

TO	:	Pacific diplomatic missions
DATE	:	13 January 2016
SUBJECT	:	Consultation on shipping emissions paper for submission to MEPC 69

Purpose

1. To brief Pacific diplomatic missions on the developments that are underway to address the issue of reducing greenhouse gas (GHG) emissions from the international shipping sector, through the International Maritime Organization (IMO), following COP21 in Paris.
2. The consultation session, organised by the Pacific Islands Development Forum (PIDF) on 20 January 2016, aims to seek the views of Pacific Island governments and other stakeholders with regards to the shipping emissions paper that is proposed for submission to the 69th Session of the IMO Marine Environment Protection Committee (MEPC) in April 2016.

Background

3. Shipping is an important industry to a number of Pacific countries, both as a means to connect countries to the global trade system, and also because a number of Pacific countries operate significant international shipping registries. Shipping (and aviation) are both significant sources of GHG emissions, and have growing emissions under current policy scenarios. The two sectors risk jeopardizing global efforts to avoid dangerous climate change unless further policy is developed.
4. Emissions from the international shipping sector (and aviation) were considered but ultimately dropped from the Paris Agreement, despite calls from the Pacific (reinforcing the Suva Declaration), many European Union (EU) countries and the shipping industry, who all thought that a clear signal from the United Nations Framework Convention on Climate Change (UNFCCC) to the UN agency (i.e. IMO) with responsibility for regulation of shipping would accelerate progress on this sector's GHG emission reduction.
5. The absence of any explicit reference in Paris Agreement leaves IMO in control of shipping GHG regulation, as it has been since Kyoto Protocol. IMO has already made some progress on shipping GHG emissions (developing minimum energy efficiency standards for new-build ships), but the progress is slow and the latest analysis of the sector's future emissions shows that even including this policy progress, shipping emissions are expected to grow by 50-250% by 2050 compared to 2012 levels.
6. The IMO discusses the topic of GHG within its MEPC, which meets for one week, approximately every nine months in London. In 2015, there was one meeting (MEPC 68) and in 2016, there will be two meetings (MEPC 69 and 70).
7. In May 2015, RMI submitted a paper to MEPC 68 advocating that IMO adopt an ambitious target for its future GHG emissions trajectory and the policy to achieve the target. The paper was presented in the meeting by the RMI Foreign Affairs Minister Tony de Brum and supported by the governments of Solomon Islands, Tuvalu and Vanuatu but ultimately the decision to progress the paper's suggested action was postponed to an unspecified future date.

8. Unofficially, two events were attributed to the postponement – uncertainty on the Paris outcome, and the need for the progression and finalization at MEPC of the fuel reporting system proposal that has been under debate at IMO for several meetings.
9. With the Paris outcome known – and the increased global commitment to temperature stabilization well below 2°C and targeting 1.5°C, and good progress made during an IMO intersessional working group on the fuel reporting system – we believe that the topic of targets should be raised once again at MEPC 69 (April 2016).

Draft shipping emissions paper

10. The objective of this draft paper is to establish a work plan and insert into the MEPC's agenda for future meetings the derivation of a GHG target for international shipping.
11. The paper has been drafted by IMO leads from Belgium and Germany, following an informal meeting hosted by RMI in September 2015 that brought together a small coalition of likeminded countries (France, Belgium, Germany, Norway, Vanuatu, RMI in attendance, others (Denmark, Tuvalu, Singapore invited but unable to attend)).
12. The paper must be submitted to the IMO document system by 12 February 2016, and is expected to be co-sponsored by at least a number of the countries present at the September informal meeting.

Requested actions

13. Actions requested:
 - (i) Indicate the possibility of your country's co-sponsorship for the MEPC 69 paper.
 - (ii) Give suggestions as to any other countries that may be interested to support.
 - (iii) Make any suggestions for modification to the content of the draft paper.

For further information, please contact:

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TO	:	Pacific diplomatic missions
DATE	:	Thursday, 21 January 2016
SUBJECT	:	Consultation on shipping emissions paper for submission to MEPC 69

Purpose

1. To provide an update to recent developments raised in PIDF Briefing Paper 1/2016 regarding the draft submission to IMO's MEPC69 in advance of the PIDF organised consultation session on 25 January.

Background

2. PIDF briefing paper 1/2016 provided background and recommendations for Pacific countries to consider regarding potential co-sponsorship of a submission to MEPC69 in partnership with a number of European states.
3. The draft submission calls for the establishment of an IMO workplan to determine international shipping emission reduction targets.
4. Since Briefing Paper 1/2016 was circulated we have been in on-going negotiations with our European colleagues over the content and wording of the proposed submission. We have requested that additional wording be included in the draft that was circulated with the briefing paper to cover 4 major issues we identify as being of high concern to Pacific countries:
 - a. All references to climate change targets need to reference the agreement made in Paris – i.e. to limit the global average temperature increase to well below 2°C with an ambition target of 1.5°C.
 - b. The need for all sectors, including shipping, to accept their fair share of the responsibility to reduce overall global emissions.
 - c. Recognition of the likely economic impact of such measures as might be agreed to by the IMO on the special case of SIDS and the design of a compensatory or offsetting mechanism to accommodate the likely disproportional effect on these states, and
 - d. The need for recognition that technical assistance, capacity development, technology and knowledge transfer to assist SIDS/LDCs will be needed as a priority and that this requires significant ramping up of existing levels of support.
5. Negotiations with our European colleagues have been highly constructive. Points a and b above have been agreed and are now inserted. We are still in negotiation with the drafters as to how best to capture points c and d within the submission.
6. We anticipate having a final draft to present to Pacific countries at Monday's meeting for their consideration finished this weekend and will circulate as soon as it is to hand.