

6PAC+ Progress Report IMO GHG negotiations ISWG16 & MEPC81



Report to:
2nd SPC Heads of Maritime Meeting
23 Nadi, April 2024





Background to MEPC81

- At MEPC68 in 2015, RMI supported by 6PAC called for IMO to set targets commensurate with a 1.5 degree agenda.
- In 2018 IMO agreed an Initial Strategy for GHG Emissions Reductions from Shipping
 - At least 50% reduction by 2050
- In 2023, at MEPC80, IMO agreed the 2023 Strategy for GHG Emissions Reductions from Shipping:
 - 100% reduction by or around 2050
 - Checkpoints for 2030 and 2040.

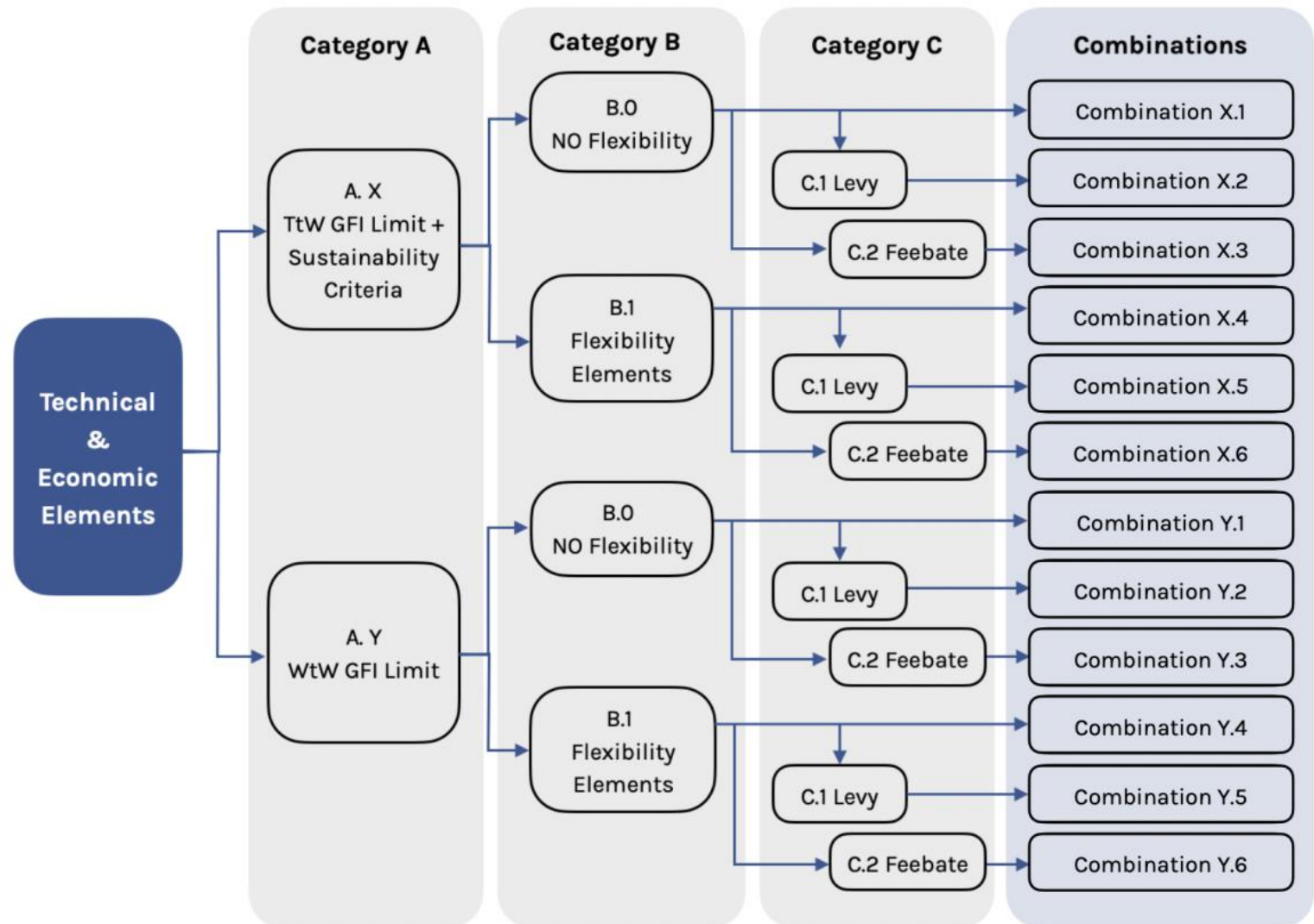
Candidate Measures

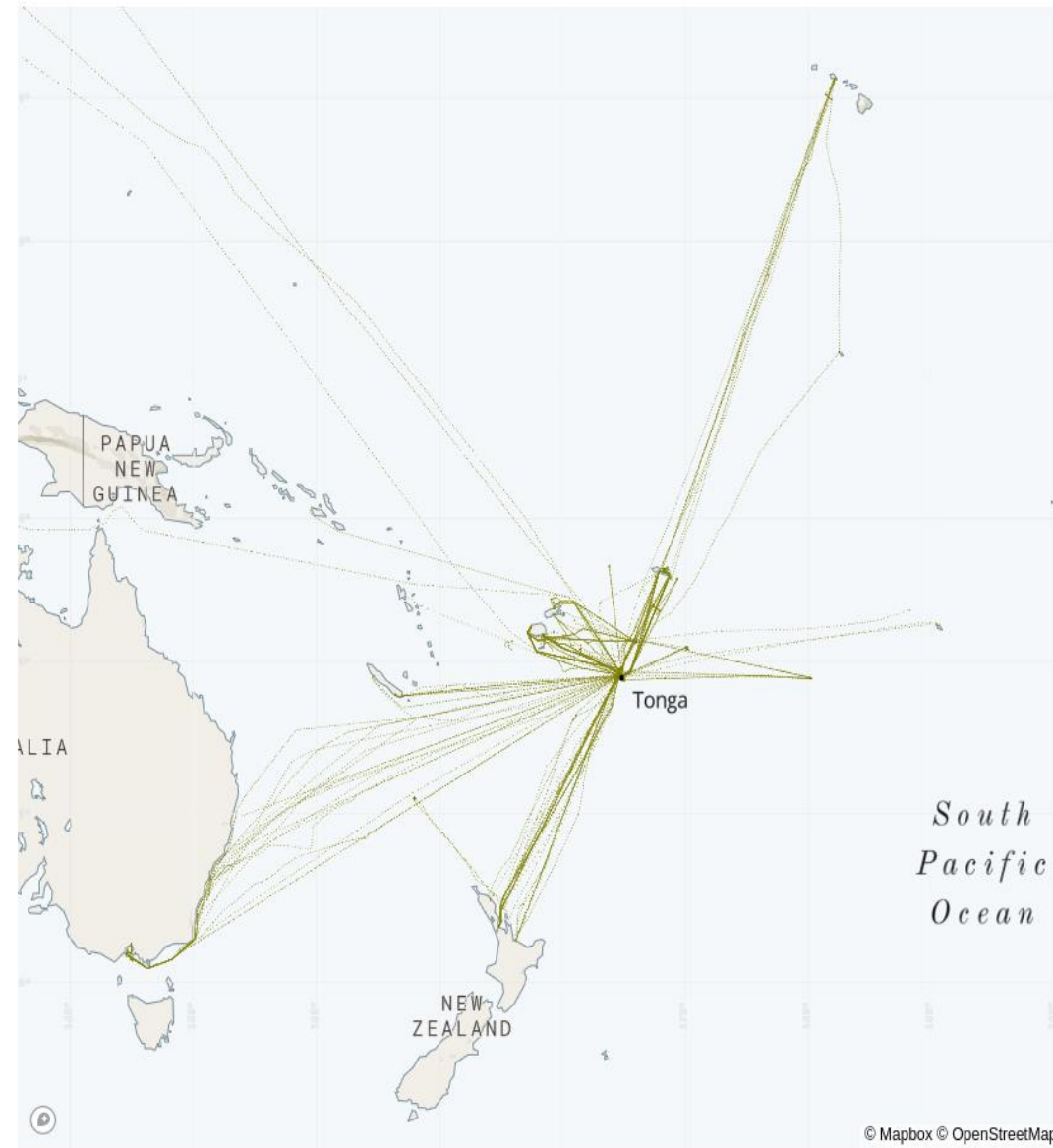
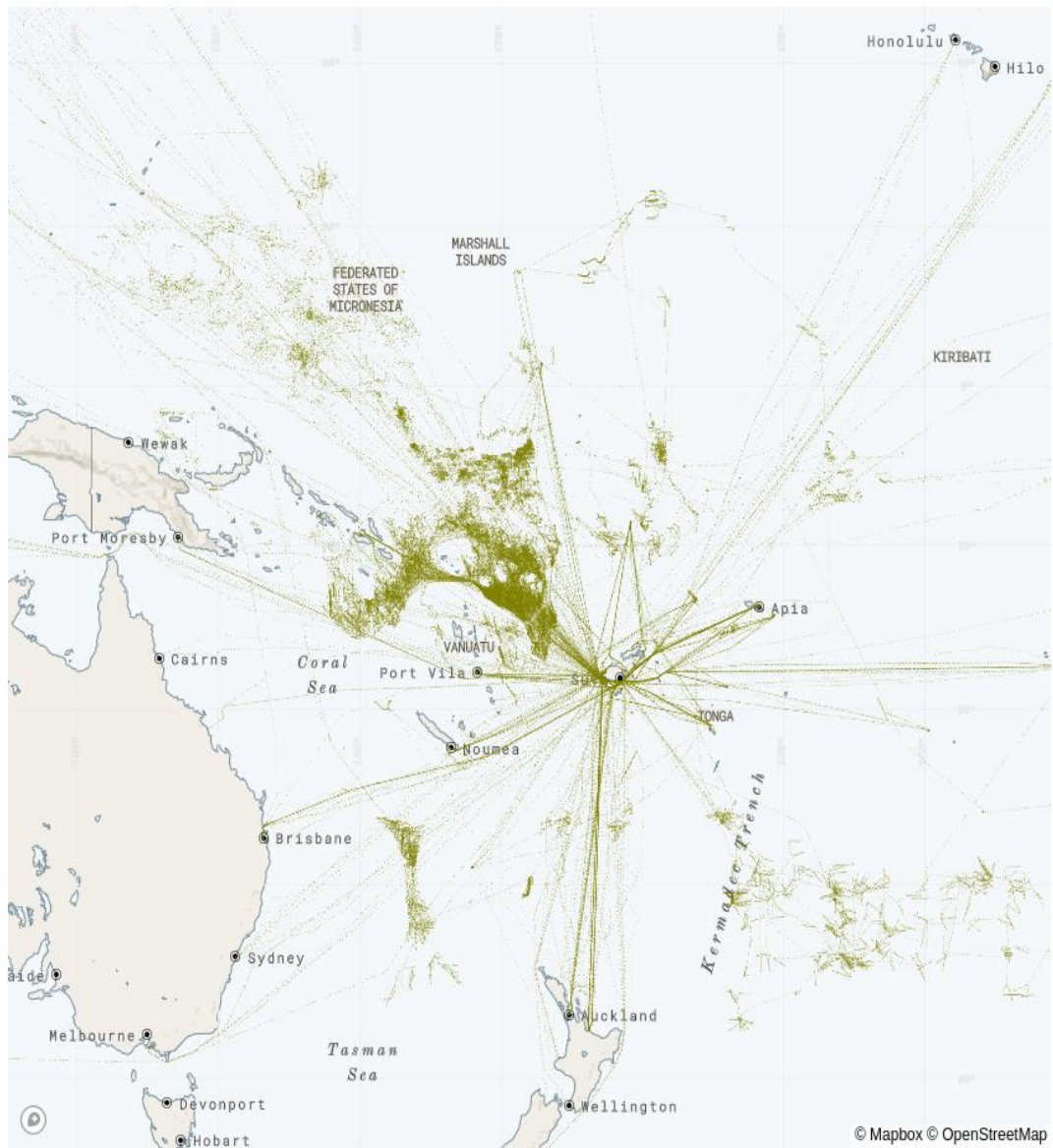
We have already agreed the short-term technical and operational measures for reducing carbon intensity of international shipping in the Initial Strategy.

