

The main title is centered in the middle of the slide. It reads "Maritime De-Carbonisation" on the first line and "No Turning Back!" on the second line, both in a large, white, bold, sans-serif font. The background behind the text is a dark, semi-transparent overlay over a photograph of a ship's wake in the ocean.

**Maritime De-Carbonisation
No Turning Back!**

Vancouver Dry Bulk & Commodities Conference

Nov. 16th 2023

BIMCO at a glance

BIMCO

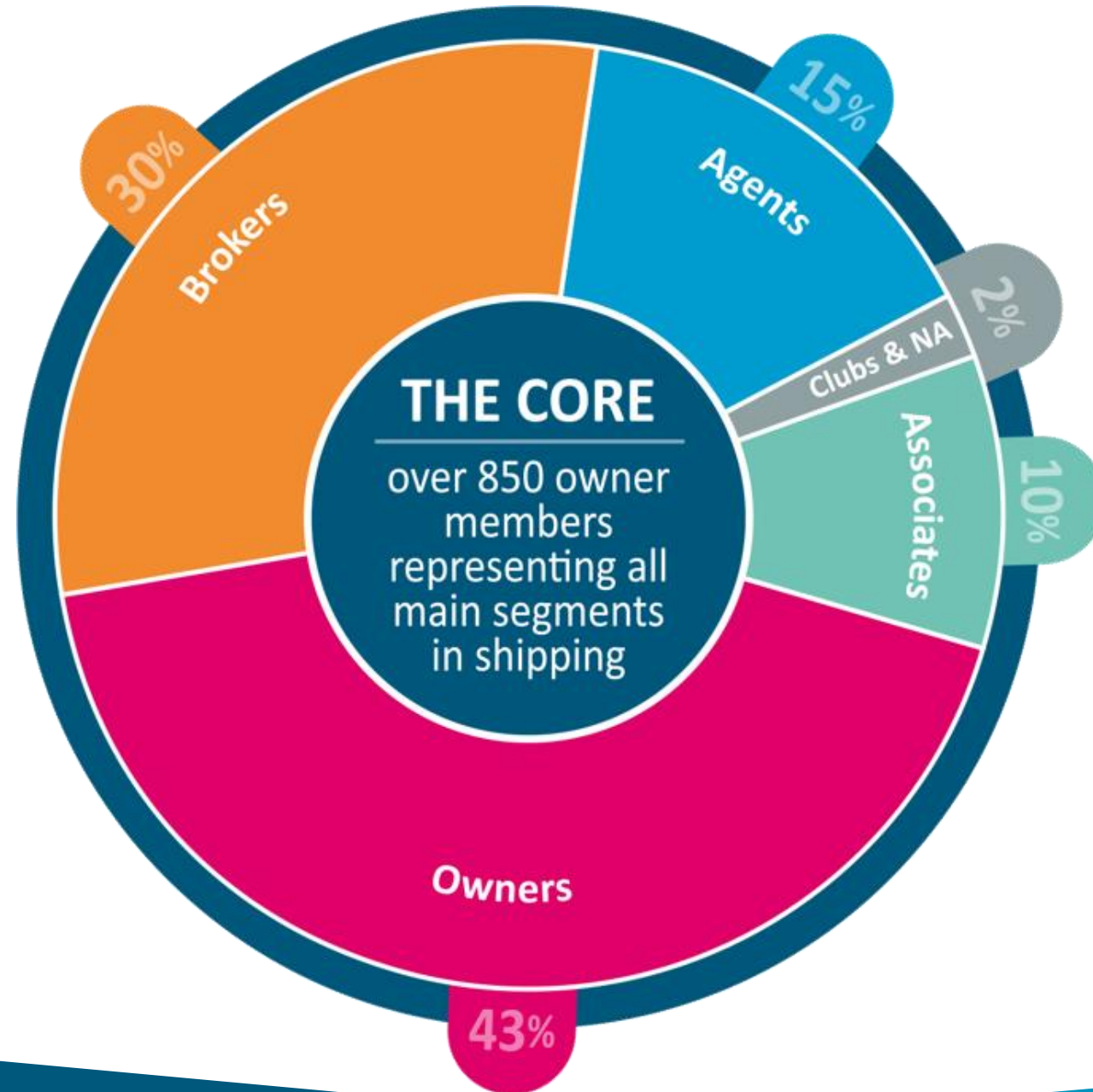


Over 2,000 members

Around 130 countries

Non-profit

Who are BIMCO Members?



