

MARINE ENVIRONMENT PROTECTION COMMITTEE 83rd session Agenda item 7 MEPC 83/INF.34 14 February 2025 ENGLISH ONLY

Pre-session public release: ⊠

REDUCTION OF GHG EMISSIONS FROM SHIPS

Report of the Sixth GHG Expert Workshop on Further Development of the Basket of Candidate Measures

Note by the Secretariat

SUMMARY

Executive summary: This document provides the report of the Sixth GHG Expert

Workshop on Further Development of the Basket of Candidate Measures (GHG-EW 6), held on 13 February 2025, organized by the

Secretariat upon request of MEPC 82.

Strategic direction, if 3

applicable:

Output: 3.2

Action to be taken: Paragraph 12

Related documents: MEPC 82/17, MEPC 83/7/20 and GHG-EW 6/1/Rev.1

Introduction

- This document is submitted as per the relaxed deadline agreed by the MEPC Chair in accordance with paragraph 6.9 of the *Organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies* (MSC-MEPC.1/Circ.5/Rev.5).
- The Expert Workshop on the Further Development of the Basket of Candidate Measures (GHG-EW 6) was held in hybrid mode on 13 February 2025, at IMO Headquarters, and was moderated by the MEPC Vice-Chair, Mr. Hangiang Tan (Singapore).
- 3 Following the invitation for nominations of experts (Circular Letter No.4945 of 8 November 2024), experts from 52 Member States, 1 Associate Member, 4 UN organizations, 7 intergovernmental organizations and 16 non-governmental organizations in consultative status participated in the Expert Workshop. In total, 170 participants attended the Workshop.

Terms of reference

- The Expert Workshop recalled that MEPC 82, having considered the further development of the basket of candidate mid-term GHG reduction measures and the outcome of the comprehensive impact assessment (CIA), had requested the Secretariat to carry out further work on assessing the potential impacts of the policy combinations of a basket of candidate mid-term measures as assessed under the CIA on food security between MEPC 82 and MEPC 83, particularly on essential food commodities and critical agricultural input, especially in net food-importing developing countries, as one of the factors influencing food security, and in particular (MEPC 82/17, paragraph 7.58):
 - .1 requested WMU to carry out a literature review assessing the potential impacts of increased maritime transport costs resulting from GHG reduction measures in international shipping on food security, notably possible cost increases and price volatility of essential food commodities; and to invite Member States and international organizations to share relevant literature with WMU in this regard;
 - .2 requested the Secretariat to liaise with relevant (regional) UN agencies, such as FAO and the World Food Programme, to identify the potential impacts of an increase in maritime transport costs on food security, as one of the factors influencing food security; and
 - requested the Secretariat to organize a one-day GHG Expert Workshop (GHG-EW 6), ahead of ISWG-GHG 18, on the "Further development of the basket of candidate measures", to facilitate the understanding of the possible impacts of the basket of candidate measures on food security; and to invite WMU, relevant (regional) UN agencies, and nominated experts to present their findings/views during the workshop.

Agenda

- 5 The Expert Workshop agreed to the following agenda:
 - .1 Adoption of the agenda
 - .2 Outcomes and key findings of the literature review
 - .3 Expert views by relevant (regional) UN Agencies/international organizations
 - .4 Expert views by other nominated experts
 - .5 Any other business
- 6 All materials presented during the Expert Workshop are available on the IMODOCS page of the Workshop (tab "GHG-EW", session 6, under "MEPC").

Outcomes and key findings of the literature review by WMU

The literature review carried out by WMU is set out in annex 1 to document MEPC 83/7/20 (Secretariat). The Expert Workshop noted the following presentation on the outcomes and key findings of the literature review, followed by a questions and answers session: "Changes in maritime transport costs resulting from GHG emissions mitigation measures and its impacts on food security" presented by Mr. Aykut Ölcer, Professor, Director of Research, and Mr. Fabio Ballini, Associate Professor, both WMU.

