



MARINE ENVIRONMENT PROTECTION
COMMITTEE
60th session
Agenda item 4

MEPC 60/4
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PREVENTION OF AIR POLLUTION FROM SHIPS

Control of greenhouse gas emissions from international maritime transport

Summary of matters and documents deferred to the Committee's sixtieth session

Note by the Secretariat

SUMMARY

<i>Executive summary:</i>	This document provides a summary of matters and documents kept in abeyance from the last session of the Committee. The documents summarized, together with submission to this session, will be the basis for the continued debate of certain aspects of the consideration of an efficient global control regime for greenhouse gas emissions from international shipping
<i>Strategic direction:</i>	7.3
<i>High-level action:</i>	7.3.1
<i>Planned output:</i>	7.3.1.3
<i>Action to be taken:</i>	Paragraph 13
<i>Related documents:</i>	MEPC 59/4/18, MEPC 59/WP.8, MEPC 59/24 and as listed below

Background

1 The Committee at its last session, recognizing that a number of items and documents had not been introduced or thoroughly considered due to time constraints, agreed to keep certain items and documents in abeyance for further consideration at MEPC 60 as summarized in this document.

Legal aspects and application matters

2 The Committee agreed at its last session that all documents and the debates on the type of legal instrument and application issues, in their entirety, should be left for future sessions, where the issues should be discussed in light of the outcome of the United Nations Climate Conference (COP 15) that will be held in Copenhagen, Denmark in December 2009 (MEPC 59/24, paragraph 4.40). The following documents were deferred to this session:

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MEPC 58/4/15	United Kingdom	Consideration of the appropriate instrument for a mandatory regime to address GHG emissions
MEPC 58/4/16	Australia, Canada, Denmark, Germany, Japan, Marshall Islands, Norway, Panama and the United States	Identifying Consensus on IMO Principles on Addressing Greenhouse Gas Emissions from International Shipping
MEPC 58/4/17	United States	Possible Framework for Action for Addressing Greenhouse Gas Emissions from International Shipping
MEPC 58/4/18	Cyprus	Proposal for a “solution outline” for the GHG emissions from ships
MEPC 58/4/20	Secretariat	Legal Aspects of the Organization’s Work on Greenhouse Gas Emissions in the Context of the Kyoto Protocol
MEPC 58/4/23	Australia	Principles for the development of an IMO regulatory framework to address greenhouse gas emissions from international shipping
MEPC 58/4/31	Brazil	IMO Action on GHG Emissions from Ships
MEPC 58/4/32	China and India	Application of the principle of “common but differentiated responsibilities” to the reduction of greenhouse gas emissions from international shipping
MEPC 59/4/16	The Islamic Republic of Iran	Form of legal instrument addressing greenhouse gas emissions from ships
MEPC 59/4/26	France, Germany and Norway	Cornerstones for an outline of a convention of a Global Emission Trading Scheme for International Shipping
MEPC 59/INF.26	Japan and Norway	Updated information on the draft text of possible framework for the application of technical measures to improve the energy efficiency of ships

Reduction levels resulting from a market-based reduction measure

3 The Committee at its last session considered two documents related to the reduction levels to be achieved by applying a market-based measure to international shipping (MEPC 59/24, paragraphs 4.111-4.115). There was a general agreement that the topic of reduction levels should be revisited at the sixtieth session and the Committee invited additional contributions to ensure an informed debate in order to advance the issue satisfactorily.

4 In addition to submissions to this session the following documents should be taken into account during the continued debate on reduction levels to be achieved by applying a market-based measure to international shipping:

MEPC 59/4/24	Norway	A methodology for establishing an emission cap in an ETS for international shipping
MEPC 59/4/35	Japan	Consideration of appropriate targets for reducing CO ₂ emissions from international shipping

Background documents on market-based measures

5 The documents addressing market-based reduction measures summarized in the annex to this document have been submitted to earlier sessions of the Committee (and to GHG-WG 1) and may be relevant as background documents.