Key focus and core competencies



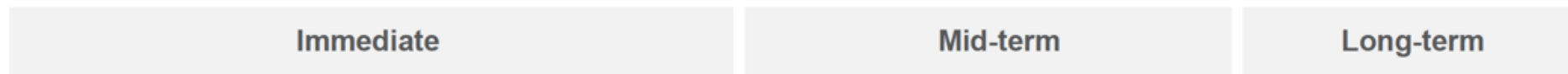
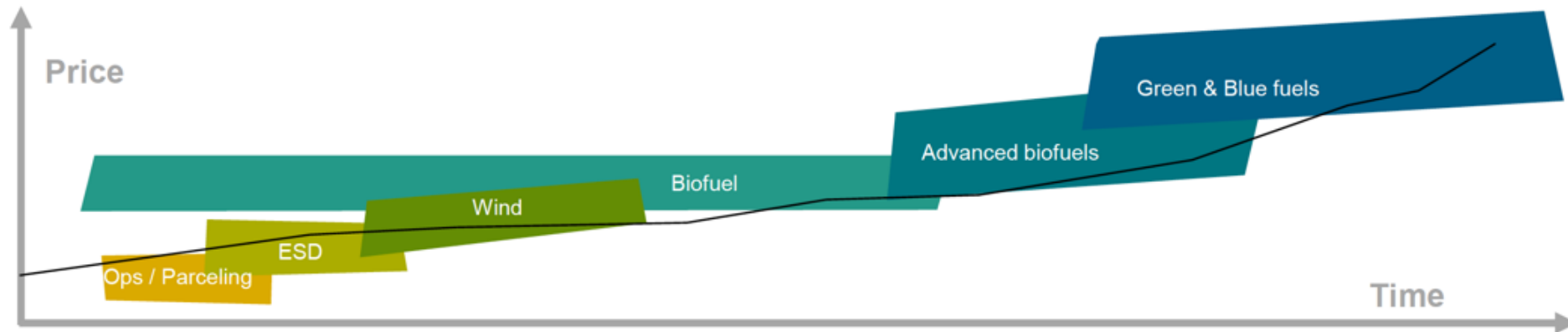
The BIMCO topical issues right now



CII clauses	Single Maritime Window	New digital formats for contracts	Drug smuggling
Recycling of ships	Alternative fuels	Plastic	Clause to promote retrofitting ships
Fighting piracy	eBills of lading	Decarbonisation	New training formats



