

**FOR IMMEDIATE RELEASE**

## **Shipping industry welcomes IMO decision to give further consideration to USD 5 billion fund to accelerate decarbonisation**

**Copenhagen, Brussels, London and Washington; November 20, 2020 – The UN International Maritime Organization (IMO) has given initial consideration to an innovative proposal from the global shipping industry to collectively provide USD 5 billion to accelerate R&D to support its decarbonisation.**

The world's governments have agreed to give further consideration to the detail of the concept of an IMO-supervised, industry financed, USD 5 billion programme, to be conducted by a new International Maritime Research and Development Board (IMRB), to accelerate the introduction of zero-emission technologies for maritime transport. Governments have also raised a number of legitimate issues which the IMO will need to carefully address.

Governments attending the IMO Marine Environment Protection Committee (MEPC) contributed constructive input on the industry's proposal to establish the IMRB. This included important questions about governance and IMO oversight, the need to take account of the economic impact on states of the proposed mandatory R&D contribution of USD 2 per tonne of marine fuel, and the need to address the interests of Least Developed Countries (LDCs) and Small Island Developing States (SIDS).

The Industry is eager to work with governments to ensure that this initiative is implemented as soon as possible, aiming for the IMRB to be operational by 2023. Every advance in technological certainty increases investment certainty, reducing the future cost of the transition to zero-carbon fuels and technologies, and accelerating the pace at which that transition can occur. With USD 5 billion in core funding over a 10-year period, generated from industry contributions, the IMRB will create the technological and investment certainty to spur innovators, engineers, energy companies, shipyards, financial institutions, and engine manufacturers to accelerate the R&D effort required to decarbonise shipping.

The IMO 2050 climate targets can only be achieved with the immediate acceleration of zero-carbon fuels and technologies. The IMRB is a crucial vehicle for driving the progress needed to build a zero-carbon shipping industry, and the necessary funding can only be provided within the global regulatory framework of IMO.

The industry recognises the unprecedented nature of its proposal and the associated complexities, and will work to address this so that governments can take forward its offer of USD 5 billion of funding to accelerate R&D, to ensure the technological innovation necessary to make the required zero-carbon transition within the IMO 2050 time line.

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## NOTES TO EDITOR:

### Highlights of the International Maritime Research and Development Board (IMRB) proposal:

- The IMRB would be subject to IMO Oversight, with the sole duty to accelerate the research and development of low-carbon and zero-carbon fuels, energy sources, propulsion systems and other new GHG reduction technologies, operating under a Charter approved by the IMO.
- An International Maritime Research Fund (IMRF) would provide industry financing for the IMRB research and development programmes, collecting about USD 5 billion over a ten-year period via contributions of USD 2 per tonne of fuel consumed by every ship.
- Other relevant stakeholders such as energy suppliers, technology companies, research and development institutions and foundations would be welcome to participate and contribute to the International Maritime Research Board and its work.
- The IMRB is designed to work itself out of a job in 10-15 years by delivering research and development projects that will then allow commercial entities to provide the technologies and services that will move proven technologies into the global fleet by the 2030s, so that the IMO target for 2050 can be achieved.
- The shipping industry organisations behind the proposal emphasise that the USD 2 contribution is not to be seen as a market-based CO2 reduction measure as it would only exist for a defined technical purpose – the acceleration of R&D for zero-carbon propulsion systems.

The international shipowner associations making this proposal, which collectively represent all sectors and trades and over 90% of the world merchant fleet, are:

- [BIMCO](#)
- [CRUISE LINES INTERNATIONAL ASSOCIATION](#)
- [INTERCARGO](#)
- [INTERFERRY](#)
- [INTERNATIONAL CHAMBER OF SHIPPING](#)
- [INTERTANKO](#)
- [INTERNATIONAL PARCEL TANKERS ASSOCIATION](#)
- [WORLD SHIPPING COUNCIL](#)

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