

# INTERNATIONAL SHIPPING PROTECTING THE OCEAN, COMMITTED TO CO<sub>2</sub> REDUCTION

THE UNITED NATIONS OCEAN CONFERENCE (5-9 JUNE 2017)



## UN SUSTAINABLE DEVELOPMENT GOAL 14

CONSERVE AND SUSTAINABLY USE THE  
OCEANS, SEAS AND MARINE RESOURCES



**INTERNATIONAL CHAMBER OF SHIPPING**  
*Representing the Global Shipping Industry*



**THE OCEAN  
CONFERENCE**  
UNITED NATIONS, NEW YORK, 5-9 JUNE 2017

# INTERNATIONAL SHIPPING PROTECTING THE OCEAN, COMMITTED TO CO<sub>2</sub> REDUCTION



The international shipping industry – which transports about **90% of global trade** – is committed to supporting the UN Sustainable Development Goal for the protection of the Ocean (SDG 14).

Central to this is an **ambitious new commitment to reduce the international shipping sector's total CO<sub>2</sub> emissions**, which is directly relevant to preventing increases in sea temperature and Ocean acidification.

In line with new global regulations adopted by the **UN International Maritime Organization (IMO)**, the shipping industry is also committed to the dramatic reduction of **sulphur emissions**, which also contributes to Ocean acidification.

The industry is also committed to full compliance with all applicable IMO regulations for environmental protection within the framework of UNCLOS.

Ships trade internationally between continents. The shipping industry is therefore among IMO's greatest supporters because the efficiency of this enormous global industry is vitally dependent on uniform global rules. Chaos would ensue if different rules applied at different ends of an international voyage.



*IMO in session in London*



The International Chamber of Shipping (ICS) represents all sectors and trades and over 80% of the global shipping industry at IMO.

ICS is also a founder member of the World Ocean Council.

