

SUMMARY OF STRATEGIC TRAINING ON IMO CLIMATE CHANGE-RELATED NEGOTIATIONS FOR CARICOM MARITIME OFFICIALS

BACKGROUND

Shipping is vital to the Caribbean region's economic stability and development, making it imperative for Caribbean Community (CARICOM) member states to play a crucial role in International Maritime Organization (IMO) Greenhouse Gas (GHG) reduction negotiations to ensure sustainable and equitable growth. Through the collaborative efforts of the Shridath Ramphal Centre for International Trade Law, Policy and Services (SRC) of the University of the West Indies (UWI), the University College London (UCL) Energy Institute, the United Nations (UN) Foundation and the Belize Port Authority (BPA), a virtual strategic training session for maritime officials from the Caribbean Community (CARICOM) engaged in climate-related negotiations at the International Maritime Organization (IMO) was convened from 22-26 July 2024. All CARICOM Member States and some regional entities were invited to the course, with approximately 50 persons in total registering and attending.

This training aimed to provide participants with a comprehensive understanding of the IMO and its role in addressing climate change, particularly in the context of the shipping industry. The daily format included lectures, interactive sessions, discussions, and practical exercises. Each day concluded with a practitioner's perspective session which provided an opportunity for reflections on the practical implications of the lectures and possible ways forward.

This summary provides an overview of the key themes, discussions, outcomes, and recommendations of the training and is organised into four main sections: Section 1 opens with an introduction to the workshop and delves into the role of the IMO and United Nations Framework on Climate Change (UNFCCC), showcasing the link between these multilateral organisations and the decarbonisation of the shipping industry; section 2 provides an overview of the science and operational profile of the region and potential measures, strategies, proposals and positions in the CARICOM-IMO climate related negotiations; and section 3 provides insights into the practical aspects and strategic planning for integrating climate considerations into the IMO's agendas; finally, section 4 provides an overview of the course evaluation provided by course participants. The Agenda for the workshop is attached as Annex 1.

SECTION 1

Day 1: Introduction

Session 1: Introduction to the Workshop

Dr. Jan Yves Remy and Ms. Kerrlene Wills opened day one (1) of the workshop with a detailed agenda of what to expect from each day and session. Outlining the context of the training and the need for the decarbonisation of the shipping industry.

Session 2: Introduction to the IMO - History, Structure, and Key Functions

Session 2, led by Admiral Peter Brady, provided an overview of the IMO's organisational structure, purpose, and key functions. Admiral Brady emphasised the importance of unified CARICOM engagement with the IMO, focusing on the decarbonisation of the shipping industry. He highlighted the

role of active participation and uniform documentation facilitated by the IMO's Conventions and Facilitation Committee, enabling member states to represent their interests more effectively in negotiations.

Key learning points included the IMO's governance of international maritime conventions: the International Convention for the Safety of Life at Sea (SOLAS), the International Convention for the Prevention of Pollution from Ships (MARPOL), and the Standards of Training, Certification, and Watchkeeping for Seafarers (STCW). These conventions are crucial for maritime safety and security, reflected in the number of signatory parties.

The Caribbean's participation in these conventions has been growing, with member states increasingly active in IMO negotiations and decision-making processes. This participation has led to significant improvements in maritime safety and environmental standards in the region. For example, the region has seen enhanced compliance with MARPOL regulations, resulting in better pollution control and prevention measures. Additionally, CARICOM states have been advocating for the inclusion of small island developing states (SIDS) perspectives in global maritime policies, ensuring their unique vulnerabilities and needs are addressed.

Practitioner's Perspective Session

In response to Admiral Brady's lecturer, Ms. Rosemary Cadogan (Practitioner) underscored the pivotal role in global maritime governance, highlighting the intricate layers of regulations under the United Nations Convention on the Law of the Sea (UNCLOS) and the IMO framework. Emphasising the complexity of aligning international, regional, and national maritime regulations, particularly as the IMO's focus expands from safety and navigation to environmental protection and climate change. Ms. Cadogan stressed the importance of creating dedicated ocean ministries, seeking IMO technical assistance, and integrating sustainable development goals (SDGs) thirteen (13) and fourteen (14) into regional strategies. Ensuring CARICOM's effective participation and representation in the decarbonisation of the shipping industry.

