MEPC 76 BRIEF

The IMO Marine Environmental Protection Committee (MEPC) held its 76th session in virtual format from June 10th to 17th, 2021. This Brief provides an overview of the more significant issues progressed at this session. A full report of the meeting will be included in the next ABS International Regulatory News Update.

KEY DEVELOPMENTS

- Adoption of MARPOL Annex VI Amendments for EEXI and CII Implementation
- Guidelines for EEXI and CII Implementation
- Guidance for Reporting EEDI Values to IMO
- Amendments to AFS Convention related to Cybutryne
- Ban on HFO in Arctic Waters
- Exemption of UNSP Barge from MARPOL I / IV

ABS RESOURCES

- ABS Global Sustainability Center (link)
- ABS EEXI Services (link)
- ABS Environmental Monitor™ (link)
- ABS Guide for Sustainability Notations (link)
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IMO STRATEGY ON GHG EMISSIONS

Following the 8th meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships (May 2021), the Committee considered draft guidelines detailing the calculation and survey of the Energy Efficiency Ship Index (EEXI), as well as the implementation of the Carbon Intensity Indicator (CII), to correlate with the adoption of amendments to MARPOL Annex VI intended to be short-term measures for GHG reduction.

Adoption of Amendments to MARPOL Annex VI

The Committee adopted resolution MEPC.328(76) containing amendments to MARPOL Annex VI concerning mandatory goal-based technical and operational measures to reduce carbon intensity of international shipping. These amendments will enter into force on 1 November 2022.

Revised regulations 20 and 21 have been adopted to clarify the goal of MARPOL Annex VI / Chapter 4, which is to reduce the carbon intensity of international shipping and work toward the objectives of the *Initial IMO Strategy on Reduction of GHG Emissions from Ships* (MEPC.304(72)).

Other amendments, representing short-term measures for GHG emissions reduction, utilize a two-part approach to address both technical and operational aspects of limiting GHG emissions:

1) EEXI (Energy Efficiency Existing Ship Index)

Revised regulations 23 and 25 establish EEXI regulations for an "Attained EEXI" to be calculated for each ship, and a "Required EEXI" for specified ship types.

Guidelines Supporting the EEXI Framework

The following related guidance documents have been adopted by the Committee at this session:

a) *2021 Guidelines on the Method of Calculation of the Attained EEXI* (Resolution MEPC.332(76));
b) *2021 Guidelines on Survey and Certification of the Energy Efficiency Design Index (EEXI)* (Resolution MEPC.333(76)); and
c) *2021 Guidelines on the Shaft/Engine Power Limitation System to Comply with the EEXI Requirements and Use of a Power Reserve* (Resolution MEPC.334(76)).

2) Annual Operational CII (Carbon Intensity Indicator)

New regulation 28 establishes a "Required Annual Operational CII" for specified ship types, and an "Attained Annual Operational CII" to be calculated for each ship.

Guidelines Supporting the CII Framework

The following related guidance documents (identified as CII Guidelines G1 through G4) have been adopted by the Committee at this session:

a) *2021 Guidelines on Operational Carbon Intensity Indicators and the Calculation Methods (CII Guidelines, G1)* (Resolution MEPC.335(76));
b) *2021 Guidelines on the Reference Lines for Use with Operational Carbon Intensity Indicators (CII Reference Lines Guidelines, G2)* (Resolution MEPC.336(76));
c) *2021 Guidelines on the Operational Carbon Intensity Reduction Factors Relative to Reference Lines (CII Reduction Factors Guidelines, G3)* (Resolution MEPC.337(76)); and
d) *2021 Guidelines on the Operational Carbon Intensity Rating of Ships (CII Rating Guidelines, G4)* (Resolution MEPC.338(76)).

With regard to the G3 Guidelines, after lengthy discussion the Committee agreed with the Intersessional Working Group on GHG proposal of an 11 percent reduction in 2026 for the CII reference line.

Revised regulation 26 requires aspects of a vessel's CII to be documented under the existing framework of the Ship Energy Efficiency Management Plan (SEEMP). On or before 1 January 2023, ships of 5,000 gross tonnage and above will need to revise their SEEMP to include:

a) a description of the methodology to be used to calculate the ships Attained Annual Operational CII, and the process that will be used to report this value to the Administration;
b) the Required Annual Operational CII for the next three (3) years;
c) an implementation plan documenting how the Required Annual Operational CII will be achieved during the next three (3) years; and
d) a procedure for self-evaluation and improvement.

The Confirmation of Compliance (CoC) and Statement of Compliance (SoC) which are associated with fuel oil consumption reporting (renumbered Regulation 27) will be modified to also address the "Operational Carbon Intensity Rating," both of which must be reported annually to the Administration. This will require new issuance of CoC and SoC documents when these amendments enter into force.

