

MARINE ENVIRONMENT PROTECTION COMMITTEE 58th session Agenda item 4 MEPC 58/4/32 15 August 2008 Original: ENGLISH

PREVENTION OF AIR POLLUTION FROM SHIPS

Application of the principle of "common but differentiated responsibilities" to the reduction of greenhouse gas emissions from international shipping

Submitted by China and India

SUMMARY

Executive summary: This document comments on the Report of the outcome of the first

intersessional meeting of the Working Group on Greenhouse Gas Emissions from Ships (GHG-WG 1) and makes a proposal regarding the application of the principle of "common but differentiated

responsibilities" to the reduction

Strategic direction: 7.3

High-level action: 7.3.1

Planned output: 7.3.1.1 and 7.3.1.3

Action to be taken: Paragraph 11

Related documents: MEPC 58/4 and GHG-WG 1/WP.1

Background

- This document is submitted in accordance with the provisions of paragraph 4.10.5 of the Guidelines on the organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies (MSC-MEPC.1/Circ.2) and comments on the report of the outcome of the first Intersessional Meeting of the Working Group on Greenhouse Gas Emissions from Ships (GHG-WG 1) (MEPC 58/4). It makes a proposal regarding the application of the principle of "common but differentiated responsibilities" to the reduction of GHG emissions from international shipping.
- Article 2.2 of the Kyoto Protocol requests the countries listed in Annex I to the UNFCCC to work through IMO to pursue the limitation or reduction of GHG emissions from marine bunker fuels, which is recognized by resolution A.963 (23) adopted at the twenty-third session of the IMO Assembly on 5 December 2003.

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Developing countries, including China, Brazil, India, Saudi Arabia and South Africa at GHG-WG 1 emphasized that the principle of *common but differentiated responsibilities*, which is the fundamental principle in fighting against climate change globally, should also be the guiding principle of IMO's efforts in addressing GHG emissions from international shipping. However, it was argued by some Annex I countries that this principle may hardly be applied due to the complexity of international shipping and difficulties in distinguishing the ships of Annex I countries from those of non-Annex I countries. In his opening address delivered at the Oslo meeting, the IMO Secretary-General noted that the divergence of opinions on this key issue was not unbridgeable, and that IMO can find the solution to ensure the environmental effectiveness and the interests and capabilities of developing countries.

Comments

- 4 The principle of common but differentiated responsibilities must be fully respected and applied with regard to the reduction of GHG emission from international shipping since this is not so much an environmental issue as a development one in nature. Shipping has proved to be the most environment-friendly mode of transport in terms of carbon efficiency. Shipping is also the most efficient and effective way of transporting bulky goods that improve people's living standards around the world, the developing countries in particular. Given the fact that the largest share of GHG emissions from international shipping has originated from the cumulative emissions from historical development of shipping industry in the developed countries, it is the prime responsibility of the developed countries to take the lead in addressing the issue of GHG emissions and its adverse impact as well as support the developing countries in their capacity-building to do so. For the developing countries whose priority is to develop economy and improve people's living standards, the fuel consumption and GHG emissions from their shipping should be considered as the "survival emissions" which is described in the UNFCCC as "the first and overwhelming priority for developing country to achieve its economic and social development and to eliminate poverty".
- Due to the complexity of international shipping, particularly the ship registration and ownership, it is very difficult to draw a clear line between the ships of Annex I countries and those of non-Annex I countries on the basis of the flags the ships are flying. However, as shown in the Review of Maritime Transport 2007 by UNCTAD, which is based on the data supplied by Lloyd's Register-Fairplay, developed countries control about 65.9% of the world dwt, while developing countries and countries in transition control 31.2% and 2.9% respectively. The definition of countries of genuine control or the nationality being defined as the country of domicile for ship owners is the methodology used in UNCTAD's Review. Therefore it is believed that such methodology could also be used to distinguish the ships of Annex I countries from those of non-Annex I countries for the reduction of GHG emissions from international shipping.

Proposal

- 6 In this context, it is proposed that IMO conducts a comprehensive study on the application of the principle of *common but differentiated responsibilities* to the reduction of GHG emissions from international shipping based on the Genuine Control Approach.
- 7 IMO should give due respect to the principle of *common but differentiated responsibilities* in developing measures to address GHG emissions from international shipping, including technical, operational and market-based measures.

- 8 With respect to the development of the acceptable technical measures, the different economic, social and technical conditions between developed and developing countries should be fully taken into account, and the measures should be implemented in a phased-in manner.
- 9 The operational and market-based measures to be developed by IMO should only be mandatory to Annex I countries in accordance with the provisions and principles of the UNFCCC and its Kyoto Protocol, while non-Annex I countries should be encouraged to apply the measures on a voluntary basis.
- Considering the economic development and people's living conditions in developing countries, the developed countries should provide developing countries with financial resources and technology to improve their capacity to address the issue of GHG emissions from international shipping, so as to achieve the common goal of the reduction of GHG emissions.

Action requested of the Committee

11 The Committee is invited to consider the above comments and proposal, and take action as appropriate.