Energy Efficiency Design Index for new ships – EEDI

Electric power tables

6 MEPC 59 noted the discussion within its Working Group on GHG Emissions from Ships on electric power tables to be used in connection with the EEDI and invited Member Governments and observer organizations to submit comment and further proposals to the next session (MEPC 59/24, paragraph 4.137).

7 In addition to submissions to this session the following document should be taken into account during the continued debate on electric power tables to be used in connection to the EEDI:

MEPC 59/4/28	CLIA	Consideration of the Energy Efficiency Design Index for New Ships
		Guideline for the uniform definition of Electric power Table for EEDI

EEDI baseline issues

8 MEPC 59 noted the progress made by its Working Group on GHG Emissions from Ships on the EEDI baseline issues and invited Member Governments and observers to submit proposals and comments on the Working Group Chairman's summary in paragraph 6.33 of document MEPC 59/WP.8 to the next session (MEPC 59/24, paragraph 4.137).

9 In addition to submissions to this session the following documents should be taken into account during the continued debate on issues related to the EEDI baseline:

MEPC 58/4/8	Denmark	Methodology for Design CO ₂ Index Baselines and Recalculation thereof
MEPC 58/4/34	China	Comments on the proposed baseline formula

GHG-WG 2/2/7	Denmark	Recalculation of energy efficiency design index baselines for cargo ships
GHG-WG 2/2/9	China	Comments on the EEDI Baseline formula
GHG-WG 2/2/22	CESA	CO ₂ reduction requires efficient instruments based on sound technical solutions
MEPC 59/4/20	China	Considerations of the EEDI Baselines
MEPC 59/4/22	Republic of Korea	Calculation of the EEDI for LNG Carrier – Case Study
MEPC 59/4/37	Sweden	Calculation and definition of EEDI Baselines
MEPC 59/4/44	IACS	Comments on Energy Efficiency Design Index (EEDI) baseline computations

Ships with non-conventional propulsion systems

10 MEPC 59 noted the debate within its Working Group on GHG Emissions from Ships on ships with non-conventional propulsion systems, e.g., passenger ships with diesel-electric propulsion, and invited Member States and observers to submit their communications on this matter to the next session (MEPC 59/24, paragraph 4.137).

11 In addition to submissions to this session, the following documents should be taken into account during the continued debate on issues related to ships with non-conventional propulsion systems:

GHG-WG 2/2/13	INTERFERRY	Further development of index methodology as presented at MEPC 58
GHG-WG 2/2/19	ICS, CLIA, INTERFERRY and the Marshall Islands	Application of EEDI to ships' other than those operating with conventional machinery and power distribution arrangements
GHG-WG 2/2/21	CLIA	Attained Index definition for passengers ships only
MEPC 59/4/12	CLIA	Consideration of the Energy Efficiency Design Index for New Ships Refinements to the “draft guidelines on the method of calculation of the energy efficiency design index for new ships” for conventional passenger ships
MEPC 59/4/13	ICS	The need for refinement of the Energy Efficiency Design Index (EEDI)

MEPC 59/4/29 CLIA

Consideration of the Energy Efficiency Design Index for New Ships

Refinements to the “draft guidelines on the method of calculation of the energy efficiency design index for new ships” for non-conventional passenger ships

MEPC 59/4/38 CESA

Phase-in implementation of the Energy Efficiency Design Index for standard and complex ship types

No recirculation of documents

12 For protection of the environment and for reasons of economy, all documents that have already been issued for any other IMO meetings will **NOT** be reissued. Delegations are therefore requested to bring their own copies of the relevant documents listed above.

