



14 May 2021

Mr. Mauro Raffaele PETRICCIONE
Director-General—Directorate-General "Climate Action" (CLIMA) of the European
Commission

Dear Mr. Petriccione,

I have an honor to express Japan's view on the necessity of reducing greenhouse gas (GHG) emissions from international shipping in a global manner, as well as Japan's willingness to cooperate with the EU member states and the European Commission (EC), at the International Maritime Organization (IMO).

As international shipping accounts for approximately 2.1% of global GHG emissions, it is crucially important to take global actions at the IMO to effectively reduce these emissions. In this regard, I am cognizant of significant contribution by the EU member states at the IMO. Japan's cooperative approach with the EU member states at the IMO resulted in successful adoption of the further strengthened energy efficiency standards on new ships (EEDI phase 3) and approval of the mandatory short-term measures on existing ships (EEXI and CII rating) last November.

I am confident that these global measures under the IMO will enable international shipping to achieve at least 40% carbon intensity reduction by 2030 compared with 2008 in line with the initial IMO GHG Strategy. Besides, in order to achieve full de-carbonization of international shipping, Japan is willing to further take actions at the IMO, such as embarking on the consideration of mid- and long-term measures.

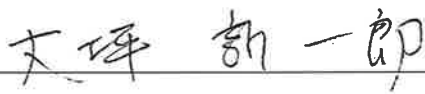
Having such a global momentum in our minds, I would like to request you to continue EC's commitment to the global actions under the IMO, in lieu of any unilateral regional actions at the EU level including the application of EU-ETS to international shipping, which is currently being considered by the EC. As Japan has expressed in its comments to the EC twice (i.e. the responses to the "Roadmap" and "Public consultation" on the draft amendment of the EU emissions trading system), it should be duly recognized that such unilateral regional actions would not effectively reduce the GHG emissions in this global sector, but would even discourage investments in de-carbonizing technologies and hinder global momentum to establish further measures at the IMO, particularly the global market-based measures (MBM).

Policy-making process at the IMO involves various views from more than 100 member states from worldwide; such a process is fundamentally different from the regional policy-making process under the limited number of members. In light of that, Japan, together with mutual trust

and respect among various member states, has been continuously and patiently making efforts to provide concrete proposals for the IMO with sufficient logic and rationale aiming at delivering tangible new outcomes. Such ongoing efforts at the IMO should not be challenged by unilateral regional actions.

In conclusion, I would like to request the EU member states and the EC to focus on the global actions in particular for global MBM to be established under the IMO together with the international communities for the de-carbonization of international shipping.

Sincerely,



Shinichiro OTSUBO, Ph.D. (Environmental Studies)

Director-General, Maritime Bureau
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