

MARINE ENVIRONMENT PROTECTION
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REDUCTION OF GHG EMISSIONS FROM SHIPS

Sustainable shipping and ports for SIDS: resilience and strengthened climate investment

Submitted by Antigua and Barbuda, Belize and Suriname

SUMMARY

Executive summary: This document provides an overview and reports on the outcome of the GHG thematic side event "Sustainable shipping and ports for SIDS: resilience and strengthened climate investment" at the United Nations Fourth International Conference on Small Island Developing States (SIDS4), held from 27 to 30 May 2024, in Antigua and Barbuda.

Strategic direction, if applicable: 3

Output:

Action to be taken: Paragraph 16

Related documents: Resolutions MEPC.377(80) and MEPC.304(72) and TC 74/INF.2

Background

1 The Antigua and Barbuda Department of Marine Services and Merchant Shipping (ADOMS) and the Maritime Administration, in collaboration with IMO, hosted a side-event at the fourth United Nations SIDS Conference (SIDS4) held in Antigua and Barbuda on Tuesday 28 May 2024. The title of the side-event, "Sustainable shipping and ports for SIDS: Resilience and strengthened climate investment" was aligned under the thematic area, "Revitalizing SIDS economies for accelerated and sustainable growth".

2 SIDS4 was held from 27 to 30 May 2024, at the American University of Antigua College of Medicine, University Park, Jabberwock Beach Road, Coolidge, Antigua. SIDS4 provided a platform for key stakeholders from small island nations to come together and discuss critical issues related to sustainable development, climate change, biodiversity, and socio-economic challenges. It served as an opportunity for governments, CSOs, academia, and the private sector to share insights and best practices and collaborate on solutions that promote the well-being and resilience of small island communities.

3 The format included a high-level opening and introduction by the State and the Organization, focusing on a just but equitable transition of the Caribbean maritime sector considering the short, medium and long-term measures of the 2023 IMO GHG Strategy. This was followed by a panel discussion moderated by the Director of the Maritime Authority in Suriname, with a panel that included: the Port Manager - Antigua and Barbuda Port Authority and Chairman, Port Management Association of the Caribbean (PMAC); the Technical Manager - Belize Port Authority; the Deputy Director and GHG Adviser - MTCC Caribbean; an IMO International Legal and Policy Consultant; and a senior representative of UNCTAD. The panel transitioned to an open Q&A session, a presentation of key takeaways and recommendations, and closing remarks.

4 During the high-level opening a representative from the Organization's Technical Cooperation and Implementation Division noted that "it is our collective responsibility to not let SIDS pay the price for global supply chain disruptions or ambitious decarbonization measures, since their contribution to global greenhouse gas emissions has been so insignificant." The representative from ADOMS, affirmed that "we must leverage the opportunities and partnerships to not just passively participate in the green transition but influence the process to take into account the unique needs and challenges of SIDS".

Description of the event

5 The side-event aimed to underline the importance of ships and ports for SIDS' sustainable development, specifically through showcasing the main challenges and opportunities related to the implementation of the 2023 IMO GHG Strategy and the related necessary energy transition of shipping, while also hearing from SIDS and other relevant stakeholders on ongoing work, including projects and pilots that can serve as best practices, and lessons learnt for this transition.

6 The session identified a set of recommendations, as contained in paragraph 14, building on panel discussions, as to how SIDS can tap into the opportunities and benefits that may arise from the energy transition and mitigating the potential transition costs, including through new projects, as well as by generating interest from Multilateral Development Banks to undertake maritime decarbonization investments in SIDS.

Presentation – providing a framework for the discussions

7 A representative from the IMO Secretariat delivered a presentation on the progress towards the net zero future for global shipping which centered on the 2023 IMO GHG Strategy, the roadmap for achieving net zero, and the impact this would have on SIDS and LDCs.

8 In highlighting the role of the Organization in facilitating the transition, the presentation focused on three areas, namely, evidence-based decision making, building capacity, and inclusiveness, emphasizing the role of the Organization in assessing and addressing the impacts on States from GHG reduction measures, with a particular focus on SIDS and LDCs.

9 Further, the presentation highlighted how the Organization targets their needs with capacity building and technical cooperation, and the financial support provided by the Voluntary Multi-Donor Trust Fund for participation of SIDS and LDCs in IMO GHG meetings.

10 The presentation concluded with an overview of the IMO Net Zero Framework including the proposed new MARPOL Annex VI regulations on GHG Fuel Standards and economic mechanisms agreed at MEPC 81. Participants were invited to follow the results of discussions of ISWG-GHG 17 and MEPC 82 as the work progresses on this matter.

