



# UK SHIPPING'S ROUTE TO DECARBONISATION

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## Our commitment to net zero



I'm proud that the UK Chamber of Shipping was the first national shipping association to publicly call for the global shipping industry to reach net zero by 2050. This commitment has since been matched internationally at the International Maritime Organization.

However, we should not congratulate ourselves on simply agreeing a target when there is so much still to be done, both domestically and internationally, to help us achieve it. We must now maximise those opportunities for the UK Government, supported by the industry, to lead international negotiations to put in place workable mechanisms to reduce emissions on the global stage.

Here in the UK, we would welcome a successor to the 2019 Clean Maritime Plan. This new plan should be a multi-year framework

which enables public and private sector collaboration for emissions reduction from the shipping industry in the UK; including ensuring we have the grid capacity to meet shore power demand, continued investment in research and development and incentives to encourage the uptake of alternative low and zero emission fuels.

Our decarbonisation timeline sets out the pathway to net zero that we believe is achievable and maximises the return on any public investment through unlocking private finance and job creation.

The UK Chamber of Shipping intends to remain one of the leaders of shipping's decarbonisation journey. Please do get in touch if we can be of any assistance.

**Rhett Hatcher**  
CEO, UK Chamber of Shipping

## Decarbonisation in context

### The global setting

#### International targets

The International Maritime Organization (IMO) is the United Nations agency with responsibility for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships. Via the IMO nations have agreed an international decarbonisation pathway for shipping that reaches net zero around 2050 with checkpoints in 2030 and 2040.

With ships constantly moving all the world it is vital that we avoid a situation where different targets and checkpoints exists in different regions or nations, which could create an incentive to transfer emissions to other regions, rather than reduce them.

#### Clydebank declaration

At COP26 in Glasgow, the UK Government signed alongside 18 other nations the Clydebank Declaration. The declaration declared their ambition and intent to support the establishment of zero emission green shipping corridors between two ports.

The declaration envisaged six green corridors being established by the middle of this decade with many more in operation by 2030.

### UK initiatives

#### Clean Maritime Plan

In 2019 the UK Government produced the Clean Maritime Plan which was designed to outline the UK's pathway to zero emissions shipping. However, since its publication there have been significant developments, both in the technology available and international agreement about the trajectory of emissions reduction.

#### UK Shore

The UK Shipping Office for Reducing Emissions (UK SHORE) was established in 2022 with the ambition of, via a comprehensive research and development programme, helping to produce technologies and infrastructure that help reduce and eliminate greenhouse gas emissions from shipping.

The scheme has been central to moving technologies from concept to reality including technologies for on board existing vessels, artificial intelligence and new zero emission vessels.

## Why an lifeline ferry ETS exemption matters

Domestic ferry operators are crucial in ensuring island communities around the country have access to the services they need. They are often the only way of travelling on or off an island, as well as the main delivery method for critical supplies, including food and medicine.

Work is already underway to reduce their carbon footprint. CalMac has committed to reducing their fuel consumption. WightLink has pledged to remove 25,000 tonnes of carbon from their operation by 2030, while Red Funnel has announced plans for three new vessels with the capability to run on electric or hydrogen power.

However, to make a material impact on decarbonisation, domestic ferries will need a significant roll out of shore power so that they can be powered by electricity on shorter routes, and longer journeys will require alternative fuels and the associated infrastructure being put in place at both ends of the route. This requires co-ordinated action from all stakeholders, including the Government, and so far, progress suggests that none of these options will be available by 2026.

Without an exemption in place there is the real risk that costs for users increase and marginal services have to be reduced or withdrawn as operators face increased costs without a viable decarbonisation solution in place.