Action requested of the Committee

13 The Committee is invited to note the information provided and take action as appropriate.

ANNEX

Documents on market-based measures

1 The following documents addressing market-based reduction measures for international shipping have been submitted to earlier sessions of the Committee (and to GHG-WG 1):

Document	Author	Title – summary	Related parts
MEPC 51/4	Norway	Report of the Correspondence Group on Greenhouse Gas Emissions from Ships <i>The CG considered market-based solutions under its ToR item 3</i>	Items 3.11 and 3.13 in main report, pages 7-8 of annex 1, 21-25 of annex 2
MEPC 54/4/2	United Kingdom	The potential of emissions trading to reduce carbon dioxide emissions from ships <i>Outlines the background of some existing emissions trading schemes, examines the potential of emissions trading for shipping</i>	all
MEPC 55/INF.7	United Kingdom	Information on the potential of emissions trading to reduce harmful emissions into the air from ships <i>Complements MEPC 54/4/2</i>	all
MEPC 56/4/9	Norway	Elements of a possible market-based CO ₂ emission reduction scheme <i>Proposes to establish an international maritime GHG emission fund</i>	all
MEPC 57/4/4	Denmark	A global levy on marine bunkers, primarily to be applied for the acquisition of CO ₂ emission quotas through the purchase of CO ₂ credits <i>Proposes the establishment of a global levy scheme on marine bunker</i>	all
MEPC 57/4/5 and Add.1	Australia and the Netherlands	Report of the Intersessional Correspondence Group on Greenhouse Gas Related Issues <i>The report contains several measures to reduce GHG emission from international shipping with the distinction between short-term and longer-term measures</i>	Items 5.11, 5.12, 6.7 and 6.8 in main report, and annex 5

Document	Author	Title – <i>summary</i>	Related parts
MEPC 57/4/10	FOEI	Immediate action and adoption of vessel speed reductions and carbon tax needed to reduce greenhouse gas emissions from shipping <i>Urges MEPC to adopt and begin implementing a mandatory GHG reduction scheme including a carbon tax on marine fuels</i>	Items 16-18
MEPC 57/4/17	United States	Continuation and work plan for greenhouse gas emissions correspondence group <i>Proposes that MEPC 57 should analyse and discuss the options put forward in the report of the Correspondence Group presented in its report MEPC 57/4/5</i>	Items 7 and 8
MEPC 57/4/21	Norway	Study on climate regulation of all international shipping <i>Summarizes the study carried out by the Centre for International Climate and Environmental Research) regarding CO₂ emission control presented in MEPC 57/INF.21</i>	
MEPC 57/INF.3	Sweden	Greenhouse gas emissions trading for the transport sector <i>Provides information about a study on GHG emissions trading for the transport sector conducted by IVL Swedish Environmental Research Institute</i>	all
MEPC 57/INF.13	Denmark	A global levy on marine bunker, primarily to be applied for the acquisition of CO ₂ emission quotas through the purchase of CO ₂ credits <i>Complements MEPC 57/4/4</i>	all
MEPC 57/INF.21	Norway	Study on climate regulation of all international shipping <i>Complements MEPC 57/4/21</i>	all
GHG-WG 1/5	FOEI	Measures to Reduce CO ₂ Emissions from Ships <i>Proposes a suite of measures to reduce CO₂ emissions from shipping, including MBIs</i>	Items 11 and 12.3

Document	Author	Title – <i>summary</i>	Related parts
GHG-WG 1/5/1	Denmark	Development of a global levy on marine bunkers for the acquisition of CO ₂ allowances <i>Summarizes the informal correspondence work carried out in advance of GHG-WG 1 in order to further develop the proposal of a global levy on marine bunkers based on document MEPC 57/4/4</i>	all
GHG-WG 1/5/2	INTERFERRY	Maritime carbon reduction scheme <i>Provides an outline of a possible emission trading scheme for international shipping as basis for further discussion</i>	all
GHG-WG 1/5/3	European Commission	Key design elements for designing a “cap and trade” greenhouse gas Emissions Trading Scheme (ETS) <i>Provides a number of key design elements in designing of a “cap and trade” emission trading scheme based on the European Union Emissions Trading Scheme (EU-ETS)</i>	all
GHG-WG 1/5/4	Norway	A levy-cap-and-trade system for reducing GHG emissions from shipping <i>Proposes a levy cap-and-trading scheme, – i.e. hybrid system which combines a levy on CO₂ emissions and an emission trading system. Also provides a possible regulatory framework needed to establish the scheme</i>	all
GHG-WG 1/5/5	Norway	Consideration of elements needed in market mechanism to reduce GHG emissions from international shipping <i>Provides considerations of various possible elements, especially legal aspects related to market-based reduction instruments</i>	all
GHG-WG 1/5/6	France	Proposal for an international shipping carbon market <i>Proposes to establish an international shipping carbon market using a shipping carbon unit (SCU), which represents one tonne of CO₂</i>	all

