

Note by the International Maritime Organization to the to the fifty-sixth session of the UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA 56) Bonn, Germany, 6 to 16 June 2022

Agenda item 10(g)

“Methodological issues under the Convention: emissions from fuel used for international aviation and maritime transport”

UPDATE ON IMO’S WORK TO REDUCE GHG EMISSIONS FROM INTERNATIONAL SHIPPING

SUMMARY

The International Maritime Organization (IMO) contributes to international efforts to address climate change by regulating GHG emissions from international shipping.

Since SBSTA 52-55 in November 2021, IMO held one session of the Marine Environment Protection Committee (MEPC) and two sessions of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG).

This note is an update of the IMO submission to SBSTA 52-55 and focusses on the latest developments on the various GHG-related workstreams at IMO. It also contains in annex an overview of IMO participation to COP 26. A more detailed submission covering the outcome of MEPC 78 (6 to 10 June 2022) will be provided to SBSTA 57 to be held during COP 27 in Sharm el-Sheikh, Egypt (November 2022).

Revision of the IMO Strategy on reduction of GHG emissions from ships

1 In 2018, IMO Member States adopted the [Initial IMO Strategy on reduction of GHG emissions from ships](#) (resolution MEPC.304(72)), representing a global framework for Member States and the industry, setting out a vision for shipping decarbonization along with IMO’s ambition to reduce carbon intensity by at least 40% by 2030, pursuing efforts towards 70% by 2050, and to reduce total annual GHG emissions from international shipping by at least 50% by 2050 compared to 2008, working towards phasing them out as soon as possible¹. The Initial IMO Strategy envisages the 2050 level of ambition as “a point in a pathway of CO₂ emissions reduction consistent with the Paris Agreement temperature goals”.

2 Since the adoption of its Initial Strategy, IMO has been actively working on transposing the commitments into mandatory requirements that apply to individual ships from all flags to ensure that the levels of ambition are effectively achieved in line with the agreed timelines. As such, IMO’s commitments do not just remain aspirational targets but lay down a binding regulatory framework that applies to the world fleet and is enforced globally, both by the ship’s flag State as well as any port State the ship visits.

3 MEPC 77 (November 2021) agreed to initiate the revision of the Initial IMO Strategy on Reduction of GHG emissions from ships, recognizing the need to strengthen the ambition

¹ The *Initial IMO Strategy on reduction of GHG emissions from ships* is available on the IMO website [here](#)

during the revision process. The decision came in the wake of COP 26 and in view of the urgency for all sectors to accelerate their efforts to reduce GHG emissions.

4 At MEPC 77, IMO Member States also agreed that a final draft Revised IMO GHG Strategy will be considered by MEPC 80 (scheduled to meet in July 2023), with a view to adoption.

5 MEPC 78 (6-10 June 2022) will have for its consideration a number of documents submitted by Member States and observer organizations providing concrete proposals and comments related to the revision of the Initial IMO GHG Strategy, including, inter alia, the level of ambition for 2050, intermediate GHG reduction targets, and how to ensure a “just and equitable” transition that addresses the interests of developing States, in particular SIDS and LDCs, often also the most climate vulnerable States. The MEPC is expected to discuss how to proceed with the revision process, so that the revised strategy can be adopted at MEPC 80 as planned.

Assessment of possible impacts of candidate GHG reduction measures on States

6 The Initial IMO GHG strategy recognizes that the impacts on States of a proposed measure should be assessed and taken into account as appropriate, with particular attention paid to the needs of developing countries, especially small island developing States (SIDS) and least developed countries (LDCs). A comprehensive impact assessment of the in June 2021 adopted [IMO’s short-term GHG reduction measure](#) and funded through the [IMO GHG TC Trust Fund](#) was undertaken and approved by MEPC 76, following which a “lessons-learned exercise” was initiated.

7 ISWG-GHG 11 (14-18 March 2022) considered the report of an Ad-hoc Expert Workshop on Impact Assessments (8-9 March 2022) which had considered various procedural and methodological issues related to assessment of possible impacts of candidate GHG reduction measures. Overall, ISWG-GHG 11 expressed its appreciation to the process and methodologies used under the comprehensive impact assessment of the short-term measure, as presented in the IMO submission to SBSTA 52-55, and confirmed that it provided a solid basis for future comprehensive impact assessments. A draft text of process and methodological elements to complement the procedure for assessing impacts on states of candidate measure was developed and will be further considered with a view to inclusion in a future revision of the *Procedure for assessing impacts on States of candidate measures* (MEPC.1/Circ.885).