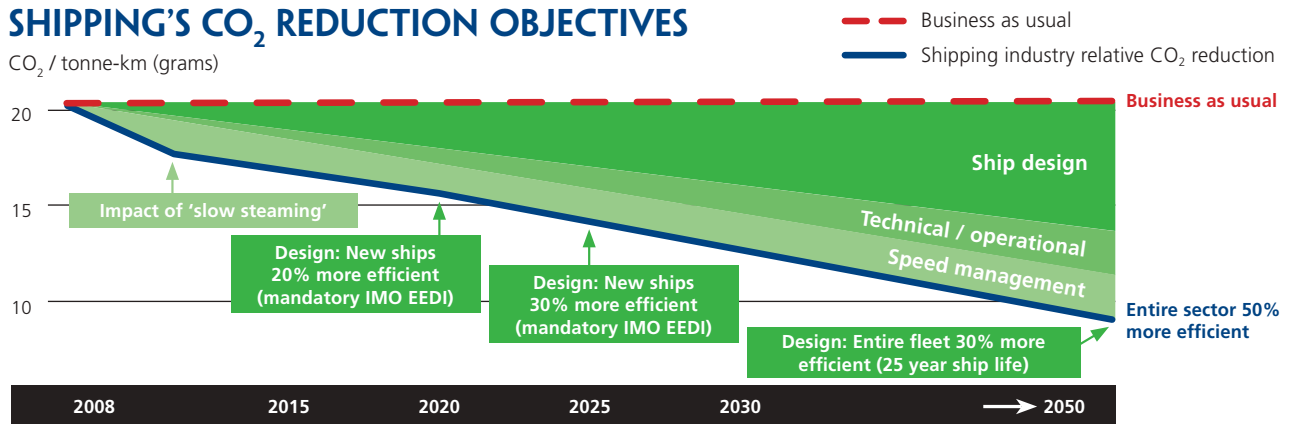
# SHIPPING'S CONTRIBUTION TO SUSTAINABLE DEVELOPMENT



**ENVIRONMENTAL** A CARBON EFFICIENT FORM OF COMMERCIAL TRANSPORT

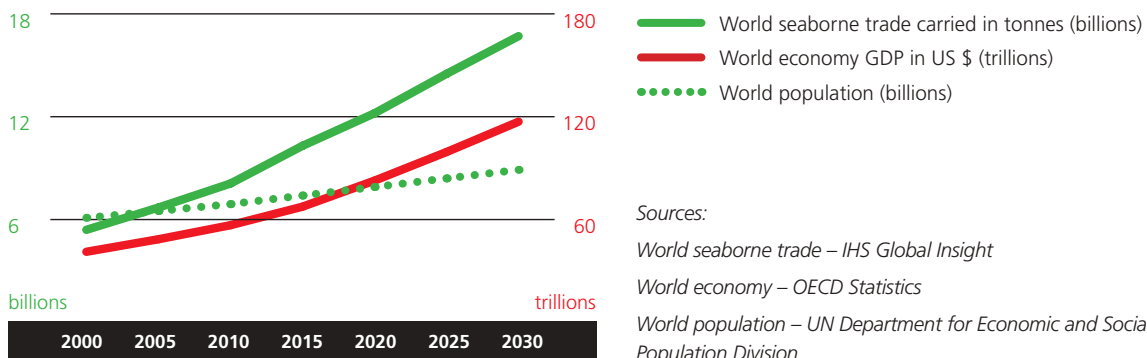
## SHIPPING'S CO<sub>2</sub> REDUCTION OBJECTIVES

CO<sub>2</sub> / tonne-km (grams)



**ECONOMIC** FACILITATING WORLD TRADE AND PROSPERITY

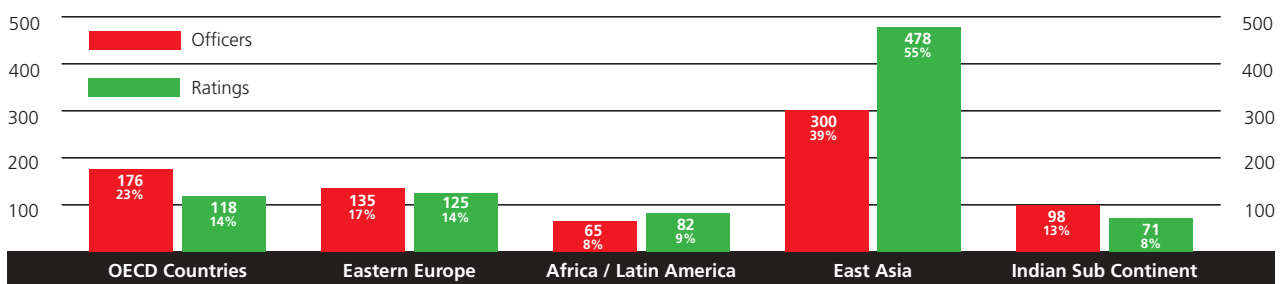
## PREDICTED INCREASES IN WORLD SEABORNE TRADE, GDP AND POPULATION



**SOCIAL** A GLOBAL WORKFORCE PROTECTED BY IMO AND ILO STANDARDS

## GLOBAL SEAFARER SUPPLY BY BROAD GEOGRAPHICAL AREA

Thousands



Source: ICS/BIMCO Manpower Report 2015

# SUSTAINABLE DEVELOPMENT GOAL 14.3

## MINIMIZE AND ADDRESS THE IMPACTS OF OCEAN ACIDIFICATION

### Reducing CO<sub>2</sub> Emissions

In line with a new commitment\* by ICS to the UN Ocean Conference, the global industry has proposed that the International Maritime Organization should adopt three Aspirational Objectives on behalf of the international sector as a whole (which is not covered by the INDCs that governments have made as part of the Paris Agreement on climate change):

- **To maintain international shipping's annual total CO<sub>2</sub> emissions below 2008 levels**
- **To reduce CO<sub>2</sub> emissions per tonne of cargo transported one kilometre, as an average across international shipping, by at least 50% by 2050, compared to 2008**
- **To reduce international shipping's total annual CO<sub>2</sub> emissions by an agreed percentage by 2050, compared to 2008, as a point on a continuing trajectory of CO<sub>2</sub> emissions reduction.**

\* The full ICS commitment to the UN Ocean Conference can be seen at <https://oceanconference.un.org/commitments/?id=15734>  
This commitment is expanded upon in a submission made jointly by ICS, BIMCO, INTERCARGO and INTERTANKO to the 71st Session of the IMO Marine Environment Protection Committee.

### Reducing Sulphur Emissions

In line with new IMO regulations, which are fully supported by the industry, the maximum sulphur content of marine fuel for most ships globally will reduce from 3.5% to 0.5% from 1 January 2020 (except in Emission Control Areas where ships must already use fuel with a sulphur content of 0.1%).