Overall De-carbonization Strategy



Digitalization



Energy-saving devices



Biofuels



Wind propulsion



Other new fuels

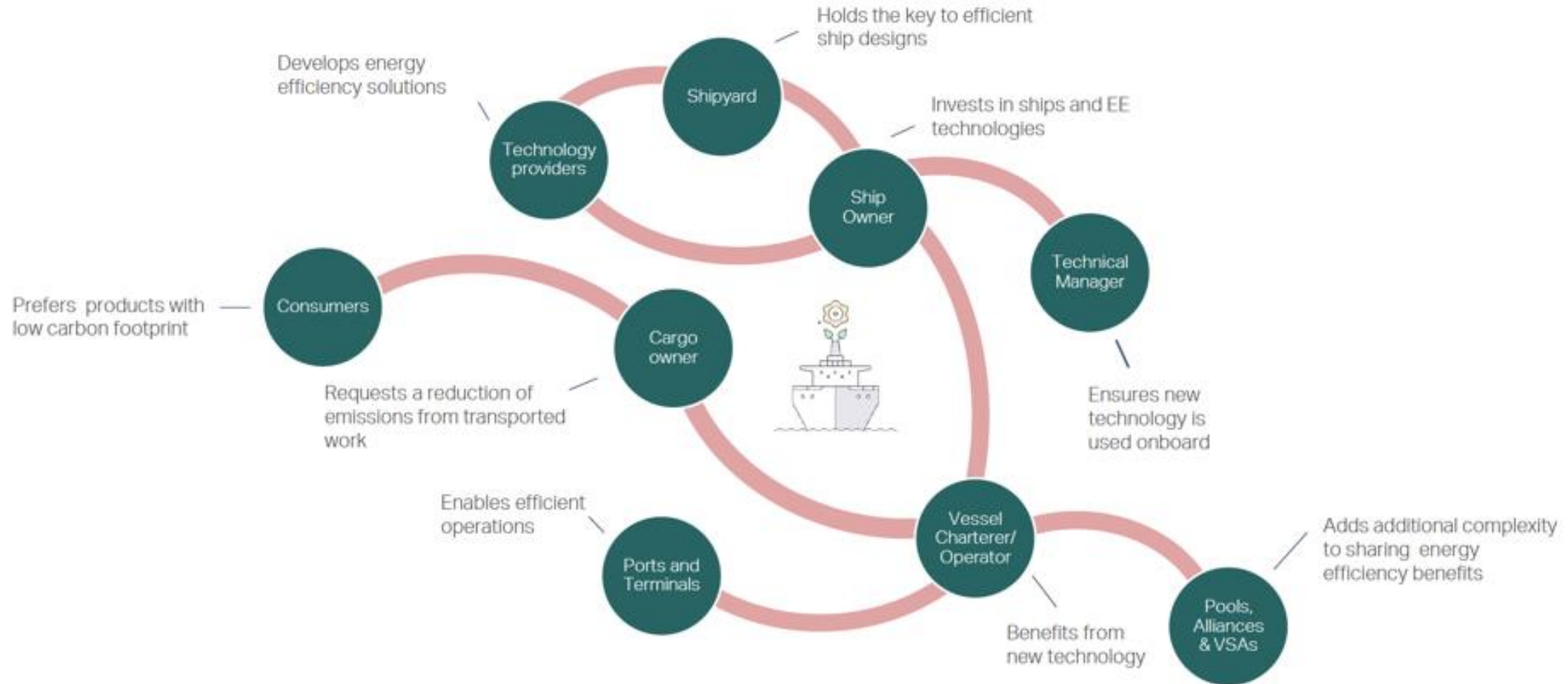
Energy Efficiency is a no regret move....

....So why is it so difficult to accelerate the adoption of Energy Efficiency Measures?

Leading Transformation is a shared endeavour – requiring collaboration....

A decorative graphic at the bottom of the slide, consisting of several overlapping, wavy shapes in various shades of blue, creating a modern, abstract background element.

It is challenging because maritime is a highly fragmented industry with split incentives



Courtesy of Maersk Mc-Kinney Moeller Centre of Zero Carbon Shipping 2023

A snap-shot of maritime de-carbonization

- What are we talking about?
- Carbon Intensity Indicator (CII)
- IMO's Strategy on Reduction of Green House Gas Emissions from Ships
- EU Emissions Trading System (EU ETS)

IMO Carbon Intensity Indicator (CII)

