

MARINE ENVIRONMENT PROTECTION COMMITTEE 82nd session Agenda item 6 MEPC 82/6/15 24 July 2024 Original: ENGLISH Pre-session public release: ⊠

#### **ENERGY EFFICIENCY OF SHIPS**

IACS unified interpretation MPC 131 (New, July 2024) of regulations 5, 26 and 27 of MARPOL Annex VI

## Submitted by IACS

#### **SUMMARY**

Executive summary: This document discusses the practical implications of implementing

the amendments to appendix IX of MARPOL Annex VI adopted during MEPC 81 concerning the information to be submitted to the IMO Ship Fuel Oil Consumption Database (IMO DCS). This document also outlines the understanding of IACS of the implementation of these amendments, as formalized in its unified

interpretation MPC 131 (New, July 2024).

Strategic direction,

if applicable:

3

Output: 3.2

Action to be taken: Paragraph 11

Related documents: None

# **Background**

At its eighty-first session, the Committee adopted amendments to MARPOL Annex VI, including a revised appendix IX containing the information on which ships shall collect and report to their Administration, or a recognized organization acting on their behalf, for onward reporting to the Ship Fuel Oil Consumption Data Collection System (IMO DCS) (resolution MEPC.385(81)).

#### **Discussion**

The amendments to MARPOL Annex VI, as annexed to resolution MEPC.385(81), include a revised appendix IX which introduces additional data which shall be collected on ships to which the regulation applies and be reported accordingly. This additional information includes, inter alia, fuel oil consumption per consumer type. These data with enhanced granularity aims to enhance the analysis within the IMO DCS of annual fuel consumption.



- Moreover, as a consequential aspect of implementing the amendments, the Ship Energy Efficiency Management Plan (SEEMP), specifically Part II "Ship Fuel Oil Consumption Data Collection Plan", shall be revised first and verified by the Administration or its recognized organization to include a description of the methodology that will be used to collect the data with the enhanced level of granularity prior to the ship's first collecting and reporting period, as required by regulation 5.4.5 of MARPOL Annex VI.
- Also, IACS notes that the 2022 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP) (resolution MEPC.346(78), as amended by resolution MEPC.388(81)), provide methods for collecting information for the purpose of compliance with appendix IX of MARPOL Annex VI. These methodologies primarily rely on either the use of flow meters or fuel oil tank monitoring on board. Those opting to rely on retrofitting flow meters and/or fuel oil tank monitoring on board will need to allocate additional time for their installation and amendment of procedures.
- The purpose of collecting and reporting data as per appendix IX of MARPOL Annex VI is, inter alia, to allow the Organization to monitor trends in fuel oil consumption on a fleet-wide basis and estimate, through calculation, the corresponding emissions from international shipping, and to allow the derivation of the carbon intensity of each ship and assign a CII rating for the reporting period which is on a calendar year basis (from 1 January through to 31 December each year).

## Portions of data with varying levels of granularity

- To maximize the utility of the collected data, data is collected for each ship for a full calendar year for comparison with previously reported data to highlight if the carbon intensity of the individual ship is improving as is envisaged in regulation 28 of MARPOL Annex VI, and to compare trends across the entire fleet. If the data which was collected during a calendar year is collected and reported in portions with varying levels of granularity, IACS believes that year-on-year comparability would be compromised, potentially overlooking seasonal deviations in the annual operations of a ship.
- The emphasis that IACS places on the need to maintain consistent data granularity throughout the calendar year derives from the fact that the amendments to appendix IX of MARPOL Annex VI (resolution MEPC.385(81)) will enter into force halfway through a calendar year, that is on 1 August 2025, with the possibility of early implementation starting from 1 January 2025. If the date of entry into force is understood as the point of change in data granularity, the data reported at the beginning of 2026 for the year 2025 will reflect two distinct levels of granularity, which is not advisable.
- Based on the aforementioned considerations, IACS believes that the amendments in resolution MEPC.385(81) should be applied as follows:
  - .1 for ships flying the flag of the Administration which implements the amendments early (1 January 2025):
    - the SEEMP should undergo revision and verification by the Administration, or its recognized organization, to incorporate a description of the methodology intended for collecting data with enhanced granularity before 1 January 2025 or the delivery date for ships delivered on or after 1 January 2025. Those planning to retrofit flow meters or other methodologies should complete these actions within the same time frame: and
    - .2 data will be collected and reported with an enhanced level of granularity throughout the entire year of 2025 and beyond.

