

# Sustainable Shipping

ICP-16  
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International Chamber of Shipping (ICS)



# Applying UN Sustainable Development Goals to Shipping



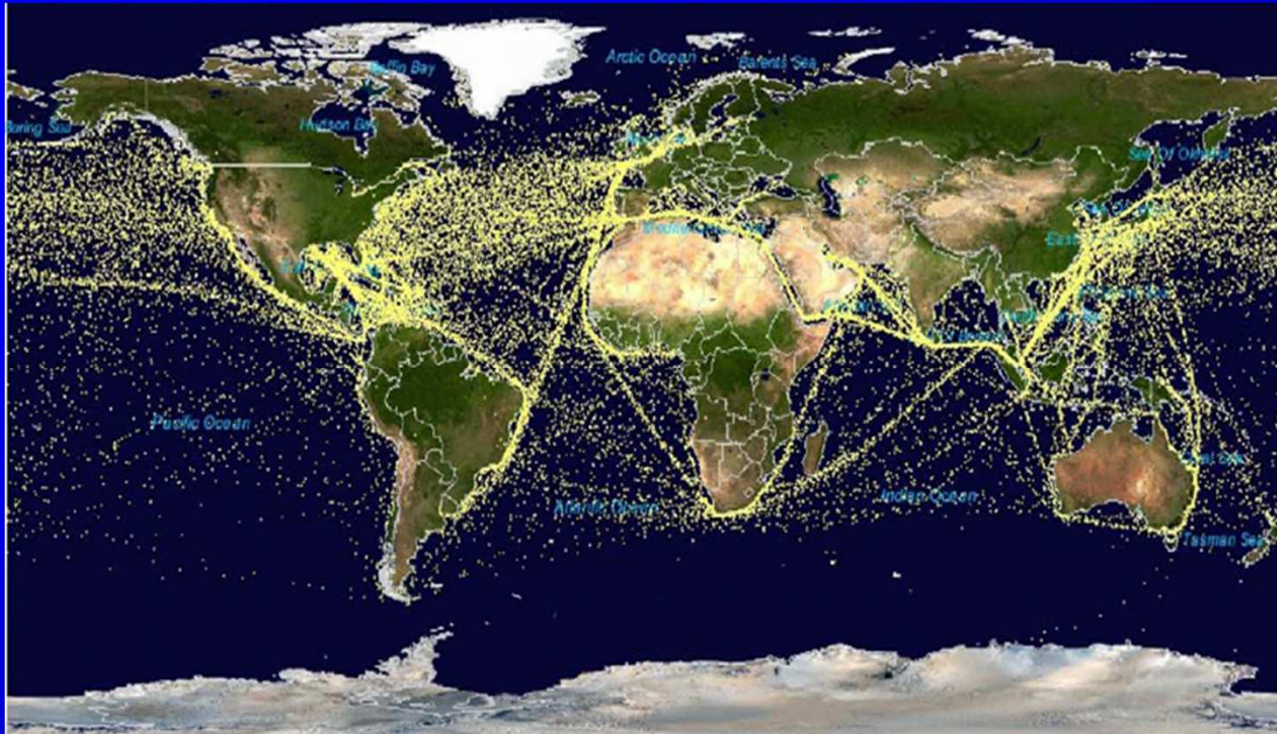
# UN 'Rio + 20' Summit (June 2012)

*'Poverty eradication is the greatest global challenge and indispensable to sustainable development.'*