In practice – and at a collective cost to the global industry approaching US\$100 billion *per year* – most ships will have to use distillate (diesel) fuel rather than the residual heavy fuel oil that most ships currently use.

As well as bringing significant health benefits to coastal populations, the implementation of the global sulphur in fuel cap will reduce the impact from shipping on Ocean acidification.

The industry is confident that the first two objectives can be achieved with:

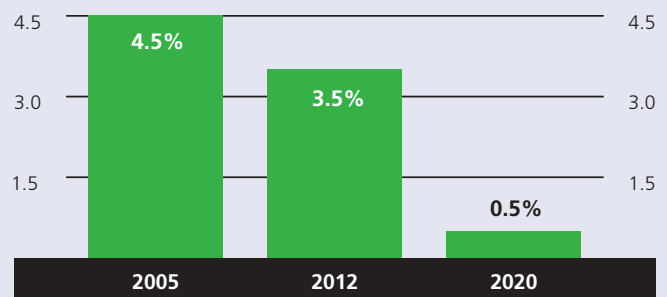
- Existing IMO regulations (for example, ships built after 2025 must be at least 30% more efficient than most ships constructed before 2013)
- Technical and operational measures: better engines and smarter speed management, supported by more fuel efficient movement through water (new hull and propeller designs, satellite assisted trim optimisation and renewable ancillary power).

However, in view of projected increases in demand for future maritime services, due to population growth and improving living standards, dramatic CO<sub>2</sub> reductions by 2050 will probably only be possible with **'fossil-free' alternative fuels and new propulsion technology**, which is not expected to be available for another 20 or 30 years.

The development of alternative fuels, and the associated bunkering infrastructure worldwide, therefore needs to form a central part of IMO's CO<sub>2</sub> reduction strategy.

### GLOBAL SULPHUR CAP

Sulphur content of fuel permitted outside Emission Control Areas



# SUSTAINABLE DEVELOPMENT GOAL 14C

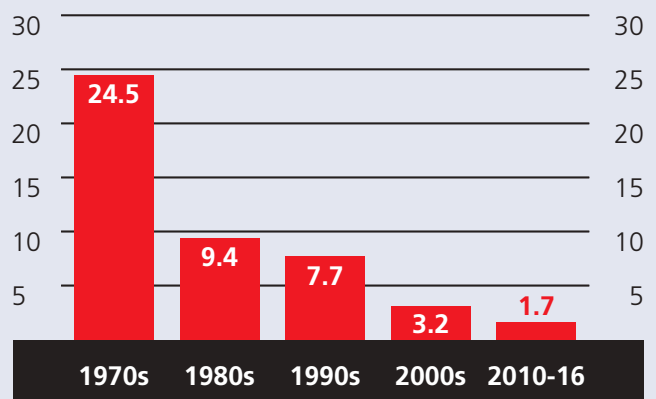
ENHANCE THE CONSERVATION AND SUSTAINABLE USE OF OCEANS AND THEIR RESOURCES BY IMPLEMENTING INTERNATIONAL LAW AS REFLECTED IN UNCLOS

Within the authority of UNCLOS, the shipping industry enjoys the comprehensive regulatory framework provided by IMO including the **International Convention for the Prevention of Pollution from Ships (MARPOL)** which *inter alia* regulates the discharge of oil, hazardous substances, sewage and garbage into the Ocean, as well as regulating atmospheric emissions from shipping.

The success of the MARPOL Convention and its strong implementation through a sophisticated system of flag and port state control is demonstrated by the dramatic reduction of oil pollution, despite a huge increase in maritime trade.