Day 2: Climate Change and the IMO

Session 1: The Relationship between the IMO and the UNFCCC

In Session 1, Dr. Simon Chin-Yee of UCL discussed the relationship between the IMO and the UNFCCC framework. Attendees learned about the linkages between the two institutions and their influence on policy-making. Dr. Chin-Yee highlighted the foundational role of collective action, interests, and priorities in international negotiations, noting that the collective action displayed by the Alliance of Small Island Developing States (AOSIS) in climate negotiations is potentially more powerful than economic or military strength. Participants supported the idea that a similar multilateral approach could be replicated in IMO negotiations, despite the challenges posed by the tacit acceptance procedure for decision-making. This is consequential as it allows for the automatic entry of a proposed amendment to a convention unless a specified number of objections are received. The tacit acceptance procedure can expedite decision-making and implementation of regulations, but may pose challenges when ensuring adequate consultation and consensus among member states.

A critical discussion point centred on the shipping sector's "share" of the total GHG reduction effort. While the IMO Revised GHG Strategy¹ was seen as a step in the right direction, understanding the IMO's interpretation of the strategy was deemed crucial, especially since there is no explicit link to global temperatures beyond the goal of limiting the increase to 1.5 degrees. The Strategy, adopted in

¹ 2023 IMO Strategy on Reduction of GHG Emissions from Ships Resolution, <https://perma.cc/BD5Y-T4TW>.

2023, *inter alia*, builds on an initial strategy by establishing a new goal of reaching net-zero GHG emissions “by or around, i.e., close to,” 2050, with an “indicative checkpoint” of reducing international shipping’s total annual GHG emissions “by at least 70 [percent], striving for 80 [percent], by 2040, compared to 2008.” Participants discussed the merits of top-down and bottom-up approaches, agreeing that while a bottom-up approach exists and is beneficial, the IMO system is mixed, incorporating elements of both approaches.

Session 2: Climate Change and its Relevance to IMO GHG Emissions Reduction Negotiations

Session 2, led by Dr. Tristan Smith of UCL, focused on the impact of the shipping industry on climate change and the importance of reducing greenhouse gas emissions from shipping. Dr. Smith emphasised that strong science has been the foundation of these discussions. He analysed emissions and carbon intensity compared with trade, highlighting the challenge of growing trade leading to increased emissions if unaddressed. With trade increasingly dominated by developing countries, fairness, equity, and the impacts on states have become key aspects of IMO debates. Most GHG emissions come from container and bulk shipping, with propulsion being a significant source. Despite improvements in efficiency over the last 15 years, further improvements are possible but limited.

The IMO’s Revised Strategy, aligning closely with the 1.5-degree trajectory, was described as a promising development that could inspire broader ambition and support effective climate action in the shipping industry. Shipping involves long-term investments in assets such as ships, ports, infrastructure, and energy supply chains, typically for 20 to 30 years or more. Without clear GHG reduction targets, making investment decisions becomes challenging, potentially leading to a difficult transition for the sector. The IMO aims to provide clarity on overall reduction rates, allowing the sector to plan its investments and manage the transition smoothly, rather than facing frequent changes every five years.

Dr. Smith highlighted opportunities for wider interactions between shipping decarbonisation and sustainable development in the Caribbean region. This includes investment in desalination, renewables, grids, agriculture, and ports. However, Caribbean states need to ensure that investments occur not only in countries like Europe, North America, and Australia but also in lower-income countries, benefiting from infrastructure and opportunities created by these transitions. He urged participants to design policies activating all opportunities, ensuring a fast yet inclusive transition.

Dr. Smith also noted that priorities vary from state to state. The IMO is a global regulator setting rules for everyone, so there is no competitiveness risk once global regulations are set. He suggested the Caribbean avoid placing itself at a competitive disadvantage by implementing overly harsh regulations compared to its neighbours.

Session 3: Introduction to the Marine Environment Protection Committee (MEPC) and the Intersessional Working Group (ISWG-GHG)

In Session 3, Annika Frosch provided a comprehensive understanding of the Marine Environment Protection Committee (MEPC) and intersessional Working Group discussions, delving into the reasons behind the initiation of this movement and its current objectives. She highlighted that the ISWG-GHG is an intersessional working group focused on GHG reduction, which helps expedite negotiations. The session covered the goals of the 2023 Revised GHG Strategy, which include peaking emissions as soon as possible and achieving net zero by or around 2030.

