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WORKING GROUP ON REDUCTION OF
GHG EMISSIONS FROM SHIPS
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Agenda item 2

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**FURTHER CONSIDERATION OF CONCRETE PROPOSALS TO IMPROVE THE
OPERATIONAL ENERGY EFFICIENCY OF EXISTING SHIPS, WITH A VIEW TO
DEVELOPING DRAFT AMENDMENTS TO CHAPTER 4 OF MARPOL ANNEX VI AND
ASSOCIATED GUIDELINES, AS APPROPRIATE**

Defining the needs of Pacific SIDS

Submitted by Mexico, Solomon Islands and Tonga

SUMMARY

Executive summary: This document provides insights from selected Pacific Small Island Developing States (SIDS) and Least Developed Countries (LDCs) into their needs. The purpose of the document is to assist the Organization in paying particular attention to their needs as defined in the various IMO resolutions, including the Initial IMO GHG Strategy and Impact Assessment procedure.

Strategic direction, if applicable: 3

Output: 3.2

Action to be taken: Paragraph 29

Related documents: ISWG GHG 7/2/11; resolutions A.1061(29), A.1110(30) and A.1111(30)

Introduction

1 The co-sponsors submit this document in light of the various discussions regarding the needs of small island developing States (SIDS) and least developed countries (LDCs) that must be paid attention to, as required in the Initial Strategy and associated impact assessment to reduce GHG emissions from ships. The co-sponsors note that the needs of such States are not homogenous and individual priorities will vary from State to State. The co-sponsors can only present their perspective as Pacific SIDS, LDCs, and Climate Most Vulnerable States. The co-sponsors encourage other SIDS, LDCs and Climate Most Vulnerable nations to offer their own perspective in regard the issues raised below.

2 The co-sponsors hope that the information provided in this document will assist in moving forwards with the urgent adoption and implementation of measures to reduce GHG emissions from ships in line with no more than 1.5°C global warming.

3 The co-sponsors note that the Organization has consistently recorded its commitment to addressing the special circumstances of SIDS and LDCs, albeit with varying use of language, and recall:

- .1 the Organization's commitment expressed in its High Level Action No. 3.4.1 to "identify the emerging needs of developing States, in general and the developmental needs of SIDS and LDCs in particular" and No.9.0.1 to "identify and address the special shipping needs of SIDS and LDCs" (resolution A.1061(28));
- .2 the requirement to identify "the emerging needs of developing States, in general and the developmental needs of SIDS and LDCs in particular"; to "pay special attention to the shipping needs of SIDS and LDCs" and "the need for timely scheduled voyages, in particular to SIDS dependent upon maritime transport, and that such a special need should be carefully considered to ensure SIDS are not penalized by any measures developed and adopted in respect of operational energy efficiency" (MEPC 68/21, paragraphs 4.18 and 4.19);
- .3 resolution A.2091(29) where the Organization commits to "pay special attention to the shipping needs of Small Island Developing States (SIDS) and the least developed countries (LDCs)";
- .4 resolution A1110(30) where the Organization reconfirms that it will "continue to pay particular attention to the needs of developing countries, especially small island developing States (SIDS) and least developed countries (LDCs)"; and
- .5 resolution MEPC 304(72) on the *Initial IMO Strategy on Reduction of GHG Emissions from Ships* and the requirement expressed in paragraph 3.2.3 to "consider the impacts of measures on States, including developing countries, in particular, on LDCs and SIDS [...] and their specific emerging needs" and in paragraph 4.10 noting that "Particular attention should be paid to the needs of developing countries, especially small island developing States (SIDS) and least developed countries (LDCs)".

4 The co-sponsors note that these commitments are in essence paraphrasing of the original wording in the resolution A.1061(28) on the High Level Action Plan.

5 The co-sponsors therefore submit this document in order to shed light on what the "needs" of Pacific SIDS and LDCs are, to assist in the consideration of the various measures being proposed to reduce GHG emissions from international shipping and the associated impact assessments.