Statement by Heads of State



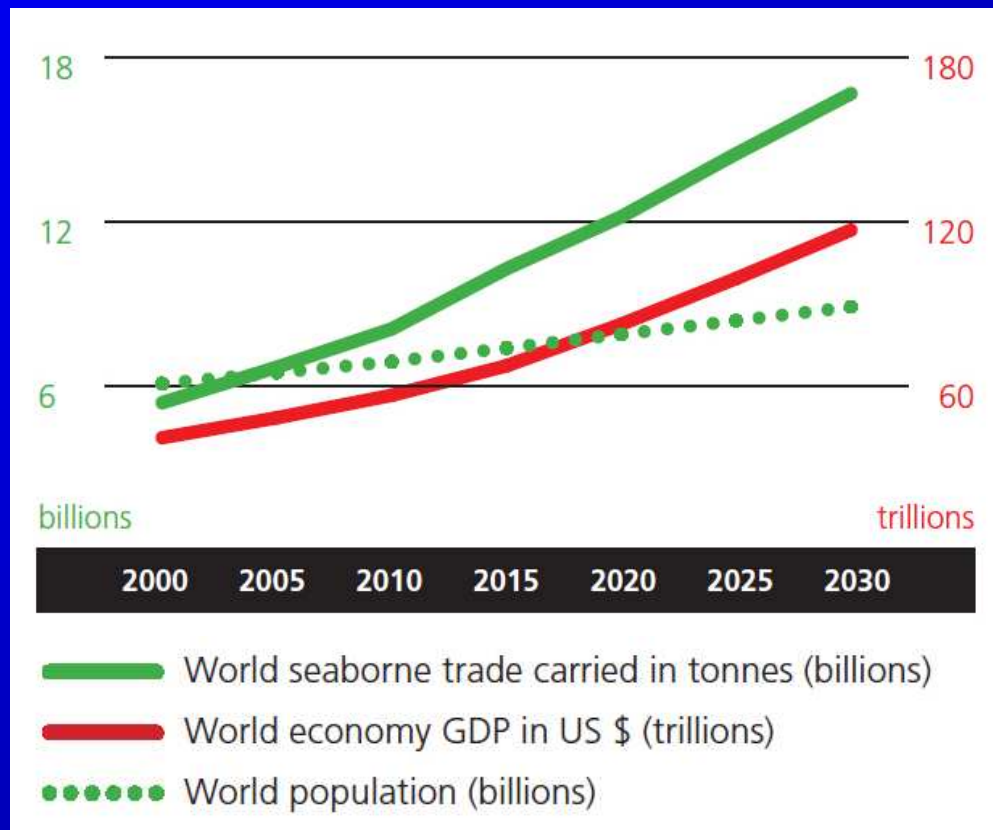
# Key Shipping Message at 'Rio + 20'



90% carriage of world trade facilitates economic growth and spread of prosperity

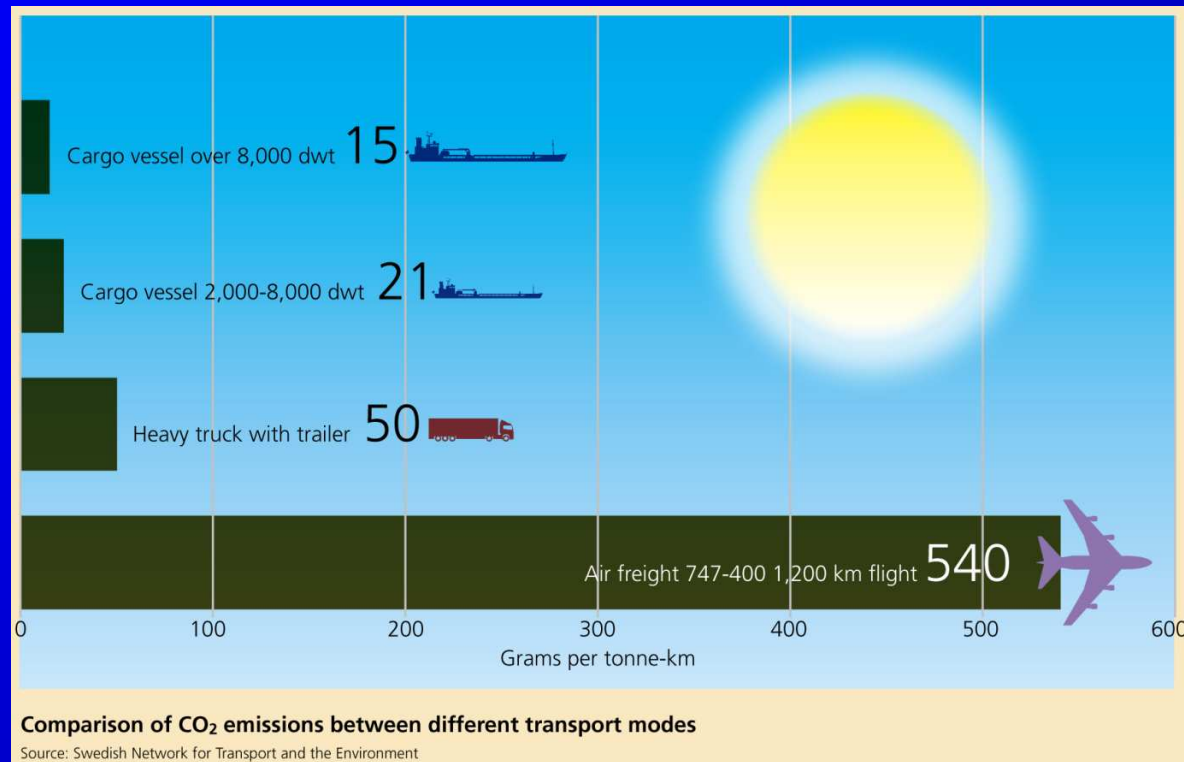
# Maritime Trade Will Continue to Expand (along with Global GDP and Population)

