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Europe agrees to 'ground-breaking' shipping decarbonization deal

A new law will require ships in Europe to gradually reduce the amount of greenhouse gas emissions in their fuel mix up to 2050. Photo credit: Igor Grochev / Shutterstock.com.

Greg Knowler, Senior Editor Europe | Mar 23, 2023, 11:02 AM EDT

European legislators agreed Thursday to an ambitious deal on cutting shipping emissions and accelerating the switch to green maritime fuels, with 80 percent of emissions to be cut by 2050.

European Parliament rapporteur Jörgen Warborn described the agreement as "the world's most ambitious path to maritime decarbonization."

"No other global power has drafted such a comprehensive framework to tackle maritime emissions," Warborn said in a statement. "This is truly ground-breaking."

The provisional agreement between the European Parliament and European Council negotiators sets out a fuel standard for ships that steadily increases the use of renewable and low-carbon fuels to lower emissions.

Ships will have to gradually reduce greenhouse gas (GHG) emissions by cutting the amount of GHG in the energy they use by 2 percent as of 2025, 6 percent by 2030, 14.5 percent by 2035, 31 percent by 2040, 62 percent by 2045, and by 80 percent by 2050. The rule will apply to ships above 5,000 gross tons — which are responsible for 90 percent of carbon dioxide (CO2) emissions — and to all energy used on board in or between EU ports, as well as to 50 percent of energy used on international voyages that start or end in the EU.

But the deal still has some way to go through the complex European Union legislative system before it is passed into law. It must first be approved by the Council Committee of Permanent Representatives and Parliament's Transport and Tourism Committee, and then be approved by the European Parliament and Council as a whole.

Despite the bureaucratic hurdles, Warborn said the regulation would force other regulatory bodies to take concrete steps to accelerate decarbonization.

"Europe will do its fair share, but European citizens and companies should not foot the bill for the entire world's climate efforts," he said.

That was a thinly veiled dig at member states of the International Maritime Organization (IMO), which are locked in their own greenhouse gas deliberations in London this week. The European Union included shipping in its Emissions Trading System (ETS) from Jan. 1 this year, in large part because of a lack of progress on decarbonization at a global level.

The Intersessional Working Group on Reduction of GHG Emissions from Ships is meeting at the IMO headquarters to finalize a revised emissions strategy that will address market-based measures such as introducing a carbon levy, and review the system used to collect ship fuel consumption data.

'Beginning of the end of dirty fuels'

Support for the European fuel regulation came from green campaigners Transport & Environment (T&E).

"Today's decision marks the beginning of the end of dirty fuels in shipping," Delphine Gozillon, sustainable shipping officer at T&E, said in a statement. "The EU is charting the way with the most ambitious package of green shipping laws ever adopted. This success should inspire other countries to do the same."

Transport was responsible for about a quarter of the EU's total CO_2 emissions in 2019, of which 14 percent came from water navigation, according to the EU's European Environment Agency. New rules on alternative fuel infrastructure and maritime fuel are part of the "Fit for 55 in 2030 package," which is the EU's plan to reduce greenhouse gas emissions by at least 55 percent by 2030 compared with 1990 levels in line with the European climate law.

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