Defining the needs of Pacific SIDS and LDCs

6 Numerically and physically small, often characterised as "micro-states", many Pacific SIDS have unique needs and issues, which do not necessarily conform easily with characteristics of the greater majority of nations. Some are often described as sitting outside of the mainstream global market economy and have been called MiRAB economies (high

dependency on migration, remittances, aid, bureaucracy¹). With some exceptions and variations, remoteness, extremely narrow resource bases and lack of any economy of scale results in generally low economic performance, high export/import imbalances with high to extreme dependency on imported fuels, foods and other essential goods, distorted and narrow economies based on primary resource extraction (fish, timber, metals) and in some cases tourism, and high to extreme dependency on aid, remittances and migration.

7 Pacific SIDS are also the most vulnerable States to natural disasters (including cyclones, earthquakes, eruptions, tsunamis, droughts) with Vanuatu, Tonga and Solomon Islands ranked in the top four most vulnerable nations in the world and three other Pacific States amongst the 15 most vulnerable nations. Many Pacific States are constantly in reiterative disaster response and recovery mode. Reacting to major events can be beyond the capacity and economies of smaller States.²

8 All of these factors are now compounded and magnified by the increasing effects of the climate crisis which poses a direct, and in some cases existential, threat to the survival of Pacific communities and States through sea level rise, ocean acidification, coral reef destruction and increased storm and drought intensity. Such impacts are all projected by science to accelerate and intensify. The Pacific region has already noted that tackling the dual threats of climate change and natural disasters is essential to achieving the Sustainable Development Goals (SDGs).

9 The United Nations³ has determined that "while acknowledging the primary responsibility of SIDS for their own sustainable development, we recognize that the persistent development challenges of the SIDS require enhanced global partnership for development, adequate provision and mobilization of all means of implementation and continued international support to achieve internationally agreed goals".

10 The major need of the Pacific SIDS in this context is therefore a sufficient response to the climate crisis. The co-sponsors suggest in this document that the needs of Pacific SIDS for the purposes of their consideration by the Committee, of the impacts of measures on States, can be classified under a hierarchy of:

- .1 responding to threats to community and national survival posed by the climate crisis and natural disasters;
- .2 progressing to sustainable development; and
- .3 ensuring connectivity with the global community through affordable and appropriate maritime transport capacity at inter- and intra-State levels.

Responding to threats to community and national survival posed by the climate crisis and natural disasters

11 The co-sponsors note in particular the 2019 Kainaki II Declaration⁴ where Pacific leaders collectively declared a climate crisis and "reaffirmed climate change as the single

¹ MIRAB is an acronym for migration (M), remittance (R) and foreign aid (A) and the public bureaucracy (B). See Tisdell (2015) for a more detailed discussion on MIRAB and other Pacific economic models: https://www.researchgate.net/publication/333258827_The_MIRAB_Model_of_Small_Island_Economies_in_the_Pacific_and_their_Security_Issues

² https://reliefweb.int/sites/reliefweb.int/files/resources/WorldRiskReport-2019_Online_english.pdf

³ <https://sustainabledevelopment.un.org/samoapathway.html>

⁴ <https://www.forumsec.org/wp-content/uploads/2019/08/50th-Pacific-Islands-Forum-Communique.pdf>

greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific". For some States, in particular the atoll nations, the climate crisis poses an existential threat. Ensuring the survival of their communities in the face of this threat is beyond the economic capacity of most Pacific SIDS and we note the pledge made by developed countries in 2009 to jointly mobilize \$100 billion annually by 2020 to address the needs of developing countries and as a priority the mitigation and adaptation needs of the climate most vulnerable nations.

12 The importance of shipping was noted in the Kainaki II Declaration, where Pacific leaders agreed "strong political leadership to advance climate change action, protecting our Ocean's health and integrity, sustainably managing our island and ocean resources, connecting our oceanic continent (air, sea and ICT) and ensuring healthy people, as cornerstone priorities informed by science."

13 Given the global nature of the climate crisis, a global response is required and Pacific leaders have repeatedly advocated the need for this to encompass a no more than 1.5°C temperature increase, with all actors and all sectors taking all necessary actions to stay within this limit. The co-sponsors recall the 2017 Tony de Brum Declaration, which confirms that international shipping, like all other sectors of human activity, must take urgent action.

