

THE PACIFIC COMMUNITY

FIFTH PACIFIC REGIONAL ENERGY AND TRANSPORT MINISTERS' MEETING

Port Vila, Vanuatu, 8 – 12 May 2023

TD 08: GREEN MARITIME FUTURE IN THE PACIFIC ISLANDS REGION

[Submitted by Solomon Islands]

Purpose

1. The purpose of this paper is to seek Transport Ministers' endorsement of strategic actions and request major donors and partners to coordinate technical cooperation and engage with Pacific Islands Countries to fund transformative projects to reduce greenhouse gas (GHG) emissions from domestic shipping and ports, and advocate for an equitable transition and a green maritime future for the Pacific Islands region.

Background

2. The Pacific Islands Countries (PICs) have demonstrated leadership and commitment to reduce reliance on fossil fuels and adopt ambitious targets in their Nationally Determined Contribution (NDC). These include reduction of maritime GHG emissions in the revised NDCs of some PICs.
3. At the international level, PICs have been calling for high ambition in the reduction of GHG emissions from international shipping and for an equitable transition of international shipping to a sustainable and zero-GHG emission future. At the International Maritime Organization (IMO), six PICs are coordinating their efforts to include, in the Revised IMO Strategy on the reduction of GHG emissions from ships, the reduction of GHG emissions from ships by at least 80% by 2040 and reach absolute zero by no later than 2050 along with the adoption of a universal mandatory GHG levy.
4. At the regional level, successive Pacific leaders' declarations have made calls to reduce reliance on fossil fuels and GHG emissions in sea transport. At the Fourth Pacific Regional Energy and Transport Ministers' Meeting in 2019, Transport Ministers agreed to work towards reducing GHG emissions from domestic shipping by 40% in 2030 and 100% in 2050. They also adopted Pacific Ports 2030-2050, a vision of Resilient, Green and Clean Ports in the Pacific.

Current status

5. During their meeting in November 2022, Maritime Transport Officials recognized complimentary current initiatives from various organisations, namely, the Asian Development Bank's (ADB) *Blue Pacific Transportation*, the Gesellschaft für Internationale Zusammenarbeit (GIZ) *Low Carbon Sea Transport in the Republic of the Marshall Islands* project, the IMO-Norway *GreenVoyage2050* project, the *Maritime Technology Cooperation Centre in the Pacific* (MTCC-Pacific) hosted by the Pacific Community (SPC), the *Micronesian Centre for Sustainable Transport* (MCST) hosted by the College of Marshall Islands (CMI), the *Pacific Blue Shipping Partnership* (PBSP) formed by six countries with the University of New South Wales (UNSW) as interim secretariat, the SPC-United Nations Industrial Development Organization (UNIDO) proposal for a *Regional Green Pacific Port project*, and the World Bank's (WB) *Blue Transformation for the Pacific Maritime Transport* Programme. The relevant aspects of these initiatives are summarized in **Annex 1**.
6. All these initiatives support the Pacific Islands regions ambitions and targets and present opportunities to build the foundations for decarbonization of domestic shipping and port industries, to ensure an equitable transition to a sustainable and zero-GHG emission future.

Issues

7. PICs currently face significant challenges to build the foundations for a green maritime future, including the following.

