
POSITION PAPER

Revision of the Shipping MRV Regulation

Background – reducing GHG emissions from maritime transport

Maritime transport accounts for almost 3% of the global greenhouse gas (GHG) emissions and this figure is predicted to increase considerably in the next decades, in line with economic growth and global energy developments.

In order to keep global temperature increases to well below 2°C, as agreed in the Paris Climate Agreement, shipping emissions should start declining as soon as possible. A global level of ambition in the initial IMO Strategy is necessary to define how the international shipping sector should reduce its greenhouse gas emissions in line with the Paris Climate Agreement. The Port of Rotterdam participates actively in the discussion on reducing GHG emissions from maritime transport, as ports also have a responsibility to bear in the transition to a decarbonized economy.

By investing in digitalization, cleaner fuels, energy efficiency improvements and multimodal hinterland connections, further reductions in GHG emissions are possible across the entire logistical chain.

The Port of Rotterdam welcomes the revision of the Regulation of the European Parliament and the Council amending Regulation (EU) 2015/757 on monitoring, reporting and verification of carbon dioxide emissions from maritime transport (EU MRV) in view of an alignment with the IMO data collection system (DCS).

Under current conditions full alignment of the EU MRV with the IMO DCS would entail eliminating crucial elements and reducing the options for effective European policy making. Preservation of several elements of the EU MRV is therefore necessary. **In our view, alignment of the two systems in terms of reporting formats and verification methods is the most optimal solution, with the transparency requirement of the EU MRV maintained.**

In our view, optimal alignment means:

- Preserving the transparency requirement of the EU MRV;
- Preserving third party verification to ensure high quality data;
- Alignment of reporting formats and templates of both systems;
- Alignment with the IMO parameter 'cargo carrying capacity' of ships.

Transparency as a driver for decarbonisation

EU MRV and IMO DCS use different standards when it comes to the disclosure of reported information about greenhouse gas emissions from ships. Where the EU MRV discloses aggregated data on a "per ship" basis, the information in the IMO database includes anonymous datasets without the possibility to identify individual ships. Moreover, data reported is only accessible to the Member States on an aggregated level (i.e. no public disclosure).

In order to decarbonize maritime shipping, the Port of Rotterdam stresses that **the European Commission should uphold the transparency requirement of the EU MRV when aligning the system with the IMO system.**

Ideally, IMO should embrace the level of transparency of the EU MRV in order to incentivise the uptake of GHG reduction and fuel efficiency measures in maritime shipping, including the use of low-carbon fuels. We urge the European Commission to emphasize the role of transparency in discussions with IMO for the purpose of decarbonising maritime shipping.

Full disclosure of carbon dioxide emissions of ships is an essential first step in any effective GHG reduction measure. Public disclosure of emissions on a “per ship” basis would expose their relative carbon efficiencies as well as their total contributions to such emissions and this could help trigger the necessary improvements in fuel efficiency of ships. Moreover, transparent and accurate information about GHG emissions from ships can be used by shippers, freight forwarders, consumers and other players in the logistics chain to compare information and make choices not only based on costs but also on climate impact. Accurate and reliable data on GHG-emissions is also instrumental for properly assessing energy-efficiency measures and stimulating the uptake of low-carbon fuels and propulsion systems. Prominent researchers confirm the necessity of, with permission, having access to data based on individual ships for the analyses required to develop an effective GHG-reduction strategy and to review progress in the future. **Transparency can provide both the “carrot” and the “stick” to scale up the deployment of cleaner alternatives and trigger improvements in ship fuel efficiency.**

Third party verification to ensure high quality data

Publicly accessible information on the reported data emissions of individual ships under EU MRV could potentially also be used as a trusted metric in environmental incentive schemes used by European seaports. Ports that make use of environmental incentive schemes can use the reported information to award ships that become more sustainable and - on a more detailed level than currently available - determine the level of rebates for ships that call at EU ports. A prerequisite is that the information reported is accessible for port authorities and the data is of high quality and reliable. The verification method of the EU MRV is based on internationally agreed ISO standards and subject to supervision by National Accreditation Bodies. **To ensure that the reported data is of high quality and thus reliable, third party verification of the EU MRV should be preserved when aligning EU MRV with the IMO DCS.**

Reporting and metrics to be used

To prevent administrative burden, ships should **report identical information via one dataset to both the European Commission and the IMO**. Ships using EEA ports should submit identical reports in both systems. At present, almost all maritime data of ships is collected by European port authorities and forwarded to the European SafeSeaNet system of the European Maritime Safety Agency (EMSA). Implementation of the MRV regulation requires new national rules and imposes additional administrative burden which should be avoided when aligning the EU MRV system with the IMO data collection system. For the purpose of creating comparable databases at both EU level and globally, EU MRV should where possible make use of the same metrics and definitions as the IMO DCS.

With regard to potential market distortions due to the disclosure of commercially sensitive information, the operational efficiency metric should be aligned with IMO system. Within EU MRV, ‘cargo carried’ is presented as one of the parameters used to give accurate information on ships’ operational energy efficiency. However, without further context such as weather conditions, ocean current, freight contract, etc., ‘cargo carried’ provides only limited information about the operational energy efficiency of ships which could lead to false conclusions or uneven comparisons. For this reason, we propose to align the operational efficiency metric with the IMO parameter ‘cargo carrying capacity’ of ships.

More information

For more information regarding our position or additional background information about the Port of Rotterdam, please contact:

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