It was noted during the session that the principle of Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC) is not widely used within the IMO system. Alternatively, discussions with participants emphasised that Just and Equitable Transition (JET) is an important pillar in the strategy, but its realisation depends on the design of specific measures. Commenting on Caribbean

SIDS' involvement in the system, Ms. Frosch highlighted that participation and vocality have improved, particularly in discussions on technological inclusivity. However, without a clear definition of JET, its interpretation varies from state to state and region to region. Assessing participants' understanding of JET, technological inclusivity, financial support, procedural fairness, and infrastructural support were mentioned as elements that could inform further discussions in the region.

Practitioners' Perspective Session

Ambassador Carlos Fuller provided insights into the intersections, similarities, and differences between UNFCCC and IMO negotiations, emphasising the crucial role of institutions like AOSIS and the complexities of "responsibility" in shipping emissions. A notable difference is that private sector institutions make strong interventions backed by scientific evidence in IMO negotiations, whereas in the UNFCCC, interventions are mainly left to states. The Ambassador found utility in the process as the private sector can offer specific industry advice to negotiators, ensuring more stakeholders are involved, further substantiating the process.

Major Lloyd Jones highlighted the need for more strategic negotiations within the IMO, with participants advocating for each member state to develop written positions and a unified CARICOM stance based on shared interests and priorities. He stressed that CARICOM states must be present at the negotiations to ensure their voices are heard. While virtual engagement is possible, physical presence is paramount to take advantage of bilateral, corridor meetings and informal sessions where many agreements and decisions are formulated.

SECTION 2

Day 3: Understanding the Science and Operational Profile of Shipping in the Caribbean

Session 1: Navigating Towards Sustainability: Achieving the 2023 IMO GHG Strategy through Caribbean Regional Collaboration and Pilot Projects

Presented by Mrs. Vivian Rambarath-Parasram and Mr. Michael Razack of MTCC Caribbean highlighted the environmental and economic vulnerabilities of Caribbean states in the context of shipping and climate change. These vulnerabilities included the impacts of sea-level rise, ocean acidification, and damage to marine ecosystems and coastal infrastructure. These pose significant threats to sectors such as tourism, fishing, transportation and energy. The MTCC representatives provided an overview of the global MTCC network and the challenges to maritime decarbonisation efforts. The challenges include limited resources and infrastructure, geographic constraints, dependency on international shipping, technology and knowledge gaps, and limited international support. Session 1 also highlighted the need for regional collaboration, adaptive strategies and modern policies to mitigate these impacts.

Session 2: Carbon Intensity Indicator Study – Caribbean Shipping

With an understanding of the vulnerabilities member states face, Mr. Stephan Nanan of the MTCC and University of Trinidad and Tobago (UTT) assessed the implications of the Carbon Intensity Indicator (CII) Study for the Caribbean region. He opined that the CII is an excellent benchmark that provides a metric for measuring how well ships are doing at improving their performance and efficiency by assessing the fuel consumed, converting this into emissions and dividing this by the transport work of the vessel. The study also considered various measures to improve CII by improving the technical and operational efficiency of vessels. Considering that the Caribbean region engages in short-sea shipping and rates of shipping are steadily increasing, Mr. Nanan highlighted that with new global measures,

there are various implications for the region. These include economic consequences, higher prices for goods, fewer shipping options and routes servicing the Caribbean, disrupted trade and supply chains and marginalisation of ports of the region.

Practitioner's Perspective Session

Mr. Darwin Telemaque of the Antigua and Barbuda Port Authority provided insights into the structural gaps of ports across the region and the need for alignment with standards. Noting the importance of modern and efficient port infrastructure in facilitating maritime trade and complying with international standards. As many Caribbean ports face challenges such as outdated facilities, inadequate capacity, and insufficient technological advancements, which hinder their ability to handle larger and more modern vessels.

