























<u>Agenda item 8 – Follow-up work emanating from the Action Plan to address marine plastic</u> <u>litter from ships</u>

Docs: MEPC 82/8, MEPC 82/8/1-4, MEPC 82/INF.36, MEPC 81/8, MEPC 81/8/1

<u>MEPC 82/8 (Secretariat)</u>: provides an update on the status of the actions in the Action Plan to address marine plastic litter from ships (resolution MEPC.310(73)) and on work concerning plastic pellets.

<u>MEPC 82/8/1 (Secretariat)</u>: provides a summary of the outcome of the fourth session of the Intergovernmental Negotiating Committee (INC-4) to develop an international legally binding instrument on plastic pollution, including in the marine environment, which was held in Ottawa, Canada, from 23 to 29 April 2024.

<u>MEPC 82/8/2 (FOEI and CSC)</u>: comments on the work concerning plastic pellets and the possible options to facilitate future deliberations at the PPR Sub-Committee proposed by the Secretariat in document MEPC 82/8. It also provides recommendations on the development of amendments to appropriate mandatory instruments to effectively reduce the environmental risk associated with the maritime transport of plastic pellets.

<u>MEPC 82/8/3 (FOEI and CSC)</u>: provides comments on the status of actions in the Organization's Action Plan to address marine plastic litter from ships and information relating to illegal discharges of marine plastic litter.

<u>MEPC 82/8/4 (FOEI and CSC)</u>: refers to document MEPC 81/8/1 (FOEI and CSC) submitted to MEPC 81 and deferred to MEPC 82. It provides additional information from a new study which identifies a further source of microplastics from shipping which are entering the ocean and the marine and human food chain.

<u>MEPC 82/INF.36 (BIMCO)</u>: provides information on a "best practice guide" designed to assist shipowners wishing to reduce their single-use plastic footprint through the installation of advanced drinking water systems onboard. The guide seeks to ensure that the safest and highest quality drinking water is available onboard with the upmost priority on seafarer wellbeing.

<u>MEPC 81/8 (CSC)</u>: requests an update on the steps taken to review the Action Plan to prevent marine plastic litter from ships and progress on the related actions. It also provides a brief update on the broader context of the emerging governance landscape on plastic pollution.

<u>MEPC 81/8/1 (FOEI and CSC)</u>: comments on document MEPC 81/8 (CSC) and reminds the Committee that, while elements of the Action Plan to address marine plastic litter from ships have been addressed, there is still work to do to achieve the Organization's vision of zero plastic waste discharged to sea from ships by 2025.

EU relevance

The Union has exclusive competence as regards the discharge of marine plastic litter (including plastic pellets, ship wastes, and fishing gear) into the sea.

The handling of marine litter from ships is covered by Directive (EU) 2019/883 of the European Parliament and of the Council of 17 April 2019 on port reception facilities for the delivery of waste from ships (PRF Directive). This Directive recognises that although the majority of marine litter originates from land-based activities, the shipping industry, including the fishing and recreational sectors, is also an important contributor, with discharges of waste, including plastic and fishing gear, discarded directly into the sea. To address the problem, the Directive provides for a mix of incentives and enforcement measures to ensure that ships deliver their waste on shore to adequate port reception facilities.

To address the wider issue of marine litter, the Union adopted Directive (EU) 2019/904 of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment. This Directive regulates the use, production, consumption and waste management of single use plastics and fishing gear. As regards waste fishing gear, the Directive requires extended producer responsibility (EPR) schemes to be set up by Member States before 31 December 2024 to cover the costs of separate collection and further treatment of waste fishing gear, with national collection targets to be set at Member State level, as well as the monitoring of fishing gear with a view to a later EU-wide collection target. The Directive also calls for the development of a harmonised standard relating to the circular design of fishing gear.

The revised Regulation (EC) No 1224/2009 establishing a Community control system for ensuring compliance with the rules of the common fisheries policy, requires Union fishing vessels to have the equipment on board to retrieve lost gear and, report any lost gear by the fishing vessel electronically in the logbook. It requires Member States to collect and record the information concerning lost gear and the measures undertaken and report to the European Commission on request. The revised Regulation calls on the Commission to develop secondary legislation, which implies revising Commission Implementing Regulation (EU) No 404/2011 of 8 April 2011 which lays down detailed rules for the implementation of the revised Regulation. Such secondary legislation includes detailed rules on the marking of fishing gear and related reporting requirements, including retrieval and reporting of lost gear which is embedded after the revision within.

Directive 2008/56/EC of the European Parliament and of the Council of 17 June 2008 establishing a framework for community action in the field of marine environmental policy (Marine Strategy Framework Directive), as well as Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste (Waste Framework Directive), provide relevant provisions that call on Member States to ensure that properties and quantities of marine litter do not harm the marine or coastal environment and to halt the generation of marine litter. s. In view of various legal instruments and policies adopted by the Union as regards the handling and carriage of plastics, the Union also has an interest in the carriage of plastic pellets by ships in its efforts to avoid the loss of plastic pellets at sea. These developments are worth noting as they are linked to the IMO Action Plan even if the latter does not specially cover, at this stage, the issue of plastic pellet losses.