Discussions

- 11 The panelists representing port facilities:
- .1 provided insights and challenges, as well as opportunities for SIDS regarding sustainable shipping and climate resilience efforts. It was clearly articulated that ports in the Caribbean could enhance their role in effective supply chains and climate resilience by adopting advanced technologies, enhancing infrastructure, and fostering regional collaboration. Investing in renewable energy sources and energy efficient practices can further strengthen climate resilience and support sustainability goals;
 - .2 noted that the Caribbean SIDS have significantly benefitted from the Organization's assistance programmes through enhanced capacity building, technological advancements, and improved compliance with international maritime regulations. Furthermore, the guidance and support provided by the Organization have helped SIDS align their maritime practices with international regulations, ensuring safer and more sustainable maritime operations;
 - .3 highlighted the involvement in IMO-related projects including how these projects are supporting the energy transition efforts. The Organization provides substantial assistance to SIDS through projects such as the GreenVoyage2050 Project and GloMEEP to aid in the transition to a low-carbon future. These initiatives focus on implementing energy efficiency measures, building capacity, and offering legislative support. The GreenVoyage2050 Project, in particular, supports Belize by helping develop legislation and a national Action Plan for decarbonization, providing a platform for capacity building and training and conducting pilot projects and demonstrations. Through these efforts, the Organization helps SIDS adopt sustainable maritime practices and improve their environmental performance; and
 - .4 further noted that to assist SIDS in managing transition costs, various opportunities are available including new projects focused on renewable energy, port modernization and digitalization, and green ship technology. Investment opportunities through public-private partnerships and international funding and grants can provide essential financial support. Additionally, innovative financing mechanisms such as blue bonds and green bonds offer funds specifically for sustainable maritime projects, enhancing SIDS' ability to adopt environmentally friendly practices and technologies.
- 12 The panelist representing the perspective of specific needs of SIDS based on an IMO project – CARIB-Smart Sustainable Transportation Programme noted the following:
- .1 the programme's key findings highlighted its relevance in addressing SIDS' unique characteristics as they embark on the just energy transition contemplated by the 2023 IMO GHG Strategy, as the Caribbean region, remains disproportionately dependent on imported fossil fuels with a significant percentage of goods imported by sea;

- .2 preliminary indications of underlying gaps and needs in the region are the low rates of implementation of the key conventions and the two regional codes by many Carib-SMART Programme Member Countries (PMCs) and with restricted capacity to promulgate national legislation and keep it updated. For example, while 10 PMCs ratified MARPOL Annex VI, only three had passed it into domestic legislation. Limited awareness or interpretation of the requirements and weak management systems with insufficient human, financial resources or technical capability (trained personnel, hardware/equipment) were other root causes;
 - .3 Carib-SMART Programme's Legal, Policy and Institutional Reform (LPIR) would help address legislative drafting drawbacks, fragmented institutional structures, and support unfulfilled training and certification requirements. It would identify the underlying interests and policy determinants hindering adoption of the key maritime conventions, instruments and regional codes that have not been ratified or acceded to, and benchmark clear indicators for measuring how each is implemented;
 - .4 new trends and causative regional and national factors would be identified, and where implementing legislation for instruments has been enacted, periodic reviews would be conducted to ensure that they remain relevant and enforceable. Other measures and tools to support sustainable maritime development include the transfer of expertise from graduates from IMLI to enable more robust policy and legal regimes for their maritime administrative structures;
 - .5 the project will support the development of national maritime policies, and analyse the economic, environmental and social benefits of establishing a SMART system in the Caribbean region, to facilitate buy-in by actors within and beyond the maritime and port sectors; and
 - .6 the Carib-SMART Programme's engagement with the Women in Maritime Association Caribbean (WiMAC) highlighted the fact that gender equality and the role of women in sustainable shipping is not about counting numbers. It is important to look at the maritime industry to see where the gender balance lies. Data is important for evidence-based decision making. Carib-SMART can support data gathering and promote measures such as training and education to encourage more female participation. It can assist with seeking opportunities and mentorship for women in industry, and foster collaboration with other Women in Maritime groups and WMU, which supports and drives efforts to increase the participation of women in maritime industry.
- 13 The panelist representing MTCC Caribbean:
- .1 presented the MTCC's efforts in promoting technology transfer and capacity building in maritime energy efficiency since its establishment in 2017 under the Global MTCC Network (GMN) Project, where the MTCC successfully had implemented several pilot projects under the GMN Project and helped facilitate other initiatives of the Organization to help the Caribbean States contribute towards meeting the GHG emissions reduction strategy targets;