Considering the changes in regulatory frameworks globally, member states must respond with a regional effort to create a more efficient port structure. Mr. Telemaque examined the current composition, age of the fleet, and transit routes of maritime shipping in the Caribbean. The discussion revealed that many vessels are ageing, with a majority being over thirty (30) years old and flagged outside the region. Emphasising the need for the modernisation of fleets to enhance economic benefits and comply with international regulatory frameworks. Mr. Telemaque highlighted that the economic impacts of shipping in the Caribbean reinforce the importance of the industry for regional development. Modernising both fleet and port infrastructure will not only improve trade efficiency but also boost the region's competitiveness in the global market.

Day 4: Strategies for the Caribbean States: Understanding and Appraising Proposals

Session 1: What are the Measures on the Table?

Annika Frosch of UCL led session 1, providing an overview of the midterm measure proposals on decarbonizing the shipping industry, and examining the various elements of these proposals, including both economic and technical measures. The various proposals for reducing GHG emissions from ships present diverse approaches with specific pros and cons for CARICOM states.

- **The Bahamas, Liberia, and the International Chamber of Shipping (ICS)** propose a Fund and Reward Mechanism combined with Pooling, involving a GHG emissions feebate per tonne. This mechanism prioritises rewarding the use of eligible fuels and includes a separate fund for other purposes. While revenue generation through the IMO Maritime Sustainability Fund (IMSF) could support reduction efforts in LDCs and SIDS, the proposal is unspecific about pricing, reward allocation, and the total revenue generated, leaving potential uncertainty.
- **Belize, Fiji, Kiribati, and other island nations** propose a Global Fuel Standard (GFS) combined with a levy. This economic measure applies a cost to GHG emissions on a well-to-wake basis² and directs revenue for multiple uses, prioritising SIDS and LDCs. The universal and high levy price could generate significant revenue, but the exact allocation remains unclear, with concerns that the levy might eventually deplete.

² “Well-to-wake” basis refers to the full life cycle emissions of a fuel, from its production (well) through its use in the engine (wake). This comprehensive approach includes extraction, refining, distribution, and combustion of the fuel (International Maritime Organisation).

[https://www.imo.org/en/OurWork/Environment/Pages/Lifecycle-GHG---carbon-intensity-guidelines.aspx#:~:text=The%20life%20cycle%20assessment%20\(LCA\)%20methodology%20refers%20to%20the%20assessment,tank%2C%20also%20known%20as%20upstream.](https://www.imo.org/en/OurWork/Environment/Pages/Lifecycle-GHG---carbon-intensity-guidelines.aspx#:~:text=The%20life%20cycle%20assessment%20(LCA)%20methodology%20refers%20to%20the%20assessment,tank%2C%20also%20known%20as%20upstream.)

- **Argentina, Brazil, China, and others propose** an Integrated Marine Standards Fund and Feebate (IMSF&F), combining a technical fuel standard with economic flexibility. This approach allows non-compliant ships to purchase necessary units to meet standards. Although it mentions JET, the proposal is complex, with potential exploitation risks and primarily in-sector revenue, leaving minimal funds for broader distribution. Additionally, the proposal is administratively difficult to implement, further complicating its feasibility.
- **The EU and Japan** propose a Combined GFS with Feebate and Vessel Pooling, involving both a technical fuel standard and a GHG pricing mechanism. While it offers vessel pooling to ease compliance, the lack of clarity regarding pricing and revenue allocation poses challenges. Rewards are first dispersed for the feebate, leaving uncertainty about the remaining funds for JET and adding flexibility hurdles.

Session 2: Assessment of Offensive and Defensive Interests in Climate-Related Negotiations

In Session 2, Dr. Tristan Smith of UCL engaged in an analysis of the implications of the various proposals and the impacts that they may have on the Caribbean. He discussed the regulation of emissions and its impact, emphasising that while the costs for SIDS and LDCs are high, the benefits, such as reduced GHG emissions, lower costs over time. This presentation evaluated changes in shipping costs under various policy scenarios, noting that a GHG levy initially increases costs but reduces long-term impacts, especially benefiting SIDS and LDCs. Dr. Smith highlighted the IMSF&F proposal of a Global Fuel Standard combined with a levy, which offers high economic stimulus, and concluded that lower levies are less effective. It was noted that the Caribbean faces variable impacts, with modelling done for Trinidad & Tobago and the Dominican Republic individually while others are grouped, and participants emphasised the importance of equitable revenue distribution to ensure all countries benefit. The argument was made that ensuring all countries, particularly smaller and less economically advantaged ones, benefit from the revenue generated is essential to achieving regional cohesion and fairness in the transition to low-carbon shipping. Such distribution mechanisms must be designed to mitigate any adverse effects and support the broader goals of climate equity and sustainable development within the Caribbean.