Carbon Intensity Indicator (CII) rating

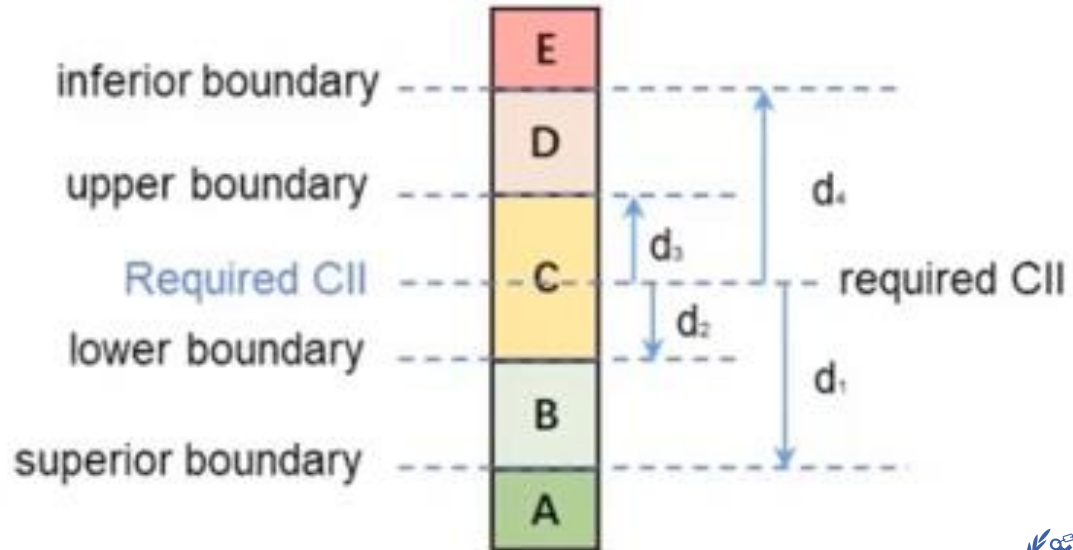
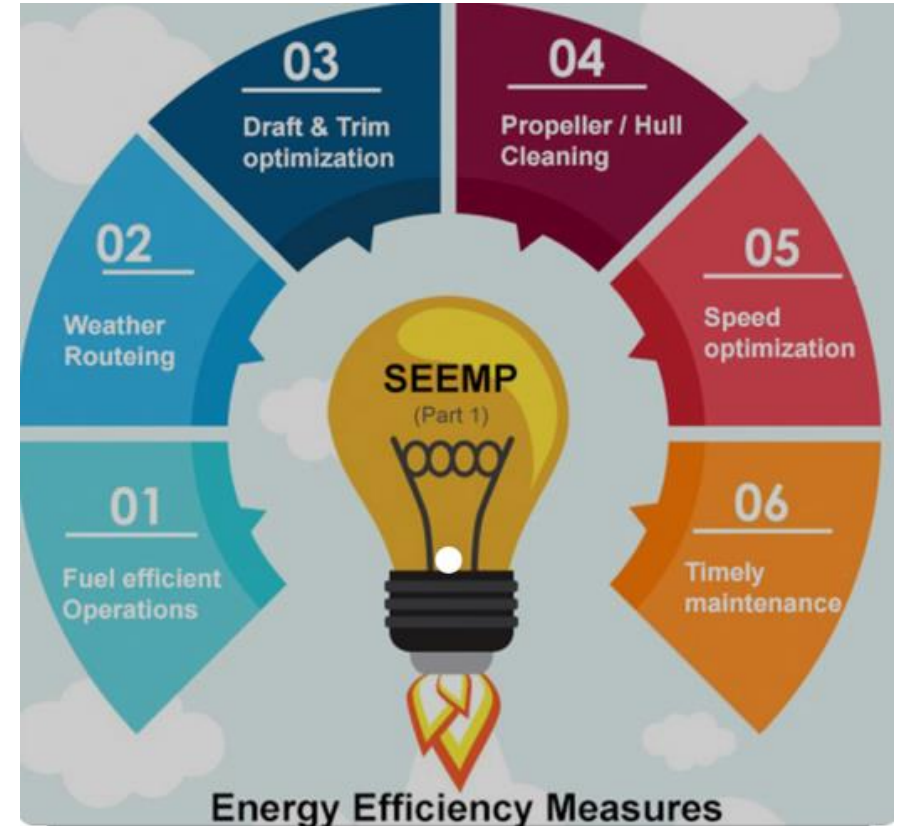


