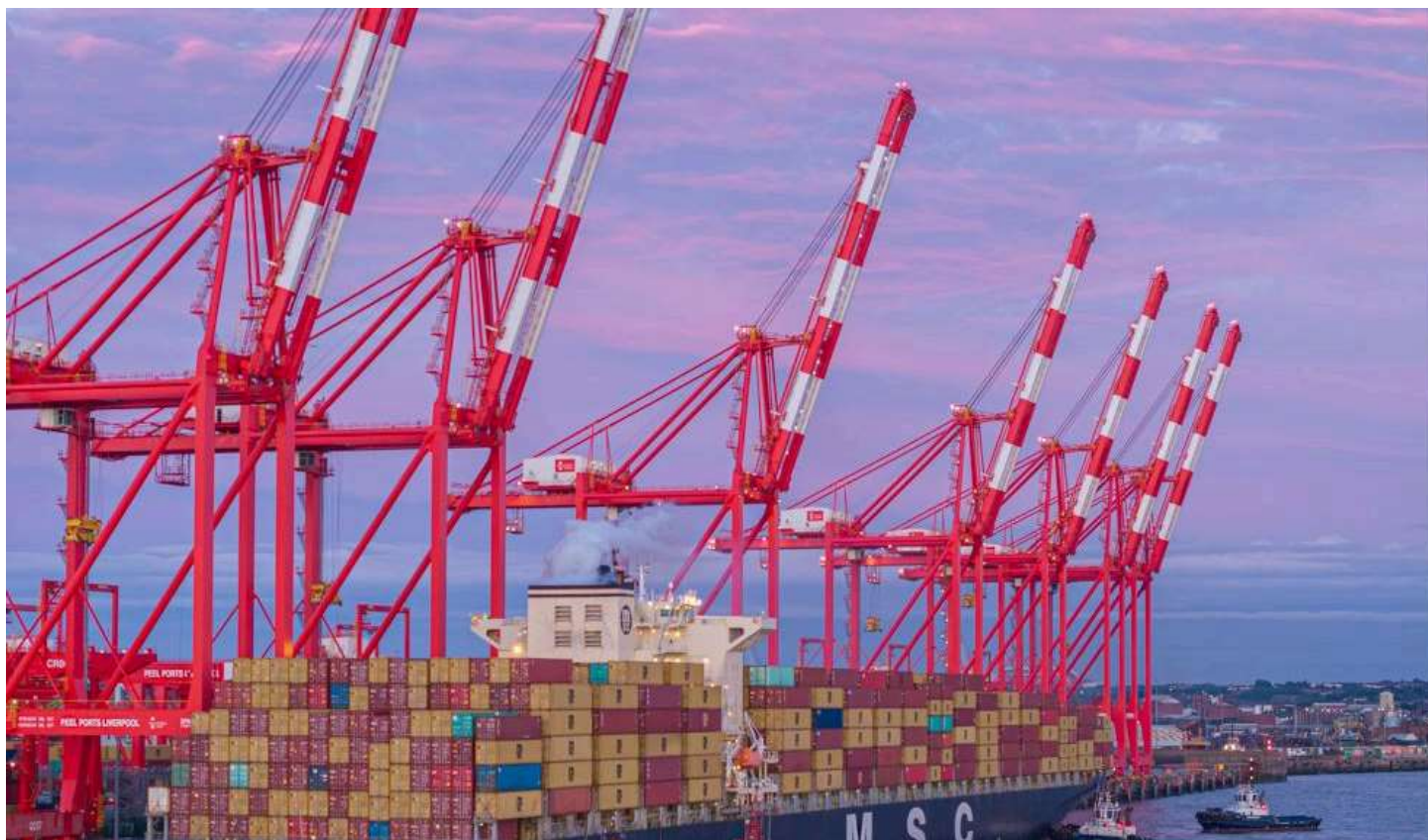


## 'Wake-up call' to shipping as 2030 emissions targets slip away: report



*Global shipping is responsible for about 3% of the world's greenhouse gas emissions — more than Germany. Photo credit: MSC.*

**Greg Knowler, Senior Editor Europe | Sep 24, 2024, 2:00 PM EDT**

The decarbonization of global shipping is moving too slowly to meet even the 5% zero-emission fuel target by 2030, a critical benchmark on the road toward 2050 net zero goals, according to a report by maritime industry groups.

The next 12 months are critical to avoid shipping falling irreparably behind its climate goals, according to the “Progress Towards Shipping’s 2030 Breakthrough” by the UCL Energy Institute, the UN Climate Change High-Level Champions and the Getting to Zero Coalition.

“This report must act as a serious wake-up call to the industry to accelerate the transformation we need to see in the sector,” Jesse Fahnestock, director of

decarbonization at the Global Maritime Forum, said in a statement late Tuesday.

“Increasing the use of zero-emission fuels is at the heart of decarbonizing the shipping industry, but we are not seeing the progress required to meet our decarbonization goals,” he added.

The third annual report warned that most actors across the maritime ecosystem “change levers” of supply, demand, policy, finance and civil society were moving too slowly to meet the internationally agreed 2030 target.

“There is no time to waste, and we must see a big shift in momentum over the next 12 months to bring our 2030 targets within reach,” Fahnestock said. “With such long lead times to implement policy and finance and building vessels and energy supply chains, the window of opportunity is only open by a crack — but importantly, it is still open.”

Global shipping is responsible for approximately 3% of the world’s greenhouse gas (GHG) emissions — more than Germany — and with global trade predicted to quadruple by 2050, emissions are set to skyrocket without urgent action.

The International Maritime Organization (IMO) set a goal of ensuring that zero- or near-zero emission fuels make up 5% to 10% of all shipping fuels by 2030. The 5% target is considered the critical mass at which the infrastructure, supply chains and technology that support zero-emission fuels mature and enable exponential growth.

If the 5% target is not achieved, it could jeopardize the industry’s entire 2050 net-zero goal, the progress report found.

### **‘Immediate action needed’**

The report pointed out that current production of Scalable Zero-Emission Fuels (SZEF) would meet less than half of the required supply by 2030. Current orders of zero-emission-capable vessels would only deliver about 25% of required fuel demand by 2030, and finance for zero-emission fuels has slowed while funding for fossil-fueled vessels has accelerated.

“The speed at which the shipping industry adopts hydrogen-derived fuels will shape the success and the cost of this transition for decades to come,” Domagoi Baresic, research fellow at the UCL Energy Institute, said in the statement.

“Extensive adoption of such fuels by 2030 remains within reach but will require significant and immediate action by policymakers, fuel suppliers, and the shipping industry over the next 12 months,” Baresic added. “Without such action, the transition will be much longer, costlier and have a less positive environmental impact. All the

ingredients for a rapid adoption already exist, but it is up to the relevant actors to make it a reality.”

Of the 35 actions required to deliver the 2030 breakthrough, the progress report found just eight that could be considered “on track,” while 13 were classed as “off track” — up from eight in last year’s edition of the report. The remaining 14 are only “partially on track.”

However, the report also stressed that meeting the 2030 goal was still achievable, pointing to strong progress on actions within the key “system change levers” of policy and supply as examples of success, with hopes that a strong midterm GHG pricing mechanism from the IMO and the fast delivery of announced production projects would put both levers back on track.

*Contact Greg Knowler at [greg.knowler@spglobal.com](mailto:greg.knowler@spglobal.com).*

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