Document	Author	Title – <i>summary</i>	Related parts
GHG-WG 1/5/7	Germany	Maritime Emissions Trading Scheme (METS) <i>Proposes a global Maritime Emissions Trading Scheme (METS)</i>	all
MEPC 58/4/19	IBIA	Response to the outcome of the first Intersessional Meeting of the Working Group on Greenhouse Gas Emissions from Ships <i>Provides practical approach to a cap-and-trade scheme</i>	all
MEPC 58/4/21	IMarEst	CO ₂ emissions from shipping – a framework for assessment of potential market based and regulatory control options <i>Provides framework for analysing potential GHG control measures against the IMO principles and UK industry “golden rules”</i>	Annex and appendix I
MEPC 58/4/22	Denmark	The feasibility of an International Compensation Fund for GHG Emissions from Ship <i>Advocates that International Compensation Fund will have a benefit for GHG reduction and for developing countries</i>	all
MEPC 58/4/23	Australia	Principles for the development of an IMO regulatory framework to address greenhouse gas emissions from international shipping <i>Stresses the necessity of market-based mechanism</i>	Items 17-22
MEPC 58/4/25	France, Germany and Norway	Comments on the outcome of GHG-WG 1 regarding the consideration of an Emission Trading Scheme for International Shipping <i>Proposes to develop a detailed outline of an ETS</i>	all
MEPC 58/4/39	WWF	Benefits and possible adverse impacts of market-based instruments <i>Provides analysis for benefit and adverse impacts of MBI</i>	all

Document	Author	Title – <i>summary</i>	Related parts
MEPC 59/4/5	Denmark	An International Fund for Greenhouse Gas Emissions from Ships <i>Explains the basic element of “the international GHG fund”</i>	all
MEPC 59/4/17	OCIMF	Technical evaluation of market-based instruments <i>Analyses the relative advantages and disadvantages of the ETS and the international GHG fund proposals</i>	all
MEPC 59/4/25	France, Germany and Norway	Positive Aspects of a Global Emission Trading Scheme for International Shipping <i>Presents advantages of ETS</i>	all
MEPC 59/4/26	France, Germany and Norway	Cornerstones for an outline of a convention of a Global Emission Trading Scheme for International Shipping <i>Proposes a new IMO ETS convention to be applied to all ships above a certain size and identifies the rights and obligations of ships, flag States and port States</i>	all
MEPC 59/4/32	CLIA	Consideration of adoption of three principles for market-based instruments <i>Outlines key principles that should be considered by IMO when adopting a market-based reduction measures</i>	all
MEPC 59/4/34	Japan	Consideration of a market-based mechanism to improve the energy efficiency of ships based on the International GHG Fund <i>Supports the international GHG fund and proposes a leveraged incentive scheme</i>	all
MEPC 59/4/43	INTERTANKO	Comments on MEPC 59/4/8 and MEPC 59/4/9 relating to the Energy Efficiency Design Index, the Ship Energy Management Plan and possible market-based instruments <i>Requests that selection of a market-based reduction measures for shipping should be based on the nine IMO principles agreed at MEPC 57</i>	Items 7-10
MEPC 59/4/45	OCIMF	International Fund for Greenhouse Gas Emissions from Ships <i>Analyses the similarities and differences between the international GHG fund and the IOPC fund</i>	all

Document	Author	Title – <i>summary</i>	Related parts
MEPC 59/4/48	United States	Comments on MEPC 59/4/2 and MEPC 59/4/4 and an additional approach to addressing maritime GHG emissions <i>Proposes to establish mandatory efficiency standards for new and existing ships using the EEDI and to allow ships to trade efficiency credit</i>	all
