



13 February 2017

To: President of the European Parliament, Mr. Antonio Tajani
Presidency of the Council of the European Union
President of the European Commission, Mr. Jean Claude Juncker

RE: in support of EU action on ship CO2 emissions to boost IMO process

Last month, the Environment Committee of the European Parliament agreed to establish a Maritime Climate Fund for shipping under the EU Emissions Trading Scheme (ETS), as a means to see shipping contribute to the EU's 2030 Paris target.¹ The Fund and ETS requirement would take effect from 01 January 2023, if no global measure is agreed by the IMO by that time.

Despite being tasked by the 1997 Kyoto Protocol asking to limit shipping CO2 emissions, the IMO has yet, 20 years later, to do so. It recently decided to restart a stalled work plan and discuss matters until 2023 with no guarantee then that global abatement measures will follow. This, despite the fact that, by the IMO's own estimates, ship emissions could increase by 50-250% by 2050.

In Europe, ship CO2 emissions are set to rise by over 85% by 2050 compared to 1990-levels.² Yet despite several missed deadlines for EU action³ shipping remains the only sector not contributing to economy-wide decarbonisation efforts to meet the EU's 2030 Paris target.

As with other sectors, shipping faces considerable challenges in making the transition to sustainability. We, the **networks of European shippers** are nevertheless committed to meeting this challenge. Our members are aware of their responsibility and are willing to scale up commitments in order to address shipping CO2 emissions.

At the same time, we recognise that action by sections of business alone will be insufficient and that policies are needed to create the right regulatory environment for this transition. First mover action at state or regional level has often in the past played an important role in

¹ EP, 2016, <http://www.europarl.europa.eu/sides/getDoc.do?type=REPORT&mode=XML&reference=A8-2017-0003&language=EN>

² EC, COM(2013) 479 final, https://ec.europa.eu/clima/sites/clima/files/transport/shipping/docs/com_2013_479_en.pdf

³ First deadline of 2003 under the 6th Community Environment Action Programme in 2002 and the second deadline of 2011 under the EU Climate and Energy Package of 2009. Ibid.

triggering action at a wider international level. The initiative of the ENVI Committee also aims to achieve this.

It is time to boost actions at international level to reduce ship CO2 – one of the last climate frontiers. We call on the Council of the European Union and the European Parliament to ensure that EU related shipping contributes to the EU's 2030 climate targets from 1 January 2023 via the ETS or Maritime Climate Fund if IMO does not deliver a global measure to address shipping GHG emissions. We also call on the European Commission to facilitate this process. Global level action at the IMO remains a central objective and European states should continue to work with all IMO members to achieve this goal.

Yours sincerely,



Walter Vermeer
Chairman
BICEPS Network Foundation
walter.vermeer@frieslandcampina.com



Coen Faber
Boardmember & Coordinator
BICEPS Network Foundation
info@bicepsnetwork.org

NOTE:

BICEPS Network is highly supportive of the EU policy incentives to the global shipping sector to involve more sustainable practices in their operations.

The BICEPS Network is a market initiative of a demand-driven global network of shippers aimed at driving sustainable change in the shipping sector and consists of international companies with global goods flows.

BICEPS Network aims to drive sustainable change in shipping sector by:

- Collaboration of shippers: organising the power of demand for sustainable change, initially focusing on container shipping. The objective is to establish a global network of shippers with sufficient volume in the market to exert influence and drive change. We developed the BICEPS Rating System, currently used in our procurement processes for the selection of the most sustainable performing carriers.
- Accelerating and scaling up market-ready innovations and sustainable initiatives: through an active dialogue between supply and demand of shippers with ship owners, chain partners and solutions providers. In addition, by developing, facilitating and disseminating showcases in the next 5 years, which will contribute significantly to sustainable improvements in and by the shipping industry.

The BICEPS Network is already starting to give incentives to the ocean container-shipping sector to improve their sustainable performances. We are willing to join forces with other incentives programs or initiatives by governments or ports to leverage the speed of sustainable change in the shipping sector.

The BICEPS Network members are: AB InBev, AkzoNobel, DSM, Farm Frites, FrieslandCampina, Huntsman, IOI Loders Croklaan, Lamb Weston/Meijer, Vion Food Group.