In this context, Commission Regulation (EU) 2023/2055 of 25 September 2023 amending Annex XVII to Regulation (EC) No 1907/2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) as regards synthetic polymer microparticles addresses microplastic pollution by imposing a restriction on the placing on the market of microplastics that are intentionally added to products (the 'restriction'), as there is considerable microplastic pollution arising from the use of synthetic polymer microparticles on their own or intentionally present in products, and pollution poses an unacceptable risk to the environment. The same regulation addresses losses of synthetic polymer microparticles for use at industrial sites i.e. plastic pollets as avoidable releases. For these releases, a reporting requirement for an estimated quantity of microplastics released to the environment on an annual basis is introduced. While lacking a methodology to estimate losses, this requirement will increase information on pellet losses and improve the quality of the information collected to assess the risks deriving from these microplastics in the future.

Furthermore, the Commission assessed possible reduction measures for microplastics unintentionally released to the environment during their life cycle looking at six main sources (i.e. in order of estimated quantities released, paints, tyre abrasion, plastic pellets used for the production of all plastic items, synthetic textiles, geotextiles and detergent capsules). Based on this work, as part of its Zero Pollution Action Plan to reduce microplastics releases into the environment by 30% by 2030, on 16 October 2023, the Commission put forward a proposal for a Regulation on preventing plastic pellets to reduce microplastic pollution, which will ensure that operators handling pellets in the EU take the necessary precautionary measures. A system of verification of compliance is also ensured. This proposal is now under consideration by the colegislators, with the Parliament having voted on the Commission's proposal in April and Council discussions ongoing in September.

Considering the international nature of the maritime transport of plastic pellets, the Commission called for rules to be adopted globally. The accidental plastic pellet losses from the vessel Toconao, off the Portuguese coast in December 2023, which polluted the Spanish coast, proves the necessity to engage in ambitious measures as to the carriage of plastic pellets in freight containers. This kind of pollution events, with cleaning operations that are costly and challenging, has long-lasting harmful impacts on the environment and also on local economic activities.

In addition, the Union has adopted the Commission's Joint Communication on international ocean governance: an agenda for the future of our oceans (JOIN/2016/049 final) and more specifically action 9 on the fight against marine litter. In June 2022, the European Commission and the High Representative of the European Union for Foreign Affairs and Security Policy adopted the Joint Communication - Setting the course for a sustainable blue planet, the renewed EU agenda on International Ocean Governance (JOIN(2022) 28 final), which encompasses in its point 2.2 the fight against marine pollution.

Concerning relevant international developments, UNEA 5 established an Intergovernmental Negotiating Committee (INC) be established to take forward discussions on a proposed legally binding Global Treaty to end plastic pollution, to track the lifespan of plastic products – from source to sea – and to be accompanied by support to developing countries, backed by financing mechanisms, tracked by strong monitoring mechanisms, and incentivizing all stakeholders – including the private sector. These negotiations are due to conclude by 2024. The fourth session of the Intergovernmental Negotiating Committee to develop an international legally binding instrument on plastic pollution, including in the marine environment (INC-4), took place from 23 to 29 April 2024 in Canada and the 5th (and last) INC is scheduled to take place from 25 November to 1st December 2024 in Busan, South Korea. EC represents the Union in the INC meetings. The advance copy of the Revised draft text of the international legally binding instrument on plastic pollution, including and the state of the international legally binding instrument on plastic scheduled in the marine environment (UNEP/PP/INC.4/3), prepared by the INC Secretariat, is now available here. The draft text includes a part on fishing gear, including potential actions on design and marking, as well as collection and environmentally sound waste management.

<u>Background</u>

The 30th session of the IMO Assembly (A.30) in December 2017 agreed with the submission of France, Spain et al. (A 30/11/1) calling for an enhanced commitment by the IMO on delivering on UN Sustainable Development Goal 14, in particular through the reduction of plastic marine litter. The Assembly forwarded the document to MEPC for further consideration. Subsequently, MEPC 72 agreed to a new output entitled "Development of an action plan to address marine plastic litter from ships" assigning the PPR Sub-Committee as the associated organ, with a target completion year of 2020

DELETED Eventually, the Committee adopted the Action plan on marine litter (resolution *MEPC.310(73)*), which included proposals to address marine litter from shipping, including fishing vessels; the effectiveness of port reception facilities; improving treatment of marine litter; enhanced awareness, education and seafarer training; improving the understanding of the contribution of ships to marine plastic litter; understanding of the regulatory framework applicable to marine plastic litter from ships; tackling litter from lost containers; strengthening international cooperation; and technical cooperation and capacity-building.

In view of the agreement on this action plan, MEPC 73 agreed to change the title of the output to "Follow-up work emanating from the Action Plan to address marine plastic litter from ships". As a follow-up, MEPC 74 approved a number of measures, including the terms of reference for the IMO Study on marine plastic litter from ships as well as the scope of work for the PPR, III and HTW Sub-Committees to progress the work of the relevant short-term actions in the Action Plan. The PPR Sub-Committee was particular asked to further consider the options for reducing the environmental risk associated with the maritime transport of plastic pellets.

Given time limitations, both MEPC 75 and 76 postponed the consideration of all documents submitted under this Agenda item to MEPC 77 which requested the Secretariat to engage a consultant to review the Terms of Reference of the IMO Study on Marine Plastic Litter; adopted the MEPC resolution on the Strategy to address marine plastic litter from ships; and noted the updated status of each action contained in the Action Plan to address marine litter from ships (resolution MEPC.310(73)).