- .2 for ships flying the flag of the Administration which implements the amendments on the entry-into-force date (1 August 2025):
  - .1 the SEEMP should undergo revision and verification by the Administration, or its recognized organization, to incorporate a description of the methodology intended for collecting data with enhanced granularity before 1 January 2026. Those planning to retrofit flow meters or employ other methodologies should complete these actions within the same time frame;
  - .2 data will be collected with the existing level of granularity throughout the entire year of 2025, and, therefore, the data reported at the beginning of 2026 will be based on this consistent level. Data will be collected and reported with the enhanced level of granularity from 1 January 2026 and beyond; and
  - ships delivered on or after 1 August 2025 should collect data at the enhanced level of granularity from the date of delivery and the data reported at the beginning of 2026 will be based on appendix IX of MARPOL Annex VI in the annex to resolution MEPC.385(81), as this provides consistent data collection and reporting for such ships on or after the entry-into-force date.
- 9 To reflect the above understanding, IACS has adopted its unified interpretation MPC 131 (New, July 2024) presented in the annex to this document, which will be applied by IACS members from 1 November 2024, unless instructed otherwise by a flag Administration in writing.

## **Proposal**

Should the Committee find the above-presented arguments valid and the content of MPC 131 (New, July 2024) offering an adequate and helpful solution, IACS proposes that the Committee considers promulgating the technical content of MPC 131 (New, July 2024) as an MEPC circular.

#### **Action requested of the Committee**

- 11 The Committee is invited to:
  - .1 consider the discussion in paragraphs 2 to 8;
  - .2 note the IACS unified interpretation MPC 131 (New, July 2024) provided in the annex:
  - .3 consider the necessity of developing an MEPC circular addressing the same;
    and
  - .4 take action as appropriate.

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#### ANNEX

# IACS UNIFIED INTERPRETATION MPC 131 (NEW, JULY 2024) ON THE APPLICATION OF THE AMENDMENTS TO APPENDIX IX OF MARPOL ANNEX VI (RESOLUTION MEPC.385(81))

#### Regulations 27.1 and 27.2 of MARPOL Annex VI read as follows:

- "1 From calendar year 2019, each ship of 5,000 gross tonnage and above shall collect the data specified in appendix IX to this Annex, for that and each subsequent calendar year or portion thereof, as appropriate according to the methodology included in the SEEMP.
- 2 Except as provided for in paragraphs 4, 5 and 6 of this regulation, at the end of each calendar year, the ship shall aggregate the data collected in that calendar year or portion thereof, as appropriate."

#### Regulation 5.4.5 of MARPOL Annex VI reads as follows:

"5 The Administration shall ensure that for each ship to which regulation 27 applies, the SEEMP complies with regulation 26.2 of this Annex. This shall be done prior to collecting data under regulation 27 of this Annex in order to ensure the methodology and processes are in place prior to the beginning of the ship's first reporting period. Confirmation of compliance shall be provided to and retained on board the ship;"

#### Regulation 26.2 of MARPOL Annex VI reads as follows:

"2 In the case of a ship of 5,000 gross tonnage and above, the SEEMP shall include a description of the methodology that will be used to collect the data required by regulation 27.1 of this Annex and the processes that will be used to report the data to the ship's Administration."

## Interpretation\*

Within the scope of application of the amendments to appendix IX of MARPOL Annex VI adopted by resolution MEPC.385(81) and aiming to maintain uniform data granularity throughout the collection and reporting process over a calendar year, the term "portion thereof" in regulations 27.1 and 27.2 of MARPOL Annex VI is to be applied in such a way that all data portions for the same calendar year are to be collected and reported at the same level of granularity.

Prior to collecting data specified in appendix IX of MARPOL Annex VI as amended by resolution MEPC.385(81), each ship to which regulation 27 applies is to have their SEEMP revised to ensure compliance with regulation 26.2 of MARPOL Annex VI taking into account the guidelines adopted by resolution MEPC.346(78), as amended.

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This unified interpretation is to be uniformly implemented by IACS Societies on ships on or after 1 November 2024.