14 The greatest need of Pacific SIDS, that the Organization and its members commit to pay particular attention to, is to ensure that international shipping takes all necessary action to reduce shipping emissions commensurate with its fair share of global responsibility.

15 The co-sponsors note their appreciation for the Organization setting initial levels of ambition. However, they also note that significant science has been made available since setting the initial levels of ambition in 2018, including the IPCC 1.5°C and Oceans reports, that will require this level of ambition to be significantly strengthened in the revised strategy to be adopted in 2023.

16 Natural disasters have large and on-going costs to the economies of Pacific SIDS. The World Trade Organisation considers expected losses due to natural disasters on an annualized basis in the Pacific far exceed those in almost all other countries in the world. Extreme tropical cyclones Pam (2014) and Winston (2016) caused damages of 64% and 31% of GDP respectively for Vanuatu and Fiji in single events.⁵

17 During response and recovery periods, the role of international shipping in providing essential connectivity, delivery of life supporting aid and then reconstruction equipment and material is paramount. Any increase in transport cost, and arguably more importantly, decrease in transport security to these nations through reduced or discontinued route servicing will have an immediate and on-going impact on the capacity and quality of disaster response and reconstruction. This is the reason that disaster response was included in the Initial Strategy as a consideration in the impact assessment process.

Progressing to sustainable development

18 The Organization considers that in the case of Pacific SIDS, "inter-island shipping services play a crucial role in providing the fundamental means of transportation. Most international trade and commerce is conducted by sea and most goods reach regional and national markets by sea transport. Most SIDS rely on the sea for sustenance (fisheries) and employment, with the region supplying a large number of seafarers to the regional and global

⁵ https://www.wto.org/english/tratop_e/devel_e/study_1_pacific_country_annex_18_april_draft_final.pdf

shipping fleet. Maritime transport also plays a critical role in sustainable development and poverty alleviation in the region".⁶

19 The development needs that the Organization has committed to paying particular attention to, are well canvassed in the literature of Agenda 2030 and the Sustainable Development Goals (SDGs) and for SIDS in particular in the related Barbados Programme of Action, the Mauritius Strategy and the SAMOA Pathway. We note the most recent UN and regional studies show that no Pacific SIDS are on target to meet their SDGs.⁷

20 Some of the priorities articulated in the Samoa Pathway in addition to tackling climate change are: disaster risk reduction, food security and nutrition, the ocean and seas, and sustainable transport. In particular paragraph 67 a) of the SAMOA Pathway notes the commitment of the UN to continue and enhance support to SIDS "(a) to gain access to environmentally sound, safe, affordable and well-maintained transportation; (b) to advance the safety of land, sea and air transportation; (c) to develop viable national, regional and international transportation arrangements, including improved air, land and sea transport policies that take a life-cycle approach to the development and management of transport infrastructure; (d) to increase energy efficiency in the transport sector".

21 The co-sponsors recall the SAMOA Pathway paragraph 96: "While acknowledging the primary responsibility of SIDS for their own sustainable development, we recognize that the persistent development challenges of the SIDS require enhanced global partnership for development, adequate provision and mobilization of all means of implementation and continued international support to achieve internationally agreed goals".⁸

22 Specific to the Pacific region, Pacific leaders have articulated their development priorities in a number of regional agreements and statements, including the Pacific Roadmap for Sustainable Development⁹ and the Framework for Resilient Development in the Pacific¹⁰ as well as numerous national strategies and plans. Collectively these provide direction to the Organisation and other UN bodies on the "development needs" that particular attention is to be given to. At a regional level the priorities are the transboundary issues of climate change and disaster risk management and oceans, and the need for global action with improving connectivity being one of three additional priorities⁹.