Based on the outcome of PPR 9, MEPC 78: a) adopted amendments to make the Garbage Record Book mandatory also for ships of 100 gross tonnage and above and less than 400 gross tonnage; b) agreed to entrust the PPR Sub-Committee to develop draft amendments to MARPOL Annex V on goal-based regulations for marking fishing gear, as proposed in documents MEPC 75/8/4 (Vanuatu) and PPR 9/15 (Cook Islands et al.), taking into account the FAO Voluntary Guidelines on the Marking of Fishing Gear to reduce abandonment, loss or discarding of fishing gear (ALDFG) and the existing work of Regional Fisheries Management Organisations (RFMO); and c) instructed the PPR Sub-Committee to develop an MEPC circular to promote the implementation of fishing gear marking systems and the FAO Voluntary Guidelines for the Marking of Fishing Gear, taking into account additional work by FAO, such as the technical manual on marking of fishing gear being developed by FAO.

MEPC 79 agreed with revising the terms of reference the IMO Study on Marine Plastic Litter with a view to adopting a step-wise approach and collecting data by pursuing sub-projects that address specific data gaps and thus define the best options but invited submissions to MEPC 80 to assist the Committee on how best to progress on this issue taking into account the Consultant's proposals. Having noted that no documents had been submitted to MEPC 80 as regards to this issue, the Committee invited interested Member States and international organizations to submit documents to MEPC 81, which could, for example, identify priority areas to be addressed by sub-projects, propose revised terms of reference for the IMO study on marine plastic litter, or comment on how the GloLitter Partnerships Project could contribute towards the fulfilment of the terms of reference for the study.

MEPC 80 also recalled that, as stated in operative paragraph 4 of resolution MEPC.310(73) on the Action Plan to Address Marine Plastic Litter from Ships, it had agreed to keep the Action Plan under review, with a view to assessing the effectiveness of the actions within the Action Plan against the intended outcomes in 2023. However, in light of the ongoing work at the PPR Sub-Committee and the Committee's workload at that session, the Committee agreed to defer the review of the Action Plan to MEPC 81.

In parallel, the PPR Sub-Committee finalised, and MEPC 81 adopted, as an urgent issue, the MEPC circular on recommendations for the carriage of plastic pellets by sea in freight containers. MEPC 81 was unable to consider further issues under this Agenda item and deferred the discussion on the outcome of PPR 11, the IMO Study on Marine Plastic Litter as well as the review of the Action Plan to Address Marine Plastic Litter from Ships to this session. In this context documents MEPC 81/8 (CSC) and MEPC 81/8/1 (FOEI and CSC) commenting on the review of the Action Plan were deferred to this session.

It should be recalled that at PPR 11 the discussion, on whether to consider mandatory provisions on the carriage of plastic pellets on ships, was split between those who asked to initiate the consideration of mandatory measures and those who insisted on a two-stage approach agreed at PPR 10 – mandatory measures should only be considered once experience is gathered following the implementation of the MEPC Circular on recommendations for the carriage of plastic pellets by sea in freight containers, as well as following the conclusion and implementation of international agreements dealing with the carriage of plastic pellets. Some delegations even argued that plastic pellets cannot be considered as dangerous goods. **DELETED** supported the fact that the two-stage approach did not preclude the Sub-Committee from developing the mandatory provisions. The Chair concluded that, given the widely divergent views expressed, the Sub-Committee required more time to determine which legal instruments should be used to develop mandatory provisions. In addition, the Committee may clarify whether the scope of the output included the development of mandatory provisions.

PPR 11 also agreed to the draft IMO Guidelines on good practice relating to clean-up of plastic pellets from ship-source releases, with a view to be approved at this session. As regards to fishing gear PPR 11 established the correspondence group on marine plastic litter from ships, under the coordination of Australia, to undertake an analytical overview of the existing global fishing gear reporting framework/s with the aim of identifying gaps and/or duplication in reporting, as well as to provide recommendations on what data should be reported to IMO, including which data should be voluntary or mandatory, and the issue of aggregation and anonymization; invited interested parties to submit, to PPR 12, information regarding the measures, both mandatory and voluntary, that they have implemented to reduce the amount of marine litter from fishing vessels, as well as proposals on how on how to promote the marking of fishing gear. Finally, the Sub-Committee requested the Secretariat to keep it informed of developments by the Intergovernmental Negotiating Committee (INC) on initiatives being undertaken to minimise marine plastic litter.

Consideration at MEPC 82

In MEPC 81/8, the CSC provides information on the extent of plastic pollution in the marine environment. CSC argues that in view of the global nature of the problem it is important that the IMO initiatives to reduce marine plastic litter are considered as part of the global effort to reduce that plastic litter ends within the marine environment. **DELETED** This update was provided by the Secretariat in MEPC 82/8. **DELETED** As noted above, PPR 11 had already agreed to this proposal and the Secretariat submitted MEPC 82/8/1. As noted in the latter document as well as above, the draft text of the Global Treaty includes sections on plastic pellets, fishing gear (including potential actions on design and marking) as well as on environmentally sound waste management. *MEPC* 81/8/1 (FOEI and CSC) identifies further sources of plastic litter from ships: ropes used on board ships, discharge of grey water, and antifouling paints during hull cleaning. **DELETED**

In MEPC 82/8, the Secretariat reports on the initiatives taken so far by the different IMO bodies in developing the actions listed in the Action Plan to address marine plastic litter from ships (resolution MEPC.310(73)). The submission also describes the work concerning the carriage of plastic pellets by ships. The latter issue is not addressed in the Action Plan. As noted in the submission as well as above, the PPR Sub-Committee was unable to decide how to proceed on the development of mandatory provisions **DELETED**. At this session the Committee will have to decide on whether the development of the mandatory provisions fell within the scope of the existing output or whether a new output would be required. **DELETED**.



