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

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A.P. Moller – Maersk at a glance

Present in 130+ Countries

Revenues of 38,890 USD million

Profits of 509 USD million

~76,000 employees
~750 vessels
~70 terminals

34,4 million ton of CO₂/year
11,6 million ton of fuel/year

1. FY 2019

Classification: Internal
Maersk has committed to NET-ZERO CO2 EMISSIONS by 2050...

- 2008: 41% reduction per container transported
- Today: 2030: 60% reduction per container transported
... and broad-based action is urgently needed to reach this goal

Maersk initiatives

Drive Innovation in New Fuels
Design Carbon Neutral Vessels

Build Carbon Neutral Products
Push for Regulatory Frameworks

ZERO CO₂
2050
Our Current Four Priority Fuel Bets

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

- **Methanol**
  - (bio-methanol and e-methanol)
  - Fully zero emissions fuel and can be produced at scale
  - BUT Safety, toxicity and infrastructure challenges.
  - Dependent on cost/maturity of electrolyser technology

- **Lignin fuels**
  - A new biofuel based on biomass residue (lignin) and alcohols (methanol or ethanol)
  - In development stage, scalability and infrastructure for supply questions

- **Ammonia**
  - (green ammonia)
  - Drop in Fuel availability and other sectors also need it

Classification: Internal
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.
Thank you.