

MARINE ENVIRONMENT PROTECTION
COMMITTEE
71st session
Agenda item 7

MEPC 71/WP.7
6 July 2017
Original: ENGLISH

DISCLAIMER

As at its date of issue, this document, in whole or in part, is subject to consideration by the IMO organ to which it has been submitted. Accordingly, its contents are subject to approval and amendment of a substantive and drafting nature, which may be agreed after that date.

REDUCTION OF GHG EMISSIONS FROM SHIPS

Report of the Working Group on Reduction of GHG emissions from ships

Introduction

1 The Working Group on Reduction of GHG emissions from ships met from 5 to 6 July 2017 chaired by Mr. S. Oftedal (Norway).

2 The Group was attended by delegates from the following Member Governments:

ANGOLA	KENYA
ANTIGUA AND BARBUDA	KIRIBATI
ARGENTINA	LIBERIA
AUSTRALIA	MALAYSIA
BAHAMAS	MALTA
BANGLADESH	MARSHALL ISLANDS
BELGIUM	MEXICO
BRAZIL	NETHERLANDS
CANADA	NEW ZEALAND
CHILE	NIGERIA
CHINA	NORWAY
COLOMBIA	PANAMA
COOK ISLANDS	PERU
CYPRUS	PHILIPPINES
DENMARK	POLAND
ESTONIA	REPUBLIC OF KOREA
FIJI	RUSSIAN FEDERATION
FINLAND	SAUDI ARABIA
FRANCE	SINGAPORE
GERMANY	SOLOMON ISLANDS
GREECE	SOUTH AFRICA
INDIA	SWEDEN
INDONESIA	SWITZERLAND
IRAN (ISLAMIC REPUBLIC OF)	TURKEY
ITALY	UNITED KINGDOM
JAPAN	UNITED STATES

by the following Associate Member:

HONG KONG, CHINA

by representatives from the following UN Programmes, UN Specialized Agencies and other UN Entities:

UNITED NATIONS FRAMEWORK CONVENTION ON CLIMATE CHANGE
(UNFCCC)

by observers from the following intergovernmental organizations:

ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
(OECD)
EUROPEAN COMMISSION (EC)

and by observers from the following non-governmental organizations in consultative status:

INTERNATIONAL CHAMBER OF SHIPPING (ICS)
COMITÉ INTERNATIONAL RADIO-MARITIME (CIRM)
INTERNATIONAL ASSOCIATION OF PORTS AND HARBORS (IAPH)
BIMCO
OIL COMPANIES INTERNATIONAL MARINE FORUM (OCIMF)
COMMUNITY OF EUROPEAN SHIPYARDS' ASSOCIATIONS (CESA)
INTERNATIONAL ASSOCIATION OF INDEPENDENT TANKER OWNERS
(INTERTANKO)
CRUISE LINES INTERNATIONAL ASSOCIATION (CLIA)
INTERNATIONAL ASSOCIATION OF DRY CARGO SHIPOWNERS
(INTERCARGO)
INSTITUTE OF MARINE ENGINEERING, SCIENCE AND TECHNOLOGY
(IMarEST)
THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (RINA)
INTERFERRY
INTERNATIONAL TRANSPORT WORKERS' FEDERATION (ITF)
WORLD SHIPPING COUNCIL (WSC)
CLEAN SHIPPING COALITION (CSC)

Terms of reference

3 The Group was instructed, taking into account the comments and decisions made in plenary and documents MEPC 69/6/6, MEPC 71/7, MEPC 71/7/1, MEPC 71/7/2, MEPC 71/7/3, MEPC 71/7/4, MEPC 71/7/5, MEPC 71/7/6, MEPC 71/7/7, MEPC 71/7/8, MEPC 71/7/9, MEPC 71/7/10, MEPC 71/7/11, MEPC 71/7/12, MEPC 71/7/13, MEPC 71/7/14, MEPC 71/INF.23, MEPC 71/INF.34, MEPC 71/INF.35 and ISWG-GHG 1/2/7, and on the basis of the work of ISWG-GHG 1 (MEPC 71/WP.5), to:

- .1 develop an outline for the structure of the draft initial IMO Strategy on reduction of GHG emissions from ships;
- .2 further consider how to progress the matter of reduction of GHG emissions from ships and advise the Committee as appropriate;

-
- .3 prepare draft terms of reference for the second and third meetings of the Intersessional Working Group on Reduction of GHG emissions from ships; and
 - .4 submit a written report to plenary by Thursday, 6 July 2017.

Development of an outline for the structure of the draft initial IMO Strategy on reduction of GHG emissions from ships

4 As instructed by the Committee, the Group worked on the development of a draft outline for the structure of the initial strategy (hereafter "draft outline"), focusing on headings without going into detailed content. In doing so, the Group noted that the format of the strategy would need to be further considered and that the first draft outline may need further development as the work of the Group progresses at the forthcoming meetings.

5 The Group recalled that proposals for the structure and elements to be included in the initial strategy had been submitted by China and India, in the annex to document MEPC 71/7, and by Japan in annex 1 to document MEPC 71/7/11, while further proposals had been made orally by the delegations of the Bahamas and Japan during the plenary discussion. The Group proceeded to discuss how these proposals could be considered in developing the draft outline.