- Para 4.3 – Short term measures will be reviewed by 1 January 2026
- Para 4.5 – Basket of Mid Term Measures:
 1. A technical element, namely a goal-based marine fuel standard regulating the phased reduction of the marine fuel's GHG intensity; and
 2. An economic element, on the basis of a maritime GHG emissions pricing mechanism.
- These measures must achieve three objectives:
 - effectively promote the energy transition of shipping AND
 - provide the world fleet a needed incentive WHILE
 - contributing to a level playing field and a just and equitable transition.

Comprehensive Impact Assessment and Steering Committee

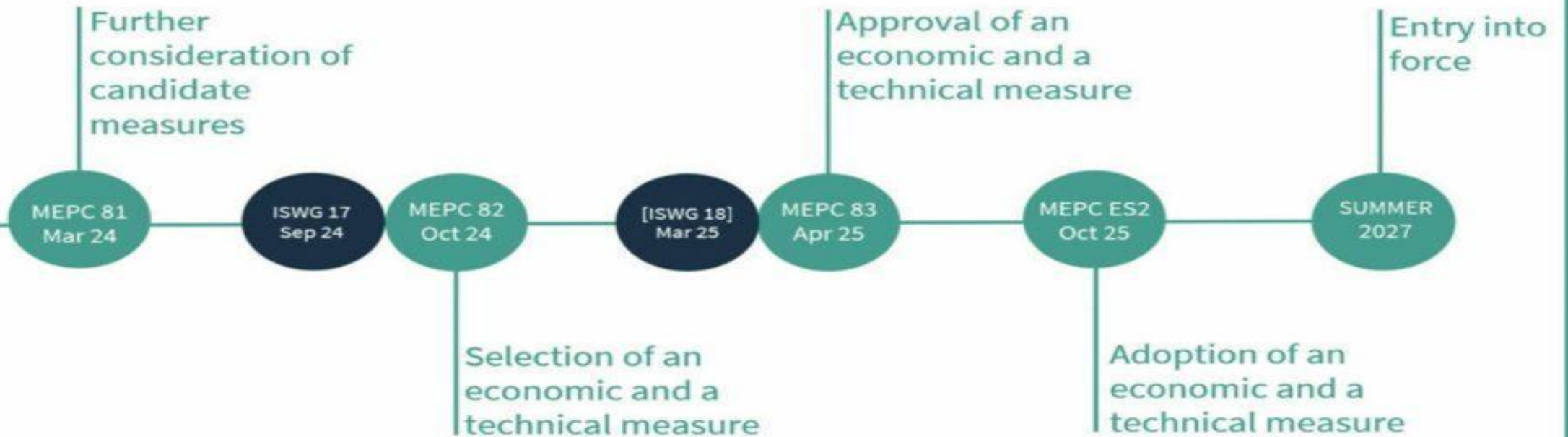
Task	Title	Lead
1	Literature Review	WMU
2	Impact on Fleets	DNV
3	Impact on States	UNCTAD
4	Case Studies	Starcrest
5	Quality assurance, vetting, verification	TBC





Timeline from 2024 - 2027

Timeline for the development of mid-term greenhouse gas measures



Key take-homes from MEPC81

- Three primary combinations of measures have emerged:
 - A simple GFS and a universal levy on all emissions – 6PAC+ proposal
 - A flexible GFS and a levy/feebate mechanism on all emissions – promoted by EU, Japan and Korea
 - A flexible GFS and a credit/compliance trading system on all emissions above the agreed GHG Fuel Index – Norway + BRICS
- In addition, the ICS with support from Liberia and Bahamas is promoting a simple GFS and a levy combined with a private compliance trading scheme
- There is still wide divergence on the specifications of the measures
- There is still wide divergence on the use of revenues

Key take-homes from MEPC81

MARPOL Amendments

Structure for the legal drafting of a new MARPOL Annex VI Chapter 5 “Regulations on the IMO net-zero framework”.