Sources: IHS,  
OECD, UN





# Shipping is a Driver of 'Green Growth'



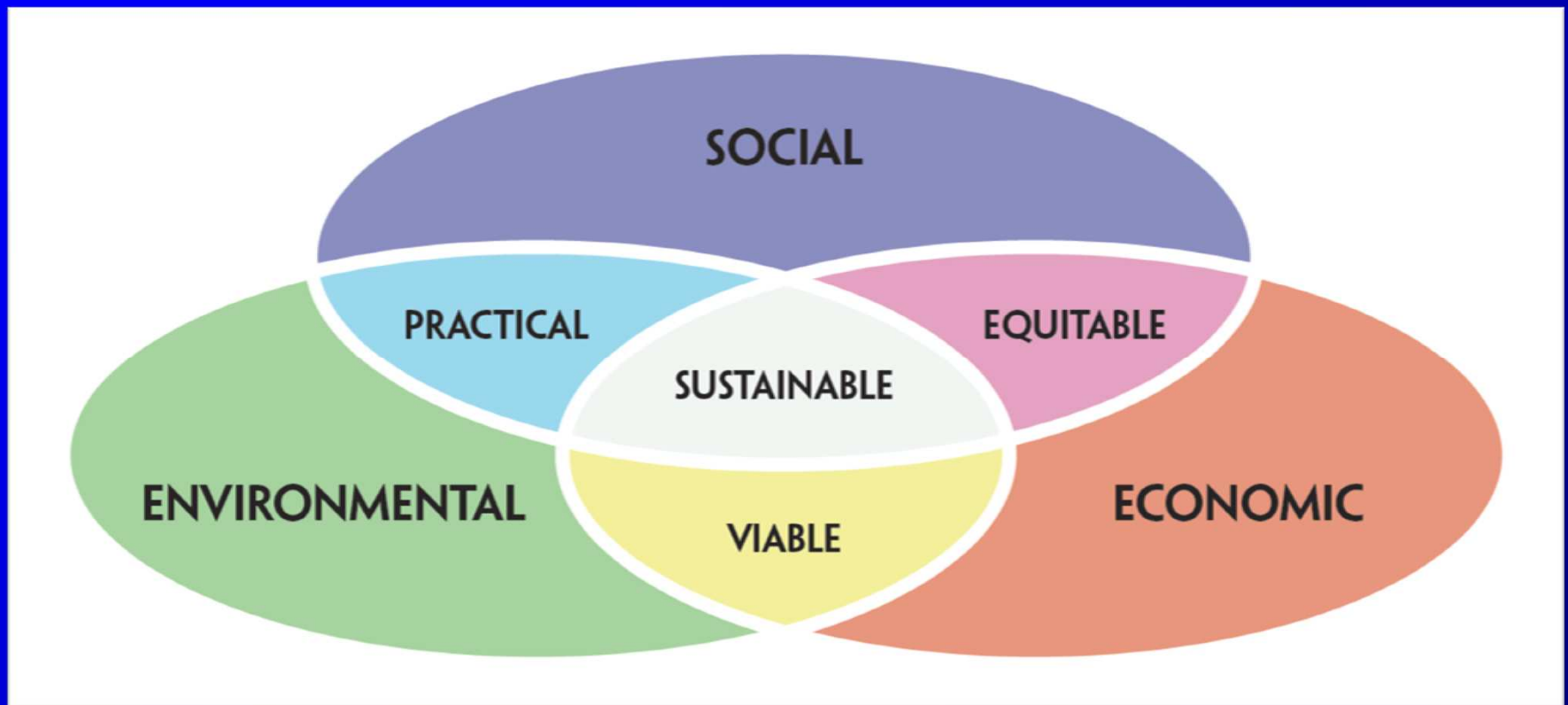
Shipping is the most *carbon efficient* form of commercial transport