Figure 2: *dd* vectors and rating bands



IMO's 2023 Strategy on Reduction of Green House Gas Emissions from Ships



- 2008** Base line of GHG emissions for shipping
- 2030** Min 20% (aspire 30%) Co2 emission reduction
Min 40% Co2 emission on transport work
Min 5% (aspire 10%) fuel energy share
- 2040** min 70% (aspire 80%) Co2 emission reduction
- (2050)** Zero emissions

IMO Technical & Operational levers

- EEDI – Energy Efficiency Design Index (2013)
- EEXI – Energy efficiency Existing Ship Index (2023)
- EEOI – Energy Efficiency Operational Index (2023)
- AER – Annual Efficiency Ratio on DWAT (2023)
- CII – Carbon Intensity Indicator (2023 -> 2024)
- SEEMP – Ship Energy Efficiency Mngt. Plan (2024)



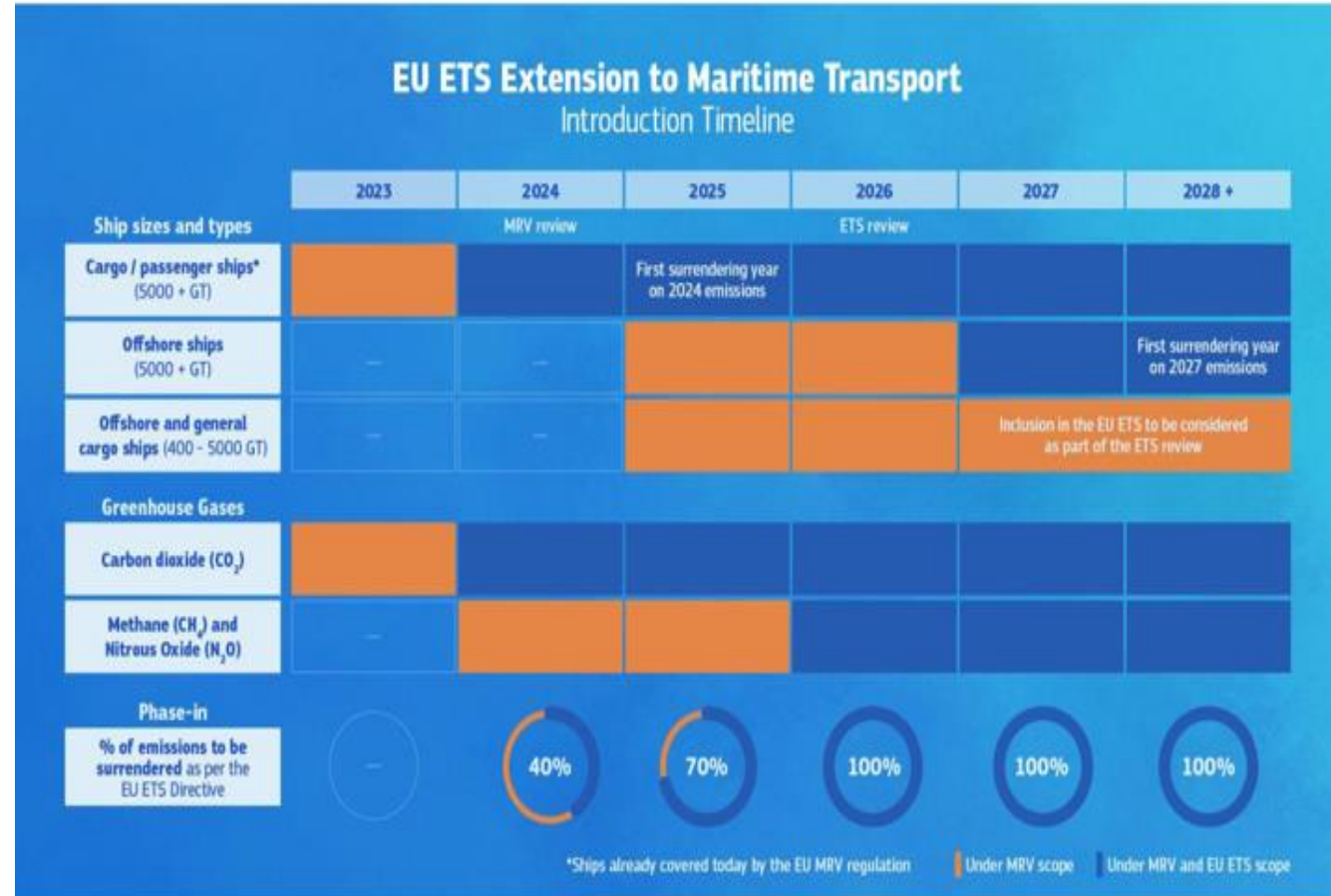
Courtesy of IMO

EU Emissions Trading System (EU ETS)

Cap & Trade scheme:

A "Cap" setting limits of total amount of annual GHG emissions expressed in EU Allowances (EUAs)

(EUAs = 1 mt of Co2 equivalents)



Source: EU, 2023

EU ETS - Scope

40% of the reported emissions in 2024

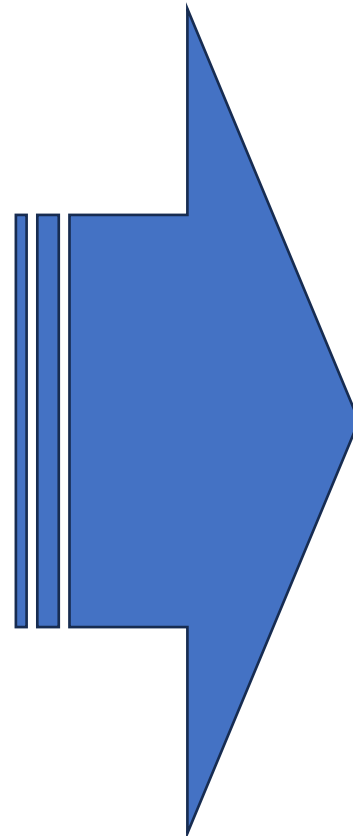
→ to surrender in 2025

70% of the reported emissions in 2025

→ to surrender in 2026

100% of the reported emissions in 2026

→ to surrender in 2027



The geographical scope:

-> 100 % voyage between port calls intra EU

-> 50 % voyage extra EU

How to meet the EU ETS requirement

The EU ETS will demand ...

- from shipping companies
- to obtain EUAs; and
- to yearly surrender EUAs for each ton GHGs emitted by ships in their fleet.