Each year, the Attained Annual CII shall be documented and verified against the Required Annual CII to determine an operational carbon intensity rating of A, B, C, D or E, indicating a major superior, minor superior, moderate, minor inferior, or inferior performance level for a vessel. A ship rated D for three (3) consecutive years or rated as E, shall develop a plan of corrective actions to achieve the required annual operational CII. The corrective action plan is to be included in the SEEMP.

Finally, included in the MARPOL Annex VI amendments is a requirement for a review of the effectiveness of the above regulations and guidelines. This is to be completed by 1 January 2026 to determine if any further amendments are necessary.

Work Plan for Development of Mid- and Long-Term GHG Reduction Measures

Associated with the above actions taken on short-term measures to reduce GHG emissions from international shipping, the Committee approved a work plan for the development of mid- and long-term GHG reduction measures. This work plan involves a three-phase approach aimed at supporting the *Initial IMO Strategy on Reduction of GHG from Ships* and its program of follow-up actions:

Phase I – Collation and initial consideration of proposals for measures
(*Time period*: Spring 2021 to Spring 2022);
Phase II – Assessment and selection of measures to further develop
(*Time period*: Spring 2022 to Spring 2023); and
Phase III – Development of measures to be finalized with agreed target dates
(*Timeline*: Target date(s) to be agreed in conjunction with the IMO Strategy on reduction of GHG emissions from ships).

Proposals which are progressed under this work must include the assessment of impacts on States of the proposed measures in accordance with the Procedure for assessing impacts on States of candidate measures set out in MEPC.1/Circ.885, taking into account the outcome of the lessons-learned exercise from the comprehensive impact assessment of the short-term measure.

AIR POLLUTION AND ENERGY EFFICIENCY

Revised Guidance for Best Practice for Member State/Coastal State (MEPC.1/Circ.884)

The Committee approved revisions to MEPC.1/Circular 884 *Guidance for Best Practice for Member State/Coastal State*, which provides guidance to assist Member States in effectively implementing the requirements of MARPOL Annex VI. The approved revisions provide an indicative example of a bunker license to be issued by the Member State to bunker suppliers under their jurisdiction, and the recommended licensing requirements of this guidance are aligned with MARPOL Annex VI objectives. Member States are encouraged to make use of this guidance in their respective national regulations.

Revised Guidelines for Determining Minimum Propulsion Power to Maintain Maneuverability

The Committee approved revisions to the *2013 Interim Guidelines for Determining Minimum Propulsion Power to Maintain the Maneuverability of Ships in Adverse Conditions*, which are guidelines intended to assist Administrations in verifying that ships complying with EEDI requirements have sufficient installed propulsion power to maintain maneuverability in adverse weather.

The revisions provide an updated definition of ‘adverse weather conditions’ with modified mean wind speed and significant wave height. The revisions also introduce a new method of assessment referred to as the “Minimum Power Assessment” (i.e., replacing the previous Assessment Level 2 methodology).

Revised Guidelines on the Method of Calculation of the Attained EEDI for New Ships

The Committee adopted amendments to the *2018 Guidelines on the Method of Calculation of the Attained Energy Efficiency Design Index (EEDI) for New Ships.* These amendments clarify the information on Attained and Required EEDI that is to be reported to the IMO for each ship (new and existing) in accordance with MARPOL Annex VI / Regulation 20.3 (renumbered to Regulation 22.3) and provide a standard format for reporting this information.

As previously adopted by the Committee at MEPC 75 (in resolution MEPC.324(75)), each ship (new and existing) subject to the EEDI regulations in MARPOL Annex VI must report the Required EEDI and Attained EEDI values to the IMO within seven (7) months of completing the Initial survey for IEEC issuance, or within seven (7) months following 1 April 2022 for ships delivered prior to that date.

Unified Interpretation to Clarify Dates Related to EEDI Phase 2 and 3 for New Ships

The Committee approved a revision to a Unified Interpretation provided in paragraph 1.2.4 of the annex to MEPC.1/Circ.795/Rev.4. This revision to the existing interpretation aligns the dates related to EEDI Phase 2 and 3 with those dates reflected in the current MARPOL Annex VI text, which were amended at the previous session of the Committee (MEPC 75). Other minor editorial corrections were also made.

BALLAST WATER AND ANTI-FOULING SYSTEMS

Amendments to the AFS Convention

The Committee adopted resolution MEPC.331(76) containing amendments to Annexes 1 and 4 of the International Convention on the Control of Harmful Anti-Fouling Systems on Ships (AFS Convention) which establish controls on the use of cybutryne as an anti-fouling system. Cybutryne acts as a biocide in an anti-fouling system but has been observed to demonstrate leaching into surrounding waters and thereby harming aquatic life. The amended Annex 1 of the AFS Convention establishes controls which prohibit from applying or re-applying anti-fouling systems which contain cybutryne as of 1 January 2023. For ships which bear an anti-fouling system containing cybutryne in the external coating layer on or after 1 January 2023, these controls require that the ship either remove the anti-fouling system or apply a sealant which prevents leaching. In either case, this must take place at the next scheduled renewal of the anti-fouling system after 1 January 2023, but no later than 60 months following the last application to the ship of an anti-fouling system containing cybutryne.