23 This issue of transport security mentioned above (paragraph 0) is also the rationale for including criteria of food security in the matters to be considered in preparing an Impact Assessment for proposed measures, with transport costs being a key consideration in determining food import capability¹¹. Pacific SIDS are already, by a considerable margin, the most dependant region globally on imported fuels, all of which arrives by sea. Some States are also highly dependent on imported foods for basic nutritional needs and this is particularly true for the low-lying atoll States, where salt inundation is increasingly restricting use of already

⁶ <http://www.imo.org/en/OurWork/TechnicalCooperation/GeographicalCoverage/AandP/Pages/Default.aspx>

⁷ https://sustainabledevelopment.un.org/content/documents/24797GSDR_report_2019.pdf
https://www.unescap.org/sites/default/files/publications/ESCAP_Asia_and_the_Pacific_SDG_Progress_Report_2019.pdf
https://www.forumsec.org/wp-content/uploads/2019/09/2018-1st-Quadrennial-Pacific-Sustainable-Development-Report_final-as-of-July-4-2019.pdf

⁸ <http://www.sids2014.org/index.php?menu=1537>

⁹ <https://www.forumsec.org/wp-content/uploads/2018/10/The-Pacific-Roadmap-for-Sustainable-Development.pdf>

¹⁰ http://gsd.spc.int/frdp/assets/FRDP_2016_Resilient_Dev_pacific.pdf

¹¹ <https://sustainabledevelopment.un.org/content/documents/17753PacificFramework.pdf>

scarce farmland. For such communities any reduction in security of food supply will have a disproportionate negative effect. Addressing infrastructure and transport challenges are key priorities for Pacific SIDS in tackling the challenges of food security¹².

Ensuring connectivity with the global community through affordable and appropriate maritime transport capacity at inter- and intra-State levels

24 By resolution A.1061(28), re-affirmed in resolutions A.2091(29) and A1110(30), the Organization committed to "identify and address the special shipping needs of SIDS and LDCs".

25 Shipping has repeatedly been identified as the "lifeline" of Pacific SIDS being either individual islands or archipelagos in the world's largest Ocean, essentially a maritime continent. Shipping is essential for ensuring connectivity, both with the global community and internally within the countries, and the need of the States is to ensure adequate, affordable and appropriate maritime transport capacity at inter- and intra-State levels¹³.

26 The co-sponsors note the 2015 Suva Declaration on Climate Change¹⁴ and in particular paragraph 19.f: "An integrated approach to transitioning Pacific countries to low carbon transport futures, in particular sea transport given its central role in providing connectivity for Pacific SIDS, including a regional strategy to advocate for and monitor implementation of sector targets through relevant UN agencies commensurate with the 1.5°C threshold".

27 The co-sponsors further note the 2018 Laucala Declaration on the Decarbonisation of Pacific Islands Transportation signed by Fiji, Marshall Islands, Samoa, Tuvalu, and others where leaders affirmed that "transport is a cross cutting issue that underpins most aspects of economic and sustainable development, climate change adaptation and resilience building, achievement of SDGs, and disaster preparedness and response" and noted that "decarbonising transport in a Pacific Island scenario represents real challenges that will require political prioritisation, external and international investment commitments and concrete resources and actions and that these need to be recognised and provided for by the global community".¹⁵

28 Finally the co-sponsors reiterate that this document only expresses their views, and invite other developing countries, SIDS and LDCs to articulate their needs so that they can be paid attention to, and addressed as expressed in the various instruments and resolutions of the Organization identified above.

Action requested of the Working Group

29 The Group is invited to take into account of this information when considering the assessment of impacts on States of proposed measures to reduce GHG emissions from ships and implementation of the Initial Strategy and the GHG emissions reduction Roadmap.

¹² <http://www.wpro.who.int/nutrition/documents/docs/PacificFoodSummitReport.pdf>

¹³ <http://www.forumsec.org/wp-content/uploads/2017/11/2015-Hiri-Declaration.pdf>

¹⁴ <http://pacificidf.org/wp-content/uploads/2013/06/PACIFIC-ISLAND-DEVELOPMENT-FORUM-SUVA-DECLARATION-ON-CLIMATE-CHANGE.v2.pdf>

¹⁵ https://mcst-rmiusp.org/images/Laucala_Declaration/Laucala_Declaration_on_Pacific_Islands_Transport.pdf