



# IMO Regulatory Updates

## MEPC 70 – Major Decisions and Resolutions

November 11, 2016

The Marine Environment Protection Committee (MEPC) of the International Maritime Organization met for its 70th session in London during 24-28 October 2016.

Liberia was represented throughout MEPC 70 in the plenary sessions and in each of the three main working groups. In addition, Liberia took an active participation in the Intersessional Working Group on the Review of Guidelines (G8) held in London during the week prior the MEPC 70.

## BALLAST WATER MANAGEMENT CONVENTION

### Amendments to implementation schedule for ships compliance

MEPC 70 considered a proposal by Liberia and a proposal by India and industry for further amending the implementation schedule for ships to comply with the discharge performance standard (Regulation D-2) of the International Convention on the Control and Management of Ships' Ballast Water and Sediments, 2004 (the BWM Convention). The proposals were alternatives to the previous draft amendments agreed at MEPC 69 and take into account the lack of availability of systems that will meet the performance standards, and the evident lack of sufficient installation capacity.

Following majority support of IMO member States, the proposals were consolidated into one, which MEPC 70 agreed to send, together with the previous draft amendments agreed at MEPC 69, to MEPC 71 for further consideration. The alternate amendment provides more time (2 years) to retrofit the existing ships. Under the proposed alternative amendment:

- Ships shall conduct BWM meeting Regulation D-2 at the first IOPP renewal survey completed after 8 September 2017, unless that survey is completed prior to 8 September 2019, in which case ships shall conduct BWM meeting D-2 at the first IOPP renewal survey completed after 8 September 2019
- Ships constructed on or after 8 September 2019 shall be conduct BWM meeting D-2

Unless a compromise on a consolidated amendment is reached at MEPC 71, both amendments will be sent to MEPC 72 for consideration, where only one will be adopted. Liberia will work with other interested IMO Member States and industry to see if a single unified amendment can be agreed at MEPC 71 and sent to MEPC 72. MEPC 71 will meet in July 2017.

### New revised Guidelines for approval of ballast water management systems (G-8 Guidelines)

MEPC 70 adopted new revised Guidelines for approval of ballast water management systems (BWMS). The new revised guidelines provide for greater consistency, robustness and transparency in the Type Approval process, ensuring systems meet the performance standard and are fit for purpose.

MEPC 70 also agreed:

- The new revised Guidelines be made a mandatory Code and to prepare draft amendment to regulation D-3 for circulation to Parties upon the conventions entry into force
- The new revised Guidelines be applied immediately when approving BWMS, but no later than 28 October 2018
- BWMS installed on ships on or after 28 October 2020 should be approved to revised G8
- To carry out a review to determine whether a sufficient number of appropriate technologies are approved and available taking into account the revised Guidelines (G8)

## Reduction of Green House Gas (GHG) emissions from ships

In parallel with the entry into force on 4 November 2016 of the UN Framework Convention on Climate Change (UNFCCC Paris Agreement) which, inter alia, set a global warming cap at 1.5°C-2°C, MEPC 70 was tasked with further reducing the GHG emissions from ships, whilst serving the best interests of the maritime industry and general public. Noting that the Paris Agreement did not take account of maritime or aviation sectoral approaches, a working group (WG) was established to develop a roadmap for the creation of a 'Comprehensive IMO Strategy on the reduction of GHG emissions from Ships'.

Integral to the success of the Strategy is the determination of the current amount of GHG emitted from shipping. To that end, MEPC 70 agreed to the mandatory data collection of all fuel oil used in ships of 5000GT and above from 1 January 2019 (Phase 1 of the three step approach) and has amended MARPOL Annex VI accordingly (see Resolution MEPC 278(70)). Data on the consumption of all fuel oils is to be collected on an annual basis, over a calendar year (1 January to 31 December inclusive) and provided to the Administration (Liberia) within 3 months of the following calendar year, the Administration (Liberia) will then have a further two months to verify and forward this anonymised data to the IMO which will be used to form the basis of a global GHG emissions strategy, as above.

