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Session 3. Emission Reduction from Shipping and Net-Zero Shipping

Reduction of Emissions from Commercial Shipping: The Global Context and Singapore Initiatives

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Part 1

Shipping Emissions: The Global Context

International Climate Change Regime



- 1. UN Framework Convention on Climate Change (UNFCCC) (1992)
- 2. The Kyoto Protocol (1997)
 - a) Note Art 2(2) which states: "The Parties included in Annex I shall pursue limitation or reduction of emissions of greenhouse gases not controlled by the Montreal Protocol from aviation and marine bunker fuels, working through the International Civil Aviation Organization and the International Maritime Organization, respectively."

3. The Paris Agreement (2015)

a) Note Art 2(1)(a) which states: "Holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels."

Emissions from International Commercial Shipping



- Experts predict that international maritime shipping may be responsible for
 ≥ 17% of global GHG emissions by 2050 as global trade expands. Logically,
 shipping sector needs to make substantial cuts in emissions to meet the Paris
 Agreement temperature goals.
- IMO is in charge of regulating GHG emissions from international maritime transport. However, critics have observed that IMO's work to date is incompatible with the Paris Agreement (E.g. there is concern that it may actually lead to an increase in GHG emissions).
- While discussions are underway to improve IMO's future work towards
 emissions reduction, reporting emissions from international transport
 remains at the discretion of each State (calculated as part of the national
 GHG inventories of Parties, but excluded from national totals and reported
 separately).



Part 2

Singapore's Initiatives and Policies

Singapore and International Initiatives



- Generally, Singapore plays an active role at the IMO in the formulation of strategies and measures to reduce such emissions.
- Singapore is also an active participant in a number of initiatives aimed to reduce GHG emissions from maritime shipping that requires some form of international cooperation, including:
 - NextGEN and NextGEN Connect
 - 2. Cyldebank Declaration on Green Shipping Corridors
 - 3. Zero-Emission Shipping Mission
 - 4. Blue Solutions Project
- Additionally, Singapore is an active supporter of the IMO's Integrated
 Technical Co-operation Programme to build up developing IMO Member
 States' capabilities to implement international maritime regulations and
 standards.



MPA's Maritime Singapore Green Initiative

- In 2011, MPA pledged to invest up to \$\$100 million over 5 years in the Maritime Singapore Green Initiative which seeks to reduce the environmental impact of shipping and related activities and to promote clean and green shipping in Singapore.
- In 2019, the Initiative was further extended till 31 December 2024 and enhanced to promote decarbonisation of shipping.
- It is a comprehensive initiative comprising four programmes. These
 voluntary programmes are designed to recognise and provide incentives to
 companies that adopt clean and green shipping practices over and above
 the minimum required by IMO Conventions.



Green Ship Programme (GSP)

- The key principle of GSP is to reward ship owners who voluntarily adopt solutions that enable ships to exceed environmental regulatory standards mandated by IMO.
- GSP is enhanced to encourage Singapore-flagged ships to reduce GHG emissions. Ships that qualify will enjoy a <u>reduction of their Initial</u> <u>Registration Fees</u> and a <u>rebate on their Annual Tonnage Tax</u>.
- MPA will also issue a Green Ship Certificate, each to the qualifying ship and company owning.



Green Ship Programme (GSP)

Criteria	Incentives	
	Initial Registration Fee	Annual Tonnage Tax
Adoption of energy efficient ship designs exceeding EEDI	50% reduction	20% rebate
Adoption of LNG as a fuel	75% reduction	50% rebate
Adoption of fuel with lower carbon content than LNG	50% reduction	20% rebate
Adoption of both energy efficient ship designs exceeding EEDI and fuel with lower carbon content than LNG	75% reduction	50% rebate



Green Port Programme (GPP)

- GPP encourages ocean going vessels **calling in Port of Singapore** to adopt solutions to reduce the emission of pollutants.
- Vessels that qualify could enjoy <u>25% concession in port dues</u> (throughout entire port stay or 5 days or less), if it
 - (a) uses LNG as a marine fuel in the Port of Singapore; or
 - (b) exceeds current IMO's Energy Efficiency Design Index (EEDI) requirements Additional 10% concessions by tapping on services provided by LNG-fuelled harbour craft during port stay.



Green Port Programme (GPP)

Criteria	Port Dues Concession	
Use of LNG bunker during port stay	25% for that particular port stay	
Exceeding IMO's EEDI Requirement		
Use services provided by LNG- fuelled harbour craft during port stay	Additional 10%	



Green Energy and Technology Programme

- The Green Energy and Technology Programme aims to encourage Singaporebased maritime companies to develop/conduct pilot trials for green technologies that can help vessels meet IMO 2030 targets.
- Ocean going vessels registered under the SRS and harbour crafts licensed to operate within the Port of Singapore are eligible to apply.



Green Awareness Programme

- The Green Awareness Programme encourages companies to pursue
 advanced sustainability reporting in areas of carbon reporting and internal
 carbon pricing; as a tool to facilitate the industry shift towards low carbon
 shipping in alignment with IMO initial strategy for reduction in CO2
 emissions from ships.
- A series of workshops and training would be conducted to build up capabilities of local maritime companies in carbon accounting.

Conclusions



- 1. The reduction of GHG emissions from shipping is a complex task that must be tackled by the IMO as well as by States and other stakeholders in the shipping industry.
- 2. As a party to the Paris Agreement and the Kyoto Protocol, and a major global maritime centre and bunkering port, Singapore takes its responsibilities to reduce GHG Emission from shipping seriously.
- 3. Singapore is actively participating in the discussions at the IMO and is actively participating with like-minded partners in other international initiatives to reduce GHG emissions from shipping.
- 4. In addition, it has initiated several voluntary programmes to provide incentives to companies in Singapore and Singapore-registered ships to adopt clean and green shipping practices.



Thanks for your attention!

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