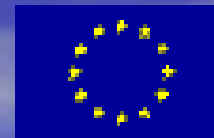


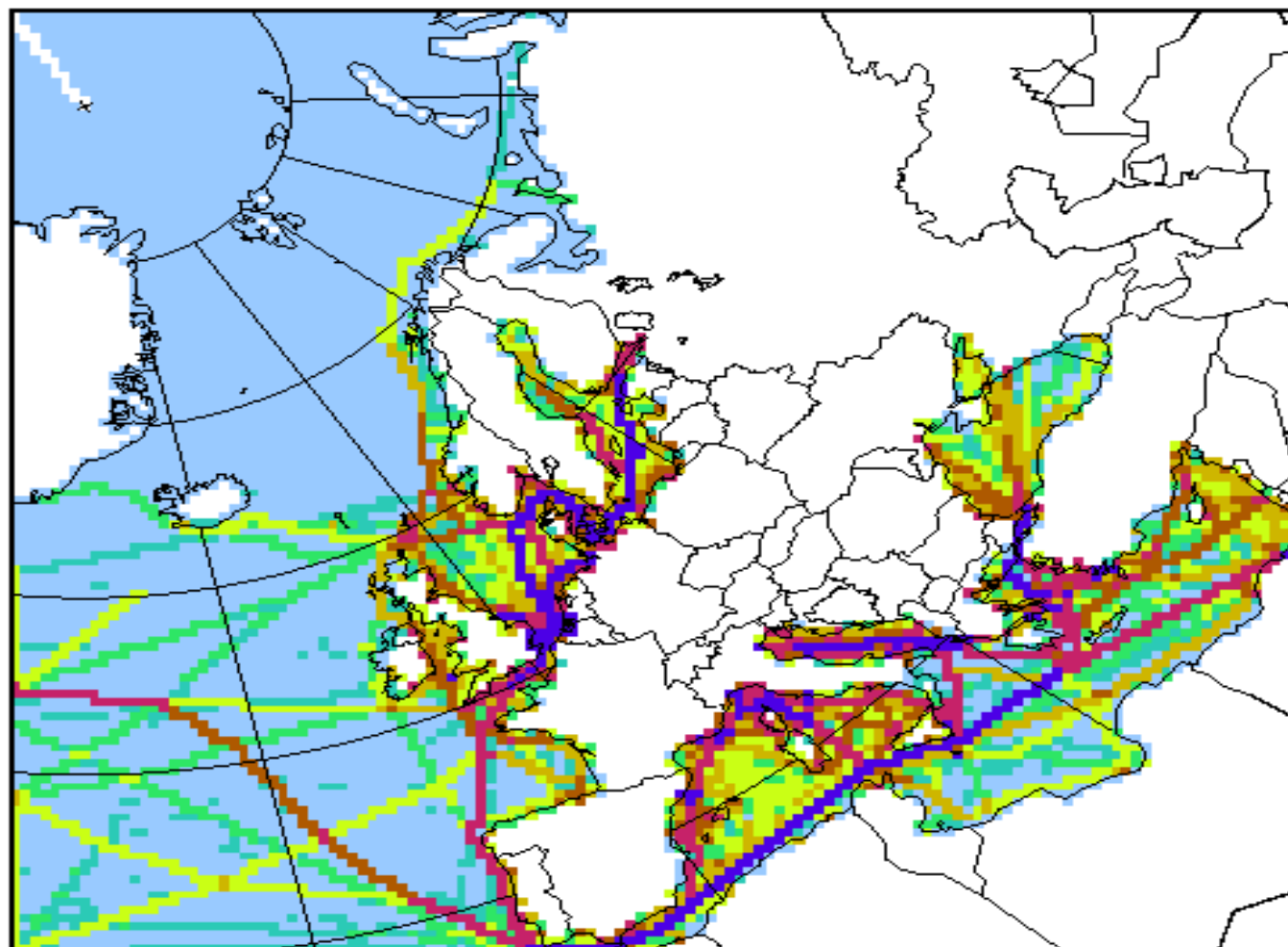
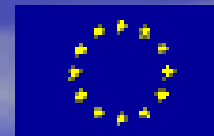
Ship emissions regulation - situation & perspectives



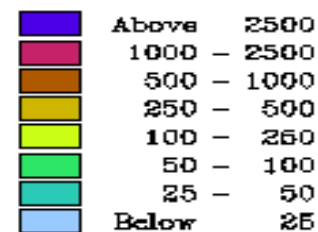
Presentation to
MARTOB-SEAM Final Conference
Brussels, 26 March 2004

Nicola Robinson
DG Environment, European Commission
Unit C1 – Air, Noise & Transport

