

Consultation on the revision of the policy on monitoring, reporting and verification of CO₂ emissions from maritime transport

Fields marked with * are mandatory.

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Maritime transport emits around 1000 million tonnes of CO₂ annually and is responsible for approximately 2.5% of global greenhouse gas (GHG) emissions according to the 3rd IMO GHG study. Shipping emissions are predicted to considerably increase in future and in accordance with global economic growth and developments in energy policy. This growth in emissions is not compatible with the internationally agreed goal of keeping the global temperature increase to well below 2°C and of pursuing efforts to limiting it to 1.5°C compared to pre-industrial levels.

As the first step within the gradual approach set out within the European Commission's Communication on "[Integrating maritime transport emissions in the EU's greenhouse gas reduction policies](#)" from 2013, [Regulation \(EU\) 757/2015](#) (thereinafter the EU MRV Shipping Regulation) was adopted in April 2015. It sets rules (thereinafter 'the EU MRV') for the accurate monitoring, reporting and verification of CO₂ emissions and other relevant information in order to promote reduction of CO₂ emissions in a cost effective manner. The legal framework for EU MRV has been completed in 2016 with the adoption of implementing rules and it applies to Norway and Iceland as part of the Economic European Area (EEA) Agreement.

As part of the MARPOL Convention, in October 2016, the Maritime Environment Protection Committee (MEPC) of the International Maritime Organization (IMO) has adopted a Global Data Collection System (thereinafter 'the IMO DCS'). Collection of data under the IMO DCS is foreseen to be followed by an analysis of the data and the possible adoption of further measures to tackle shipping GHG emissions. The legal framework of the IMO DCS has been completed in July 2017 with the adoption of Guidelines for management of the IMO database and on data verification.

As result the Commission is now taking action in accordance with Article 22 of the MRV Shipping Regulation which requires that "In the event that an international agreement on a global monitoring, reporting and verification system for greenhouse gas emissions (...) is reached, the Commission shall review this Regulation and shall, if appropriate, propose amendments to this Regulation in order to ensure alignment with that international agreement".

The review will assess and compare the two systems, and in particular the different approaches within key aspects such as monitoring parameters, verification approach, level of transparency of data reported and compliance insurance.

By launching the present public consultation the Commission is offering a first possibility for stakeholders to provide their views on and inputs to the assessment process of the main aspects of alignment between EU MRV and IMO DCS.

A workshop with stakeholders will be organized in mid-November 2017 to further discuss options for alignment.

General information about respondent

* *In what capacity are you completing this questionnaire?*

Public authority

* Please give your name if replying as an individual/private person, otherwise give the name of your organisation:

Text of 3 to 200 characters will be accepted

The Netherlands

If your organisation is registered in the Transparency Register, please give your Register ID number:

20 character(s) maximum

If your organisation is not registered, you can [register now](#). Please note that contributions from respondents who choose not to register will be processed as a separate category 'non-registered organisations/business'.

* Please give your country of residence/establishment:

Netherlands

Please indicate if your organisation is involved in EU MRV implementation:

- ☐ A shipowner or any other organisation or person, such as the manager or the bareboat charterer, having assumed the responsibility as MRV company
- ☐ A shipowner not having assumed MRV company responsibilities
- ☐ A charterer not having assumed MRV company responsibilities
- ☐ A ship manager not having assumed MRV company responsibilities
- ☐ A legal entity to be carrying out verification activities pursuant to the MRV Shipping Regulation
- ☐ An EEA National Accreditation Body
- ☒ An EEA Member States' authority dealing with MRV Shipping Regulation
- ☐ A legal entity providing services or equipment for monitoring and/ or reporting
- ☐ Other (please specify)

* Please indicate your preference for the publication of your response on the Commission's website:

(Please note that regardless of the option chosen, your contribution may be subject to a request for access

to documents under [Regulation 1049/2001](#) on public access to European Parliament, Council and Commission documents. In this case the request will be assessed against the conditions set out in the Regulation and in accordance with applicable [data protection rules](#).)

- ☐ Under the name given:
I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication
- ☒ Anonymously:
I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication

Questions

Policy Objectives

General policy objective

The temperature goal of the Paris Agreement requires a rapid peaking of GHG emissions, followed by a rapid decline towards net zero emissions in the second half of the century.