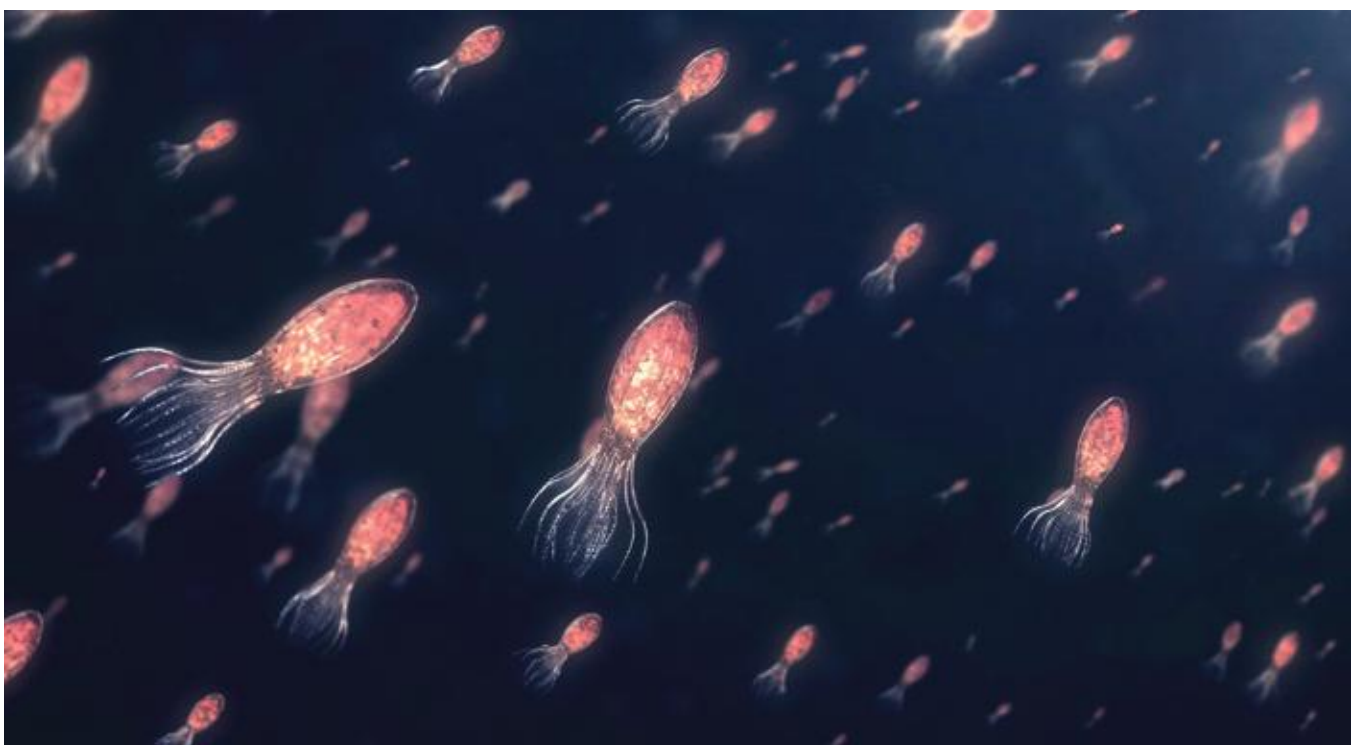
## REDUCTION IN MAJOR OIL SPILLS

Average number of major oil spills per year (over 700 tonnes)



Source: ITOPF

The industry is also committed to the successful implementation of the IMO Ballast Water Management Convention which enters into force worldwide in September 2017. At a collective cost to the industry of about US\$100 billion, this will involve the installation of enormous treatment systems to prevent the impact of invasive marine species unwittingly being moved in ships' ballast water tanks.



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# COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS

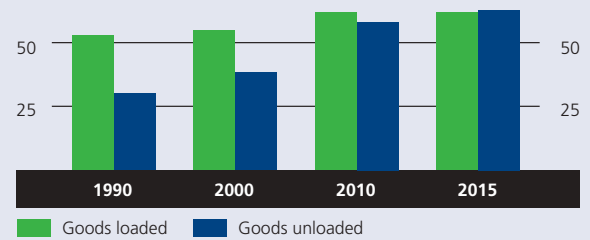
The international shipping industry, as represented by ICS, supports the UN Sustainable Development Goals and the recognition by governments that there are three pillars to sustainability: economic and social as well as environmental.

ICS believes that government regulators should give equal priority to each of these three pillars, including the economic. This is especially important in view of shipping's role in the continuing spread of global prosperity and the movement of about 90% of trade in goods, energy and raw materials.

The vital need to protect the environment and for ships to comply with all new environmental regulations is fully recognised. But unless the shipping industry is commercially viable it will not be able to deliver the investments in environmental and social improvements that are sought by regulators on behalf of society at large.

## INCREASE IN DEVELOPING COUNTRIES' SHARE OF GLOBAL SEABORNE TRADE (BY VOLUME)

% of global goods loaded/unloaded at developing countries' sea ports



Source: UNCTAD Review of Maritime Transport 2016

The international shipping industry is committed to the delivery of further environmental and social improvements in the interests of sustainable development. But sustainable development requires a shipping industry that is economically sustainable too.



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