



UNFCCC and IMO Developments - and the response of the EU

Seas at Risk

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Structure

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Policy context - Climate Change

- **Fighting climate change is urgent, there is no alternative to reducing emissions.**
- **Even if we reduce, we need to adapt to the inevitable climate impacts as well.**
- **Reducing emissions and growing our economies is perfectly possible. Industrialized countries should continue to take the lead. 20% reduction by 2020 (30% if other developed countries act). Well below half 1990 levels by 2050.**
- **Developing countries' action must be scaled up, taking their differentiated responsibility, technical potential and economic capability into account.**
- **International negotiations under the UN should agree on a new and ambitious global framework in 2009.**



Policy context - Maritime Policy

- **Reducing emissions from ships is part of the development of the quality shipping concept – An Integrated Maritime Policy for the EU**
- **Positive environmental image of shipping must be maintained**
- **Quality shipping to be encouraged at global level**
- **Industry needs certainty – long term investments, ships last 30 years – need for stable framework**



Policy context - Comprehensive action on transport

- **All sectors need to make a contribution**
 - **Comprehensive (and fair) approach**
 - **EC action on transport GHG**
 - Aviation proposal 2006
 - Fuel Quality Directive 2007
 - CO₂ and cars 2007
 - Car Labelling (planned 2008)
 - Heavy Duty Vehicles (planned 2009)
 - Maritime Transport (if required)
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2. The case for reductions from shipping

- **Reductions are possible (many are cost effective)**
- **Very high energy efficient mode**
- **Customers and consumers want action**
- **No alternative (for majority of inter-continental freight – possible regional mode shift to be evaluated)**
- **Costs can be passed on (and very marginal impact on demand)**
- **Image of shipping**
- **EU shipyards, EU equipment manufacturers**



Customer requirements

- Tokyo Declaration (February 2008)

“We, the undersigned companies, reiterate our belief that all necessary action should be taken to limit the global average temperature increase to a maximum of 2 degrees Celsius compared to pre-industrial levels.

We welcome the outcome of the climate talks in Bali and, in particular, its recognition of the Inter-governmental Panel on Climate Change (IPCC) report and its conclusion that global emissions of greenhouse gases (GHGs) need to peak in the next 10–15 years and be reduced to very low levels, well below half of levels in 2000 by the middle of the twenty-first century”

Signed by companies such as: Sony, Nokia, Hewlett Packard, Tetra-Pak and Nike



3. Global process - IMO 1/2

- **Started work in 1997**
- **Excellent report in 2000 – GHG**
- **GHG ‘timetable’ agreed at MEPC 55 in 2006**
- **Scheduled to decide on ‘methods for addressing GHG emissions’ in July 2009**
- **2008 –3 weeks of meetings - Agreement on principles**



Global process - IMO 2/2

- **Status:**

- No discussion on level of reductions to be achieved,
- Only Energy Efficiency Design Index formula (level? application? start date? reductions?)
- No mandatory measures to be adopted in 2009
- Meaningful discussions blocked until 2010 (post UNFCCC COP 15)

- **New legal instrument required**

- Negotiate text (2-3 years)
- Diplomatic conference (+1 years)
- Ratification (+4-5 years)
- Entry into force (+1 year)
- Reductions



Global process - UNFCCC

- **Relevant items:**
 - Sectors to be covered
 - Means to achieve reductions
 - Flexibility Mechanisms
 - Financing
- **Kyoto Protocol / Long Term Co-operative action**
- **EU Environment Ministers – reconfirmed need for UNFCCC action on maritime (last week)**
- **Acceleration of negotiations in 2009 (Possible 8 or 12 weeks of meetings in 2009)**
- **Mitigation from Maritime (and aviation) very difficult topic**
- **Key element of EU negotiation position (1/8) for a new global post 2012 Climate Change regime (Copenhagen 2009)**



Problems with lack of progress

- **Timing** – IMO new legal instrument required for ‘package of measures’
 - Draft text (2-3 years?)
 - Diplomatic conference, ratification (2013-15?)
 - Entry into force (2016?)
 - Deviation from BAU – when? Reductions - when?
- **Fairness** - other sectors reducing since 1997
- **Cost** – whatever target is agreed, starting late costs more.
- **Image** - emissions from aviation capped below 2005 levels from 2012!
- **Impact** – causing dangerous climate change



Global approach is necessary

- **Global action necessary**
- **Discussion so far dominated by Europeans**
- **To agree a balanced and fair global approach important to engage/discuss with maritime actors throughout the world**
- **Need to reach out to stakeholders outside Europe and discuss this issue.**



4. European response

- 6th Environmental Action Plan (2002) EP and Council called on European Commission to act if IMO didn't in 2003
- European Commission will take action if
- Policy criteria:
 - Effective
 - Long term framework
 - Polluter pays
 - Cost effective
 - Fair
 - Quantifiable
 - No distortion of competition
 - Proportionate
 - Contribution to building a global system



Current status of EC work

- **External technical support**
 - Contract started October 2008
 - 12 months lead by CE Delft (NL)
 - Scope of work:
 - Policy options,
 - MAC,
 - Impact analysis,
 - Some stakeholder involvement (2009)
 - Mode shift issue (separate contract)
 - **Inter Service Group within EC**
 - **Formal stakeholder process after MEPC 59**
 - **No decision on measures (package approach)**
 - **Proposal ready for beginning of next Commission (after October 2009)**
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EU Policy Options

- **Option a - Include shipping in EU ETS**
- **Option b - Variation in harbour dues**
- **Option c - Mandatory CO₂ index limit**
- **Option d – Design Index for new ships**
- **Option v – Voluntary measures**
- **Option w – Refrigerant gasses**
- **Option x– Infrastructure measures**
- **Option y - Better routing / port integration**
- **Option z – Energy management / reporting**
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European Commission - planning

- **Formal consultation of stakeholders – 2009**
 - **Impact assessment - 2009**
 - **EC proposal (for new European Commission)**
 - **EP and Council Decision + 2 years**
 - **Entry into force + 1 year**
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5. Conclusion

- **Negotiations in UNFCCC**
 - **IMO to re-start in 2010**
 - **Positive message from maritime sector?**
 - **Commitments**
 - **Global = no action**
 - **Missing data**
 - **EC action being prepared**
 - **No decision taken on EC measures**
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Thank you for your invitation

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