Agenda item 9 – Reduction of underwater radiated noise from commercial shipping

Docs: MEPC 82/9, MEPC 82/9/1-7, MEPC 82/INF.9, 23, 31, 34, and 37

<u>MEPC 82/9 (Secretariat)</u>: provides the action requested of the Committee by SDC 10 with regard to this agenda item.

<u>MEPC 82/9/1 (Secretary-General)</u>: provides the assessment of the Secretary-General of the technical, administrative, and financial implications of the work proposed regarding the implementation of the Revised URN Guidelines, in line with Rule 15 of the Rules of Procedure of the Committee, so as to ensure that the Secretariat has the necessary capacity to provide the required support.

<u>MEPC 82/9/2 (ICS, BIMCO, IACS, CESA, INTERTANKO and ASEF)</u>: introduces the Tripartite Working Group (the Group) on Underwater Radiated Noise. The document summarizes the objectives and work activities of the Group. It identifies ways that the Group can facilitate reduction of underwater radiated noise and support the objectives of IMO during the experience-building phase of the Revised guidelines for the reduction of underwater radiated noise from shipping to address adverse impacts on marine life (MEPC.1/Circ.906).

<u>MEPC 82/9/3 (International Whaling Commission)</u>: Chronic anthropogenic underwater noise from shipping is affecting the marine acoustic environment in many regions, with potential negative consequences for some cetacean populations. Therefore, the International Whaling Commission (IWC) supports the Revised guidelines for the reduction of underwater radiated noise from shipping to address adverse impacts on marine life (MEPC.1/Circ.906), the associated draft action plan, and welcomes the opportunity to further contribute to MEPC work items on underwater noise through its Scientific and Conservation Committees.

<u>MEPC 82/9/4 (Inuit Circumpolar Council)</u>: provides information that relates to the implementation of the Guidelines for underwater radiated noise reduction in Inuit Nunaat and the Arctic (MEPC.1/Circ.907).

<u>MEPC 82/9/5 (United States)</u>: provides comments on document MEPC 82/9 "Outcome of SDC 10" submitted by the Secretariat and expresses support for the actions requested of the Committee by SDC 10 and presents ongoing and new initiatives taken in the United States to address ship-generated underwater radiated noise that support the experience-building phase and the draft action plan for the reduction of underwater radiated noise from commercial shipping.

<u>MEPC 82/9/6 (Canada)</u>: comments on document MEPC 82/9/1 and provides confirmation that Canada is providing in-kind consultancy support to the Secretariat for the implementation of the action plan for the reduction of underwater noise from commercial shipping. A brief update on Canada's national initiatives on underwater radiated noise in support of the experience-building phase is also presented.

<u>MEPC 82/9/7 (FOEI, WWF, IFAW, Pacific Environment and CSC)</u>: comments on document MEPC 82/9/2 and summarizes available resources and information to assist the shipping industry with uptake of the Revised guidelines for the reduction of underwater radiated noise from shipping to address adverse impacts on marine life (MEPC.1/Circ.906) and is also submitted as a contribution to the EBP for the Revised Guidelines.

<u>MEPC 82/INF.9 (Secretariat)</u>: provides information on the GloNoise Partnership Project and its possible contribution to the draft action plan for the reduction of underwater noise from commercial shipping as agreed by SDC 10 (SDC 10/17, annex 2) and endorsed in principle by MEPC 81 (MEPC 81/16, paragraph 10.16).

<u>MEPC 82/INF.23 (Italy)</u>: presents University of Genova research activities for propeller noise optimization design, test, and full-scale verification in the framework of the LIFE-PIAQUO project.

<u>MEPC 82/INF.31 (India)</u>: is based on the study carried out on underwater radiated noise (URN) by one of the research centres in India. It attempts to put in perspective the marine spatial planning (MSP) based approach, driven by the underwater domain awareness (UDA) framework for managing the low frequency ambient noise due to URN from commercial shipping. It describes a unique modelling and simulation based approach for MSP, particularly in the unique tropical waters of the Indian Ocean region (IOR).

<u>MEPC 82/INF.34 (Chile)</u>: provides an update on the actions taken by Chile at the national level regarding underwater radiated noise from commercial shipping, and in support of the GloNoise Partnership project.

<u>MEPC 82/INF.37 (IMarEST)</u>: provides information about the need to improve marine vessel design and construction methods to reduce underwater radiated noise while also minimizing greenhouse gas emissions.

<u>EU relevance</u>

This issue falls under Union exclusive competence.

Directive 2008/56/EC, the Marine Strategy Framework Directive, sets out eleven descriptors as the basis for determining 'good environmental status', which is the Directive's main objective. This Directive defines human-induced marine underwater noise as a pollutant and the 11th descriptor in Annex I of the Directive requires Member States to ensure that anthropogenic noise is at levels that do not adversely affect the marine environment. The Directive further requires Member States to address the effects at an ecosystem level and ensure coordination in marine regions, leading to programmes of measures that achieve or maintain good environmental status in all EU seas. Commission Decision (EU) 2017/8485 sets out criteria and methodological standards to assess the extent to which good environmental status is achieved. It operationalises the descriptors of the Marine Strategy Framework Directive (MSFD). This includes criteria and methodological standards for underwater noise, including the setting of threshold values for continuous (radiated) and impulsive underwater noise.