Noting the importance and urgency of this matter, the initial IMO Strategy is anticipated to be adopted by MEPC 72 in Spring 2018 and a later revision, taking into account the results of the three step approach and other investigations, adopted by MEPC 80, in Spring 2023. The revised strategy will include any short-, mid- or long-term further measures, as required. Phase 2 of the three step approach, analysis of the fuel data collected will begin no later than Autumn 2020 and the decision making process (Phase 3) will occur in Spring 2022.

IMO Secretary-General Ki-Tack Lim said the new requirements sent a clear signal that IMO was ready to build on the existing technical and operational measures for ship energy efficiency.

"The data collection system will equip IMO with concrete data to help it make the right decisions, as well as enhancing its credentials as the best placed and competent forum for regulating international shipping," Mr Lim said.

## New Global Cap on Sulphur Content of Fuel Oil

Consequent to a favorable review of the availability of fuel oil compliant to the standard set out in MARPOL Annex VI (Regulation 14.3), MEPC 70 agreed that the effective implementation date by which the sulphur content of any fuel oil used on board ships shall not exceed 0.50% m/m, is 1 January 2020.

The interpretation of "fuel oil used on board" includes use in main and auxiliary engines and boilers. Exemptions are provided for situations involving the safety of the ship or saving life at sea, or if a ship or its equipment is damaged.

In recognizing the concerns expressed about the implementation phase, MEPC 70 agreed to further consideration on what additional measures may be developed to promote consistent implementation of the 0.50% global sulphur limit. The additional measures will be considered by the PPR Sub-Committee in January 2017 and presented to MEPC 71 in May 2017.

Specific items proposed for consideration include:

1. How port State control officers can detect and take action against ships using fuel oil that exceeds the limit of 0.50% unless that ship is equipped and certified to operate an exhaust gas cleaning system or other approved alternative compliance system as allowed under regulation 4 of MARPOL Annex VI;
2. A standard format for reporting fuel oil non-availability as provided in regulation 18.2.2 of MARPOL Annex VI that may be used to provide evidence if a ship is unable to obtain fuel oil compliant with the provisions stipulated in regulations 14.1.3 and 14.4.3 of MARPOL Annex VI;
3. Mechanisms to encourage verification that fuels supplied to ships meet the specified sulphur limit as stated on the bunker delivery note, including technologies and guidelines that may assist member states and stakeholders in assessing the sulphur content of fuel sold and delivered for use on board ship;
4. How to accommodate any transitional actions that may be necessary; and
5. A timeline for developing uniform implementation measures.

The new global cap will not change the limits in SO<sub>x</sub> Emission Control Areas (ECAs) established by IMO, which since 1 January 2015 has been 0.10% m/m. The ECAs established under MARPOL Annex VI for SO<sub>x</sub> are: the Baltic Sea area; the North Sea area; the North American area (covering designated coastal areas off the United States and Canada); and the United States Caribbean Sea area (around Puerto Rico and the United States Virgin Islands).

## Newly Designated NO<sub>x</sub> Tier III Emission Control Areas covering the North Sea and Baltic Sea

Following much discussion, MEPC 70 agreed to designate both the North Sea and the Baltic Sea as NO<sub>x</sub> Tier III Emission Control Areas (ECAs) with an effective date of 1 January 2021.

In addition to the existing NO<sub>x</sub> ECAs of North America, the US Caribbean Sea, as already defined in MARPOL Annex VI, Reg. 13 the proposed areas for designation are as follows:

- North Sea area, comprising the North Sea, as defined in MARPOL Annex V, Reg. 1.14.6.
- Baltic Sea area, comprising the Baltic Proper with the Gulf of Bothnia, the Gulf of Finland and the entrance to the Baltic Sea bounded by the parallel of the Skaw in the Skagerrak at 57°44.8' N, as defined in MARPOL Annex I Reg. 1.11.2.

Furthermore, MEPC 70 agreed the need for exemption provisions to allow ships fitted with dual fuel engines or with only Tier II engines to be built, converted, repaired and/or maintained at shipyards located in NOX Tier III ECAs.