This can only be realistically achieved if all sectors contribute (economy-wide commitments by Parties), together with adequate contributions from the international transport sectors. As this is being done in international aviation by ICAO, the IMO currently prepares a 'comprehensive IMO strategy on reduction of GHG emissions from ships', to be adopted in April 2018 (initial strategy).

What is your opinion on the following statement?

GHG emissions from ships should be reduced so as to bring a fair contribution to the climate goals of the Paris Agreement:

- ☒ Fully agree
- ☐ Tend to agree
- ☐ Tend to disagree
- ☐ Fully disagree
- ☐ I don't know/ no views

Specific policy objectives

The impact assessment accompanying the proposal for the EU MRV Shipping Regulation indicated that a number of existing technical and operation solutions could deliver substantial reductions in fuel consumption and emissions. However, they are not implemented in part due to market barriers including the lack of accurate and relevant information.

Monitoring of fuel consumption information alone can trigger an improvement of the fuel efficiency of ships. Ship-owners, ship operators and charterers may not be aware of the energy efficiency of a ship, may not be able to compare the energy efficiency amongst ships or may not be aware of technologies delivering cost-effective reductions.

Furthermore, in case of split incentives (the investor into energy efficiency does not benefit from reduced fuel bills, e.g. in case ships are chartered out), information on energy consumption and efficiency could allow market actors to better consider fuel costs for their decision making. Consequently, investments into energy efficiency could become economically viable through higher charter rates or higher value of a ship on the second hand market.

Therefore, the purpose of the EU MRV Shipping Regulation is to contribute directly and indirectly to reducing GHG emissions from ships, by raising awareness for fuel consumption and by providing relevant information to markets. Another important objective is to provide accurate data on shipping GHG emissions for political decision making on further measures to tackle emissions from the sector.

In addition to these objectives, ways to minimise the administrative burden should be duly considered when assessing alignment options.

In your opinion, how important are the following objectives when considering options for alignment between EU MRV and IMO DCS?

	Very important	Important	Somewhat important	Not important	I don't know/ no views
Monitoring of ships' fuel consumption and related energy efficiency parameters as company-internal tool to raise awareness of emission reduction opportunities and to trigger actions at company level	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing transparent and robust information on ships' fuel consumption and energy efficiency to the markets to create incentives for investments into energy efficiency technologies	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Collection of transparent data to ensure informed decision making on further policy measures for the sector on emission reduction	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reducing administrative burden for ships performing EEA - related maritime transport	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Policy options

This section asks questions about different elements which could be revised in the EU MRV Shipping Regulation. Changes to these elements could be combined to policy options and sub-options.

Following basic policy options could be envisaged:

- **No alignment:** Both systems co-exist with their current design and ships using EEA ports have to report within both systems. Two sets of data are to be monitored, two different verification approaches are applied and EU data are to be published.
- **Full alignment:** The EU MRV is fully aligned to the IMO DCS but ships using EEA ports have to submit reports in both systems with the reports for the EU system only covering voyages from and

to EEA ports. Verification is in principle carried out according to IMO rules. EU data will not be published.

- **Partial alignment:** EU MRV is maintained, including all elements (monitoring, reporting, verification and publication). Similar elements are harmonised in order to minimize administrative burden. These may in particular include responsibilities for actors involved, scope, the list of data to be monitored as well as templates and procedures.

The EU MRV and the IMO DCS have a similar technical scope (ships above 5000 GT), require reporting on a "ship-by-ship-basis", and rely on documents to establish compliance.

However, besides the differences in terms of geographical scope (EEA-related for EU MRV against global for IMO DCS), there are a number of differences which could be addressed by an alignment:

