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THE SAIL TO NET ZERO

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THE ORIGIN STORY

- | Decarbonization is essentially the removal of CO₂ from the earth's atmosphere.
- | The Intergovernmental Panel on Climate Change (IPCC) Report 1991: there is a natural greenhouse effect which keeps the Earth warmer than it would otherwise be, and human activities have only contributed to the increasing atmospheric concentrations of the greenhouse gases ("**GHG**").
- | Impact on the Shipping transport sector, which invariably affects the oceans.

THE REGULATIONS

- | The 1967 Torrey Canyon Disaster gave birth to the International Convention for the Prevention of Pollution from Ships (MARPOL) 1973 – the aim is to address to the pollution of marine environment by ships from operational/accidental causes.
- | The most relevant amendment to MARPOL – Annex VI, first adopted in 1997 - deals with control of ship emissions, ship exhaust gases, emission control areas, Sulphur limits.

IMO'S RESPONSE

- | The goals set by the IMO 2018 Strategy – 50% GHG reductions by 2050; 40% Carbon reductions by 2030, 70% by 2050.
- | In the strategy, timelines were set:
 - Short Term - 2018 – 2023
 - Mid- Term – 2023 – 2030
 - Long Term – Beyond 2030
- | The approaching deadline – 2030 Carbon reduction by 40%, and efforts are speeding up to meet this target.
- | IMO's meeting in January 2023

STAKEHOLDERS' RESPONSE

- | Two of the major players in a Marine Adventure – Finance and Insurance – have taken a position on decarbonization.
- | Finance Sector – Poseidon Principles - measuring the CII of shipping portfolios on an annual basis; assessing decarbonization trajectories. Major private banks and financial institutions have joined.
- | Insurance Sector, also set up their own set of Poseidon principles, which measure climate alignment in underwriting portfolios. Many insurance companies have also joined.
- | Governments and polices

WHAT SHOULD WE EXPECT TO SEE?

- | The increase in Port State Control
- | Collaboration forges a path to stay ahead.
- | Innovation at its peak.



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