



European Sustainable Shipping Forum
6th meeting of the Sub-group on Shipping MRV Monitoring
Brussels, 6th December 2016
Location: Albert Borschette Conference Centre, room 2B
(Rue Froissart 36, 1040 Brussels)

Welcome and Opening

1. The Chair opened the meeting informing that the main goal will be to continue working on all those issues on which further guidance/clarification is needed i.e. a best-practices compendium to use as a tool to facilitate implementation. It was also announced that a new Vice-Chair has been nominated **Marie-Alice Bels (France)** taking over this responsibility from Nicolas Udrea (France). The Sub-group confirmed the nomination.
2. After having adopted the Agenda, the Sub-group (SG) approved the minutes of the 5th meeting. The Commission presented the latest state of play regarding the MRV shipping Delegated and Implementing Regulations as well as the extension of the EU MRV under the EEA agreement (including NO & IS). Following the presentation, one member asked if EEA countries would be able to accredit verifiers; the Commission replied affirmatively. It was also noticed that all regulatory framework as well as guidance and best-practise documentation that is still being discussed, together with FAQs will be uploaded in a single EC website/link.

Work Plan for 2016/2017

3. The Chair introduced the work-plan and working methods of the 2nd discussion phase (from December 2016 to June 2017), as well as the task forces (TF) establishment in result of recommendations endorsed by the ESSF Plenary. The ToRs of both **TF5** *guidance on the monitoring of fuel consumption* & **TF6** *guidance on the determination of distance travelled and time spent at sea* were presented, together with the TFs leaders **Torsten Mundt (DNV-GL)** and **Wolfram Guntermann (Hapag-Lloyd AG)** respectively.
4. The Chair, while recalling the outcome of the 6th meeting of the ESSF MRV V&A SG on which it was agreed to further work on the Monitoring Plan, proposed the ToR of an additional **TF7** regarding *guidance on the preparation of the Monitoring Plan*. This TF will be closely linked with the recently created **TF8** of the ESSF MRV V&A SG on *guidance on the assessment of the Monitoring Plan*; both TFs will run in parallel and under the coordination of **Helena Athoussaki (PWC)**. Having in mind the late creation of these TFs, a longer

deadline has been considered; therefore, the work should start as soon as possible with a view to provide an interim report by the end of March. As no comments on the proposed way forward were made, the WP was approved.

Recommendation on guidance on determination of cargo carried

5. **Poul Woodall (DFDS)** delivered a presentation on consideration of default values for vehicle carriers. It provided a summary and outcome of the discussions held in this *ad-hoc* group of experts. In summary, similar to Ro-Ro Ships, as no common industry standards were identified, default values should be established by companies and later justified towards the verifiers. The Sub-group noted that one member does not support the use of lane-meter to determine the mass of cargo carried.
6. The Commission introduced the draft guidance paper. The Chair reminded that this document reflects the outcomes of deliberations of the Shipping MRV Monitoring SG of the ESSF. The Sub-group agreed with the substance and several comments were made and noted. Members were invited to submit additional drafting suggestions by end of December. The Commission will incorporate these suggestions in a revised version of the paper.
 - Concerns were expressed over a certain methodology to be proposed to the verifier's satisfaction without any kind of follow-up. The Chair agreed and suggested it to be carefully assessed; then, upon the company's agreement the verifiers would inform the Commission about the preferred method to be later shared with other potential users through best practices.
 - Other members asked about the rules to be applied to the container ships that may carry general cargo (CON-GEN) or ethane carriers that could also consume cargo as fuel. A short debate followed. The Chair, while recalling previous discussions, suggested rather debating how in practice cargo is documented and determined; therefore, until there's a concrete need for assisting verifiers in such specific cases, no further guidance is to be developed.

