

Countries agree to “green shipping lanes” that will be zero-emission fuel only

By admin On November 11, 2021 In Insurance Marine News, Keep, Political Risk, Credit & Finance

With sustainable insurer Parhelion’s co-CEO Julian Richardson saying this week that marine insurance would be consigned to the same no-go sector as aviation and fossil fuels, it was perhaps fortuitous timing that a coalition of 19 countries including the UK and the USA on Wednesday November 10th agreed to create zero emissions shipping trade lanes.

The other countries signing up to the deal are Australia, Belgium, Canada, Chile, Costa Rica, Denmark, Fiji, Finland, France, Germany, Republic of Ireland, Japan, Marshall Islands, Netherlands, New Zealand, Norway and Sweden.

The “Clydebank Declaration” was launched at the COP26 climate summit in Glasgow. In it the signatories agreed to support the establishment of at least six green corridors by 2025. These would require the development of supplies of zero emissions fuels, the infrastructure required for decarbonization and regulatory frameworks.

UK maritime minister Robert Courts noted that countries alone did not have the power to decarbonize shipping routes. What was also needed was the commitment of the private sector.

Indeed, Jan Dieleman, president of ocean transportation with ship charter Cargil, said that “the real challenge is to turn any statements (at COP26) into something meaningful”, telling *Reuters* that “the majority of the industry has accepted we need to decarbonize”.

He felt that the project would not succeed without global regulation.”

Christian Ingerslev, chief executive of Maersk Tankers, said that “we need governments to not only back the regulatory push but also to help create the zero emissions fuels at scale”. He felt that the only way to get the plan to work would be to set a market-based measure through a carbon tax.