Session 3: Shaping the Caribbean Position at the IMO Negotiations

In Session 3, Dr. Troy Lorde of UWI, stressed the importance of just and equitable transitions to decarbonise without causing severe economic and socio-economic disadvantages for SIDS. To guide this transition, a survey was conducted among the member states to assess their priorities and needs. It focused on identifying areas where international support could be most useful.

The results showed several key areas for support:

- ❖ Financial support for attending meetings (40.9%): This indicates a significant need for funding to enable participation in crucial international discussions and negotiations.
- ❖ Technical training and capacity building (31.8%): It is necessary to enhance technical skills and knowledge to effectively engage in decarbonisation efforts.
- ❖ Research and data collection (9.1%): There is also a need for better data and research capabilities to inform policy decisions and track progress.
- ❖ Policy development assistance (9.1%): Support in developing and implementing effective policies was identified as an imports requirement.

The session included practical recommendations of strategies for a unified regional position, leveraging regional expertise, focusing on sustainable development, promoting SIDS interests, and engaging in strategic partnerships.

Practitioner's Perspective Session

Major Lloyd Jones emphasised the opportunity to shape policy and defend people from unforeseen impacts while encouraging a regional understanding of what "just and equitable transitions" (JET) mean. Major Jones highlighted the importance of choosing a suitable proposal for SIDS considering the impacts which some pose such as increased cost.

SECTION 3

Day 5: Recap and Planning Ahead: Preparing for Participation in Future IMO Meetings

Session 1: Recap of Key Points from the Workshop

Facilitated by Jan Yves Remy and Kerrlene Wills, with insights from experienced practitioners like Ambassador Spencer Thomas, Ambassador Carlos Fuller, and Dr. Chantal Ononaiwu, the session recap focused on key workshop points and climate negotiations. It included roundtable discussion and developed a strategic plan for integrating climate considerations into IMO agendas. The session concluded with setting goals for ongoing engagement, ensuring participants are prepared for effective participation in future IMO negotiations.

Session 2: Practitioner Roundtable: A View from Climate and Trade Negotiations

This session gave CARICOM negotiators, with experience in the fields of climate (Ambassador Spencer Thomas) and trade (Dr Chantal Ononaiwu) negotiations, the opportunity to stress the importance of learning from other negotiating processes, while avoiding pitfalls and understanding the unique histories and procedures of each regime. They cautioned against cross-contamination and underscored the necessity of comprehending the procedural nuances that arise under multilateral processes like the UNFCCC and the World Trade Organization. Their interventions highlighted the importance of integrating international obligations into national frameworks, ensuring "buy-in" at the regional levels through meeting of technical officials across CARICOM member states; and facilitating legislative, institutional, and policy support. They also pointed out the necessity of coalition-building and forming strategic partnerships during negotiations with other countries and sub-groupings that can promote CARICOM interests. Dr. Ononaiwu further elaborated on the value of special and differential treatment amid increasing pushback from larger players.

Session 3: Strategic Planning for Integrating the Climate Agenda in the IMO

This strategic planning session aimed at 'how to advance the efforts of engaging relevant stakeholders across the region and at the highest level of The Council for Trade and Economic Development (COTED)'. The exercise allowed participants to break out into groups to evaluate technical proposals, ways to enhance coordination among CARICOM members, identify capacity building and technical assistance needs, and examine domestic and regional technological and infrastructural requirements.

Key recommendations from participants included:

- ❖ Bringing valuable proposals to the negotiation table.
- ❖ leverage special and differential treatment to address unique regional challenges.
- ❖ consideration should be given to the Belize proposal's benefits and costs.
- ❖ Focus on improving regional coordination and taking consistent action for long term goals.