8 The work on the “lessons-learned exercise”, will continue, and should be completed by MEPC 79 (12-16 December 2022) in view of enhancing a comprehensive impact assessment of IMO’s next set of GHG reduction measures.

9 In response to the findings of the comprehensive impact assessment of IMO’s short-term measure, IMO, through funding of the [IMO GHG TC Trust Fund](#), also initiated a new [IMO project](#) aimed at improving availability of maritime transport costs data in Pacific region.

Lifecycle GHG/carbon intensity assessment for marine fuels

10 Lifecycle GHG/carbon intensity assessment (LCA) of marine fuels is a key element supporting the uptake of alternative marine fuels for international shipping by adequately calculating the overall GHG/carbon footprint of those fuels. Following constructive discussions during ISWG-GHG 11, the Working Group proposed the establishment of a Correspondence Group by MEPC 78 to further develop draft guidelines on lifecycle GHG intensity of marine fuels (LCA Guidelines). The Correspondence Group should work on various issues such as main initial fuel production pathways, sustainability criteria issues,

Well-to-Tank, Tank-to-Wake and entire Well-to-Wake emission calculation methodologies, third-party verification, etc.

11 The Global Industry Alliance to Support Low Carbon Shipping (Low Carbon GIA), a partnership under the IMO-Norway GreenVoyage2050 Project, has released a [report on sustainability criteria and life cycle GHG emission assessment methods and standards](#) for alternative marine fuels, which was considered by ISWG-GHG 11.

Short-term measure to reduce the carbon intensity of international shipping

12 Following the adoption of the amendments to IMO's MARPOL Annex VI setting out binding carbon intensity reduction requirements for the global fleet, ISWG-GHG 12 (16-20 May 2022) finalized a set of 12 guidelines supporting the implementation of various elements of the short-term measure (Energy Efficiency Existing Ship Index (EEXI), enhanced Ship Energy Efficiency Plan (SEEMP), Carbon Intensity Indicator (CII) rating), for adoption by MEPC 78. As presented in the IMO submission to SBSTA 52-55, the short-term GHG reduction measure, composed of mandatory technical and operational requirements, will enter into force in November 2022 and is aimed at reducing the carbon intensity of international shipping in 2030 by at least 40%, compared to 2008 levels.

13 In this regard, ISWG-GHG 11 agreed to draft amendments to MARPOL Annex VI to require additional reporting by flag States to the IMO Ship Fuel Oil Consumption Database (DCS) on the ship's carbon intensity performance (EEXI and CII). The draft amendments are expected to be approved by MEPC 78 for adoption at MEPC 79.

Development of mid- and long-term measures

14 MEPC 76 approved a [work plan for development of mid- and long-term measures](#) aiming at supporting the achievement of the vision and the levels of ambition agreed in the Initial IMO Strategy, as presented in the IMO submission to SBSTA 52-55. The Work plan consists of three main phases:

- Phase I – Collation and initial consideration of proposals for measures;
- Phase II – Assessment and selection of measure(s) to further develop; and
- Phase III – Development of (a) measure(s) to be finalized within (an) agreed target date(s).

15 In accordance with Phase I of the Work plan, ISWG-GHG 12 considered in detail various proposals for mid-term measures and welcomed the proposals, their initial impact assessments, and other relevant documents (22 submissions to ISWG-GHG as well as submissions referred from the MEPC). ISWG-GHG 12 recognized that all these proposals contained valuable elements.

16 ISWG-GHG 12 supported, in general, the further development under Phase II of the Work plan of a "basket of candidate mid-term GHG reduction measures", integrating both various technical and carbon pricing elements while recognizing the necessary flexibility.

17 In accordance with Phase II of the Work plan, the Group agreed to continue its work by means of assessing the various proposed measures, in particular, their (1) feasibility, (2) effectiveness to deliver the long-term levels of ambition and (3) potential impacts on States, with a view to further developing the "basket of candidate mid-term measures".

18 The ISWG-GHG will continue to advance the development of the basket of candidate mid-term GHG reduction measures later this year.

National Action Plan to address GHG emissions from ships

19 In line with IMO's resolution MEPC.327(75) on "[Encouragement of Member States to develop and submit voluntary national action plans to address GHG emissions from ships](#)", the IMO-Norway GreenVoyage2050 Project has published a [new guide](#) to support Member States with the development of National Action Plans (NAPs) to address GHG emissions from ships. The new guide provides information on the crucial planning, development and implementation phases involved in the creation of a NAP. It is a practical step-by-step tool which contains a catalogue of key questions that policymakers could consider in the process of developing an ambitious NAP for their country.