# But Cost Efficient Maritime Transport Should NOT Be Taken for Granted....

New environmental  
regulation should be  
subject to full cost  
benefit analysis....



# The Three Pillars of Sustainability and Shipping





# Environmental Sustainability

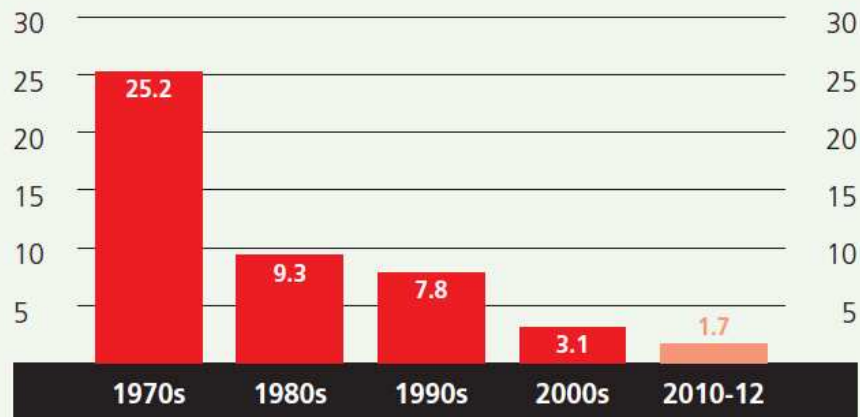
Shipping committed to  
*continuous improvement*  
through IMO MARPOL  
Convention (and other  
instruments)



# Reduction in Oil Spills

## REDUCTION IN MAJOR OIL SPILLS

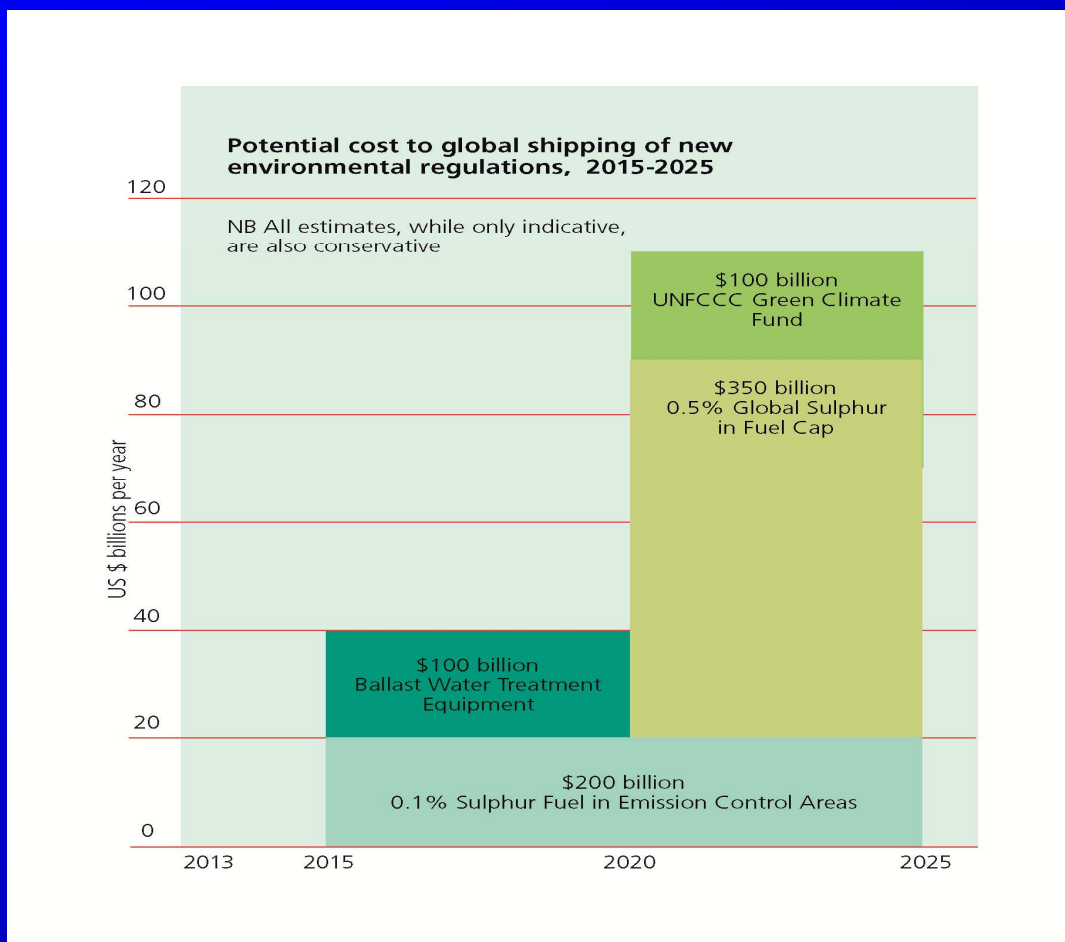
Average number of major oil spills per year  
(over 700 tonnes)



