



FONASBA - ECASBA MEETINGS

**THE DANIELI HOTEL, VENICE
TUESDAY, 9TH OCTOBER 2012**

Alfons Guinier - ECSA



ECSA

EUROPEAN COMMUNITY SHIPOWNER'S ASSOCIATION

ESTABLISHED IN 1965 - BRUSSELS

- ◎ **REPRESENTING THE EUROPEAN SHIPPING SECTOR**
- ◎ **DAILY CONTACTS WITH EU INSTITUTIONS : COMMISSION, MEMBER STATES (COUNCIL), EUROPEAN PARLIAMENT**
- ◎ **EUROPEAN SHIPPING ACTIVE IN ALL SHIPPING SERVICES**
- ◎ **EUROPEAN SHIPPING CONTROLLING 40% OF THE GLOBAL MERCHANT FLEET**



KEY ITEMS

◎ **EU PORT POLICY**

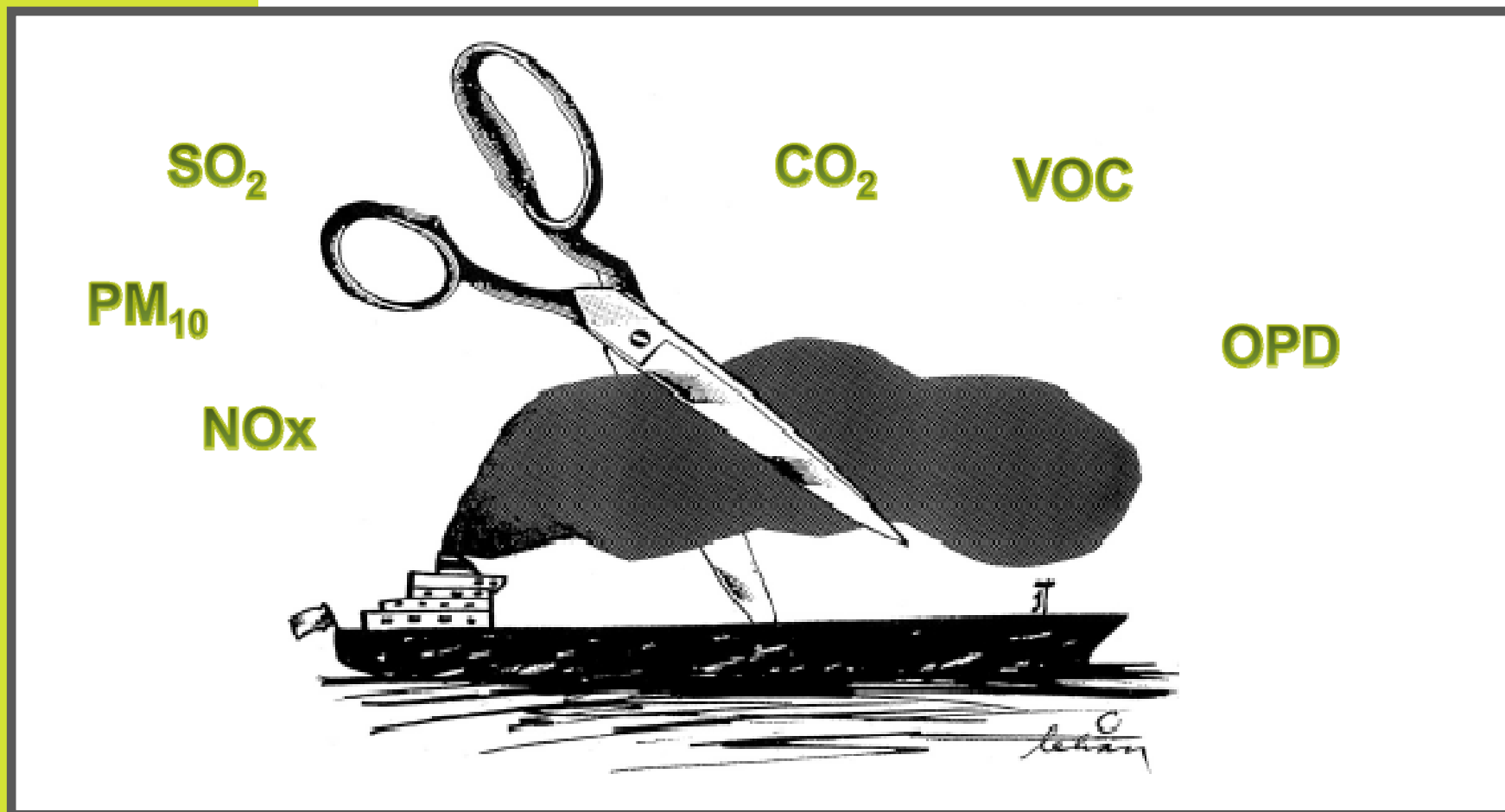
◎ **AIR EMISSIONS :**

➤ **SULPHUR**

➤ **CO2 (CLIMATE CHANGE)**



AIR EMISSIONS NO COMPLACENCY





IMO - MARPOL ANNEX VI 2008

SULPHUR OXIDE (SOX)

SOX. AFTER INTENSE NEGOTIATION, UNANIMOUS AGREEMENT FOR THE FOLLOWING LIMITS, ON THE DATE SHOWN:

- ◎ **2010 – EMISSION CONTROL AREA (ECA) LIMIT REDUCED TO 1%**
- ◎ **2012 – GLOBAL LIMIT REDUCED TO 3.5%**
- ◎ **2015 – ECA LIMIT REDUCED TO 0.1%**
- ◎ **2020 – GLOBAL LIMIT TO 0.5% BUT A REVIEW IN 2018 (WITH THE AUTHORITY TO DELAY IMPLEMENTATION) WILL DETERMINE IF THIS IS ACHIEVABLE.**
- ◎ **2025 – GLOBAL LIMIT TO 0.5% NOTWITHSTANDING THE RESULT OF THE 2018 REVIEW.**

COMPLIANCE CAN BE ACHIEVED BY ALTERNATIVE FUELS OR ABATEMENT EQUIPMENT.



