Decarbonization of shipping: New fuels, new regulatory framework, new reality around the corner

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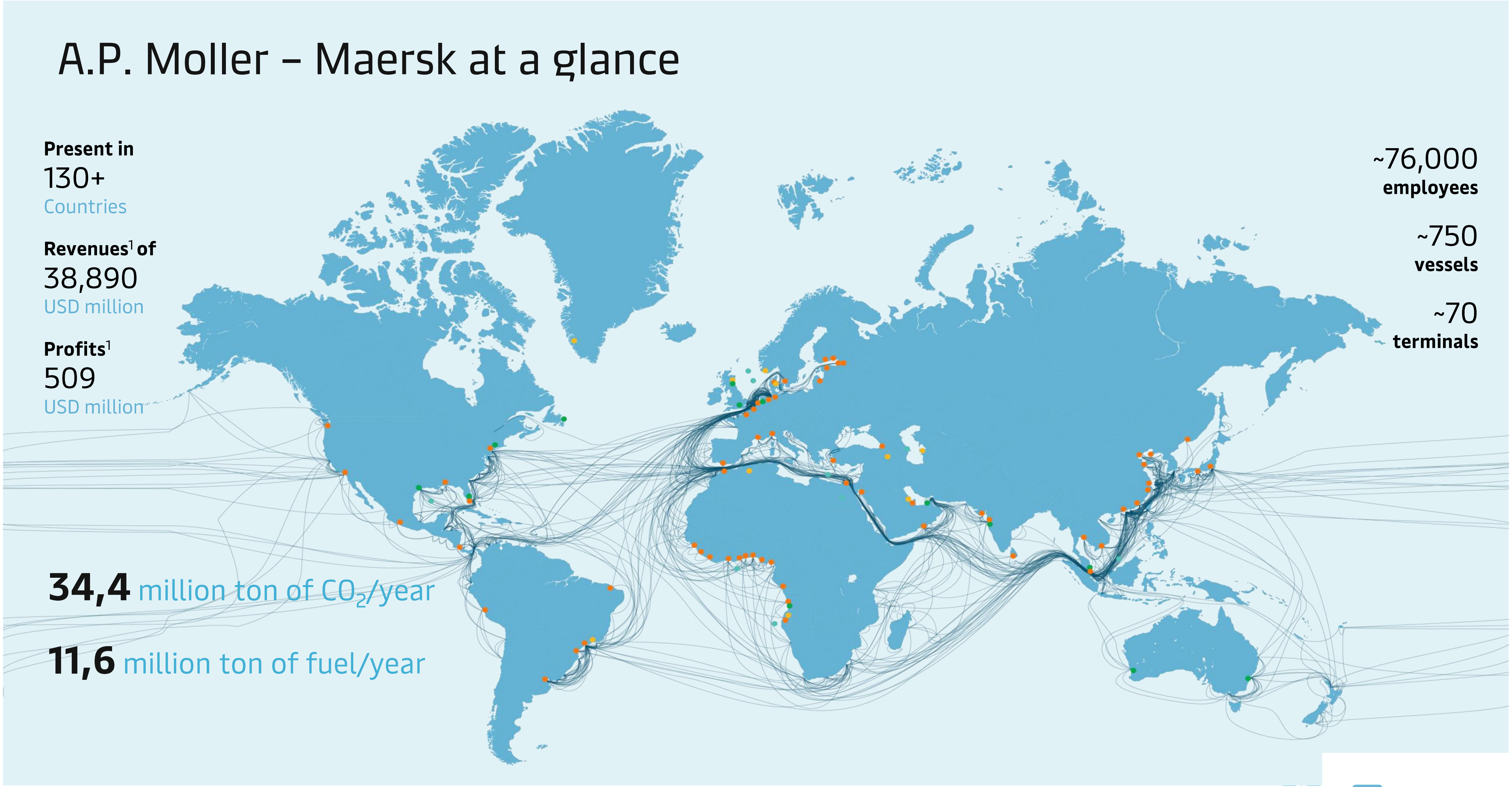
A.P. Moller – Maersk at a glance



