

IMO will discuss carbon policy “further” in 2022 and 2023

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The 77th meeting of the IMO Marine Environment Protection Committee (MEPC77) promised to discuss decarbonization measures further in 2022-23, a move that, along with the meeting’s refusal to accelerate the move to decarbonization, generated a degree of disillusion amongst onlookers.

A proposed \$2 per tonne bunker fee to pay for research on low-carbon propulsion was not approved.

A proposal to increase IMO’s decarbonization ambition from 50% to 100% by 2050 did not gain enough support.

Several states have been identified as key opponents of change and supporters of putting off any decisions until another day. They included China, Russia, Brazil and Saudi Arabia.

The Clean Arctic Alliance welcomed the adoption of an IMO resolution to cut the climate impacts of black carbon emissions by shipping on the Arctic but expressed disappointment in the watering down of its substance in order to reach consensus and placate what the CAA described as “a small but vocal group of opposing countries.”

The resolution was backed by Canada, Finland, France, Germany, Iceland, Netherlands, Norway, Solomon Islands, Sweden, UK, and US, and called for support of “voluntary use of cleaner fuels by ships operating in or near the Arctic” France, Sweden, Slovenia, Norway, Finland, US, Canada, Netherlands, Germany, Poland, Vanuatu, Spain, Monaco, Iceland, Italy, Croatia, Solomon Islands, Tuvalu, Belgium, Marshall Islands, Mexico, Palau, Tonga, Ireland, Fiji, Iran and Portugal spoke in favour of paper MEPC 77/9, with more than 30 delegations backing it in total.

Russia, China, India, Japan, Saudi Arabia, UAE and Angola spoke in opposition. The CAA said that during an informal working group to refine and finalize the resolution “the wording was systematically and meticulously watered down by opposing countries and shipping interests”.

There was little support from IMO Members for a proposed resolution from the South Pacific Island states of Kiribati, Marshall Islands and Solomon Islands, which recognized the need to reach zero greenhouse gas emissions no later than 2050. Guy Platten, secretary-general of the International Chamber of Shipping, was less complimentary about the performance of the IMO at MEPC 77.

“It’s almost as if COP 26 never happened,” he said, adding that “governments can’t keep kicking the can down the road; every delay moves us further away from reaching pressing climate goals. We will continue to work with governments to agree to the suite of measures which the industry has proposed, including the \$5 billion R&D fund as an immediate step.”

The ICS had proposed the \$2 per tonne bunker fee to pay for research on low-carbon propulsion.

Lucy Gilliam, shipping policy officer at NGO Seas at Risk, condemned the IMO’s tendency to promise further discussions. “To spend two years thinking about revising a strategy – is this incredibly tiny step a valid response to the climate crisis? We are not in climate denial, but we are in climate delay and that is dangerous,” she said

The initial \$2 fee was not intended to create a financial incentive for a shift to low-carbon fuels. The intention was that it would underwrite industry-backed studies to solve technical issues. If enacted by a future MEPC meeting, it would be the first mandatory, global carbon fee of any kind.

The proposal had also been opposed by some NGOs, who called it a “messaging exercise”. The NGOs have said that a tax-and-subsidy system to make today’s expensive green fuels more competitive could require a bunker fee in the range of \$450-\$900 a tonne. However, the ICS has also proposed a future carbon levy to follow. Guy Platten said that “we will continue to work with governments to agree to the suite of measures which the industry has proposed, including the \$5bn dollar R&D fund as an immediate step to be followed by a levy-based carbon price for shipping. The adoption of both these measures will be the only way to deliver on net zero emissions from shipping by 2050 while ensuring an equitable transition that leaves no one behind.”

“NGOs were against it anyway, but even its insignificant ambition was too much for the IMO,” said Faig Abbasov, shipping coordinator at the advocacy organization Transport & Environment.