IMO - MARPOL ANNEX VI 2008

ECSA WELCOMES THIS GLOBAL AGREEMENT BUT:

- ⊙ **DRAWS ATTENTION TO THE POTENTIAL DANGER OF SHIFTING CARGO FROM SEA TO ROAD THROUGH THE 0,1% SULPHUR IN THE ECAs (BALTIC, NS, ENGLISH CHANNEL) IN 2015**
- ⊙ **NO IMPACT ASSESSEMENT MADE IN IMO**
- ⊙ **SERIOUSLY ENDANGERS MODAL SHIFT FROM LAND TO SEA -> RISK OF PARALYSING INTRA EU TRANSPORT**
- ⊙ **DIFFERENT FACT FINDING STUDIES CONFIRM OPPOSITE MODAL SHIFT FROM SEA TO LAND → SHARP INCREASE OF OIL PRICE 0.1%**



MARPOL ANNEX VI: 0.1 % SULPHUR AS FROM 2015

MODAL SHIFT TO TRANSPORT ROAD:

- ◎ **CLOSING OR REDUCING FERRY SERVICES**
- ◎ **INCREASE OF EXTERNALITIES:
CONGESTION, NOISE, CO2, ACCIDENTS....**
- ◎ **OPPOSITE OF EU 2050 TRANSPORT
STRATEGY**



PROACTIVE APPROACH BY SHIPPING INDUSTRY

TOOLBOX:

- ◎ COMPLIANT FUEL AVAILABILITY
- ◎ SCRUBBING TECHNOLOGY
- ◎ LNG AS ALTERNATIVE FUEL

MITIGATION OF UNACCEPTABLE CONSEQUENCES



CONCLUSIONS FROM TOOLBOX EXERCISE

- ◎ **IT WILL TAKE MANY YEARS AND LARGE INVESTMENTS TO EFFECTIVELY USE THE TOOLS OF THE TOOLBOX**
- ◎ **SUPPORT: MITIGATION MEASURES NECESSARY**
- ◎ **SOLUTION TO BE FOUND FOR MODAL SHIFT**
- ◎ **SOLUTION IN IMO ONE WAY OR ANOTHER**
- ◎ **REVIEW OF SULPHUR DIRECTIVE TO TAKE THE 0.1% PROBLEM INTO ACCOUNT**
- ◎ **2015 ???**

APPEAL TO MEMBER STATES, THE EUROPEAN PARLIAMENT AND THE COMMISSION FOR A SOLUTION



SULPHUR DIRECTIVE - TRILOGUE AGREEMENT

- ◎ **DIRECTIVE LARGELY IN LINE WITH MARPOL ANNEX VI EXCEPT POSSIBLE POSTPONEMENT OF 0.5% GLOBAL SULPHUR LIMIT TO 2025**
- ◎ **FUEL AVAILABILITY CLAUSE OF MARPOL ANNEX VI COVERED**
- ◎ **NO CHANGE TO REQUIREMENT FOR PASSENGER SHIPS OUTSIDE SECAs (1.5% UNTIL 2020)**
- ◎ **THE COMMISSION TO SUBMIT A REPORT ON REDUCING AIR POLLUTION IN EU WATERS (OVERALL AIR QUALITY REPORT 2013)**
- ◎ **MEMBER STATES MAY PROVIDE AID FOR INNOVATION AND RETROFITTING**
- ◎ **RECITAL/ARTICLE GIVE THE POSSIBILITY FOR INCLUDING CHANGES/EXEMPTIONS AGREED IN THE IMO TO THE APPLICATION OF THE SECA LIMITS IN MARPOL ANNEX VI**



CLIMATE CHANGE - CO₂

- ◎ SHIPPING BETTER PERFORMER: 2 TO 4% OF GLOBAL CO₂
- ◎ TRANSPORT SHIPPING : 10% OF GLOBAL CO₂
- ◎ UP TO 90 % GLOBAL TRADE BY SEA
- ◎ UP TO 40% INTRA EU TRADE BY SEA
- ◎ SHIPPING RATHER SOLUTION INSTEAD OF PROBLEM



CLIMATE CHANGE - CO₂

- ◎ **PRIORITY FOR ECSA: REDUCTION OF CO₂ (ENERGY CONSUMPTION)**
- ◎ **AGREEMENT IN IMO IN JULY 2011 EEDI (2015) & SEEMP (2013):**
 - ◎ **EEDI/SEEMP - ENERGY IMPROVEMENT >>>> 25-30 % CO₂ REDUCTION BY 2030**
 - ◎ **TOGETHER WITH OTHER MEASURES TAKEN BY INDUSTRY: ESTIMATE 50% REDUCTION BY 2050**
 - ◎ **MARKET BASED MEASURES (MBMs) DISCUSSIONS ONGOING IN IMO**



THANK YOU
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