Entec study to quantify and map EU ship emissions



tons



IMO MARPOL Annex VI & GHG strategy



- **MARPOL Annex VI (Convention on air pollution):**
 - SO_xECA where <1.5% S fuel used, or abatement applied
 - NO_x limits for new ships (engine standards only)
- Enters into force 12 months after ratification by 15 states with 50% tonnage. Now 12 countries, 54%.
- **IMO also acting on ship greenhouse gas emissions.** Weak Assembly resolution adopted last December.
- **EU (Commission, Parliament & Council) all pressing EU MS to ratify, and to work at IMO for tighter NO_x rules & concrete GHG actions.**
- **Hoping for positive progress at MEPC next week.**



EU ship emissions strategy: COM(2002)595

Vol I: Communication (non-legislative)

Vol 2: Marine fuel sulphur proposal (legislative)

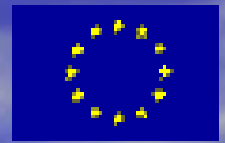
Emissions covered:

- Sulphur dioxide (SO₂ or SO_x)
- Particulate Matter (PM)
- Nitrogen oxides (NO_x)
- Volatile Organic Compounds (VOCs)
- Carbon dioxide (CO₂)
- Halon

SO₂ and PM are priorities for action

Volume I - Communication

Key elements



PUSH FOR TOUGHER GLOBAL STANDARDS

- Political pressure on EU Member States to work constructively at IMO. Threat of EU action if this fails, eg on NOx standards

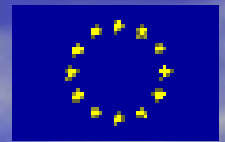
MARKET-BASED INSTRUMENTS

- NERA study has explored different market-based instruments to promote emissions reductions. 3 recommendations: differentiated dues, local trading, credit trading (ship-shore).

EU CLEAN MARINE AWARD SCHEME

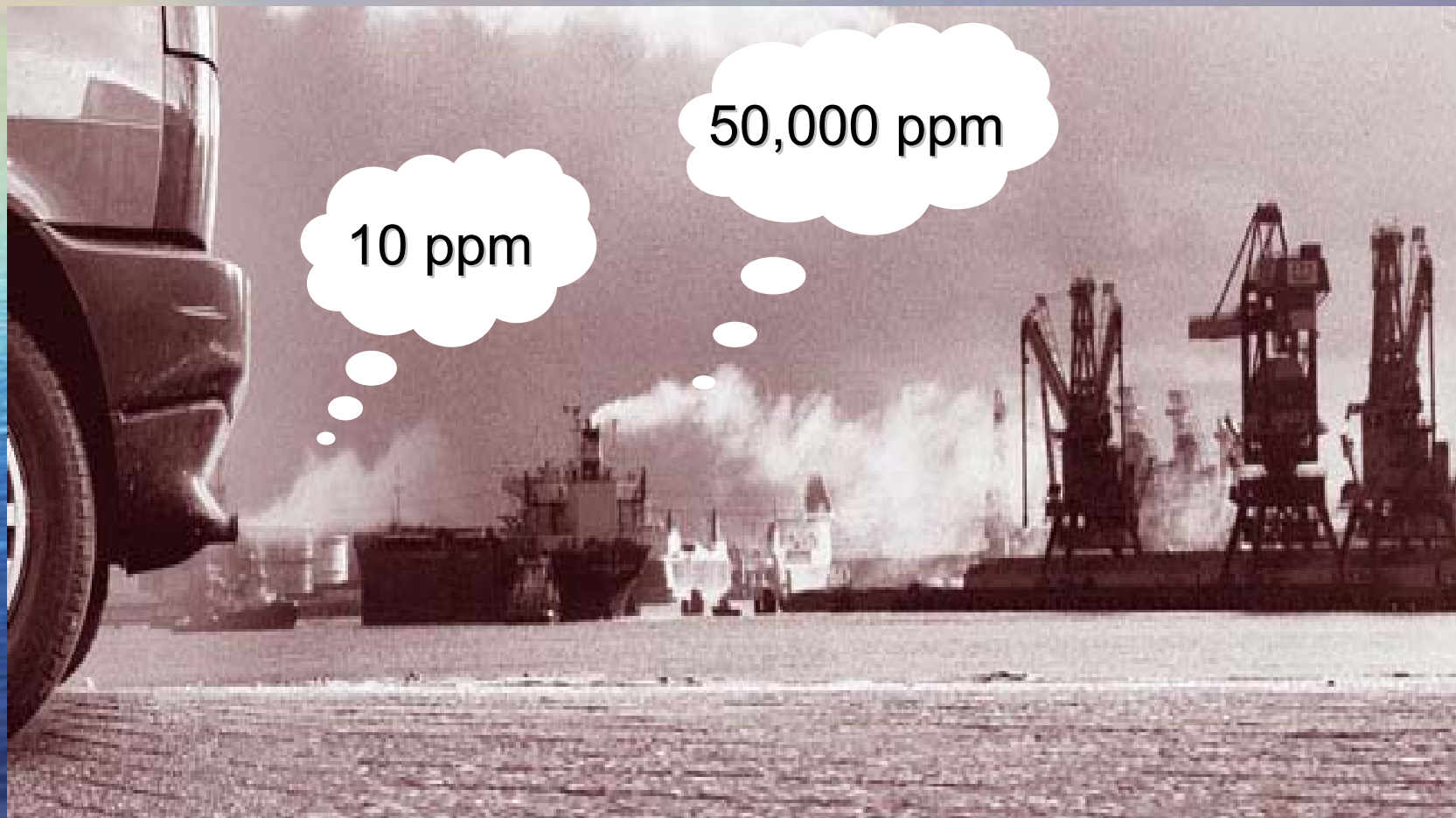
- Launched to reward low-emission shipping and spread best practice. No pecuniary value. 3 categories: ships, shippers & ports. Collaboration with ECSA, ESC, ESPO and T&E. Deadline for entries: 20/4.

