**MEPC 75 - 16 to 20 November 2020**

The 75th session of the MEPC was held remotely from 16 to 20 November 2020. The main outcome is the approval of draft amendments to MARPOL Annex VI concerning mandatory goal-based technical and operational measures to reduce carbon intensity of international shipping, with a view to adoption at MEPC 76.

***Draft amendments to MARPOL Annex VI***

MEPC 75 has adopted Res MEPC 324(75) - Amendments to MARPOL Annex VI, concerning procedures for sampling and verification of the sulphur content and the EEDI.

The amendments shall be deemed to have been accepted on 1 Oct 2021 and shall enter into force on 1 April 2022.

MEPC.1/Circ.882 related to the early application of the verification procedures for a MARPOL Annex VI fuel oil sample, calls on the Parties is to apply the approved amendments to appendix VI of MARPOL Annex VI, in advance of their entry into force.

***Energy Efficiency Design Index (EEDI)***

MEPC 75 had for its consideration comments on the draft revised regulation 21 of MARPOL Annex VI regarding EEDI Reference Line of Bulk Carriers, proposing that line 2.25 of regulation 21, table 2 be retained in its current form.

IACS proposed modifications to the draft new regulation 20.3 of MARPOL Annex VI which, once adopted, would require mandatory reporting of verified attained EEDI values and related information for ships already subject to phase 0 and phase 1, and verified EEDI values and related information for any future new ship covered by regulation 21 of MARPOL Annex VI.

The modifications address the need to avoid the creation of a new administrative burden; further, the document discusses the practicalities identified by recognized organizations (ROs) when submitting data to the IMO EEDI database.

Those suggestions were not retained. Whilst early implementation was primarily aimed at early application of the sulphur verification procedures, MSC 102 agreed that there was equally no harm in inviting early application of the amendments related to the EEDI, as also covered by these amendments.

In parallel, MEPC 75 noted the progress of the Correspondence Group on Possible Introduction of EEDI Phase 4, and instructed its work and to submit its final report to MEPC 76.

***BWM Convention***

MSC 102 has adopted Res. MEPC 325(75) amendments to regulation E-1 and appendix I of the international convention for the control and management of ships' ballast water and sediments, 2004.

Those amendments concern commissioning testing of ballast water management systems and the form of the International Ballast Water Management Certificate. The amendments shall be deemed to have been accepted on 1 December 2021 and shall enter into force on 1 June 2022.

***Harmful aquatic organisms in ballast water Ballast***

MEPC 75 has:

- approved the BWM.2/Circ.70/Rev.1 on Guidance for the commissioning testing of ballast water management system;

- instructed concurrently the III Sub-Committee, in the context of the next revision of the Survey Guidelines under the Harmonized System of Survey and Certification (HSSC), to amend the paragraphs of the HSSC relating to the commissioning testing of ballast water management systems to ensure that there are no references to compliance with regulation D-2;

- BWM.2/Circ.42/Rev.2 Guidance on ballast water sampling and analysis for trial use in accordance with the BWM Convention and Guidelines (G2)

***Information on other matters related to the implementation of the BWM Convention***

Further work had been carried out both by ISO and by IMO, on the development of a standard and protocol for the verification of ballast water monitoring devices, and further continuation of IMO's relevant work was expected at PPR 8, all of which should also be taken into account by ISO in its own further work.

***IMO monitoring programme of the worldwide average sulphur content of fuel oils supplied***

MEPC 75 has adopted MEPC.326(75) – 2020 guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships.

***MARPOL Annex VI NOX Tier III requirements for large yachts***

MEPC 75 had for its consideration submission of the United States, supported by ICOMIA, commenting that the recreational boat industry continued to face serious challenges in building recreational boats that were compliant with the Tier III NOX limits and that these challenges had been intensified by the COVID-19 pandemic.

In recognizing that there was not sufficient time for an in-depth discussion at this session, the delegation of the United States urged the Committee to recommend Parties to MARPOL Annex VI to take a pragmatic approach with regard to enforcing Tier III NOX limits to large yachts, at least until a more thorough discussion could be held at MEPC 76.

The delegation of Italy was not convinced that a further delay in the entry into force of regulation 13 of MARPOL Annex VI would be the solution to the challenges and suggested exploring possible other solutions, including temporarily suspending the enforcement of the part of regulation 13 referring to the yachting sector and having the industry submit equivalent measures that should be approved by MEPC.

As there was no concrete proposal put onto the table, MEPC 75 simply agreed that should any Member States wish to pursue the matter further, they should submit further documents to a future session.

MEPC 75 has also reestablished the Correspondence Group on Air Pollution and Energy Efficiency.

**Draft amendments to MARPOL Annex VI to reduce the carbon intensity of existing ships**

MEPC 75 approved the draft amendments to MARPOL Annex VI concerning mandatory goal-based technical and operational measures to reduce carbon intensity of international shipping, with a view to adoption at MEPC 76.

