

30 November 2017

European Commission  
Directorate-General Climate Action

**Public consultation on the revision of the policy on monitoring, reporting and verification of CO<sub>2</sub> emissions from maritime transport**

**Response by Finland**

Finland would like to express its appreciation to the European Commission for the opportunity to comment on the revision of the policy on monitoring, reporting and verification of CO<sub>2</sub> emissions from maritime transport. We consider it a priority to ensure that regulation (EU) 757/2015 and the EU MRV system is aligned with the globally applicable DCS system of the International Maritime Organization (IMO) in a smooth and pragmatic manner.

Finland considers the reduction of CO<sub>2</sub> emissions from maritime transport to be of utmost importance. Working both nationally, regionally and internationally towards measures to achieve the most ambitious possible reductions is a priority for our Government. In addressing the CO<sub>2</sub> emissions from international maritime transport, we consider the role of the IMO and its instruments to be pivotal.

In the policy options described in the consultation "full alignment" is defined as follows: "The EU MRV is fully aligned to the IMO DCS but ships using EEA ports have to submit reports in both systems with the reports for the EU system only covering voyages from and to EEA ports. Verification is in principle carried out according to IMO rules. EU data will not be published." Finland is in support of full alignment, but with the following caveats:

1. To require ships using EEA ports to submit reports under both systems is problematic. Requiring ship operators to manage two separate reporting systems with more or less the same data collected will generate additional costs and administrative burden. Furthermore, such requirements may in the worst case create regional disparities.
2. If ships using EEA ports will be required to submit reports under both systems, ways to minimize the administrative burden should be duly considered when assessing alignment options.
3. Notwithstanding points 1. and 2. above, Finland does agree that the reporting requirements for domestic routes should be maintained as part of the EU MRV.
4. It is important to align all the parameters to be collected in the EU MRV system with the parameters to be collected in the IMO DCS. Any further GHG reduction measures which will be developed by the IMO, will be based on the parameters of the IMO DCS. We do not believe it is possible to reach agreement at the IMO to amend the IMO DSC parameters to align with those of the EU MRV within the foreseeable future.

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5. The verification of data in depth may still need to be considered, depending on the IMO developments regarding the IMO GHG Strategy.

Finland would also like to emphasize its agreement with the element of full alignment that EU data of individual ships should not be published, since the collected data will be available for analysis in any case.

Finland is of the view that, while the IMO DCS has its limitations, particularly with regard to verification which is to be done by the flag State only in accordance with the non-prescriptive Guidelines for Administration verification of ship fuel oil consumption data (resolution MEPC.292(71)). However, it is important to bear in mind that the IMO DCS package was adopted unanimously after years of negotiations at IMO and it is globally applicable. Amending the IMO DCS to conform more to the EU MRV is not realistic at this stage. Furthermore, any proposals to amend the IMO DCS in this respect are likely to be detrimental to the overall progress at IMO to agree on measures to reduce CO<sub>2</sub> emissions from international shipping.

To address the non-prescriptiveness of IMO's DCS verification, the revised EU MRV regulation could include provisions to mandate verification of fuel oil consumption data in accordance with the provisions of resolution MEPC.292(71) or its possible future updates. We fully agree that GHG emissions from ships should be reduced so as to bring a fair contribution to the climate goals of the Paris Agreement. We need to give a clear signal to the UNFCCC that shipping is taking its mandate seriously. Alignment of the EU MRV with the IMO DCS will play an important role in this respect, and care should be taken not to jeopardize the hard fought progress which has been made at IMO to date, and which is expected in the continuation of negotiations in the coming years.

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