Volume I - Communication Politics & Next Steps



- European Parliament and Council of Ministers adopted Resolution & Conclusions in December last year.
- Both institutions endorsed the Commission's strategy, and called for more action. Follow-up this year includes
 - **Service contract published last week with 3 tasks:**
 - Assign ship emissions to EU MS (to inform discussions on national emissions ceilings review & EU GHG policy)
 - Identify, explain & cost latest abatement technologies
 - Develop practical details of market-based instruments.
 - Clean Marine Award ceremony, 1 June

Volume 2 – Marine fuel sulphur proposal: room for improvement!



Volume 2 – Marine fuel sulphur proposal: key elements



IN THE NORTH SEA & BALTIC

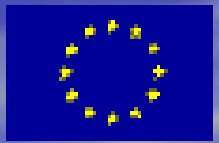
- All ships to use <math><1.5\%</math> S fuel
 - to reduce acidification, by implementing the SO_x Emission Control Areas defined in the IMO's MARPOL Annex VI convention

THROUGHOUT THE EU

- All regular passenger vessels to use <math><1.5\%</math> S fuel by 2007
 - to improve air quality in coastal areas, maintain high standards for intra-EU regular vessels, and help ensure availability of 1.5% S fuel

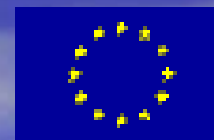
IN ALL EU PORTS

- All ships at berth to use <math><0.2\%</math> S fuel (0.1% by 2008)
 - to reduce health impacts by cutting local SO₂ and PM emissions



ABATEMENT TECHNOLOGIES

- **Annex VI allows exhaust gas cleaning** (scrubbing) and other equivalent methods, subject to IMO guidelines, currently being developed by DE subcommittee.
- **But not everyone is enthusiastic** - because it transfers onus to shipowners, and could cause marine pollution.
- **Technology not widely available** (scrubbers or exhaust monitors), but first results from trials expected soon.
- Under Annex VI, flag states must approve technology, & port states can set environmental criteria. EU now **considering a committee procedure to allow EU25 to jointly approve technologies and establish criteria.**



Proposal – next steps

- Subject to “co-decision” with EP & Council.
- EP 1st reading amendments adopted in June 2003:
 - Tougher limits than Commission proposal, eg 0.5% S fuel in SECA and for ferries, 0.2% S fuel in 12 mile territorial seas; promoting scrubbing and trading
- Commission amended proposal adopted August 2003 incorporating some EP amendments (but not 0.5%...)
- Council progress slow, but good prospects under Irish
- Ministerial debate June; “common position” & EP 2nd reading later 2004; final adoption early 2005?
Deadlines negotiable...

Other developments

- Second Beicip Franlab study looked in more detail at refining costs and practicalities of EP 0.5% S limit - €70 premium, but benefit-cost ratio still positive.
- Working on standard reporting guidelines for existing Directive 1999/32
- 6th Framework Programme funding in 2nd call, Priority 8, small task on ship emissions trading – bids being assessed (DG Research lead).
- Environment Canada, US EPA & N American ports considering ship emissions issues, including SOxECA and fuel switch at berth – April conference in Seattle



Thank you

For more information, including links to
the Commission proposals in all EU languages,
Council & Parliament documents,
consultation proceedings,
background studies,

see our regularly updated website:

<http://www.europa.eu.int/comm/environment/air/transport.htm#3>

Or contact me at env-ships@cec.eu.int