At a glance

Plenary — 24 April 2015



Monitoring CO₂ emissions in maritime transport

International maritime shipping remains the only means of transport not included in the EU's commitment to reduce greenhouse gas (GHG) emissions. In 2013, the European Commission outlined an EU approach to these issues and, as a first step, presented proposals to create a system for collecting and publishing verified annual data on CO₂ emissions from large ships using EU ports. This will indirectly support EU action on climate change and can contribute to the ongoing international debate on cutting emissions from shipping at global level.

Background

The shipping sector accounted for 4% of the EU's GHG emissions in 2013, a level which increased by 48% between 1998 and 2008, mirroring global trends. By 2050, EU GHG emissions are expected to grow a further 51% compared to 2010 levels, despite the mandatory ship efficiency standards adopted in 2011 by the International Maritime Organisation (IMO), which regulates the world shipping sector. Such an increase runs counter to the EU's international commitments to reduce GHG emissions. CO₂ emissions are both the main GHG emissions and those easiest to monitor, which makes them a good starting point for taking action.

In its 2011 White Paper on Transport, the Commission had <u>stated</u> that EU CO₂ emissions from maritime bunker fuels should be reduced by 40% (if feasible 50%) from 2005 levels by 2050. In the absence of a global monitoring tool at IMO level and as a contribution to creating one in the future, the Commission <u>put forward</u> a Communication proposing a staged approach to EU GHG reduction from maritime transport. It foresees the introduction of an EU emissions monitoring system for the sector, as a basis facilitating the setting of reduction targets at a later stage and for applying a market-based measure, which might take the form of a contribution-based or target-based compensation fund or an emissions trading system.

Content of the regulation proposed

The proposed regulation establishes an EU system for monitoring, reporting and verification (MRV) of CO₂ emissions from maritime transport. With several exceptions, concerning for instance fishing vessels, it will apply to all ships (regardless of their flag) above 5 000 gross tonnes calling at EU ports, and cover their incoming and outgoing as well as intra-Union voyages. From 1 January 2018, ships will have to monitor their CO₂ emissions on the basis of existing documentation about fuel, distances travelled and cargo carried. These data will be independently verified and then reported annually to the ship's flag state and to the Commission, which will assess them biannually. Member States will check that ships stopping at their ports carry a valid document of compliance on board, and impose penalties on those which do not. The regulation should enter into force on 1 July 2015, to give all parties enough time to take the necessary measures before the start of the first reporting period. The MRV system is expected to bring up to 2% CO₂ reductions in annual EU emissions and cost reductions of up to €1.2 billion by 2030 due to lower fuel bills. Once a global agreement is reached in the IMO, the EU regulation will be amended so that both systems are aligned.

State of play

The European Parliament (EP) <u>adopted</u> its position on the proposal at first reading on 16 April 2014. After informal trilogue negotiations in autumn 2014, an agreement was reached between the two co-legislators. The Council <u>approved</u> this text on 5 March 2015 and the EP Committee on Environment, Public Health and Food Safety (rapporteur: José Inácio Faria, ALDE, Portugal) supported it on 26 March. The text is to be voted at second reading at the April II part-session. Parliament is also actively engaged on this issue at international level. For the first time ever, an EP delegation will participate in the IMO Marine Environment Protection Committee (MEPC) meeting in May 2015, with the prospect of intensifying the international dialogue.