

## ESPO Executive Committee Sustainable Development meeting, 20 April 2020

The last online meeting of ESPO Committee on Sustainable Development took place on 20 April 2020. The Committee was attended by the MedCruise Director of Sustainability and Environmental Issues, Ms Valeria Mangiarotti.

During the meeting the Committee discussed about the points explained below:

Members of the European Parliament (MEPs) which are also members of the EP Environment Committee, tabled the revision of the MRV (reporting on shipping monitoring, revision and verification by UE regulation 2015/757) of CO<sub>2</sub> emissions from shipping. They support the extension of the MRV Regulation to cover all GHG, NO<sub>x</sub> and SO<sub>x</sub> emissions as well (Amendment 107), as MRV currently measures just CO<sub>2</sub> emissions at berth per ship name.

The key ideas of the MEPs of the largest political groups are:

- A zero-berth standard for all emissions by 2030;
- Limited access to ports for the most polluting ships;
- Mandatory use of OPS (shore side electricity) by ships and regulated port fees;
- Binding targets for OPS in ports.

There is a wide cross-party support for the inclusion of shipping in a fund under the EU Emissions Trading Scheme (ETS). The main political parties in the Environmental Committee agree on the idea of using this fund to finance investments in green port infrastructures.

If these amendments are accepted, then the Directive will move towards the mandatory use of the OPS for ships berthed in port.

From the discussion it emerged that with regard to use of the alternative fuels, these are a small part of the ones consumed. In fact, the use of LNG represents only 3% of the total quantity of fuel consumed.

Several barriers to the adoption of renewable fuels were listed:

- Lack of predictability and high risk of investment choices;
- Technological aspects and price factors;
- Interdependency issue;
- Carbon leakage potential and split incentives.

For all reasons above, it is very complicated for the investors to make a long-term decision and to build a business case.

MedCruise is going to attend the next meeting of the ESPO Committee on Sustainable Development and will inform its members accordingly.