Added Agenda Item - Study on Energy Efficiency Indicators

7. **Dragos Rauta (INTERTANKO)** presented the outcomes of an on-going research with University College London on the energy efficiency indicators. It showed that a small fleet of 11 identical/sister ships operating for five (5) years in different conditions e.g. under different charter contracts, have performed significantly different without any identified trend. Transport work - laden vs ballast, average payload (utilisation) and speed are the most relevant factors which predominately influence ships' performance, accounting for around 60% of EEOI variation. Similar results may be confirmed in case of larger ships e.g. VLCCs. A very fruitful debate followed during which one member suggested combining the design/technical efficiency and the operational performance to obtain better correlation values.

Recommendation on guidance on fuel monitoring (TF5)

8. A presentation was made by TF leader **Torsten Mundt (DNV-GL)**. It consisted of presenting both the ToR and work-plan. SG Members comments as follows:
- The level of the measurement precision should be linked with the steps forward (foreseen measures to be adopted).
 - The results should be used/feed **TF7** (guidance on preparation of the MP).
 - Use of method A (BDN) vs trading outside the EU should be followed-up.
 - How to account the density variation in the fuel mass calculations? If the density is determined/checked differently, it should be defined in the MP.
9. The Chair asked for the work to continue and report back at the next meeting.

Recommendation on guidance on determination of distance travelled and time spent at sea (TF6)

10. An oral presentation was made by TF leader **Wolfram Guntermann (Hapag-Lloyd AG)**. It consisted of presenting the ToR, work-plan and the outcomes from the initial discussions. It also included a recap of the International/IMO discussions and agreements during MEPCs 69&70. Comments as follows:
- Ships movements within a port, drifts, ship-to-ship transfers and other cargo related operations are amongst the situations to be dealt with, particularly their impact on both the distance travelled and time at sea.
 - The Commission clarified that cargo transfers (STS) within a voyage should not be considered a port call.
 - Hours underway vs under propulsion to be clarified in MEPC 70 report.
 - Ships trading in fixed route i.e. ferries should benefit from a simplified monitoring of distance travelled - distance of certain voyage multiplied by the number of voyages during the reporting period. It should be also bear in mind that some ferries may be exempted from the per-voyage reporting.
 - Search & Rescue operations should be accounted during reporting period even though it looks negligible in respect to the total annual indicators. In case of a ship that does not trade in the EU is forced to go to an EU port in result of a SAR operation, the EC clarified that it is not a port of call.
 - Guidance needed on exemptions (per-voyage monitoring, voyages outside the scope, SAR, short voyages, bunkering, dry-dock, etc.) regarding the way that both distance travelled and time spent at sea will be considered.
 - Cargo should be correctly addressed even in presence of a per-voyage exemption; annual transport work figures will need to be reported anyway.
11. The TF leader and the Chair took note of the comments made and invited SG members to submit written comments by end of January, particularly on the per-voyage exemptions vs distance travelled and time spent at sea, standard distances and the proposal to restrict it to short voyages; after having been analysed and/or further discussed, these will be incorporated in a revised version of the paper.

Recommendation on guidance on the preparation of Monitoring Plan (TF7)

12. An oral presentation was made by TF leader **Helena Athoussaki (PWC)**. It consisted of presenting both the ToR and work-plan.
13. The Chair encouraged SG members to participate on this relevant work and report back at the next meeting.

Concluding Remarks

14. The Chair concluded the meeting with the following observations/actions:
 - The minutes of the meeting will be circulated by **EMSA** as soon as ready.
 - A follow-up e-mail will be circulated after the meeting, with the presentations delivered that have not been sent before, as well as with the details on the work-plan of TF7. All remaining expert groups should continue working according to the agreed scheduled and report back during the next meeting, being supported by SG members as well as the technical secretariat and the Commission with technical and legal interpretation contributions, respectively.
 - SG Members are invited to provide written comments to the draft guidance on cargo carried (only drafting suggestions) by **31 December**.
 - The next meeting of the sub-group will take place on **14 February 2017**. More details will be forwarded closer to the event.

[Signed] Carlos Pereira - EMSA (Technical Secretariat)