

Seatrade Maritime News

SMM 2022



Drowning in decarbonisation

Gary Howard | Sep 14, 2022

Decarbonisation drowned out every other topic at SMM 2022, but most of the maritime industry still awaits direction.

This year's edition of the show was the first post-pandemic and the first in-person since 2018. Last time Hamburg was swamped with shipping executives, the ink was drying on the IMO's initial greenhouse gas emissions strategy and shipowners were bracing themselves for the global sulphur cap.

In the intervening four years, the focus on the show floor and in the conference, rooms has narrowed to the industry's greatest challenge — decarbonisation.

At the show's opening, ICS Secretary General Guy Platten declared that the shipping industry can no longer remain on the sidelines , and must take its place in global discussions to ensure that the industry can secure the right energy supplies for the future. Specific advice was not forthcoming, but Platten touched a theme that would run throughout the show — we have the technologies to meet the challenge, what we need is renewable energy, infrastructure and regulation.

At a DNV side event, Citi's Michael Parker hinted at the scale of structural change to come, asserting that there is no god-given right to be a shipowner , and small-scale owners may struggle in a more intensely regulated future.

From across SMM was the message was clear: shipping wants to move away from the sidelines but will need to be ushered along by the global and regional regulation it has invited through inaction. Until that regulation is in place, most companies will wait and see, only making environmental progress where there is commercial benefit.

But there have been early movers. CMA CGM likened its preparation for decarbonisation to training for a marathon , gradually building up its experience and exposure to its chosen decarbonisation pathway for commercial and future-proofing reasons. The container giant has also exposed itself to a new collaborative way of working, which is expected to be key to the industry's progress.

One example of regulation spurring action was that of onshore power supply (OPS) or cold ironing. Cruise lines have advanced the technology both under pressure from environmentally conscious passengers, local regulations and the expectation of broader regional regulations to come. In Northern Europe, cold ironing is expected to be the norm for cruise ships within one to two years , paving the way for container ships to cut their in-port emissions by plugging in too.

Cruise OPS also acts as an example of a huge commercial opportunity for shipyards and equipment suppliers, namely the need to retrofit the existing fleet to meet climate targets over the coming decade.

The recent banning of cold ironing in California due to a heatwave ashore raised the spectre of energy security and infrastructure, a key sub-theme. Meeting the needs of shipping, whether it be plug-in power at port or the renewable production of e-fuels, will require more resilient and efficient energy systems, according to the German government.

For wind power, regulation stands in the way in a slightly different way. The gtec audience heard how regulations and class rules were not really prepared for ships using modern wind technologies as a primary method of propulsion. Wind could prove a prime solution for ambitious shipowners and cargo interests looking to slash emissions for less time-sensitive cargoes, but not until the rules are in place.

Debates and discussions at SMM 2022 showed there are plenty of challenges left to face in the decarbonisation of shipping, and those challenges are evolving with economic and geopolitical changes. With so many paths forward and shifting variables, it's no wonder many are waiting for clearer roadmap from regulators.