Source: ITOPF



# Hundreds of *Billions* of US Dollars in Environmental Improvements



ICS Estimates

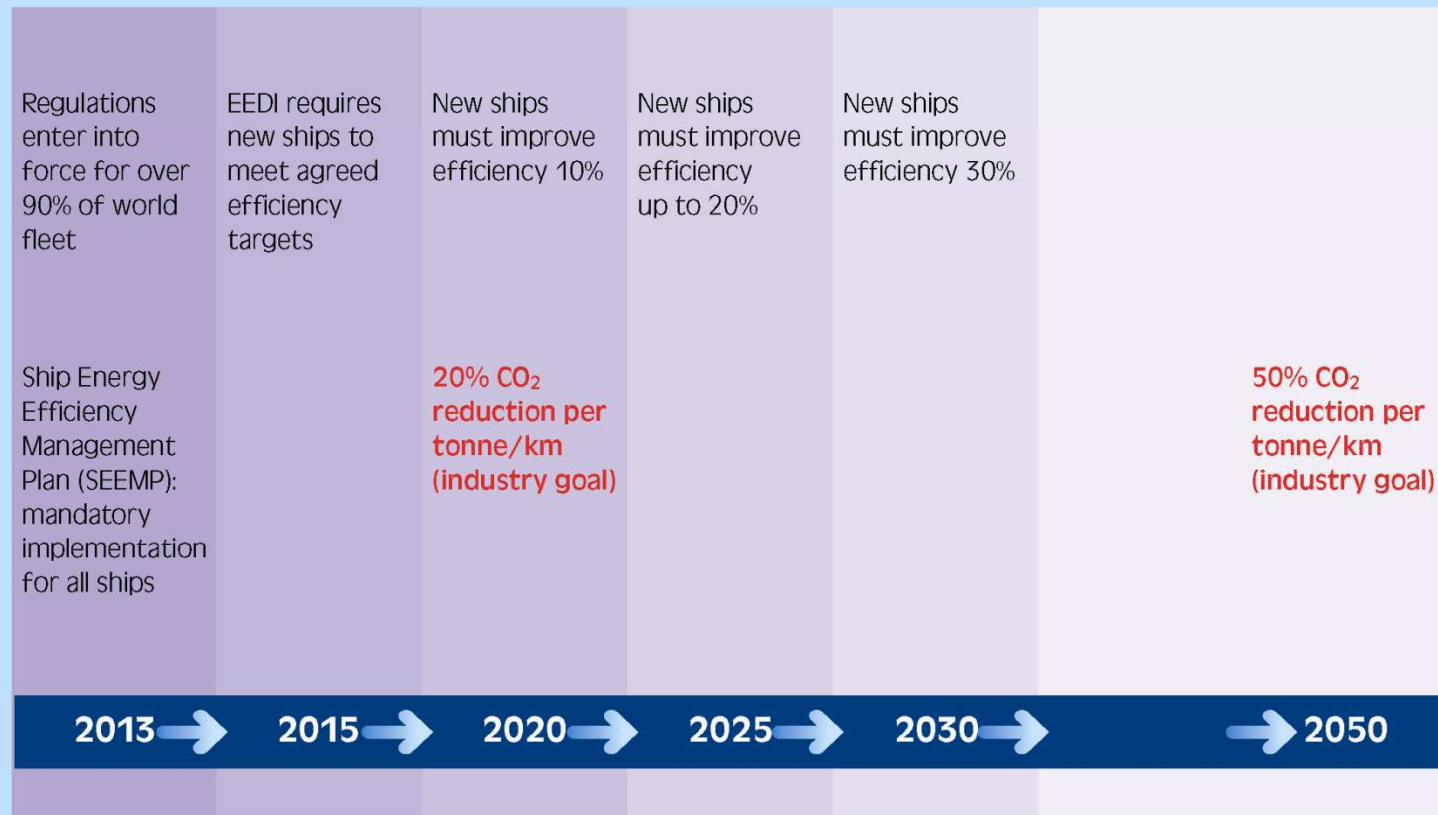
# Reduction in Shipping's CO<sub>2</sub>



