



International
Chamber of Shipping

Shaping the Future of Shipping

IMO REPORT ON GHG FINDS A DECOUPLING BETWEEN TRADE AND EMISSIONS IN SHIPPING

The International Maritime Organisation's fourth Greenhouse Gas Study highlights that the shipping industry has continued its trend of decoupling emissions growth from the global growth of seaborne trade. However, the report demonstrates that improvements in technical efficiencies alone will not be enough for the sector to reach the target of halving emissions by 2050, compared to 2008 levels.

The Study shows a 40% increase in seaborne trade between 2008 and 2018 while also recognising that CO₂ emissions from shipping fell by 10% over the same period. Notably, seaborne trade doubled between 1999 and 2018.

This vital decoupling has been made possible by significant improvements in carbon intensity, which is now between 21 and 29% better than in 2008, across international shipping. This is just one of many factors that makes shipping the most environmentally friendly mode of transport for goods.

The study has not considered the COVID-19 pandemic, which is currently having a significant impact on the industry. The WTO expects a 15-30% contraction in worldwide trade in 2020, which will further reduce the level of emissions from shipping.

However, as underlined in the report, further improvements in the efficiency of conventional oil-fuelled ships will not be able to phase out carbon emissions entirely. The development of zero-emission technology remains crucial. This is why the industry put forward proposals last year for a levy to be placed on the cost of a tonne of fuel to create a \$5bn R&D fund that aims to develop zero-carbon ships.

The International Chamber of Shipping (ICS) and the entire shipping community is fully committed to forging a net-zero future for the sector. Through the continued decoupling between trade and emissions, growing efficiency savings and the development of zero-carbon technologies, the industry is confident it will be able to achieve the necessary target of halving emissions by 2050.

Guy Platten, Secretary General for the International Chamber of Shipping said:

"It's encouraging to see that shipping continues to be the most environmentally friendly mode for the transportation of goods. The findings of the report strongly reflect the industry's ongoing efforts to decouple trade and emissions growth."

"While these are encouraging signs, it's clear that if we are to achieve a 50% total cut in CO₂ by 2050 efficiency gains will not be enough. To realise our goal for a decarbonised future, governments must get behind the adoption of the international R&D fund proposal submitted to the IMO last year."

"This has the potential to develop the vital technology that will allow us to reach our zero-emission future. The R&D fund will pave the way for vital technological advancements, including the development of zero-carbon fuels and ships."

"In the short term the reduction in worldwide trade, due to the COVID-19 pandemic could result in reduced emissions. However, this will also severely impact economies and the attainment of the UN Sustainable Development Goals. Governments will therefore need to work with the IMO to ensure that shipping can play its part in the global recovery, whilst also ensuring the development of the zero-emission ships of tomorrow."

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Notes to Editors:**About ICS**

The International Chamber of Shipping (ICS) is the principal international trade association for merchant shipowners and operators, representing all sectors and trades and over 80% of the world merchant fleet.