

EUROPEAN COMMISSION DIRECTORATE-GENERAL CLIMATE ACTION Directorate B - European and International Carbon Markets CLIMA.B.3 - International Carbon Market, Aviation and Maritime

European Sustainable Shipping Forum 7th meeting of the Sub-group on Shipping MRV Monitoring Brussels, 14th February 2017 Location: Albert Borschette Conference Centre, room 2A (Rue Froissart 36, 1040 Brussels)

1. Approval of the Agenda and the minutes of the previous meeting

1.1 The Chair opened the meeting, adopted the Agenda and the Sub-group (SG) approved the minutes of the 6^{th} meeting with minor editorial comments and amendments.

2. Nature of the meeting

- 2.1 The meeting was non-public (only for ESSF Shipping MRV Monitoring SG Members). Some participants joined through video-conference as per attendance list end below.
- 2.2 The main objective was to present the state of play of the on-going work-packages and advance on these discussions where material guidance/clarification has been considered necessary i.e. a best-practices compendium to facilitate implementation.

3. List of pints discussed

3.1 <u>Recommendation/guidance on fuel monitoring</u>

A presentation was made by the **WP5** leader **Torsten Mundt** (**DNV-GL**). It consisted of an overview of the current work according to the ToR: Method B (fuel tank readings), monitoring fuel consumption for LNG carriers using boil-off gas as fuel, fuel density, uncertainty of the monitoring methods and the determination & verification of the technical efficiency (EEDI, EIV). Discussion summarised as follows:

- These are some of the most crucial elements in view of the preparation of the Monitoring Plan. Therefore, this work should be finalised as soon as possible.
- Appropriate guidance/recommendation wording/language was suggested.
- There is a need to establish a frame for all guidance being proposed, having in mind its potential use; objective, content, audience, level of detail, etc.
- Reference to the on-going work on the uncertainty by the IMO was made.
- Special consideration should be given on monitoring fuel consumption in ports, as well as on emission factors for non-standard fuels.

3.2 <u>Recommendation/guidance on determination of distance travelled & time spent at sea</u>

A presentation was made by the **WP6** leader **Wolfram Guntermann** (**Hapag-Lloyd AG**). It consisted of an overview of the current work according to the ToR. Discussion summarised as follows:

- Clarity is still needed regarding the matter, either on the adopted definitions or on the way to treat (monitor & report) these two variables, whenever a ship is at berth, report port calls, performs movements within a port, does ship-to-ship transfers, stays at anchorage, drifts, doing tank cleaning, etc.
- Specific scenarios where route deviations and additional time spent at sea may happen, such as the search & rescue operations, were discussed thoroughly. The majority of the SG agreed with the possibility of voluntary reporting such values.

3.3. <u>Recommendation/guidance for the preparation of the monitoring Plan</u>

A presentation was made by the **WP7** leader **Helena Athoussaki** (**PWC**). It consisted of an overview of the current work according to the ToR. Discussion summarised as follows:

- Guidance should be pragmatic (shorter & clearer) and with practical examples.
- Appropriate guidance/recommendation wording/language was suggested.
- The template for the monitoring plan can be either built on the table format shown in the Implementing Regulation or, be rearranged in a more flexible way i.e. aggregating/combining the content of referred tables' information.
- There have been divided views on the degree of complexity over the preparation of the monitoring plan, as well as in regards to the level of detail of its verification. A link should be made between both EU MRV and Delegated Regulations to know exactly what (and to which extent) these actions should be done.
- Official ship/company documents such as engines' certificates or approved systems/drawings should be considered valid thus constituting evidence.
- Special consideration should be given on non-standard fuels emission factors.
- Extensive debate on the conditions of exemption related to Article 9(2) was held, which lead SG Members to agree that further consideration is needed.

4. Conclusions, list of further actions (responsibilities and deadlines).

- 4.1 A draft paper on guidance on fuel monitoring (as prepared by WP5) will be sent together with the WP5 presentation. The SG agreed to include new sections on determination of fuel consumption in ports and on emission factors for non-standard fuels. Members were invited to provide written suggestions and comments by 24 February to the co-ordinator and including both, EC/EMSA in copy.
- 4.2 **WP5** to produce draft guidance/ best practise on the monitoring of LNG consumption.
- 4.3 **WP5** to produce draft guidance/best practise on the determination of the EIV, based on a flexible approach allowing companies to provide the data and calculate the EIV or to use voluntary EEDI certificates instead.

- 4.4 **WP6** will finalise the draft guidance on determination of distance travelled and time spent at sea. STS transfers in ports will be added to fully consider the definition of 'port of call'. Voyages will be determined from last berth or in-port STS transfer to first berth or in-port STS transfer in the next port. A draft final version will be circulated to the Members of the ESSF SG on Shipping MRV Monitoring once available with the invitation to provide drafting suggestions.
- 4.5 The **Commission** and **EMSA** will provide a table explaining the treatment of anchorage, drifting and STS transfers in different situations in view of determining fuel consumption, distance travelled, time spent at sea and cargo carried. Members are invited to provide concrete examples of such voyages by **24 February** to **EC/EMSA**.
- 4.6 **WP7** will draft a paper on guidance for the preparation of monitoring plans in view of circulation to the SG Members prior to the next meeting.
- 4.7 Based on the discussions held, an additional ad-hoc Work Package 8 has been created on guidance for the determination of fuel consumption, cargo carried, distance travelled and time spent at sea for ships using the exemption from per-voyage monitoring (Article 9 (2) of the MRV Regulation). The new Work Package is co-ordinated by Carlos Pereira from EMSA and will involve the co-ordinators of WP 5 & 6.

5. Next steps

A follow-up e-mail will be circulated after the meeting, with the presentations delivered that have not been sent before. All 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.

The draft minutes of the meeting will be prepared by EMSA and distributed to the participants for comments in the coming weeks.

6. Next meeting

The next meeting will take place on **24 April 2017**. More details will be forwarded closer to the event.

7. List of Participants

List of participants enclosed.

[Signed] Carlos Pereira - EMSA (Technical Secretariat)