

**Ministerial Conference on Global Environment and Energy in Transport (MEET)**

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**Session 3: International Maritime Transport**

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Minister Kaneko, Ministers, Heads of international organizations, distinguished delegates,

I have no doubt that everybody attending this Conference understands fully the vitally crucial importance of the issues that we have come here to address. Those of you who hold ministerial office and will, therefore, be called, together with your environment, transport and mercantile marine counterparts all over the world, to implement, in due course, any decisions made to protect and preserve the global environment, will, I am certain, also be fully aware of the heavy responsibility that lies on your shoulders and the expectations that the citizens of planet earth place upon you to do just that. Finding workable, practical but ultimately effective solutions to the problems that threaten our environment and, with it, the future of mankind and of society, as we have come to know it, has proven a difficult task and only through **working together at all levels and in all countries** will we be able to overcome the adversities we are currently encountering.

We are, all of us, on the horns of a dilemma. For, whether we like it or not, our collective way of life has become unsustainable and we need to do something about it – and soon. The choices we have made about the way we lead our lives have been slowly eating away at the very support system that enables us to live and breathe. This cannot go on. We need to make some tough decisions, we need to make them **now** and we need to act on them with total commitment – now and in the future. Faced with facts we cannot argue against, we need to consider our

priorities and accept that we have to make certain sacrifices, starting by putting “life” ahead of “lifestyle”.

Let us be clear about one thing: were we to continue on a “business as usual” basis, we would not be destroying the planet, which has got along very well without us for billions of years and will do so for billions more. Mankind should not live under the illusion nor should it have the arrogance to presume that the earth and its environment depend on us. No – it is **we** who depend on it and, unless we change our ways, it is ourselves who we threaten with extinction. Despite, or perhaps because of, a mushrooming global population, mankind has turned itself into an endangered species, the future of which will be determined by the wisdom, courage and determination of today’s leaders of the world and their, your, ability to plot, and stick to, a course that the global population will be able to navigate towards a sustainable way of life.

While environmental protection and preservation is a massive and multi-faceted subject that could fill many conferences of this kind, we have convened here in Japan to consider the single, over-arching aspect of the subject that dominates all others – **climate change**, caused by an over-abundance of greenhouse gases, or GHGs. Of course, this phenomenon is not, strictly speaking, one that causes pollution. CO<sub>2</sub>, the principal GHG, is not a pollutant, not a poison and indeed is here all around us in the air that we breathe. What is crucial is the **balance**; we have upset it, and we need to redress it.

Everybody is under the microscope; everybody is obliged to make their contribution – and few more so than those in the transport industries; which, I believe, must have been the driving force behind Minister Kaneko’s commendable initiative to launch this Conference. The dilemma I referred to earlier is particularly strong in this arena, since there is no avoiding the fact that the modern world has

become utterly dependent on motorized transport systems that run largely on fossil fuels: an engine burning fossil fuel will, inevitably, emit a quantity of GHGs, principally CO<sub>2</sub> – emissions that are now widely accepted as being significant contributory factors towards global warming and climate change.

Carbon emissions and fuel efficiency are directly linked. In simple terms, the less fuel burned, the smaller the volume of GHG emissions. In the shipping industry, for which IMO has regulatory responsibility worldwide, there is unanimity that the response should be **commensurate with the seriousness of the issue** irrespective of the efforts made to minimize, for commercial reasons, the cost of fuel because of the significant proportion of the total cost of any voyage it represents. The measures employed include using the shortest, safest and, therefore, most environmentally-sound routes between ports; and adhering to economies of scale (the largest container ships built nowadays may hold up to 12,000 containers as opposed to 5,000 in 1990, while bulk carriers and tankers continue to ply the seas in sizes that rightly justify their definition as “very” and “ultra large crude carriers”).

In recent decades, improved hydrodynamics in vessel hull design have brought reductions of between two and four per cent in fuel consumption. More efficient propulsion systems and, in particular, propeller design have also realized similar reductions. The same is also true in the case of new engines, which, with the same power output, consume about 10 per cent less fuel than their predecessors installed some ten years ago.

IMO’s work on the hugely important topic this Conference is about stems from the genuine concerns of the maritime community about the environment and is pursued in conformity not only with the mandate the Organization has, through its constitutive Convention, but also through the UN Framework Convention on

Climate Change and its Kyoto Protocol. To that effect, we have established an ambitious but achievable **action plan** and are working towards the development and adoption of a robust regime that will regulate shipping at the global level and, thus, contribute to the arrest of climate change.

