

US and Norway launch “Green Shipping Challenge”

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The US and Norway have used COP27 in Egypt as the platform for the launch of a global challenge which the countries hope will accelerate the reduction of greenhouse gas emissions from the shipping sector.

The Green Shipping Challenge, launched on Monday November 7th by Norwegian Prime Minister Jonas Gahr Støre and US Special Presidential Envoy for Climate John Kerry, will “encourage” governments, ports, and companies to prepare commitments to help reduce greenhouse gas emissions from the sector and align with the Paris Agreement goal of limiting temperature rise to 1.5C.

The US State Department said that “greenhouse gas emissions from the shipping sector are significant, increasing, and on a trajectory that is incompatible with the goals of the Paris Agreement. Compared with country emissions, the sector would rank among the top 10 largest emitters globally”.

There was no shortage of aspirations, agreements and targets announced on the first day of COP27, with more than 40 major announcements from countries, organizations and companies that addressed innovations for ships, green shipping corridors, low- or zero-emission fuels, and policies to help promote the uptake of next-generation vessels, all being folded into the US/Norway “Challenge” announcement.

The High-Level Panel for a Sustainable Ocean Economy (Ocean Panel), made up of nine member countries – Australia, Canada, Chile, France, Namibia, Norway, Portugal, UK and the US, will support the Challenge.

Jonas Gahr Støre, prime minister of Norway and co-chair of the Ocean Panel, said that “shipping is a major emitter of greenhouse gases globally, therefore it’s vital that quick and decisive action is taken at scale to reduce emissions from this sector to help limit temperature rise to 1.5°C. The Green Shipping Challenge creates an opportunity for participants to push towards cleaner alternatives and provide a major boost in the transition to a sustainable ocean economy”.

The shipping sector is not covered by the Paris Climate Accord, but the Global Shipping Challenge highlighted the 40 national and corporate climate commitments.

These included Maersk's \$10bn deal with Spain to make green bunker fuel, America's \$3bn investment in clean ports as part of the Inflation Reduction Act, and a growing list of green shipping corridor plans. Those corridors include:

- U.S.-UK
- UK-Norway
- UK-Netherlands
- Great Lakes and St. Lawrence Seaway
- U.S.-South Korea
- LA/Long Beach-Singapore
- LA/Long Beach-Shanghai
- Singapore-Southeast Asia
- Singapore-Australia
- Belgium-Sweden
- U.S. Gulf-Lower Mississippi
- Alaska-British Columbia-Seattle (cruise ships only)

Norway also pledged to cut maritime emissions at the same pace as the rest of Norwegian society by 50% by 2030. It was observed that such a plan would, were it to be achieved, require 700 low-emission and 400 zero-emission ships in Norway alone.

Daniel Garden, the head of Norway's Blue Maritime Cluster, said that "to transform the entire industry, we must provide and share zero-emission solutions, products and knowledge both within the collaboration and out in the wider market."

The Port of Singapore is partnering with the Port of Los Angeles and Port of Long Beach to establish a green corridor that will focus on low- and zero-carbon ship fuels, as well as digital tools to support deployment of low- and zero-carbon ships. "Reducing greenhouse gas emissions in the maritime supply chain is essential, and this trans-Pacific partnership will help us build a network of ports and key stakeholders to help decarbonize goods movement throughout the Pacific region," said Port of Los Angeles Executive Director Gene Seroka.

"Decarbonizing the supply chain is the future of our industry, and partnerships like this on the world's most important trade route are important for fulfilling that ultimate goal," said Port of Long Beach Executive Director Mario Cordero.

"The trans-Pacific corridor is one of the busiest trade routes in the world," said Teo Eng Dih, Chief Executive of MPA. "Through this corridor, we hope to support the decarbonization of global supply chains, complementing efforts undertaken by the industry and the International Maritime Organization to drive the decarbonization and digital transition for international shipping."

Meanwhile, three more countries – Panama, Uruguay, and Norway – have signed up to the Clean Energy Marine Hub Initiative (CEM-Hubs), a group of representatives from across the global energy-maritime value chain, to set up

alternative fuel hubs. The initiative, which is co-led by a taskforce of CEOs, is a cross-sectoral public-private initiative aiming to accelerate the production, export and import of low-carbon fuels across the world.

The three governments join the UAE and Canada, which were the first to join the initiative when it was announced at the Clean Energy Ministerial in Pittsburgh earlier this year.

CEM-Hubs is coordinated with the support of the International Chamber of Shipping (ICS) and the International Association of Ports and Harbours (IAPH), and the Clean Energy Ministerial (CEM).

Further COP27 announcements are expected, including an American methane pledge, a Danish update on shipping's 2050 pathway, and several zero-emission vessel announcements.