Many delegations expressed their support to the approval of the short-term GHG reduction measure combining EEXI, SEEMP and CII rating, stating that this new measure provided a good balance that would enable international shipping to achieve at least 40% carbon intensity reduction by 2030 compared with 2008 in line with the Initial IMO GHG Strategy while gaining more experience on the functioning of the measure and avoiding undue penalization of ships which are not able to reduce their carbon intensity due to reasons out of their control.

Many delegations, while underlining the importance of urgently finalizing consideration of the short-term GHG measure and supporting its approval at this session as an important first and concrete step towards implementation of the Initial IMO GHG Strategy, also expressed the view that the measure lacked ambition, strong enforcement and sanctions, and would not sufficiently penalize poorly rated ships nor incentivize fast-movers or a rapid uptake of energy efficient ships and technologies.

Several delegations further emphasized the importance of rapidly advancing the development of a Carbon Intensity Code and the review of the measure by 2025 in view of possible strengthening of the enforcement mechanism and level of ambition of the measure.

***Assessment of impacts on States***

Many delegations highlighted that, with a view to adoption of the short-term measure, it would be essential to undertake its comprehensive assessment on States, in particular but not limited to, developing countries, notably SIDS and LDCs, in accordance with the procedure contained in MEPC.1/Circ.885.

MEPC 75 approved the terms of reference and arrangements for the conduct of a comprehensive impact assessment of the short-term measure, and instructed the Secretariat to initiate the impact assessment with a view to submission of a final report for the consideration of MEPC 76.

***Development of draft associated guidelines and carbon intensity code and the associated work plan***

Many delegates stressed the urgency of finalizing the draft guidelines and in order to provide clarity on mandatory requirements and the recommendatory nature of the guidelines, agreed on the need to develop a mandatory carbon intensity code.

MEPC 75 has established a Correspondence Group on the Development of Technical Guidelines on Carbon Intensity Reduction.

MEPC 75 approved the holding of the eighth intersessional meeting of the Working Group on Reduction of GHG Emissions from ships (ISWG-GHG 8) before MEPC 76, with the following terms of reference:

- finalize the draft technical guidelines supporting the EEXI framework;

- further consider and finalize the main technical guidelines supporting the CII framework;

- identify a preliminary list of technical guidelines supporting chapter 4 of MARPOL Annex VI that could be consolidated into a mandatory carbon intensity code

Delegations also emphasized the need to urgently consider the remaining agenda items, in particular the concrete proposals to reduce methane slip and emissions of Volatile Organic Compounds (VOCs) and to encourage the uptake of alternative low-carbon and zero-carbon fuels, including the development of life cycle GHG/carbon intensity guidelines for all relevant types of fuels.

***MEPC resolution on encouragement of Member States to develop and submit voluntary National Action Plans to address GHG emissions from ships***

MEPC 75 adopted MEPC 327(75) on Encouragement of Member States to develop and submit voluntary National Action Plans to address GHG emissions from ships.

MEPC 75 invites Member States to voluntarily submit their National Action Plans to the Organization, outlining respective policies and actions, as soon as possible, and provide updates, as relevant, thereafter and suggests the National Action Plans could include but are not limited to:

- improving domestic institutional and legislative arrangements for the effective implementation of existing IMO instruments,

- developing activities to further enhance the energy efficiency of ships,

- initiating research and advancing the uptake of alternative low-carbon and zero-carbon fuels,

- accelerating port emission reduction activities, consistent with resolution MEPC.323(74),

- fostering capacity-building, awareness-raising and regional cooperation and

- facilitating the development of infrastructure for green shipping.

***Fourth IMO GHG Study 2020***

MEPC 75 approved the Fourth IMO GHG Study 2020.

***Proposal for an International Maritime Research and Development Board (IMRB)***

The Committee had for its consideration a proposal co-sponsored by several industry associations for the development of a research and development (R&D) programme to accelerate the introduction of low-carbon and zero-carbon technologies and fuels. Core funding would be provided via a mandatory R&D contribution per ton of fuel oil purchased for consumption.

Core funding of approximately five billion US dollars over the life of the programme would fundamentally alter the current level of investment in maritime R&D focused on the development of low-carbon and zero-carbon technologies.

The IMRB could be established by IMO relatively quickly via amendments to MARPOL, as a nongovernmental research and development organization which would report to IMO, together with a mechanism for providing the necessary core funding from shipping companies via a mandatory system of R&D contributions per ton of marine fuel oil purchased.

The IMRB may be established by adopting a new Chapter 5 outlining regulations for greenhouse gas reduction research and development under MARPOL Annex VI.

IMO oversight of the IMRB and its work would be achieved through the establishment of a new IMO supervisory body composed of an appropriate number of IMO Member State representatives with support from the IMO secretariat.

Many delegates stressed that the establishment of such an NGO would not only take time but, like all new entities, would also face its own internal challenges. A stand-alone NGO could run the risk of being disconnected from ongoing Technical Cooperation programmes and major projects such as the Global MTCC Network (GMN).