1. FY 2019

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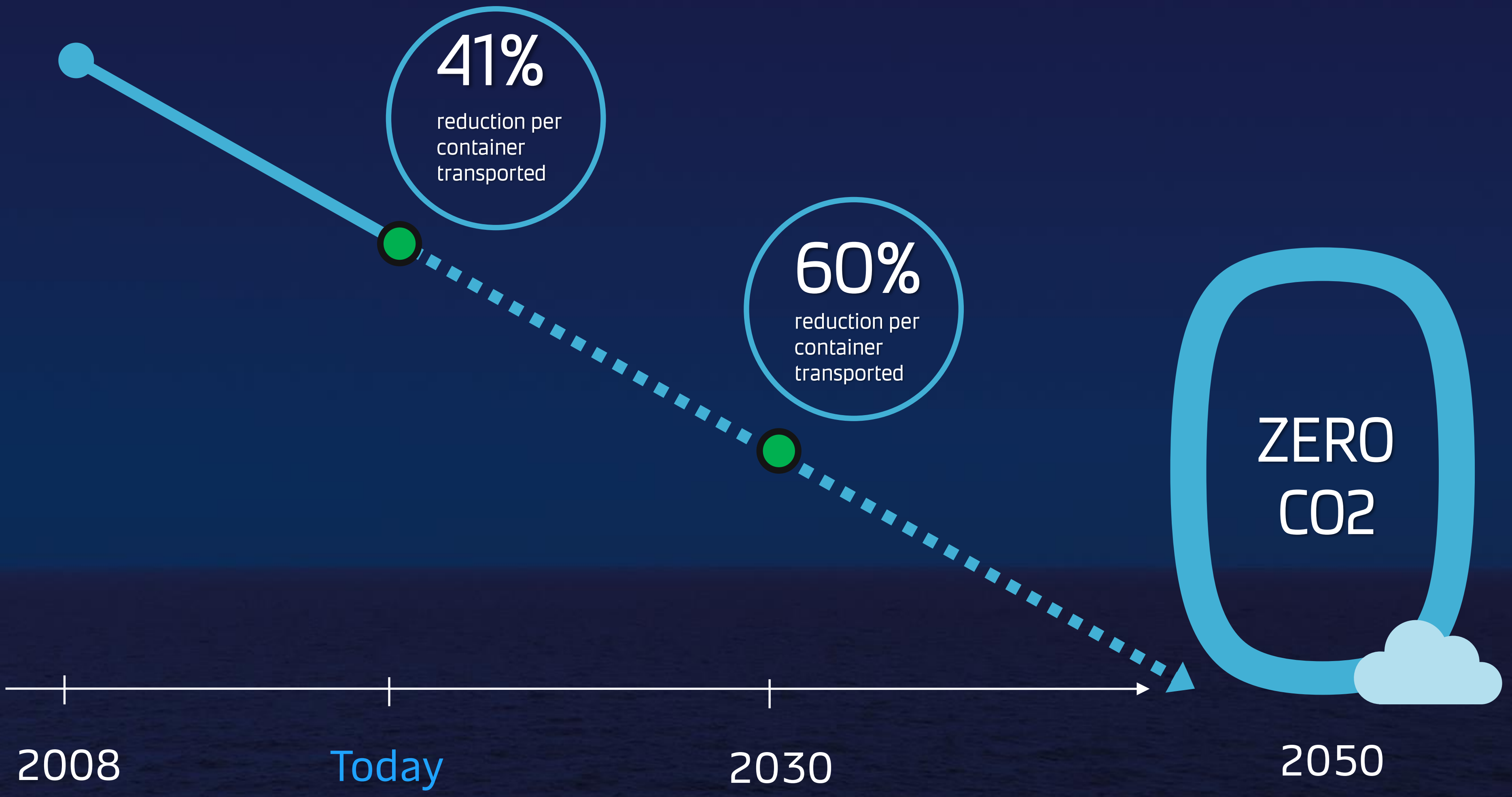
Maersk has committed to NET-ZERO CO2 EMISSIONS by 2050…



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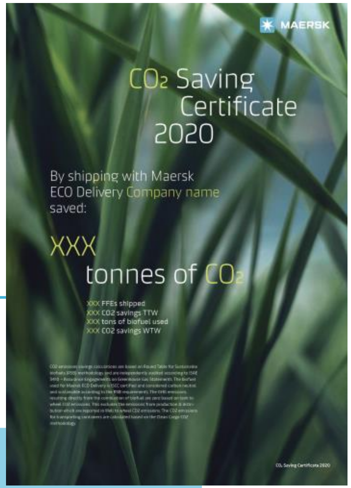
… and broad-based action is urgently needed to reach this goal



Maersk initiatives

Drive Innovation in New Fuels

Design Carbon Neutral Vessels

ZERO CO_2

2050

Build Carbon Neutral Products

Push for Regulatory Frameworks

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Our Current Four Priority Fuel Bets

Drop in Fuel
BUT
availability and other sectors also need it

Biodiesel

Methanol
(bio-methanol and e-methanol)

Already in operation and Liquid at normal conditions
BUT
scalability and green production questions

Price-competitive
BUT
In development stage, scalability and infrastructure for supply questions

Lignin fuels
A new biofuel based on biomass residue (lignin) and alcohols (methanol or ethanol)

Ammonia
(green ammonia)

Fully zero emissions fuel and can be produced at scale
BUT
Safety, toxicity and infrastructure challenges. Dependent on cost/maturity of electrolyser technology

Regulatory Challenges

Action is needed now. We need to stop talking about shaving off a percentage here and there and look at transition.

Secure RD&D (IMRB Proposal is long overdue) and start to look at MBM.

This is unchartered territory, we cannot rely on ”this is how we have always done this”.

Look at mechanisms to reward first movers and punish laggards (clear and complete data, fleet approach to compliance,…).

Enforcement cannot be an afterthought.

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