20 The various NAPs developed and submitted to IMO are available on the [IMO website](#).

ANNEX

OVERVIEW OF IMO PARTICIPATION AT COP26

SBSTA 52-55

1 In response to the standing invitation by the Parties of UNFCCC to inform SBSTA at its future meetings (decision 4/CP.1), IMO submitted a note under agenda item 12 (g) “Emissions from fuel used for international aviation and maritime transport” providing a comprehensive update on IMO’s work on the reduction of GHG emissions from international shipping. The note provided in particular a timeline summing up IMO actions to reduce GHG emissions from international shipping during the decade 2011-2021, notably the adoption of the short-term GHG reduction measure (EEXI, CII, rating) in June 2021. The IMO submission can be found on the IMO website here: <https://wwwcdn.imo.org/localresources/en/OurWork/Environment/Documents/Air%20pollution/IMO%20submission%20to%20SBSTA%2052-55.pdf>.

2 IMO also delivered a statement as UN observer to SBSTA plenary, highlighting its most recent work to address GHG emissions from international shipping. The long version of the IMO statement to SBSTA 52-55 can be found here: https://wwwcdn.imo.org/localresources/en/OurWork/Environment/Documents/Air%20pollution/IMO%20Statement%20SBSTA%2052-55_long_final.pdf.

3 SBSTA agreed to defer consideration of sub-item 12 (g) “Emissions from fuel used for international aviation and maritime transport” to SBSTA 56 (6 to 16 June 2022).

Side events

4 The IMO delegation took part in several side events organized in the margins of negotiations according to the usual climate change conferences practice. The main events to which IMO participated are listed on the page of the IMO website dedicated to COP 26: <https://www.imo.org/en/OurWork/Environment/Pages/IMO-at-COP-26.aspx>.

5 In particular, the Secretary-General of IMO hosted a panel discussion on IMO’s commitment to decarbonize shipping through concerted international action, which took place in the “Maritime Hub” of the City of Glasgow College’s Riverside Campus. The Secretary-General’s speeches at various events can be found at <https://www.imo.org/en/MediaCentre/SecretaryGeneral/Pages/SpeechesByTheSecretaryGeneral.aspx>.

6 IMO also co-organized with UNCTAD an official COP 26 side event in the Blue Zone on Wednesday, 10 November 2021 entitled “Seizing opportunities for developing countries in providing zero-carbon fuels to global shipping”. A recording of the event, along with relevant material, is available on the IMO website: <https://www.imo.org/en/About/Events/Pages/-IMO-UNCTAD-side-event-at-COP26.aspx>.

7 IMO also participated in an official COP 26 side event organized by UN-Oceans focused on ocean-based mitigation and adaptation solutions as part of climate action. A recording of the session is available here: <https://www.youtube.com/watch?v=e87JoMMLzTM>

8 Some of IMO’s Major Projects, in particular the [GloFouling Partnerships](#) and the [GMN-MTCC project](#), also participated in a number of side-events to show case their work on managing ship’s biofouling as an effective means to reduce GHG emissions from shipping and the role of the Maritime Technology Cooperation Centres (MTCC) as regional hubs to promote energy efficient shipping, respectively.

IMO pavilion

9 IMO also had a pavilion in the Blue Zone throughout COP 26, to showcase in particular ongoing IMO projects and partnerships in relation to the reduction of GHG emissions from ships. The pavilion welcomed many IMO delegates attending COP 26 as well as other COP 26 delegates interested in IMO's work.



The poster features the IMO logo at the top left, with the text 'INTERNATIONAL MARITIME ORGANIZATION' to its right. Below the logo, the main title reads 'ACTING TO DECARBONIZE INTERNATIONAL SHIPPING'. The background is a sunset over the ocean with several ships. In the foreground, a large container ship is shown from an aerial perspective. A QR code is located in the lower right quadrant, with the text 'IMO'S WORK TO CUT GHG EMISSIONS FROM SHIPPING' underneath it.

IMO INTERNATIONAL MARITIME ORGANIZATION

ACTING TO DECARBONIZE INTERNATIONAL SHIPPING

SHIPPING:

- ▶ Indispensable to global trade and sustainable development
- ▶ Serving the world's energy transition

IMO'S WORK TO CUT GHG EMISSIONS FROM SHIPPING