

**UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
(UNFCCC)**

Subsidiary Body for Scientific and Technical Advice (SBSTA 36)

**Agenda item 10(d) –
Emissions from fuel used for international aviation and maritime transport**

**Statement by the IMO Secretariat
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Section, Marine Environment Division**

Mr. Chairman, Distinguished Delegates, Ladies and Gentlemen,

The IMO Secretariat is pleased to provide SBSTA 36 with an update on its work on improvement of energy efficiency in international maritime transport and corresponding reduction of all kinds of emissions from ships; both air pollutants and greenhouse gases.

As reported to your previous session in Durban at the end of last year, July 2011 was marked by a breakthrough at IMO, when, in response to the call for action in article 2.2 of the Kyoto Protocol, governments adopted the first ever legally binding energy efficiency standard with universal application for an entire economic sector, and thereby put in place a mandatory global solution for a global industry.

The measures includes a package of mandatory technical and operational measures to increase energy efficiency for international shipping through a design index for new ships, where the efficiency level will be tightened every five years, through improvements in design and propulsion techniques, and to keep pace with technological development, and through improved operational practices applicable to all ships. These mandatory measures are expected to enter into force on 1 January 2013.

As shipping is a truly international industry with most ships registered in developing countries and shipowners having the freedom to choose where to register their ships, international shipping must be regulated at the global level for any control regime to be effective – i.e. to avoid carbon leakage - and to maintain a level playing field for all ships irrespective of flag (nationality) or ownership. In other words, the global character of shipping requires global regulation that applies universally to all ships in line with the basic principle of non-discrimination set out in IMO's constitutive Convention.

The governments that adopted the amendments represent some 80% of the world's merchant shipping tonnage; both developed and developing countries from all regions of the world; both

exporters and importers, as well as the largest flag States, most of the large ship building nations, and, most importantly, many of the countries that are most likely to suffer first from the effects of climate change; and, their universality augurs well for the environmental integrity and effectiveness of the new IMO treaty obligations.

As a follow up to the breakthrough at IMO in July 2011, The Marine Environment Protection Committee in March 2012 adopted four sets of important guidelines intended to assist in the implementation of the mandatory energy efficiency regulations. Finalization and adoption of the supporting guidelines was another significant achievement which provides sufficient lead time for Administrations and industry to prepare for the new regime and will ensure uniform application and effective enforcement of the new regulations.

Although the regulations will not lead to an overall reduction of ship emissions, they will lead to significant reductions, by 2020, about 150 million tonnes of annual CO₂ reductions are estimated, a figure that, by 2030, is projected to increase to 330 million tonnes of CO₂ annually. In other words, the average reduction will, in 2020, be approximately 14% and, by 2030, approximately 23%, when compared with business as usual. Because they deal with energy efficiency, the reduction measures will also result in a significant saving in fuel costs to the shipping industry.

For further information on the adopted measures and their effect on future emissions, please refer to IMO's submissions to SBSTA 35, the IMO website: www.imo.org, or join us at the IMO side event tomorrow Tuesday, 15 May at lunch time in room WIND in the Ministry of Environment. You are all warmly welcome.

Mr. Chairman, to conclude, I would like to turn to next steps for IMO. In this regard, it has been recognized that, in spite of the expected emissions reductions, the adopted technical and operational measures may not, by themselves, be sufficient, over the longer term, to meet the overall reduction objectives and the two degrees target – particularly in view of the growth projections for world trade and, as a consequence, of shipping. IMO has, therefore, concluded that additional technical and operational measures are required, together with a market-based measure that would provide incentives for ever greater energy efficiency and may also generate revenues for climate change mitigation and adaptation action. IMO is, therefore, presently engaged in the analysis and development of such measures and we hope to have yet another good story to tell in a few years time.

IMO, as the global regulator of international shipping, will continue its endeavours to reduce any environmental impacts from international maritime transport, a transport industry that is vital to world trade and sustainable development, and will continue to keep SBSTA and other relevant bodies of the UNFCCC informed of its achievements.

Thank you.