Last year, we made significant progress in developing an **Energy Efficiency Design Index** for new ships; an **Energy Efficiency Operational Index** for all ships; and a **Guidance on best practices for the entire shipping industry**. At the same time, we continue our debate on the third part of our action plan, namely, the consideration of **market-based mechanisms**. All these efforts are due to progress further during the first part of this year, when a comprehensive package of technical and operational measures is expected to be agreed upon, which, I hope, will successfully convey to the December Conference in Copenhagen IMO's firm determination to act, promptly and decisively to protect and preserve the environment, both marine and atmospheric.

An issue, which necessitates further work at IMO before a consensus decision is made, concerns the question whether GHG emission reductions should apply exclusively to ships flying the flag of the 40 countries listed in Annex I to the UNFCCC or whether their application should extend to all 168 IMO Member State flag ships.

In my view, if reductions in CO<sub>2</sub> emissions from ships are to benefit the environment **as a whole**, they must apply globally to all ships in the world fleet irrespective of the flag they fly. My view derives from my wish to see the environment benefiting from the contribution of all, not of only a few, and my argument is based on my assessment that, if mandatory reduction measures were applied only to ships flagged in Annex I countries (which in today's shipping reality represent a mere 25 per cent of the world's merchant fleet), the net benefit

for the global environment would be minimal and that, clearly, would not, in my opinion, be a satisfactory outcome.

I know that for several countries this is not merely a technical or economic issue but one that has sensitive political connotations that I understand and respect fully. Notwithstanding, however, these complexities, I consider it imperative that, because the Kyoto Protocol has, wisely in my opinion, left the limitation and reduction of GHGs from shipping to IMO to regulate and as it is due to expire in 2012 to be replaced by the outcome of this year's Conference, we, at IMO, should intensify our efforts to reach consensus at the appropriate time – no matter whether **before** or **after** Copenhagen, as long as we make the **right** decisions. Judging from the serious manner in which the entire membership of IMO addresses the issue, I am confident that we will have a positive outcome to the strenuous efforts we are making – an outcome, which will be characterized by **pragmatic, realistic, workable, cost-effective** and **well-balanced decisions**, in the formulation of which the views of the developing countries should be duly taken into account. In turn, I would expect that the Copenhagen Conference will, as the one in Kyoto did twelve years ago, entrust IMO with continuing its work to regulate shipping from the greenhouse gas emissions reduction or limitation points of view – and, also, that the measures the international community would ask shipping to take are **commensurate** and **proportionate** to its share of responsibility (standing at 1.8% of the GHG emissions world total in 2000 and now at approximately 2.7%) *vis-à-vis* the contribution made by other transport means and human activities.

It goes without saying that issues such as climate change and global warming should be tackled at the international level and, for shipping, that can only mean through IMO, the unquestionably proper forum for matters affecting shipping engaged in international trade to be discussed and resolved – both for reasons of principle and for practical considerations.

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Ministers, the Declaration that you will adopt at the conclusion of this Conference, will strengthen our resolve to intensify our efforts to bring about the successful conclusion that we all aspire to. I commend your vision and thank you for the support that you collectively lend to IMO's aspirations in this regard. I am sure that the entire membership of the Organization will welcome warmly the outcome of your work here.

Before concluding, there is, however, one aspect of the debate on GHG emissions from shipping that I would suggest we reflect upon for a while, namely that the total amount of shipping activities worldwide is not governed by shipping itself, but by **global demand for shipborne trade**. And also that, while shipping quietly serves more than 90% of world trade, it is globally recognized as a clean, green, environmentally-friendly and very energy-efficient mode of transport. It should also be recognized that, notwithstanding its good record, it, nevertheless, continues working, through IMO and on a priority basis, towards achieving further reductions in harmful emissions.

Finally, I should like to add my voice to those who have already thanked the Government of Japan and, in particular, Minister Kaneko, for their enterprise in calling this meeting and for the unparalleled Japanese hospitality we are all enjoying so much. Japan has established a wonderful tradition in convening high-level conferences that have spurred intense activity at IMO to promote issues of great concern to the Organization and industry – such as the Conference convened, here in Tokyo, in 2002, that initiated discussion leading to IMO adopting a **voluntary audit scheme** for its members and another, in 2006, to discuss **maritime security matters**. This new initiative is most worthwhile and I have no

doubt that it will do much to further the noble and worthy cause that brought us here and in which we should present a united front.

Ladies and gentlemen, thank you.

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