Likewise, its establishment might lead to some legal uncertainties since it is proposed that it be established by IMO but independent from IMO Member States, the role of which would be limited to an oversight role. Since the proposed IMRB relied on industry funding and was designed to support industry-based research, it would be more appropriate for the industry to develop such a concept outside the IMO regulatory framework.

There is no precedent in the Organization to directly support technological research and development and R&D was essentially a commercial activity, so it was unclear how IMO could support this whilst sticking to technology neutrality.

While acknowledging the initiative by the industry, it is noted that it requires more detailed consideration, and invited interested Member States and Observers to submit new documents to next session.

***Pollution prevention and response Safety and pollution hazards of chemicals***

MEPC 75:

- approved MSC-MEPC.5/Circ.7/Rev.1 Guidance on the timing of replacement of existing certificates by revised certificates as a consequence of the entry into force of amendments to chapters 17 and 18 of the IBC Code, noting the concurrent approval by MSC 102;

- endorsed the draft PPR.1/Circ 9 circular on Revised carriage requirements for methyl acrylate and methyl methacrylate, noting the concurrent endorsement by MSC 102 and that the circular has been issued prior to MSC 102 and MEPC 75 in order to notify relevant stakeholders in a timely manner that operational requirements 16.6.1 and 16.6.2 of the IBC Code apply to methyl acrylate and methyl methacrylate;

- endorsed PPR.1/Circ.10 on Resubmission of products listed in lists 2 and 3 of the MEPC.2 circular on Provisional categorization of liquid substances in accordance with MARPOL Annex II and the IBC Code.

***Amendments to the AFS Convention to include controls on cybutryne***

MEPC 75 approved the draft amendments to Annexes 1 and 4 to the AFS Convention, with a view to adoption at MEPC 76.

***Sampling of fuel oil***

MEPC 75 approved MEPC.1/Circ.889 on the 2020 Guidelines for onboard sampling of fuel oil intended to be used or carried for use on board a ship, which will be disseminated as an MEPC.1 circular.

***Heavy fuel oil in Arctic waters***

In February 2020, PPR 7 agreed on the draft text of the Arctic HFO regulation, which would start to prohibit the use and carriage of HFO as fuel in July 2024 but would include exemptions and waivers that would allow most ships to continue to carry and use HFO until July 2029.

The draft text allows exemptions for ships with protected fuel tanks. It allows also Arctic States to issue waivers for ships flying their flag, while in waters subject to their sovereignty or jurisdiction. MEPC 75 has approved the draft amendments to MARPOL Annex I to incorporate a prohibition on the use and carriage for use as fuel of heavy fuel oil by ships in Arctic waters, with a view to subsequent adoption by MEPC 76.

Many delegates underscore that it is a compromise; and as such some parts could ideally have been more demanding.

***Report of the sixth session of the Sub-Committee on Implementation of IMO Instruments (III 6)***

MEPC 75 has approved the MSC-MEPC.5 circular on Model agreement for the authorization of recognized organizations acting on behalf of the Administration, as previously agreed by MSC 102.

MEPC 75 also:

- approved the draft amendments to MARPOL Annexes I, IV and VI concerning the exemption of unmanned non-self-propelled (UNSP) barges from survey and certification requirements with a view to adoption at MEPC 76;

- approved consequently the draft MEPC.1 circular on Guidelines for exemption of unmanned non-self-propelled (UNSP) barges from the survey and certification requirements under the MARPOL Convention.

***MEPC 75 adopted following resolutions:***

- MEPC 324(75) - Amendments to MARPOL Annex VI, concerning procedures for sampling and verification of the sulphur content and the EEDI;

- MEPC 325(75) - Amendments to regulation E-1 and appendix I of the international convention for the control and management of ships' ballast water and sediments, 2004;

- MEPC.326(75) – 2020 guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships;

- MEPC 327(75) on Encouragement of Member States to develop and submit voluntary National Action Plans to address GHG emissions from ships.

***MEPC 75 approved following circulars:***

- BWM.2/Circ.70/Rev.1 - Guidance for the commissioning testing of ballast water management system;

- BWM.2/Circ.42/Rev.2 - Guidance on ballast water sampling and analysis for trial use in accordance with the BWM Convention and Guidelines (G2);

- MSC-MEPC.5/Circ.7/Rev.1 - Guidance on the timing of replacement of existing certificates by revised certificates as a consequence of the entry into force of amendments to chapters 17 and 18 of the IBC Code;

- PPR.1/Circ. 9 - on Revised carriage requirements for methyl acrylate and methyl methacrylate;

- PPR.1/Circ.10 - on Resubmission of products listed in lists 2 and 3 of the MEPC.2 circular on Provisional categorization of liquid substances in accordance with MARPOL Annex II and the IBC Code;

- MEPC.1/Circ.889 - on the 2020 Guidelines for onboard sampling of fuel oil intended to be used or carried for use on board a ship.