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BIMCO, CLIA, IMCA, INTERCARGO, INTERFERRY, International Chamber of Shipping INTERTANKO, IPTA and World Shipping Council.

## **INDUSTRY BACKS UNITED NATIONS \$5 BILLION “MOON-SHOT” PROGRAMME TO DECARBONISE SHIPPING**

- Industry partners welcome “moon-shot” proposal from governments to set up a \$5 billion USD fund to catalyse the vital research and development needed to help shipping meet UN decarbonisation goals.
- Governments controlling a major share of world shipping to submit detailed proposals to the United Nations International Maritime Organization.
- Shipping leaders are calling on governments to ‘be on the right side of history’ and take forward the proposal at a critical meeting in June with a view to approval in November.
- Zero-emission ocean going ships deployed at the scale required by 2030 will be ‘near impossible’ if this proposal is not supported by UN IMO member states.

Responding to the UN Secretary-General’s call for “urgency and ambition” on climate change, the entire global shipping industry is giving “full and unequivocal” backing to a moon-shot proposal submitted by governments, to catalyse the complete decarbonisation of maritime transport by deployment at scale of zero-carbon ships within a decade.

The proposal, being submitted today by governments controlling a major share of the world’s shipping tonnage to the UN International Maritime Organization (IMO) is to establish a \$5 billion USD “IMO Maritime Research Fund” using mandatory contributions from the world’s shipping companies.

This new \$5 billion USD Fund will support a new International Maritime Research and Development Board (IMRB) to commission collaborative programmes for the applied research and development R&D of zero-carbon technologies, specifically tailored for maritime application, including development of working prototypes. It will also assist CO<sub>2</sub> reduction projects in developing countries, including Pacific island nations.

The shipping industry is urging all governments to approve this mature moon-shot proposal – led by major shipping nations including Georgia, Greece, Japan, Liberia, Malta, Nigeria, Palau, Singapore, Switzerland – at a critical IMO meeting in London in November 2021, which will coincide with the next UN Climate Conference (COP 26) in Glasgow. This is the only fully detailed proposal available to deliver the speed and scale called for by UN Secretary-General, António Guterres. Failure by UN member states to support this initiative could significantly set back progress towards the decarbonisation of shipping.

Decarbonisation can only take place with a significant acceleration of R&D, as zero-carbon technologies do not yet exist that can be applied at scale to large ocean-going ships. A well-funded R&D programme, which the industry has agreed to pay for within a global regulatory framework, needs to commence immediately under the supervision of the UN IMO.

Recognising the urgency and ambition required to decarbonise, shipping industry groups are calling for all governments to be on the right side of history in supporting this ambitious proposal.

International shipping transports more than 80 per cent of global trade and emits 2 percent of global emissions. The big challenge is not building a single zero carbon ship, the big challenge is creating the technologies needed to decarbonise the entire global fleet at speed and scale. The sooner the IMO Maritime Research Fund is established, the sooner industry can develop zero emission ships to decarbonise maritime transport.

### **Background Notes:**

*The mature regulatory proposal being submitted to the next meeting of the IMO Marine Environment Protection Committee (MEPC 76) which will take place in June 2021 and can be found [here](#) using the password “MEPC2021!” when asked.*

*The proposal from a coalition of leading shipping nations and developing countries - Georgia, Greece, Japan, Liberia, Malta, Nigeria, Palau, Singapore, Switzerland - includes a new draft Chapter 6 to Annex VI of the MARPOL Convention. It is also co-sponsored by all of the world’s major international shipowners’ associations: BIMCO, Cruise Lines International Association, IMCA, INTERCARGO, INTERFERRY, International Chamber of Shipping, INTERTANKO, IPTA and World Shipping Council. The proposal takes forward a concept first proposed by the shipping industry in December 2019, initial consideration of which by IMO (MEPC 75) was delayed until November 2020 due to COVID 19. The new proposal addresses various legal operational, administrative, legal and governance aspects put forward by governments at MEPC 75.*

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