In addition, underwater noise is implicitly covered by overarching directives, e.g. the Habitats and Birds Directives (Council Directive 92/43/EEC and Council Directive 79/409/EEC) and the Environmental Impact Assessment Directive.

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LIMITE

In order to green shipping under the European Green Deal, the Sustainable and Smart Mobility Strategy and the Zero pollution action plan (ZPAP) sets specific actions to reduce underwater noise. In particular, the ZPAP sets the target of adopting threshold values for under water noise by 2022. On 29 November 2022, EU experts have adopted recommendations⁸ on maximum acceptable levels for impulsive and continuous underwater noise. The new limits mean, that to be in tolerable status, no more than 20% of a given marine area, can be exposed to continuous underwater noise over a year. Similarly, no more than 20% of a marine habitat can be exposed to impulsive noise over a given day, and no more than 10% over a year. As to the implementation of threshold values, these stem from the implementation of Commission Decision 2017/848/EU (Good Environmental Status Decision). Therefore, Member States are expected to take these threshold values into consideration in their next update of their GES determinations when these will be notified as required by Article 17(2)(a) of the MSFD. Member States would also be expected to take measures in order to achieve those values in their marine strategies.

The European Maritime Safety Agency has, through the NAVISON project, generated ship sound maps (soundscapes) for all European seas: Baltic Sea, Black Sea, Mediterranean Sea, North Sea, and North-east Atlantic Ocean. Both hindcast yearly maps (from 2016 to 2023), based on vessel ship Automatic Identification System (AIS) records and ship characteristics, and forecast maps (from 2030 to 2050), based on projected future shipping volumes and a set of mitigation scenarios have been produced. Both operational and technical mitigation measures, aimed at both URN and GHG reduction, have been considered in these future scenarios. The study results include three milestone years: 2030, 2040, and 2050, to cover short, medium, and long-term predictions up to the end of the current IMO GHG emissions roadmap timeline. A key new development is the ability to combine at will component sound map layers to produce forecast scenarios for multiple combinations of mitigation measures, enabling exploration of various adoption pathways. Results show that the effectiveness of URN mitigation is highly dependent on ship type and regional characteristics. The GHG scenario presented mixed results, with some ships experiencing reductions in URN, while others, such as tankers, saw increases due to specific measures that inadvertently raised ship source levels. The most realistic and promising scenario showed significant reductions in URN across all ship types by 2050. However, it is important to note that some ship types exhibit slower progress in certain regions, due to GHG mitigation measures.

<u>Background</u>

MEPC 76 after considering document MEPC 75/14 (Australia et al.), **DELETED** highlighting the initiatives taken at European level to limit underwater noise pollution from ships and its impact on the marine environment and species, agreed to establish a new output on "Review of the 2014 Guidelines for the reduction of underwater noise from commercial shipping to address adverse impacts on marine life (MEPC.1/Circ.833) (2014 Guidelines) and identification of next steps", with a target completion year of 2023 under the coordination of the SDC Sub-Committee.



⁸ https://environment.ec.europa.eu/news/zero-pollution-and-biodiversity-first-ever-eu-widelimits-underwater-noise-2022-11-29_en

SDC 8 agreed to a work plan on the next steps to consider during the review of the Guidelines for the reduction of underwater noise (MEPC.1/Circ.833). **DELETED** SDC 9 finalised the Revised Guidelines for the reduction of underwater radiated noise from shipping to address adverse impacts on marine life, which were eventually approved by MEPC 80. In this regard, the Committee invited interested Member States and international organizations to submit lessons learned/best practices in the implementation of the Revised Guidelines by MEPC 85 (2026).

MEPC 80 also approved the convening of an expert workshop on the relationship between energy efficiency and underwater radiated noise (URN) from ships. The workshop was held on the 18 and 19 September 2023, the outcome of which was contained in SDC 10/INF.3 (Secretariat). After considering this issue, the Sub-Committee invited MEPC 82 to encourage interested Member States and international organizations to take into account the outcome of the workshop when considering the relationship between energy efficiency measures and URN.

In the meantime, the SDC Sub-Committee continued to work to revise the flow chart on the URN Noise Management Planning process and to finalise the prioritisation of the provisional list of suggested next steps. SDC completed the URN planning reference chart for inclusion in the Revised guidelines for the reduction of underwater radiated noise from shipping to address adverse impacts on marine life (MEPC.1/Circ.906), with a view to approval at MEPC 82. The Sub-Committee also agreed to the Action Plan, with a view to be endorsed by MEPC 81. The Committee approved, in principle, the Action Plan for the Reduction of Underwater Noise from Commercial Shipping with a view to final endorsement at MEPC 82 and invited interested Member States and observer organizations to submit documents to MEPC 82 to address the action items in the Action Plan.

Finally, SDC 10, while noting that the scope of the output was completed, agreed to a guidance document on the 3 year (with a possibility to extend by 2 years) Experience Building Phase (EBP), identifying the key areas for the EBP, and invited the Committee to encourage Member States and international organizations to follow the guidance document when gathering, preparing, and sharing experiences, data, and research during the EBP. Consequently, the Sub-Committee proposed that the title of the output is changed to "Experience Building Phase for the reduction of Underwater Radiated Noise (MEPC.1/Circ.906/Rev.1)".