MARPOL Annex VI Reg. 13, will be amended accordingly to reflect these changes which are anticipated to be adopted by MEPC 71 in May 2017.

## AMENDMENTS TO MANDATORY INSTRUMENTS

### **MARPOL Annex I, appendix II related to Form B of the Supplement to the International Oil Pollution Prevention Certificate;**

MEPC 69 considered and approved draft amendments to MARPOL Annex I related to Form B of the Supplement to the International Oil Pollution Prevention Certificate, which were then circulated (Circular Letter No.3635 of 22 April 2016) for comment and final adoption at MEPC 70. These relate to various arrangements that are no longer relevant. As no comments were forthcoming and subject to any editorial improvements, MEPC 70 agreed to the amendments with an entry-into-force date of 1 March 2018.

### **MARPOL Annex V related to HME substances and Form of Garbage Record Book**

MEPC 70 adopted amendments to MARPOL Annex V related to substances that are harmful to the marine environment (HME) and the Form of Garbage Record Book. It was agreed that the proposed definition of electronic waste was too broad, encompassing all electrical items on board and therefore excluded from the amendments to MARPOL Annex V and the Garbage Record Book. Guidance will be included in the accompanying MEPC resolution.

The amendments are scheduled to enter into force 1 March 2018.

### **Provisional List of Resolutions and Circulars Approved by Mepc 70**

#### **MEPC.276(70)**

Amendments to MARPOL Annex I, Appendix II (Form B of the supplement to the International Oil Pollution Prevention Certificate)

*Entry Into Force: 1 March 2018*

#### **MEPC.277(70)**

Amendments to MARPOL Annex V (HME substances and form of Garbage Record Book)

*Entry Into Force: 1 March 2018*

#### **MEPC.278(70)**

Amendments to MARPOL Annex VI (Data collection system for fuel oil consumption)

*Entry Into Force: 1 September 2017*

#### **MEPC.279(70)**

Guidelines for approval of Ballast Water Management Systems (G8)

*Entry into Force: 28 October 2016*

#### **MEPC.280(70)**

On effective date of implementation of the fuel oil standard in Reg. 14.1.3 of MARPOL Annex VI

*Entry Into Force: 1 January 2020*

#### **MEPC.281(70)**

Amendments to the 2014 guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships (MEPC.245(66), as amended by MEPC.263(68))

#### **MEPC.282(70)**

2016 guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP)

#### **MEPC.283(70)**

Designation of the Jomard entrance as a particularly sensitive sea area

#### **MEPC.284(70)**

Amendments to the 2012 guidelines on implementation of effluent standards and performance tests for sewage treatment plants

#### **MEPC.285(70)**

Amendments to the revised guidelines and specifications for pollution prevention equipment for machinery space bilges of ships (MEPC.107(49))

#### **MEPC.1/Circ.864**

Guidelines for on board sampling for the verification of the sulphur content of fuel oil used on board ships

#### **MEPC.1/Circ.865**

Unified interpretations to the NOX Technical Code 2008 related to the approval of SCR systems

#### **MEPC.1/Circ.866**

2014 Guidelines on the method of calculation of the attained EEDI for new ships (MEPC.245(66), as amended by MEPC.263(68) and MEPC.281(70))

#### **MEPC.1/Circ.867**

Unified interpretations of regulations 27 and 28 of MARPOL Annex I

#### **MEPC.1/Circ.868**

Unified interpretations of regulation 12 of MARPOL Annex I

#### **MEPC.1/Circ.869**

Unified Interpretation on the inclusion of the weight of the mediums of fire-fighting systems in the lightweight of a ship

**DRAFT MSC-MEPC.5 CIRCULAR** on amendments to the survey guidelines under the harmonized system of survey and certification, 2015, for ships operating in polar waters

**DRAFT MSC-MEPC.1 CIRCULAR** on organization and method of work of the maritime safety committee and the marine environment protection committee and their subsidiary bodies

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