- **Scope (ships, voyages and activities covered):** The IMO DCS covers ships engaged in international maritime transport. The EU MRV does not include maritime sector activities other than transport of passengers or cargo for commercial purposes. EU MRV additionally covers domestic (internal to a Member State) maritime transport.
- **Parameters to be monitored:** The EU MRV includes the actual cargo carried as one of the parameters used to give accurate information on ships' operational energy efficiency[1]. Instead of using "actual cargo", IMO DCS has opted for the cargo carrying capacity of ships. Furthermore, the two systems use slightly different definitions of the parameters 'distance travelled' and 'time spent at sea/ 'hours underway'.
- **Verification:** The EU MRV applies to all ships calling at ports in the EEA and requires third party verification. It uses a robust verification system similar (but simplified) to the one applied in the EU Emissions Trading System (ETS), based on internationally agreed ISO standards and EU specific verification rules. Furthermore, EU MRV verifiers are subject to supervision by National Accreditation Bodies (NABs)[2]. In the IMO DCS Flag Administrations shall verify data according to their rules, taking into account IMO guidelines. Within the IMO system, the presumption is that Flag States' Administrations correctly fulfil their international obligations.
- **Level of transparency:** Similar to the treatment of other sectors, the EU MRV includes the publication (by the Commission) on a "per ship" basis of aggregated annually reported data. The IMO central database will only include anonymous datasets (without the possibility to identify individual ships) and will only be accessible to IMO Member States, but will not be made available to the public.
- **Monitoring & reporting processes including templates:** Under EU MRV and IMO DCS, the company is responsible for monitoring and reporting. However, in case of changes of company during a reporting period, the IMO DCS requires both companies to submit a report covering the period /activities under their responsibility whereas the EU MRV obliges the company in charge on 31 December to submit a consolidated emissions report for the entire reporting period. The EU MRV requires the use of monitoring plan templates whereas in the IMO DCS, only a voluntary structure is provided.

[1] Operational (energy and CO₂) efficiency of a ship expresses its efficiency in its daily operation and relates energy consumption/ CO₂ to the cargo carried over distance.

[2] Regulation (EC) 765/2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EC) 399/93

Considering the objectives to be pursued, what are in your view the priorities for alignment between EU MRV and IMO DCS?

Please rank these elements for alignment according to their priority from 1 to 5, where 1 is the highest and 5 the lowest priority:

	1: the highest priority	2: the second highest priority	3: the third highest priority	4: the fourth highest priority	5: the lowest priority
Scope (ships, voyages and activities covered)	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Parameters to be monitored and reported	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Verification	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Transparency	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Monitoring & reporting processes and templates	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

Parameters to be monitored and reported

Do you agree with the following statement?

	Fully agree	Tend to agree	Tend to disagree	Fully disagree	I don't know/ no views
Operational energy efficiency of a ship is a relevant parameter for business decisions in the shipping sector and political decision making.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
EU MRV should use the same monitoring and reporting parameters as the IMO DCS and replace 'cargo carried' by "cargo capacity".	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
EU MRV should use the IMO DCS' definitions for distance travelled and time spent at sea/ hours under way.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Verification

When considering options for alignment in this aspect, it should be kept in mind that a flag-neutral regional system, such as the EU MRV, cannot "per definition" impose obligations on Flag administrations to verify data arising from regional (EU) law.

Do you agree with the following statements?

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	Fully agree	Tend to agree	Tend to disagree	Fully disagree	I don't know/ no views
Ensuring a high quality of reported data is an important and essential aspect for a MRV system.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ensuring a level playing field for ships and companies is an important and essential aspect for a MRV system.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The benefits of robust and comparable data justify verification costs (of up to 500 € per ship and year).	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Who should ensure high quality of reported data and a level playing field for companies in the EU MRV system?

- ☒ Independent verifiers carry out verification according to specified verification rules
- ☐ Recognised Organisations (according to Regulation (EC) No 391/2009) carry out verification according to specified verification rules
- ☐ Port State Control Officers carry out in-depth inspections according to specified rules
- ☐ Other (please specify)

Transparency of data collected

When considering options for alignment on transparency, the obligations of EU institutions and its Member States concerning public access to environmental information arising from international/EU law need to be taken into account.

Do you agree with the following statements?

	Fully agree	Tend to agree	Tend to disagree	Fully disagree	I don't know/ no views
Publication of environmental information on CO2 emissions of individual ships is relevant for the general public.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Providing information on the technical and operational efficiency of ships helps market actors to take informed decisions.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other aspects relevant for alignment

Can you identify other possible areas/aspects of the EU MRV where options for alignment with IMO DSC shall be examined and how they should be ranked in terms of priority?

1500 character(s) maximum

- further research on the basis of available data
- differentiation in ship types
- better cargo parameter for general cargo vessels
- energy label (recognised/transparant)

Other comments

If you wish to add further information, comments or suggestions – within the scope of this questionnaire – please feel free to do so here:

1000 character(s) maximum

- keep it simple
- in principle full and ambitious alignment, however on some aspects it has to be studied if partial alignment would be more appropriate.
- At a later stage, future adjustments for IMO DCS could be needed.

In addition, you could also upload a document proving further information, comments or suggestions.

Contact

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