Expert views by relevant (regional) UN Agencies/international organizations

- The report of the Secretariat on outreach with relevant UN agencies to identify the potential impacts of an increase in maritime transport costs on food security, as one of the factors influencing food security, is set out in annex 2 of document MEPC 83/7/20. An overview of key messages and relevant information from publications of UN agencies and international organizations is set out in annex 3 to document MEPC 87/2/20. In this regard, the Expert Workshop noted the following presentations from experts from relevant (regional) UN Agencies/international organizations, which were followed by question and answer sessions:
 - .1 <u>Decarbonizing international trade of agricultural commodities:</u>
 <u>How will it impact food security on the long run?</u> presented by Mr. David Laborde, Director, Agrifood Economic and Policy Division, Food and Agriculture Organization (FAO);
 - .2 <u>"The dynamic response of the food import bill to global shipping costs"</u> presented by Mr. El Mamoun Amrouk, Senior Economist, Markets and Trade Division, FAO;
 - .3 "Decarbonizing maritime transport and food security in Africa: Navigating the transition to a sustainable and equitable future" presented by Mr. Nassim Oulmane, Acting Director of the Climate, Food Security and Natural Resources Division, United Nations Economic Commission for Africa (UNECA);
 - .4 "Navigating food security in vulnerable countries: exploring linkages with trade and shipping" presented by Mr. Giovanni Valensisi, Economic Affairs Officer, Division for Africa, Least Developed Countries and Special Programmes, UN Trade and Development (UNCTAD).
 - .5 "Impacts of disruption-induced increases in shipping costs on inflation, GDP and food security" presented by Mr. Hidenobu Tokuda, Economic Affairs Officer, Division on Technology and Logistics, UNCTAD;
 - .6 <u>"Food security and trade in the evolving market and policy environment"</u> presented by Mr. Jonathan Hepburn, Counsellor, Agriculture and Commodities Division, World Trade Organization (WTO); and
 - .7 <u>"Global grains trade and maritime transportation costs"</u>, presented by Mr. Arnaud Petit, Executive Director, International Grains Council (IGC).

Expert views by other nominated experts

- 9 The Expert Workshop noted the following presentations from other nominated experts, which were also followed by question and answer sessions:
 - .1 "Potential impacts of mid-term measures on global food security", presented by Professor Paula Pereda, Department of Economics, University of São Paulo, on behalf of Brazil;
 - .2 <u>"Assessing the Impact of IMO mid-term GHG mitigation measures on food security in caribbean nations"</u>, presented by Mr. David Forgenie, Agricultural Economist / PhD Candidate, The University of the West Indies, St. Augustine Campus, Trinidad and Tobago, on behalf of Grenada;

- .3 <u>"Potential impact of IMO GHG reduction measures on Pacific food security",</u> presented by Ms. Maria Sahib, Senior Research Consultant and Coordinator, Micronesian Centre for Sustainable Transport, on behalf of the Marshall Islands;
- .4 <u>"Climate change and food security"</u>, presented by Dr. James Meadway, Senior Director, Economics, Opportunity Green, and Ms. Constance Dijkstra, Policy Manager, Transport & Environment, on behalf of the CSC;
- .5 "Food security, IMO mid-term measures' impact on states and revenue distribution: analysing synergies as well as risks", presented by Ms. Natacha Stamatiou, Senior Analyst and Ms. Marie Fricaudet, on behalf of EDF; and
- .6 "Feeding the World, fuelling a sustainable future", presented by Mr. Panagiotis Maroulis, Chartering Manager, on behalf of Fertiglobe¹.

Conclusion

- The moderator thanked all experts for their very constructive contributions to assess the potential impacts of the policy combinations of a basket of candidate mid-term measure on food security, and invited participants to continue discussions and exchange of information ahead of ISWG-GHG 18 and MEPC 83.
- The Expert Workshop agreed that the moderator, in consultation with the Secretariat, would prepare a written report to be submitted to MEPC 83, which is provided in this document.

Action requested of the Committee

The Committee is invited to note the information contained in this document.

Fertiglobe was invited by the Secretariat to provide a private commercial perspective on the trade of agricultural input, in particular fertilizers.