EU ETS in a commercial setting:

- Number of allowances should be easy
- Cost of allowances may be difficult



Trading Economics, Oct 4th 2023

EU ETS in a commercial setting

Provisions for transfer of the costs of the EUAs

- From the shipping company to another entity

Often, Contracts(C/P) are short term

- Not a good idea to seek reimbursement
- Get hand on allowances/money while C/P is active
- Requires agreement on data/verification of data
- Requires transparency on 'shipping company'



Who pays?

Follow the fuel!

- The Charterer for ships on T/C
- The 'Owner' for ship on V/C



In cash or kind?

Beware of price volatility

BIMCO's role in maritime de-carb.



Together making Zero Carbon Shipping a Reality:

- BIMCO CII operational clause for Time Charter
- BIMCO EU ETS clauses:
 - ETS Allowances (ETSA) Clause for SHIPMAN
 - Voyage charter
- A “How To” guide
- Working with IMO, EU Commission & EU Legal Services participating in cleaning up “Implementing Regulations”
- Training & education
- Blue Visby Consortium (Just in Time arrival)

EU ETS 180 Seminar

📍 Online, 16:00 UTC

📅 24 October, 2023 2 days

🛒 From EUR 195



👤 Available seats 24



Short and to the point, the BIMCO 180 training seminars are 2 x 90 minutes of focused knowledge delivered online by leading maritime experts. The EU ETS is a cap-and-trade system that requires certain industries, including the mar...

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