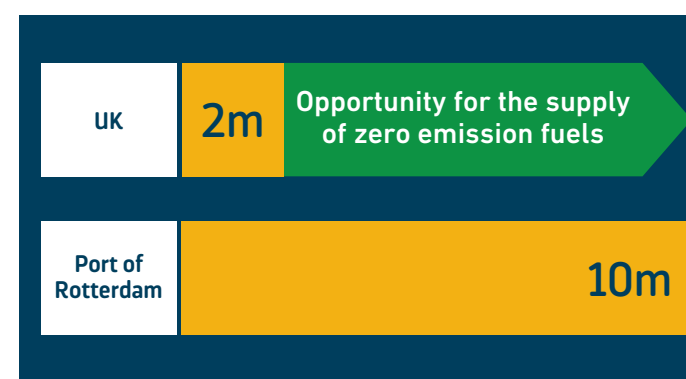
## Net zero shipping: an opportunity for the UK

### Becoming a hub for new maritime fuels

The UK should have the ambition to become a global hub for one or several new maritime fuels, which will help to deliver jobs and growth both in and around our major ports but also in wider supply chains across the country.

Currently the UK supplies around two million tonnes of fuel for shipping annually, a drop of 30% over the last decade. In comparison Rotterdam currently supplies around 10 million tonnes of fuel each year much of which with the right infrastructure and regulation could be supplied in the UK.

Demand for fuel resupply for future zero emission fuels will significantly increase in the years ahead but market leader locations are yet to emerge. This means we need to act now to create the right business environment to encourage ships to refuel their vessels with new greener fuels at UK ports.



This includes having clear guidelines on how to safely store alternatives fuels and the building of associated infrastructure, the UK tax system incentivising take up and an ongoing commitment to research and development. The UK's electricity grid must also be able to carry the capacity needed for large scale shore power roll out that can help decarbonise our domestic and international ferry networks and reduce emissions from other vessels in ports.

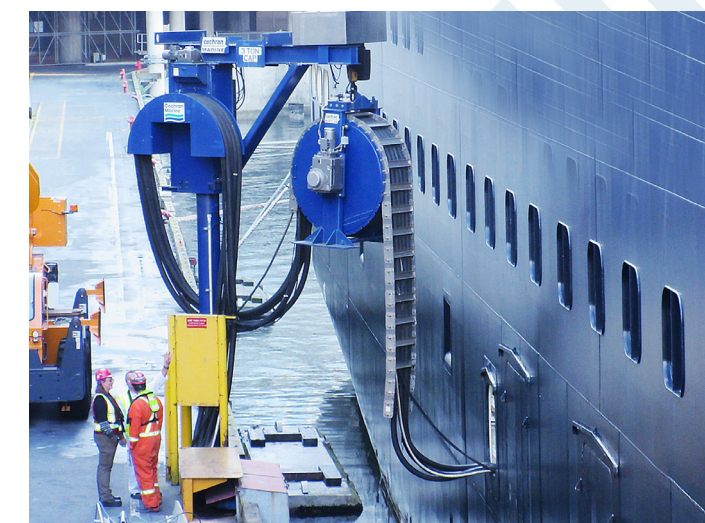
### Act now to ensure net zero readiness

#### Next 12 months

- ▶ Deliver a multi year decarbonisation plan, which sets out the roadmap for the industry and creates a framework for government support.
- ▶ Grant a time limited exemption from the UK ETS for lifeline ferry services.
- ▶ Commit to a continuation of UK SHORE at least at existing levels.

#### 2026-2030

- ▶ Ensure that grid capacity can meet the demand for shore power roll out.
- ▶ Equalise tax treatment of electricity compared to conventional fuel to stimulate supply and encourage uptake as an alternative fuel.
- ▶ Publish national safety guidelines on the storage and use of alternative fuels alongside an infrastructure plan for deployment.





# ▶ THE TIMELINE TO NET ZERO

## UK GOVERNMENT – IMMEDIATE PRIORITY

Publication of a multi-year plan, which creates a framework for government support and ongoing reviews of progress in collaboration with the whole industry.

## UK GOVERNMENT

Green corridors based on alternative fuels are established from the UK.



## UK GOVERNMENT

Introduce a time limited and reviewable exemption for lifeline ferries from the UK's Emissions Trading Scheme.

## UK GOVERNMENT

Commitment to continuation of UK SHORE with funding at least at existing levels.

UK Emission Trading Scheme applies to domestic shipping.

Clydebank Declaration requires six green corridors to be established.

