EU STRATEGY FOR THE BALTIC SEA REGION
Roundtable on environmental issues organised in Gdansk on 13 November 2008

Workshop on oil transport and pollution from ships

The purpose of the workshop on Oil transport and Pollution from ships was to get the input from stakeholders on the topic through presentations from experts and through discussions. Stakeholders were invited to present what in their views would be the main actions / solutions to be implemented in order to address the existing problems.

Below is a summary of the input from stakeholders:

Presentations

- **Wojciech Wasawski, HELCOM**: While some actions form the HELCOM Baltic Sea Action Plan (BSAP) are already implemented, the Action Plan forms a solid backbone for further work related to oil transport and emissions reduction in the Baltic Sea. With strong growth of oil transport from the Gulf of Finland expected to continue until 2020, the implementation of the maritime activities segment of BSAP becomes increasingly important. The EU Baltic Sea Strategy holds the potential of speeding up this process. The risk of accidents will however never be completely eliminated. Hence HELCOM works also on accident response, in particular through the BRISK project which has recently received EU funding from the Baltic Sea programme.

- **Bertil Arvidsson, Swedish Shipowners' Association**: The presentation highlighted that there are several measures with the potential of quick introduction and relatively low cost that can be taken in order to decrease amounts of pollution from ships and to improve maritime safety. In particular the need to reduce SO2 and NOx emissions is important, as more than 50 % of the environmental costs in shipping have their origin in these emissions. Mr. Arvidsson presented five measures that technically can be implemented immediately. He estimated these measures would solve 80 % of the environmental problems connected to shipping. They are included in the list of actions below (ban substandard ships, emission trading, traffic control system, AIS on fisheries vessels, ban copper in anti-fouling).

- **Andrzej Krolikowski and Łukasz Lewkowicz, Teekay Co**: The presentation highlighted technological solutions that a shipping company has put in place in order to prevent oil spill accidents and to reduce emissions and pollution from its ships. To some extent these measures go beyond the requirements of legislation. One of the launching factors for the company's increased focus on environmental issues was a major accident in which a ship of the company had been involved. Clearly also direct economic incentives are involved in emissions reduction, where increased vessel performance (in particular efficiency of the engine) means less costs for fuel, and consequently less pollution.

Actions / Solutions
• **Ban substandard ships in the Baltic Sea.** Single-hull oil tankers are already phased out, but there are still other issues which reduce the reliability of ships. The Paris Memorandum of Understanding on Port State Control (of which all states surrounding the Baltic Sea are members) provides "black, grey and white lists" of ships. However, this list is currently not used to prevent ships on the black list from entering the Baltic Sea. Ships on black and grey lists represent a disproportional part of ships involved in accidents.

• **Launch an emissions trading system of SOx and NOx for ships.** The European Commission was directly called upon to establish such a system. The benefit of emission trading, compared to for example tax reductions, lies in that the system never becomes obsolete, while there always is a limit to how much taxes can be reduced. A pollution trade scheme for ships, similar to CO2 trading system already in place for land-based industry, would quickly reduce SOx and NOx emissions. This is an important advantage compared to the imminent regulatory introduction of emission control area being introduced in the Baltic Sea, as old ships remain unaffected by new regulations. Additionally an emissions trading system gives flexibility to the shipping company to decide themselves which solutions to use in order to reduce emissions.

• **Without prejudice to the above, the EU should promote tighter regulations on NOx and SOx in the IMO.**

• **Linking shipping to the EU CO2 trading system should also be considered.**

• **Other economic incentives to reduce emissions,** e.g. reduced port or fairway fees for ships passing certain standards, or working together with insurance companies to make the insurance of less environmentally friendly ships more expensive.

• **A standard is being developed in the International Standard Institute for shore electricity connections.** At the moment, the lack of a standard is hampering the installation and use of shore electricity.

• **Ban copper in anti-fouling of boats and ships.** Alternative and effective anti-fouling solutions exist that could replace copper.

• **Improving systems to identify and hold responsible ships responsible for oil spills.** Satellite-based monitoring systems should be developed.

• **Expand (or use as a model) the traffic control system in use in the Gulf of Finland to cover the whole Baltic Sea.** Also, the foreseen inclusion of fishing vessels in the AIS surveillance system must be implemented.

• **Designating one (or more) ports of refuge for ships in distress in each Member State of the Baltic Sea.** One of the major problems in the Prestige accident was that no country was prepared to receive a sinking oil tanker, thus leading to much larger damage at open sea. Participants in the discussion remained pessimistic about the likelihood of finding agreement on ports of refuge.