Ms. Kerrlene Wills closed the session with a presentation on the upcoming schedule of meetings pertaining to the IMO climate-related negotiations and activities that CARICOM Member States should be mindful of and where possible, attend. (See Table below)

Table: IMO climate-related negotiations and activities for August - September 2024

Date	Topic	Location	Notes
August 9 th	IMO		Deadline for Submissions for ISWG 17
September 4 – 5	IMO GHG Expert Workshop	London	Be prepared to sponsor delegations to attend as well as experts
September 6 th	LSE/MCST/UCL Revenue Workshop	London	Have an idea of what Caribbean countries would want to allocate revenues from shipping to
September 22	IMO Pre-negotiating Meeting	London	Delegates gather to prep for IMO meetings
September 21 -27	ISWG GHG 17	London	Negotiations on the midterm measures
September 30 – October 4	Marine Environment Protection Meeting 82	London	Final report on Comprehensive impact Assessment of the set of candidate measures

SECTION 4

Course Evaluation

At the end of the workshop, participants were allowed to provide feedback on the course. The questions were rated on a scale of one (1) to five (5), with 1 being ‘least satisfied’ and 5 being ‘very satisfied’. A total of twenty (20) responses were received.

The course received very favourable ratings. On average the instructors were highly rated for their punctuality (4.55), preparation (4.65), and subject matter expertise (4.65), indicating strong delivery and professionalism. The course objectives and structure were clear and logical, with an average score of 4.5 each, suggesting that participants found the course well-organised and its goals well-defined. The material covered was deemed appropriate (4.55), aligning with the course objectives. However, the lower average score for the clarity of material explanation (4.3) points to a potential area for improvement, suggesting that some participants found the content less comprehensible. Overall, participants were very likely to recommend the course to others (4.5), underscoring its positive impact overall.

ANNEX 1: Course Agenda

Working Agenda

Time	Session
Day One: July 22nd	
3:00 PM - 3:30 PM	Welcome and Introduction
3:30 PM - 3:35 PM	Break
3:35 PM - 4:20 PM	Introduction to the IMO – History, Structure and Key Functions
4:20 PM - 4:25 PM	Break
4:25 PM - 5:10 PM	Introduction to the IMO - History, Structure, and Key Functions (cont'd)
5:10 PM - 5:20 PM	Break
5:20 PM - 6:00 PM	Practitioner's Perspective Session
Day Two: July 23rd	
3:00 PM - 3:50 PM	The Relationship between the IMO and the UNFCCC
3:50 PM - 3:55 PM	Break
3:55 PM - 4:40 PM	Climate Change and its Relevance to IMO GHG Emissions Reduction Negotiations
4:40 PM - 4:45 PM	Break
4:45 PM - 5:30 PM	Introduction to the MEPC and ISWG-GHG
5:30 PM - 6:00 PM	Practitioner's Perspective Session
Day Three: July 24th	
3:00 PM – 3:50 PM	Specific Vulnerabilities and Profiles of CARICOM re Shipping
3:50 PM - 3:55 PM	Break



Time	Session
3:55 PM – 4:40 PM	Shipping Trends in the Caribbean
4:40 PM - 4:45 PM	Break
4:45 PM - 5:30 PM	Balancing Economics and Climate Change Impacts for CARICOM
5:30 PM - 6:00 PM	Practitioner's Perspective Session
Day Four: July 25th	
3:00 PM - 3:55 PM	What are the IMO Measures on the Table?
3:55 PM - 4:00 PM	Break
4:00 PM - 4:45 PM	Assessment of Offensive and Defensive Interests
4:45 PM - 4:50 PM	Break
4:50 PM - 5:30 PM	Shaping a CARICOM Position at the IMO Negotiations
5:30 PM - 6:00 PM	Practitioner's Perspective Session
Day Five: July 26th	
3:00 PM - 4:00 PM	Recap of Key Points from the Workshop
4:00 PM - 4:05 PM	Break
4:05 PM - 5:00 PM	Practitioner's Roundtable: A View from Climate Negotiations
5:00 PM - 5:05 PM	Break
5:05 PM - 5:50 PM	Strategic Planning for Integrating the Climate Agenda
5:50 PM - 06:00 PM	Closing Remarks and Steps for Continued Engagement and Learning