Further green corridors established under Clydebank Declaration.

International Maritime Organization 2030 checkpoint: 20% reduction in greenhouse gas emissions.

## SHIPPING OPERATORS

As technology is rolled out across the industry, operators can easily access measures designed to reduce their carbon footprint on existing vessels, including retrofitting.

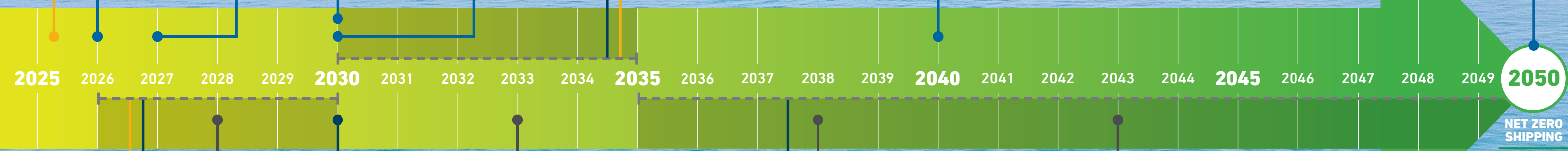
## INFRASTRUCTURE

Clean maritime clusters, including bunkering of low or zero emission fuels start to come online.

## INTERNATIONAL TREATY MILESTONES

International Maritime Organization 2040 checkpoint: 70% reduction in greenhouse gas emissions.

International Maritime Organization 2050 target: 100% reduction in greenhouse gas emissions.



## INFRASTRUCTURE

Review and improve grid capacity to ensure UK ports can meet demand for shore power.

In line with the International Maritime Organization, a 2028 review to check progress against the 2030 checkpoint considering international and regional developments.

## INFRASTRUCTURE

Where feasible offshore wind installations to have ability to provide at sea charging facilities.

By 2033 government and industry review progress and policies to ensure the sector remains on track for 2040 emission reduction checkpoint with reviews every five years following.

Government and Industry review.

Government and Industry review.

Ensure the sector remains on track for 2040 and 2050 emission reduction checkpoints and targets.

## UK GOVERNMENT

Equalise tax treatment of electricity compared to conventional fuel to stimulate supply and encourage uptake as an alternative fuel.

## UK GOVERNMENT

In line with the Clydebank Declaration establishment of green corridors from the UK including those powered by sustainable biofuels and electricity.

## UK GOVERNMENT

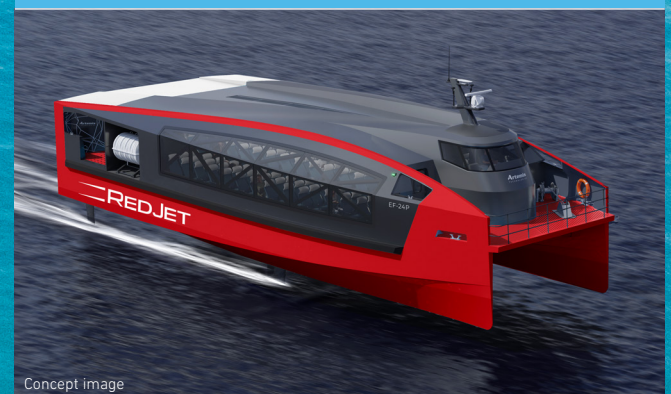
Publication of national safety guidelines on the storage and use of alternative fuels, aligned with international standards, alongside an infrastructure plan for deployment of these fuels.

## INFRASTRUCTURE

Principle UK ports are all clean maritime clusters with low or zero emission bunkering options are readily available across the UK.

## SHIPPING OPERATORS

New vessels being ordered for use in UK waters are being designed with zero emission propulsion capability.



Concept image



# UNITING UK SHIPPING

We work to unite, promote and champion an environment for shipping in the UK to thrive, helping to deliver a greener world and a more prosperous nation. We are open to shipping companies of all sizes, sectors and flags.

For more information on this document please contact the Chamber [query@ukchamberofshipping.com](mailto:query@ukchamberofshipping.com)

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