6 In the ensuing discussion, some delegations expressed support for the proposal made orally by the delegation of Japan in plenary, which was also provided in writing for the Group's consideration, to be used as the basis. Other delegations expressed the view that there were also useful elements in the proposal by China and India in the annex to document MEPC 71/7, which should be incorporated into the draft outline. In conclusion, the Group agreed to combine elements from both proposals for the development of the draft outline, as well as to add any necessary aspects not captured in either proposal.

7 In this regard, some delegations recalled the need to include the consideration of impacts on States in the draft outline. The Group agreed with this and with the view that this point could be captured in the heading addressing candidate measures. Other points added to the draft outline included research and development (R&D) and follow-up actions towards the development of the revised Strategy.

8 The Group noted some further proposals regarding potential and possibly interlinked elements of the draft outline, including whether it should include a preamble and how it could capture aspects such as the Strategy's vision, aim and objectives, and the relevant international legal framework. There was an exchange of views on these points and the Group was not able to reach clear consensus on all aspects. However, recalling that the draft outline should be simple and contain only high-level headlines, and that it would only represent a starting point for further deliberations, the Group agreed that it was sufficient at this stage to capture the intent broadly.

9 The Group also noted that some subjects would not need to be specified as a headline in the draft outline.

10 Following constructive discussions, the Group developed the draft outline for the structure of the initial IMO Strategy on reduction of GHG emissions from ships, as set out in annex 1.

Further consideration of how to progress the matter of reduction of GHG emissions from ships

11 Following a comment with regard to the further consideration of the updated emission scenarios submitted to this session, the Group noted that emission scenarios had been included as part of the context for the initial Strategy and which is reflected in the draft outline considered under the first terms of reference.

Terms of reference for the second and third meetings of the Intersessional Working Group on Reduction of GHG emissions from ships

12 As instructed by the Committee, the Group considered draft terms of reference for the second and third meetings of the Intersessional Working Group on Reduction of GHG emissions from ships. In considering this, the Group recognized that it should take into account the work carried out so far (including at the first intersessional meeting and this session), and the need for the forthcoming intersessional meetings to achieve concrete outcomes and finalize the draft initial Strategy, with a view to its adoption at the next session of the Committee in accordance with the approved Roadmap.

13 In light of the above, the Group agreed that, while still maintaining the overarching mandate to further consider how to progress the matter of reduction of GHG emissions from ships, the terms of reference for the second and third intersessional meetings should also be more specific.

14 In conclusion, the Group prepared the draft terms of reference for the second and third meetings of the Intersessional Working Group on Reduction of GHG emissions from ships, as set out in annex 2.

Action requested of the Committee

- 15 The Committee is invited to approve the report in general and, in particular, to:
- .1 note the draft outline for the structure of the initial IMO strategy on reduction of GHG emissions from ships, as set out in annex 1 (paragraph 10); and
 - .2 approve the draft terms of reference for the second and third meetings of the Intersessional Working Group on Reduction of GHG emissions from ships, as set out in annex 2 (paragraph 14).

ANNEX 1

COMPREHENSIVE IMO STRATEGY ON REDUCTION OF GHG EMISSIONS FROM SHIPS

DRAFT OUTLINE OF THE STRUCTURE OF THE INITIAL STRATEGY

- 1 Preamble/introduction/context including emission scenarios
- 2 Vision
- 3 Levels of ambition
Guiding principles
- 4 List of candidate short-, mid- and long-term further measures with possible timelines and their impacts on States
- 5 Barriers and supportive measures; capacity building and technical cooperation; R&D
- 6 Follow-up actions towards the development of the revised strategy
- 7 Periodic review of the Strategy

ANNEX 2

DRAFT TERMS OF REFERENCE FOR THE SECOND AND THIRD MEETINGS OF THE INTERSESSIONAL WORKING GROUP ON REDUCTION OF GHG EMISSIONS FROM SHIPS

Draft terms of reference for ISWG-GHG 2

"The Working Group on Reduction of GHG emissions from ships is instructed, taking into account the comments and decisions made in plenary and the documents submitted (MEPC 69/6/6, MEPC 71/7, MEPC 71/7/1, MEPC 71/7/2, MEPC 71/7/3, MEPC 71/7/4, MEPC 71/7/5, MEPC 71/7/6, MEPC 71/7/7, MEPC 71/7/8, MEPC 71/7/9, MEPC 71/7/10, MEPC 71/7/11, MEPC 71/7/12, MEPC 71/7/13, MEPC 71/7/14, MEPC 71/INF.23, MEPC 71/INF.34, MEPC 71/INF.35 and ISWG-GHG 1/2/7) and on the basis of the work of ISWG-GHG 1 (MEPC 71/WP.5) and the working group at MEPC 71 (MEPC 71/WP.7), to:

- .1 further develop the structure and identify core elements of the draft initial IMO Strategy on reduction of GHG emissions from ships;
- .2 develop draft text for inclusion in the initial Strategy;
- .3 further consider how to progress the matter of reduction of GHG emissions from ships and advise the Committee as appropriate; and
- .4 submit a report to MEPC 72."

Draft terms of reference for ISWG-GHG 3

"The Working Group on Reduction of GHG emissions from ships is instructed, taking into account the comments and decisions made in plenary and the documents submitted, and on the basis of the work of ISWG-GHG 2 (MEPC 72/7), to:

- .1 finalize the draft initial IMO Strategy on reduction of GHG emissions from ships;
- .2 further consider how to progress the matter of reduction of GHG emissions from ships and advise the Committee as appropriate; and
- .3 submit a report to MEPC 72."