10% total reduction (2007-2012)

## IMO agreement on technical regulations will reduce ships' CO<sub>2</sub>

MARPOL Annex VI, Chapter 4 adopted July 2011



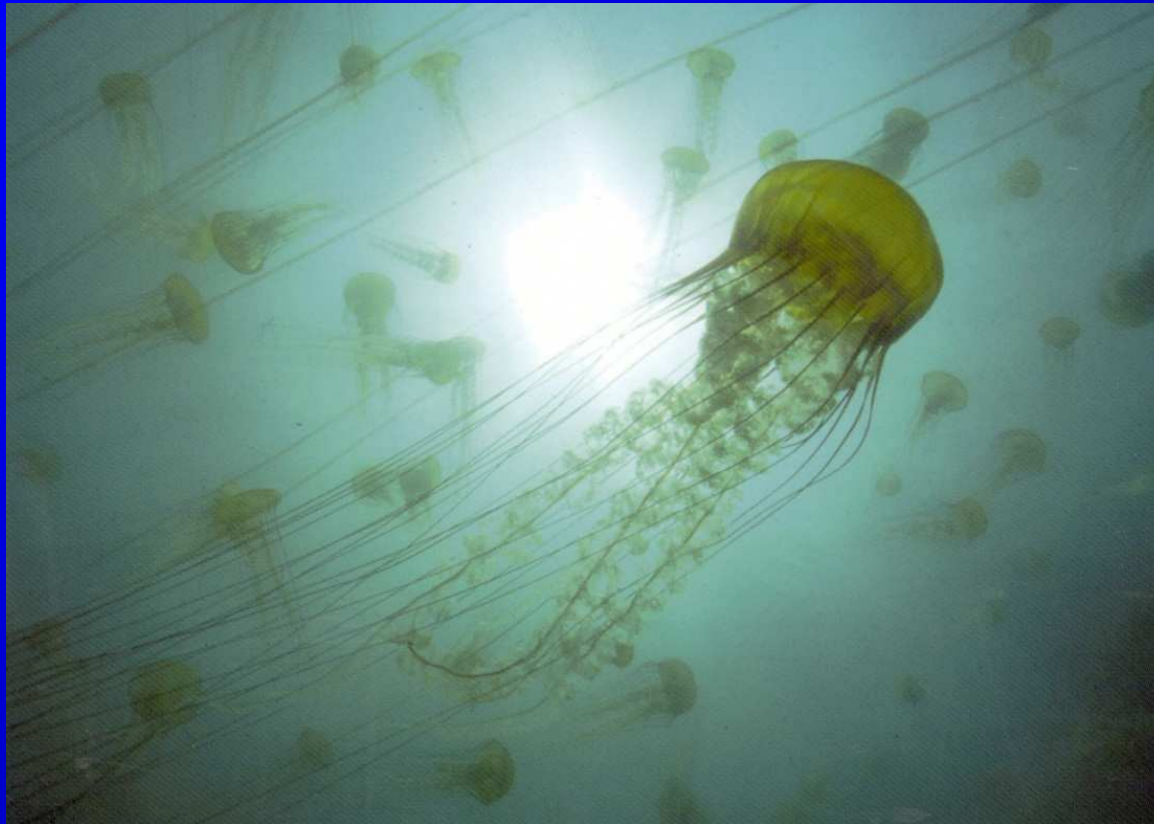
# Switch to Low Sulphur Fuel

- ⇒ 50% price increase
- ⇒ By 2020 cost to industry over US\$50 Billion dollar a year
- ⇒ Major impact on economic sustainability of shipping