In addition, the amended Annex 4 of the AFS Convention provides a revised model form of the International Anti-Fouling System Certificate. The section of this certificate which addressed compliance options for controlled anti-fouling systems has been updated to address cybutryne. Ships which are affected by this ban on cybutryne must receive an updated IAFS Certificate no later than two (2) years after the entry into force of these amendments. Ships which are not affected (i.e. with anti-fouling systems which do not contain cybutryne) must receive an updated IAFS Certificate at the next AFS application to the vessel.

Ballast Water Management

Due to closure of the IMO Building and limitations of the virtual meeting format utilized at this session, the Committee addressed several submittals related to ballast water management via correspondence prior to the Committee meeting and postponed several other submittals until the next session of the Committee (MEPC 77, November 2021). The Committee also instructed the PPR Sub-Committee to begin consideration of a protocol for verification on BWMS compliance monitoring devices (CMD's) when the Sub-Committee meets again in early 2022.

MISCELLANEOUS

Ban on HFO in Arctic Waters

The Committee adopted resolution MEPC.329(76) containing 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. Under the provisions of the new Regulation 43A in MARPOL Annex I, the prohibited fuel oils are described as "oils, other than crude oils, having a density at 15°C higher than 900 kg/m^3 or a kinematic viscosity at 50°C higher than 180 mm^2/s". The use and carriage for use as fuel of these heavy fuel oils would be prohibited in Arctic waters on and after 1 July 2024. For ships to which Regulation 12A of MARPOL Annex I (Oil fuel tank protection) is applicable, this prohibition would be effective on and after 1 July 2029.

Notwithstanding the above, Administrations with coastlines that border on Arctic waters would have leeway to temporarily waive the requirements of this prohibition for vessels under their registry while operating in waters under the jurisdiction of that Administration, up until 1 July 2029, after which no such waivers may be issued.

Exemption of UNSP Barges from Survey and Certification Requirements

The Committee adopted resolution MEPC.330(76), with amendments to MARPOL Annexes I and IV to formalize the exemption of unmanned non-self-propelled (UNSP) barges from the certification requirements of these annexes of the MARPOL Convention.

For the purposes of MARPOL Annex I, UNSP barges have been defined as barges which:

1) are not propelled by mechanical means;
2) carry no oil;
3) have no machinery fitted that may use oil or generate oil residue (sludge);
4) have no fuel oil tank, lubricating oil tank, oily bilge water holding tank and oil residue (sludge) tank; and
5) have neither persons nor living animals on board.

For the purposes of MARPOL Annex IV, UNSP barges have been defined as barges which:

1) are not propelled by mechanical means;
2) have neither persons nor living animals on board;
3) are not used for holding sewage during transport; and
4) have no arrangements that could produce sewage.

UNSP barges seeking exemption from MARPOL Annex I and IV will be issued an Exemption Certificate for UNSP Barges for each respective annex, to document their exemption from the certification and survey requirements of each annex. These exemption certificates will be issued with a validity of five (5) years after a confirmatory survey. These amendments to MARPOL Annex I and IV will enter into force on 1 November 2022.

Additionally, circular MSC.1/Circ.892 was also approved by the Committee to provide guidelines for granting UNSP exemptions, as well as guidance on the maintenance of onboard conditions after survey.

Marine Plastic Litter from Ships

The Committee approved circular MEPC.1/Circ.893 encouraging Member States to provide adequate facilities at ports and terminals for the reception of plastic waste from ships. The Committee also approved circular MEPC.1/Circ.894 encouraging Member States to share results from research on marine litter and studies of microplastics from ships.

Further work addressing Marine Plastic Litter from Ships was necessarily postponed to the next session of the Committee (MEPC 77) due to time constraints.

Postponement of Agenda Items

Due to closure of the IMO Building and limitations of the virtual meeting format utilized at this session, the Committee agreed to postpone consideration of several significant proposals and work items, including the following items below. Related submissions will be referred to MEPC 77 (November 2021).

1) Numerous submissions related to Ballast Water Management systems (Agenda Item 4);
2) Overview of data on fuel oil quality and availability (Agenda Item 5);
3) Numerous submissions related to clarifying the calculation of EEDI (Agenda Item 6);
4) Numerous submissions related to biofuels, wind propulsion, and the measurement and reduction of carbon intensity in international shipping (Agenda Item 7);
5) Action Plan on Marine Plastic Litter (Agenda Item 8);
6) Numerous submissions related to the Guidelines for Exhaust Gas Cleaning Systems (Agenda Item 9);
7) Type-approval schemes for anti-fouling paints (Agenda Item 13).