- Chapter 5.1 – goal-based marine fuel standard regulating the phased reduction of the marine fuel’s GHG intensity (including the specification of GFI trajectories, how a ship’s attained GFI would be calculated, how compliance data is collected and reported, details of any alternative compliance)
- Chapter 5.2 – economic mechanism(s) to incentivise the transition to net-zero (including specifics on the collection of economic contribution (e.g. carbon/GHG price level), flexibility mechanisms, management of revenue, distribution of revenue)

Key take-homes from MEPC81

LCA guidelines:

- The LCA guidelines are a critical enabling component of the IMO's mid-term measures, given they specify the quantification of the GHG reductions of different energy and fuel production processes.
- MEPC81 agreed two processes in parallel to advance :
 - a correspondence group
 - a separate review of the Guidelines by a body of independent experts

[Additional analysis of the outcomes from ISWG 16 is available here:](https://www.u-mas.co.uk/imos-2030-and-2040-ghg-reduction-targets-now-explicitly-linked-to-fuel-standard-while-momentum-builds-on-a-universal-ghg-price-levy-but-all-options-remain-on-the-table/)

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[Additional analysis of the outcomes from MEPC 81 is available here:](https://www.u-mas.co.uk/imos-2030-and-2040-ghg-reduction-targets-now-explicitly-linked-to-fuel-standard-while-momentum-builds-on-a-universal-ghg-price-levy-but-all-options-remain-on-the-table/)

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WEBINAR: DISSECTING MEPC81 Is IMO on course for an equitable transition?

Meet the Panelists:



**Opening statement by His Excellency
Ambassador Albon Ishoda, Marshall Islands
Special Envoy for Maritime Energy Transition.**



John Taukave
Moderator

John Taukave, is a Graduate Degree Fellow at the East West Center, currently pursuing his MA in Pacific Island Studies at the University of Hawai'i at Mānoa (UH Mānoa). With a focus on indigenous epistemology, oceanic identities, and climate advocacy in the arts, John seamlessly merges academia with artistic expression.

Holding a Postgraduate diploma in Diplomacy and International Affairs from the University of the South Pacific.

He has contributed to climate policy and research for organizations such as the Micronesian Center for Sustainable Transport (MCST) and Pacific (6PAC-Plus) delegations at the International Maritime Organization.

With a belief in the power of community support, John sees limitless possibilities in his journey of cultural preservation and academic exploration.



Dr Aly Shaw is the Senior International Policy Advisor in the Energy and Environment Program at The Aspen Institute, where she provides policy expertise and insights related to both the IMO's and EU's development of regulations to reduce GHG emissions from international shipping, in order to engage cargo owners in the acceleration of maritime decarbonization. She holds a PhD from the University of St Andrews, an MSc in Technical Ship Management from the University of Strathclyde and an MA in International Business from the University of Edinburgh.



Dr Aly Shaw
Policy Expert



Jessica Taylor
Maritime Consultant

Jessica Taylor is a maritime professional with twenty (20) years experience in the field.

She holds a Master's Degree in Maritime Law.

As a Member State Auditor with the International Maritime Organization, she particularly relishes the opportunity to work with developing countries in strengthening their maritime legislation and policy.

She is passionate about capacity building, sustainable development, climate change mitigation and youth empowerment.

She is excited about the future.



Mr. John Kautoke is an advisor on Maritime GHG matters working out of the Micronesian Center for Sustainable Transport. He began working on IMO GHG matters whilst at the High Commission of the Kingdom of Tonga in London, and has assisted Tonga in its negotiations since MEPC79. He has also served as a Member of the Steering Committee on the Comprehensive Impact Assessment of the Mid-term measures.



John F Kautoke
Advisor

He holds an LLM in International Law, and an LLB in law.

John wants to see a future where prosperity and progress advance alongside consideration for those that live on the forefront of the Climate Crisis, and their survival.

Key take-homes from MEPC81

<https://www.mcst-rmiusp.org/index.php/news/breaking-stories/1307-dissecting-mepc81-is-the-imo-on-course-for-an-equitable-transition>

<https://www.facebook.com/MicronesianCenterforSustainableTransport>

Next Steps:

- Expert Working Group to be established and to be held in summer, this would need as much participation from the SIDs and LDCs as possible.
- Data analysis of case studies of 6PAC+
- Consideration and drafting of submissions to ISWG-GHG 17 and MEPC 82.

Kommool tata!



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