Consideration at MEPC 82

In MEPC 82/9, the Secretariat explains the actions requested of the Committee by SDC 10. **DELETED**

In MEPC 82/9/1, the Secretary-General identifies the additional personnel and financial resources that may be required by the Secretariat to carry out the envisaged URN related actions listed in the Action Plan. He also identifies the anticipated workload implications for the Committee as well as other IMO bodies. Canada (MEPC 72/9/6) informs the Committee that it is providing in-kind support to the Secretariat for achieving the aims in the Action Plan.

The sponsors of the other documents (MEPC 82/9/2, MEPC 82/9/3, MEPC 82/9/4, MEPC 82/9/5, and 82/9/7) provide their support for the actions proposed by SDC 10 and provide additional information on how they could contribute to the work on URN during the EBP.

Agenda item 10 – Pollution prevention and response

Docs: MEPC 82/10, MEPC 82/10/1-3, MEPC 82/INF.22, MEPC 81/9

<u>MEPC 82/10 (Secretariat)</u>: invites the Committee to take action on matters emanating from PPR 11, other than the one urgent matter which was considered at MEPC 81.

<u>MEPC 82/10/1 (China)</u>: proposes to amend the Guidance for the recording of operations in the Oil Record Book (ORB) Part I – Machinery space operations (all ships), following the changes in the ORB, as forced evaporation is now acceptable as a means for the disposal of oily bilge water.

<u>MEPC 82/10/2 (Denmark, Germany and IMarEST):</u> In order to support the application of the draft amendments to the NOx Technical Code 2008, as agreed at PPR 11 in respect of the certification of an existing engine subject to substantial modification, this document provides proposals as to the content of the Parent Engine Test Plan to be agreed by the Administration prior to the scheduling of such a test. Additionally, a flowchart is proposed illustrating this certification process which would add to those currently given in appendix II of the Code.

<u>MEPC 82/10/3 (IACS)</u>: comments on the draft amendments to the NOx Technical Code 2008 on certification of an engine subject to substantial modification, as set out in annex 14 to document PPR 11/18/Add.1 and proposes further modifications thereto.

<u>MEPC 82/INF.22 (Sweden)</u>: presents key outcomes of a research study carried out by Chalmers University of Technology. The document provides a link to an updated dataset with all publicly available data on chemical characterization of EGCS waste streams, together with operational specifics of the sampled ships. The dataset demonstrates the complex array of substances in scrubber discharge water. Further, different statistical methods for handling concentrations of substances reported as below limit of detection are elaborated upon to highlight their potential importance.

<u>MEPC 81/9 (Secretariat)</u>: sets out legal advice on the use of exhaust gas cleaning systems (EGCS) as an alternative compliance mechanism under MARPOL Annex VI and its relationship with the legal framework established under the UN Convention on the Law of the Sea (UNCLOS).

<u>EU relevance</u>

Consideration at MEPC 82

DELETED

- a. Action point 2.5: consider the draft Guidance on best practice on recommendatory goal-based control measures to reduce the impact on the Arctic of Black Carbon emissions from international shipping and the associated draft MEPC resolution, with a view to adoption; and
- b. Action point 2.6: consider the draft Guidelines on recommendatory Black Carbon emission measurement, monitoring and reporting and the associated draft MEPC resolution, with a view to adoption.

DELETED

c. Action point 2.13: approve the draft Guidelines for developing a local oil/hazardous and noxious substances marine pollution contingency plan, for subsequent publication.

DELETED

d. Action point 2.14: approve the draft MEPC circular on Guidelines on mitigation measures to reduce risks of use and carriage for use of Heavy Fuel Oil (HFO) as fuel by ships in Arctic waters.



e. Action point 2.18: approve the draft Guidelines on good practice relating to clean-up of plastic pellets from ship-source releases, for subsequent publication.

DELETED

Agenda item 11 – Reports of other sub-committees

Docs: None

Agenda item 12 - Identification and protection of Special Areas, ECAs and PSSAs

Docs: MEPC 82/12, MEPC 82/12/1, MEPC 82/INF.43-44

<u>MEPC 82/12 (Indonesia)</u>: sets out a proposal to designate two areas which are Nusa Penida and Gili Matra in Lombok Strait as a Particularly Sensitive Sea Area. This proposal advocates for the conservation of the region's vibrant ecological richness. It recognizes the area's dual significance: a haven for rich biodiversity and a cornerstone of local economic and cultural identity. The increasing volume of merchant shipping, given the strait's vital role in international trade, poses a potential threat to this delicate equilibrium. The proposal includes the newly established routeing systems (traffic separation scheme) adopted at MSC 101 as the Associated Protective Measures which entered into force on 1 July 2020.

<u>MEPC 82/12/1 (Australia, Ecuador, Finland, New Zealand, Peru and Philippines)</u>: shares recommendations for improving biofouling management in PSSAs and MPAs through the adoption of specific measures aimed at protecting marine biodiversity from the introduction of invasive aquatic species transferred as biofouling on ships and recreational vessels.

<u>MEPC 82/INF.43 (Peru)</u>: presents a proposal for the possible designation of the sea area called "Reserva Nacional Dorsal de Nasca" (Nasca Ridge National Reserve) as a particularly sensitive sea area. The aim is to protect the sensitive ecosystems of the submarine mountain range of the aforementioned Ridge, with a unique biodiversity in this part of the ocean, which is of crucial ecological, environmental, economic and social importance and which could be affected by the maritime traffic navigating in its waters or in search of hydrobiological resources.