- a. ***Policies and laws*** – reducing maritime GHG emissions must be built on a robust policy and regulatory framework to implement Annex VI of the *International Convention for the Prevention of Pollution from Ships* (MARPOL) and adopt standards to uptake low and carbon-free technologies on board ships and ports.
 - b. ***Financing mechanisms*** – domestic shipping and ports are suffering from lack of resources and investment capacity so require effective mechanisms to maximise opportunities for projects and explore climate financing options for mitigation measures in the maritime sector.
 - c. ***Advocacy at the international and regional level*** – contributing to negotiations on GHG emissions reduction measures has proved to be effective to draw attention of development partners to Pacific Islands Small Islands Developing States but requires dedicated resources to build capacity to contribute to international and regional meetings.
 - d. ***Piloting low-carbon technologies and operations in domestic shipping and ports*** – technical assistance from international and regional development partners should focus now on trialling low-carbon, carbon-free and renewable technologies on board ships and in ports based on demonstration projects and feasibility studies reflecting the unique circumstances of PICs.
8. To address these challenges, the following strategic actions are proposed for PICs to prioritise immediate actions and for development partners to support in their technical cooperation initiatives.
- A. ***STRENGTHENING INTERNATIONAL AND REGIONAL COOPERATION***
 - i. *exercise IMO membership* by increasing presence of PICs at IMO to ensure equitable transition of international shipping and adoption of a universal GHG emission levy, and
 - ii. *prioritise regional and bilateral engagement for climate action and financing* in the Pacific maritime sector with environment and climate funds, development banks and regional partners for effective and coordinated technical cooperation.
 - B. ***REINVENTING PACIFIC ISLANDS' MARITIME INDUSTRIES***
 - i. *adopt policies, laws and standards* to give full and complete effect to the 1997 Protocol of MARPOL Convention (Annex VI) and adopt ambitious targets for the reduction of GHG emissions from domestic shipping and ports,
 - ii. *implement green ships and green ports initiatives* by piloting the uptake of low-carbon, carbon-free and renewable technologies on board domestic ships and in ports based on reliable and accurate baseline data, and
 - iii. *develop maritime skills for tomorrow* focusing on PIC's maritime training institutions and academia supported by a regional maritime training and development network.
9. The future of maritime transport and the transition to carbon-free shipping and ports extend beyond energy efficiency and reduction of GHG emissions. A holistic approach should be considered by PICs and development partners to facilitate the uptake of new technologies and operations in maritime, covering these other elements:
- a. ***SAFE*** – the passenger and cargo carriage capacity & infrastructure must respond to growing populations in PICs and use technologies to monitor at all times safety of passengers and cargo from arrival in the port of origin, during the voyage and departure from the destination port;.
 - b. ***GREEN*** – technologies on board ships and ports allow zero-carbon, zero pollution and high energy efficiency operations, and
 - c. ***DIGITAL*** – shipping, port facilities and supply chain are interconnected and ships navigate a digital and secured marine environment.

Recommendations

10. Transport Ministers are invited to:

- a. **endorse** strategic actions to strengthen international and regional cooperation and implement transformative projects to reduce maritime GHG emissions and contribute to PICs Nationally Determined Contributions;
- b. **request** major donors and partners to align their technical cooperation efforts to support PICs, including funding demonstration projects to reduce GHG emissions from domestic shipping;
- c. **endorse** the Regional Green Pacific Port project proposal and **call** PICs to reach out to SPC through their Green Climate Fund National Designated Authorities to express interest;
- d. **agree** to increase and resource the presence of PICs transport officials in all international and regional meetings to build capacity and contribute to advocating for an equitable transition and a green maritime future for the Pacific Islands' region; and
- e. **support** the proposed holistic approach to Safe, Green and Digital Maritime Future in the Pacific Islands region.

17 April 2023

ANNEX 1 – Initiatives and projects presented at the Transport Officials’ meeting in November 2022

	Implemented by	Funded by	Location	Objective	Activities
Blue Pacific Transportation	ADB	ADB	Regional	<ul style="list-style-type: none"> • Supporting economic development and regional cooperation through investments. 	<ul style="list-style-type: none"> • Pacific Sector Assessment, Strategy and Road Map 2021–2025 (SAR). • Investments in commercial ports and increasing access to opportunities by upgrading outer island landings. • Assess the high-level feasibility of decarbonization options for various niches in the transport sector. • ADB Blue Pacific Finance Hub initiative.
Low Carbon Sea Transport in the Republic of the Marshall Islands (LCST) project	GIZ	GIZ	Marshall Islands	<ul style="list-style-type: none"> • Reduction of reliance to fossil fuel and GHG emissions from sea transport. • Contribute to Marshall Islands’ NDC targets. • Contribute to cost-efficient sea transport for the people and communities. • Build capacity of mariners, public servants, students, and researchers. 	<ul style="list-style-type: none"> • Design and building of a 50m wind assisted sailing cargo ship for the Marshall Island Shipping Corporation. • Design and capacity building of boatbuilders for inside-lagoon sea transportation. • Develop national policy.
GreenVoyage2050 project	IMO	Norway	Solomon Islands-Cook Islands	<ul style="list-style-type: none"> • Support effective implementation of the Initial IMO GHG Strategy and in particular, provide support to developing countries in their efforts to reduce GHG emissions from ships. 	<ul style="list-style-type: none"> • Undertake an assessment of maritime emissions in the national context. • Develop policy frameworks and National Action Plans (NAPs) to address GHG emissions from ships.