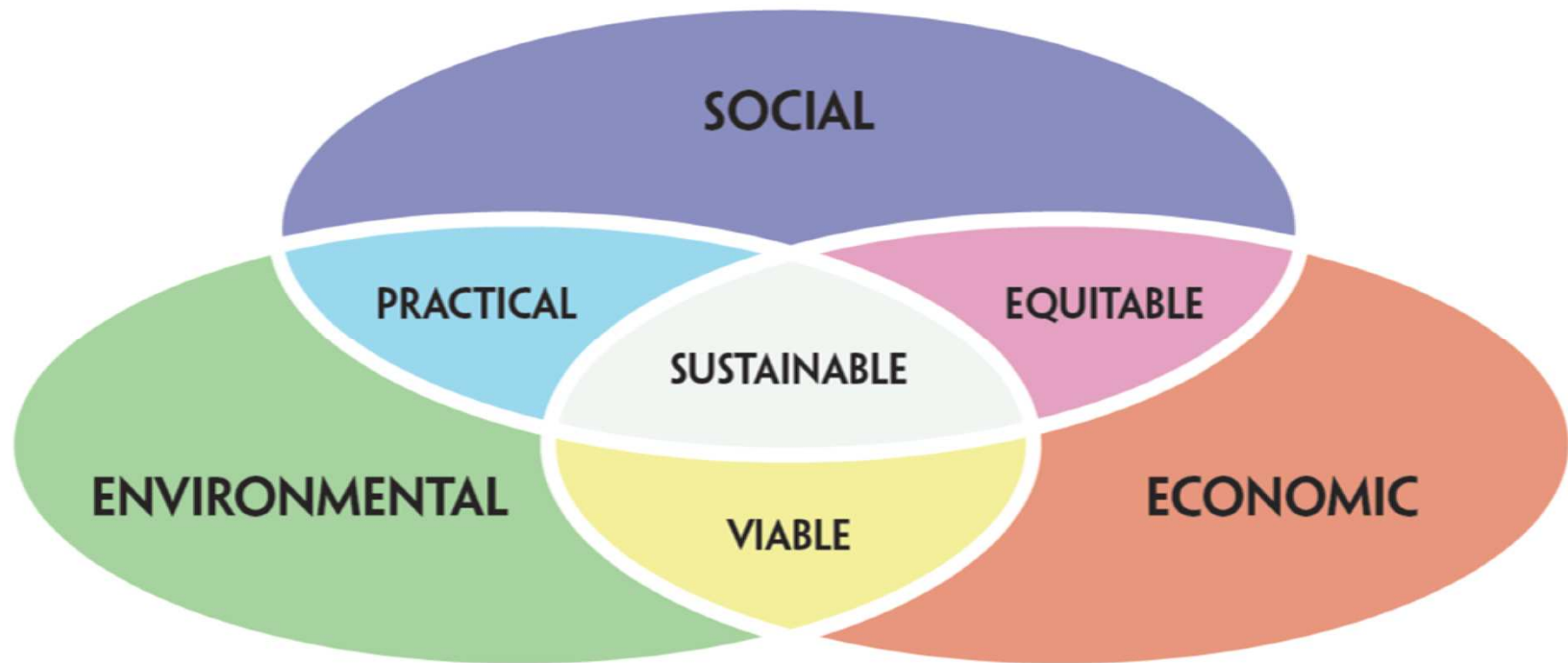


# IMO Ballast Water Management Convention



Treatment equipment – \$US100 Billion

# Social Sustainability



# Safety at Sea is the Highest Priority



# Shipping Provides Stimulating Careers for 1.5 Million Seafarers



Two out of three from developing nations





# Shipping has an International Minimum Wage



# ILO Maritime Labour Convention is Unique

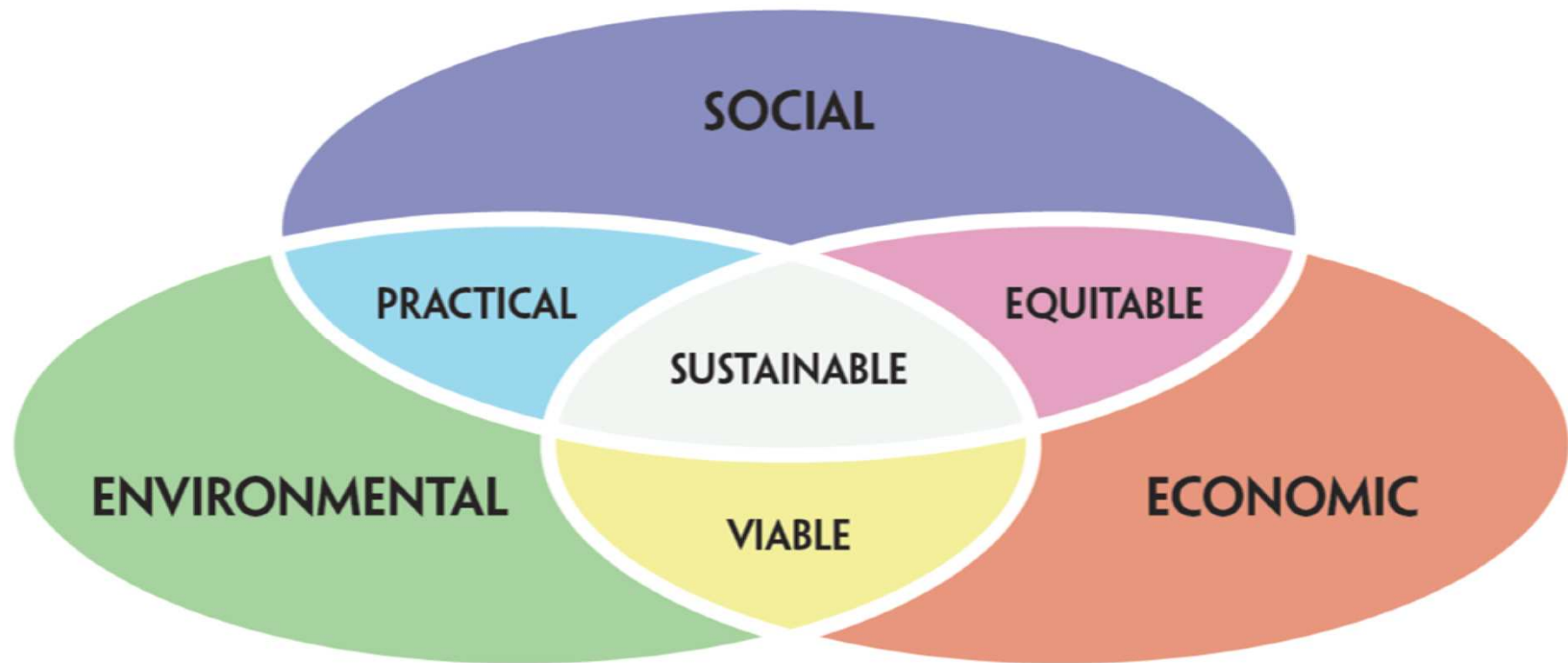




# ICS Negotiated MLC with Seafarers' Unions and Governments



# Economic Sustainability



# Three Sustainability 'Pillars' Should be Given Equal Priority

Shipping must be *commercially viable* to deliver the billion dollar *investments* in environmental and social improvements sought by regulators and society



# Future Regulation Must Take Account of 'Compelling Need' and Involve Proper *Cost Benefit Analysis*



IMO in session in London

# Sustainable Development Requires a Sustainable Shipping Industry



# Conclusion: Sustainable Development Requires Sustainable Shipping Too





# New UNCLOS Implementing Agreement?

- ➡ Recommendation for tools such as 'High Seas' Marine Protected Area
- ➡ Care needed with respect to current balance of flag, coastal and port State rights & obligations



Thank you