<u>MEPC 82/INF.44 (Peru)</u>: presents a proposal for the possible designation of the sea area called "Reserva Nacional Mar Tropical de Grau" (Grau Tropical Sea National Reserve) as a particularly sensitive sea area. The aim is to protect the sensitive ecosystems of this area, which have a unique biodiversity, are of crucial ecological, environmental, economic and social importance, and could be affected by the maritime activities that are developed there.

DELETED

Agenda item 13 – Application of the Committees' method of work

Docs: None

Agenda item 14 – Work programme of the Committee and subsidiary bodies

Docs: MEPC 82/14, MEPC 82/14/1

<u>MEPC 82/14 (Russian Federation)</u>: proposes a new output to amend regulation 3.5.1 of the IBC Code in order to allow discharge arrangements for permanent ballast tanks sited immediately adjacent to cargo tanks to be placed inside machinery spaces for existing ships engaged in the transport of non-toxic cargoes and having a flash point of more than 60°C or being non-combustible.

<u>MEPC 82/14/1 (Belgium, Canada, Denmark, Finland, Germany, Ireland, Netherlands (Kingdom of the), Norway and United States)</u>: proposes a new output to review and revise MARPOL Annex VI and the NOX Technical Code 2008 to address concerns about high NOX emissions from Tier II and Tier III compliant ships relative to the intended purpose of these standards.

<u>EU relevance</u>

There is ample EU legislation preserving air (and water) quality standards, including from NOx produced by all air pollution sources (i.e. Ambient Air Quality Directive, National Emission Reduction Commitment Directive, Non Road Mobile Machinery Directive covering inland shipping). Therefore, the EU has also an interest in NOx emissions from shipping sources because NOx/ECAs are covered in the EU mobility strategy and it would be important to recall that the EU has the strictest NOx engine standard in the world for inland shipping. In this context, in its preparation for the post 2027 Multiannual Financial Framework (MFF), the Commission is considering how to support the EU transport industry comply with mandatory requirements.

Consideration at MEPC 82

Agenda item 15 – Election of the Chair and Vice Chair for 2025

Docs: None

Agenda item 16 – Any other business

Docs: MEPC 82/16, MEPC 82/16/1-7, MEPC, 82/INF.4, 7, 21, 30, and 35

<u>MEPC 82/16 (Secretariat)</u>: contains draft guidance on the implementation of the Hong Kong Convention and the Basel Convention with respect to the transboundary movement of ships intended for recycling, developed by the Secretariat as requested by MEPC 81. The draft guidance, set out in the annex, presents an option that Parties to the two Conventions may wish to consider in their efforts to provide clarity with respect to the transboundary movement of ships intended for recycling.

<u>MEPC 82/16/1 (Secretariat)</u>: provides an update regarding the Revised guidance on best management practices for removal of anti-fouling coatings from ships, approved by the governing bodies of the London Convention and Protocol, and invites the Committee to concurrently approve it for issuance as an AFS circular.

<u>MEPC 82/16/2 (Secretariat)</u>: provides an update on recent work carried out by the Secretariat, in cooperation with other UN agencies, on issues relating to the protection of the marine environment.

<u>MEPC 82/16/3 (China and IACS)</u>: proposes changes to the 2023 Guidelines for the development of the Inventory of Hazardous Materials (resolution MEPC.379(80)) as a consequence of the introduction of controls on cybutryne in the International Convention on the Control of Harmful Anti-fouling Systems on Ships, 2001 (AFS Convention) to clarify the relevant threshold in respect to cybutryne, when samples are directly taken from the hull or when samples are taken from wet paint containers.

<u>MEPC 82/16/4 (Norway)</u>: seeks clarification on the interpretation of regulation 43A.2 of MARPOL Annex I and proposes to develop a unified interpretation, with the aim of achieving a uniform approach and consistent application of regulation 43A.

<u>MEPC 82/16/5 (CESA)</u>: suggests further improvements to the Revised guidance on best management practices for removal of anti-fouling coatings from ships, presented in document MEPC 82/16/1.

<u>MEPC 82/16/6 (BIMCO)</u>: comments on document MEPC 82/16 and invites the Committee to seek greater legal certainty and assurance that operating in compliance with the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (HKC) will not be sanctioned as a violation of the Basel Convention on the Control of Transboundary Movements (TBM) of Hazardous Wastes and their Disposal (BC).

<u>MEPC 82/16/7 (CSC)</u>: comments on document MEPC 82/16 (Secretariat) and invites the Committee to consider proposals for ensuring an efficient and streamlined simultaneous enforcement of both the Basel and Hong Kong Conventions. The document outlines why, in accordance with the Vienna Convention on the Law of Treaties and the text of the Basel Convention itself, it is impossible to consider the Hong Kong Convention a valid Article 11 agreement under the Basel Convention.



<u>MEPC 82/INF.4 (Secretariat)</u>: provides information on the Technical brief on designation of points of entry under the International Health Regulations (2005).

<u>MEPC 82/INF.7 (China)</u>: provides a tentative regulatory scoping exercise of the instruments under the purview of MEPC with respect to the use of Maritime Autonomous Surface Ships (MASS) for the purpose of preliminarily assessing the impact of the use of MASS on the instruments under the purview of MEPC.