					<ul style="list-style-type: none"> • Draft legislation to implement MARPOL Annex VI into national law. • Assess emissions and develop port-specific emission reduction strategies. • Identify opportunities and deliver pilot projects, through the establishment of public-private sector partnerships and mobilization of financial resources. • Access funding and investments into energy efficient technologies. • Establish partnerships with the industry to develop new and innovative solutions to support low carbon shipping.
Maritime Technology Cooperation Centre in the Pacific (MTCC-Pacific)	SPC-IMO	EU	Regional	<ul style="list-style-type: none"> • Support targeted PICs in their efforts to reduce their GHG emissions and reliance on fossil fuel by the implementation of standards, best practices and innovative solutions by maritime transport operators. 	<ul style="list-style-type: none"> • Capacity-building activities at the national and regional levels. • Pilot project on uptake of ship energy-efficient technologies and operations. • Pilot project on fuel consumption data collection and reporting” implemented.
Micronesia Centre for Sustainable Transport (MCST)	(formerly USP) CMI	formerly USP	Marshall Islands	<ul style="list-style-type: none"> • Support transition to low carbon transport pathways. 	<ul style="list-style-type: none"> • Fifteen-year program aiming to achieve transition in Marshall Islands and use this as a catalyst to cascade successful results to neighboring states and outward through the region.
Pacific Blue Shipping Partnership (PBSP)	UNSW (interim secretariat)	UNSW	Kiribati-Marshall Islands- Solomon Islands-Tonga-Tuvalu-Vanuatu	<ul style="list-style-type: none"> • develop a blended finance package exceeding US\$500 million to enable a 10-year initial work programme (2020–2030). 	<ul style="list-style-type: none"> • Large-scale infrastructure transformation, inclusive of both short-term ferry upgrades and high-ambition projects to

					<p>increase port/jetty access for underserved populations around the region.</p> <ul style="list-style-type: none"> • Small-to-medium scale enterprise development to ensure the private sector is provided with appropriate finance to meet regional maritime transport needs. • Capacity building, analysis, and Research & Development efforts to deliver long-term success of the Partnership for the region.
Regional Green Pacific Port project proposal	SPC-UNIDO	-	Regional	<ul style="list-style-type: none"> • Enabling policy and regulatory framework for green, resilient ports. • Climate-proofing of critical services to reduce interruptions caused by extreme climate events. • Financing & capacity building support for sustaining and scaling-up infrastructure services. 	<ul style="list-style-type: none"> • At proposal and conceptual stage. • Securing countries interest through their GCF NDA.
Blue Transformation for the Pacific Maritime Transport Programme	WB	WB	Regional	<ul style="list-style-type: none"> • contribute to long-term benefits for Pacific Island countries: <ul style="list-style-type: none"> ○ improved maritime safety; ○ reduced maritime transport costs; ○ initiatives to reduce ports' energy and resource consumption, waste, and environmental impacts ("green port" initiatives); ○ increased resilience to climate change and natural disasters; ○ greater capacity and capability in national and regional maritime institutions, and a decarbonized maritime sector ("blue shipping" initiative). 	<ul style="list-style-type: none"> • Invest in Maritime Infrastructure for Life • Improve Planning to Make Maritime Transport Future-Proof • Enhance Maritime Services to Better Connect Communities – leaving no one behind • Improve Safety Through Leadership, Commitment, Investment.