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- .2 noted that the initial phase of the GMN Project involved the delivery of national and regional awareness workshops to bring better awareness of GHG emissions reduction measures to maritime stakeholders of the 16 Caribbean territories under the sphere of activities; extending from the Bahamas and Belize in the north to Suriname and Guyana in South America, which includes the SIDS of the region –. In parallel, two pilot projects on the development of a data reporting and coalition system, and to determine the energy efficiency (EE) technologies onboard the ships trading in the region were implemented. Prior to this there was no baseline line data for the region;
 - .3 reported on the key outcomes of these projects, which included the generation of the first baselines on maritime GHG emissions, the status of EE technologies used onboard, and the first Energy Efficiency Operational Indicator (EEOI) baseline assessment of the ships calling at Caribbean ports. Further, a regional online voluntary fuel reporting system was established for the region and maritime energy efficiency focal points in each of the 16 countries, ultimately leading to the activation of a network within the region for addressing GHG emission matters;
 - .4 highlighted that in 2021, using the IMO Port Emissions Toolkit, the Centre undertook the region's first port GHG emissions inventory for the industrial port in Trinidad and Tobago. Since then, by request, the expertise developed in the Centre has completed four port GHG emissions inventories in Trinidad and Tobago. MTCC continues to support and help facilitate other projects being implemented by the Organization including the IMO CARES Project, focused on the development of proposals for technology projects in developing countries. The Centre has evaluated the proposals from global technology providers for the implementation of the technologies, and it is anticipated that implementation of the projects will occur during the second phase of the GMN Project;
 - .5 shared insights into the current work being done by the Centre including: supporting the partner countries of the region of IMO's TEST Biofouling Project – Argentina, Chile, Jamaica, Panama and Suriname – with the delivery of their workshops and the selection of the demonstration technologies. The centre is also currently completing two studies commissioned by the Inter-American Development Bank (IDB): one on the possible impact of the CII on the ships trading in the region due to the short sea shipping nature of Caribbean shipping, and the second on a regulatory gap analysis study; and
 - .6 gave examples of several challenges and barriers facing the implementation of sustainable shipping initiatives in the Caribbean region. These include:
 - .1 the sentiments expressed at a regional capacity building workshop, where most of the maritime administration representatives expressed a lack of capacity for the implementation of MARPOL Annex VI and noted that there is limited inter-ministerial and intra-regional cooperation on climate action in the region;

- .2 the fact that while the interest in research in the specific area of maritime environmental management has increased since the establishment of the MTCC at the University of Trinidad and Tobago (UTT), there is a clear need for greater access to maritime education training and applied research;
- .3 a scarcity of tangible data for high level ambition targets for data sharing within the sector. As the international maritime sector transitions into alternative fuels, more energy efficient technologies and operations, the ports of the region must also transition to avoid becoming marginalized. Data is a mandatory requirement for facilitating studies which will provide a truer representation of the actual situation in the various aspects of the region's maritime sector inclusive of the ships and ports;
- .4 the lack of a holistic study of the ports in the region to identify where the efforts for transitioning the ports should be focused to ensure that there is a just and equitable transition for all the countries in the region; and
- .5 the lack of finance was identified as a major barrier to the implementation of low carbon technologies on ships and in ports of the region. Applying for climate funding also requires a special skillset that is limited in most Caribbean countries.

Key takeaways

14 The discussions emanating from the presentations, and the question and answer sessions, had resonance and provided the following key takeaways:

- .1 focus on the specific role of SIDS in the supply chains;
- .2 the IMO's ongoing efforts to include and support SIDS in sustainable shipping and climate resilience efforts;
- .3 the identification of new projects and investment opportunities to assist with transition costs;
- .4 the IMO to continue to increase collaboration with international and regional organizations such as UNCTAD, CARICOM, DIHMAR and OECS;
- .5 ensure gender equality and the role of women in the decarbonization process;
- .6 the need for continuous support for Maritime Technology Cooperation Centers (MTCCs);
- .7 the need for further capacity building for administrations and ports in the region; and
- .8 the need for data collection and sharing to ensure informed decision making.

15 The co-sponsors note that since the side-event during SIDS4, a number of these takeaways have been further considered in more detail during the regional workshop "Green Shipping in the Caribbean: Implementing the 2023 IMO Strategy on Reduction of GHG Emissions from Ships", held in Belize on 10 and 11 July 2024, see [here](#).

Action requested of the Committee

16 The Committee is invited to note the information provided in this document and in particular note the key takeaways in paragraph 14.