<u>MEPC 82/INF.21 (Republic of Korea)</u>: provides a summary of the contents related to the 3rd GEF-UNDP-IMO GloFouling R&D Forum and Exhibition on Biofouling Prevention and Management for Maritime Industries to be held in Busan, Republic of Korea, from Monday, 4 to Friday, 8 November 2024. This forum, organized by the GEF-UNDP-IMO GloFouling Partnerships, the Ministry of Oceans and Fisheries of the Republic of Korea (MOF) and the Korea Research Institute of Ships and Ocean Engineering (KRISO), focuses on the prevention and management of biofouling spread in the maritime sector.

<u>MEPC 82/INF.30 (ICS)</u>: informs of recently released and forthcoming relevant best practice guidance from 2023 and 2024 from the International Chamber of Shipping, including the Engine Room Procedures Guide, Second Edition; Reducing Greenhouse Gas Emissions: A Guide to Regulatory Compliance; and Shipping and the Environment: A Guide to Environmental Compliance.

<u>MEPC 82/INF.35 (Secretariat of the Convention on Biological Diversity)</u>: introduces the Kunming-Montreal Global Biodiversity Framework, adopted by the Conference of the Parties to the Convention on Biological Diversity in December 2022, and its relevance to international shipping and the work of the Marine Environment Protection Committee.

a. Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships

<u>EU relevance</u>

This issue falls under Union exclusive competence.

Ship recycling falls under Union exclusive competence. Regulation (EU) No 1257/2013 of the European Parliament and of the Council of 20 November 2013 on ship recycling has the purpose to enhance safety, the protection of human health and of the Union marine environment throughout a ship's life-cycle, in particular to ensure that hazardous waste from such ship recycling is subject to environmentally sound management and to facilitate the ratification of the Hong Kong Convention.

In addition, Council Decision of 14 April 2014 concerning the ratification of, or the accession to, the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009, by the Member States in the interests of the European Union⁹ authorizes the ratification or accession to, for the parts falling under the exclusive competence of the Union, the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships.



⁹ 2014/241/EU: Council Decision of 14 April 2014 concerning the ratification of, or the accession to, the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009, by the Member States in the interests of the European Union, OJ L 128, 30.4.2014, p. 45–46.

Background

MEPC 81 considered MEPC 81/15/5 (Bangladesh et al) as regards the possible problems that may arise in implementing the Hong Kong Convention and the Basel Convention. **DELETED** After consideration, the Committee requested the Secretariat to develop draft guidance on the interplay between the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 (Hong Kong Convention) and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (Basel Convention) regarding ship recycling, in consultation with the Basel Convention Secretariat, for consideration at MEPC 82.

DELETED

Consideration at MEPC 82

DELETED

DELETED These discussions took place in the framework of the Basel Convention, especially at CoP10 in 2011. If there is an interest to resume the discussions around the equivalence between the two Conventions, it is important that they involve the Parties and decision-making body of the Basel Convention (COP). In addition, such discussions should take account of the entry into force of the Basel ban amendment, as well as of the experience of Parties in promoting the environmentally sound management of end-of-life ships **DELETED**.

In addition, or as an alternative to the question of equivalence, Parties should also explore how both Conventions could apply together in a consistent manner.

2) <u>International Convention on the Control of Harmful Anti-fouling Systems on Ships, 2001 (AFS</u> <u>Convention)</u>

EU relevance

This issue falls under Union exclusive competence.

The EU Biocidal Product Regulation (EU) No 528/2012 regulates the use of i.a. anti-fouling substances. The Commission also adopted Implementing Decision (EU) 2016/107 of 27 January 2016 that effectively prohibits making available on the market as well as the use of anti-fouling paints containing cybutryne in all EU Member States and EEA States.

<u>Background</u>

MEPC 71 approved a new output on the amendment of the AFS Convention **DELETED** and passed it to PPR Sub-Committee for consideration. Subsequently MEPC 76, **DELETED**, adopted resolution MEPC.331(76) on amendments to the AFS Convention concerning controls on cybutryne and the form of the International Anti-fouling System Certificate (IAFSC), with an entry-into-force date of 1 January 2023. As a result of the introduction of controls on cybutryne, MEPC 78 adopted three different sets of guidelines: MEPC.356(78) on 2022 Guidelines for brief sampling of anti-fouling systems on ships; MEPC.358(78) on 2022 Guidelines for survey and certification of anti-fouling systems on ships.

MEPC 78 also established that there was no need to update the list of materials for the Inventory of Hazardous Materials under the Hong Kong Convention to include cybutryne following the entry into force of the respective controls in the AFS Convention, as the existing relevant text in appendix I to the Hong Kong Convention was generic enough. Nevertheless, the Committee noted that there might be a need to consider amending the 2015 Guidelines for the development of the Inventory of Hazardous Materials (resolution MEPC.269(68)), which contained more specific guidance but was so far limited to organotin compounds.

Consideration at MEPC 82

This session has for its consideration three documents related to the control of cybutryne. The first is MEPC 82/16/1 (Secretariat) providing the Revised guidance on best management practices for removal of anti-fouling coatings from ships (LC-LP.1/Circ.108/Rev.1), for issuance as an AFS circular. In MEPC 82/16/5, CESA proposes several amendments to the latter revised guidance. **DELETED**

In MEPC 82/16/3, China and IACS propose changes to the 2023 Guidelines for the development of the Inventory of Hazardous Materials (resolution MEPC.379(80)) to clarify the relevant threshold in respect to cybutryne, when samples are directly taken from the hull or when samples are taken from wet paint containers. **DELETED**



