

Notes

MARPOL Annex VI Roundtable 2

DATE/TIME Tuesday 23 September 2020, 2 pm – 5 pm

LOCATION Ministry of Transport, 3 Queens Wharf, Wellington – or remotely via MS Teams

Welcome, introductions, expectations for today

- Today's meeting is about providing an overview of the breadth of issues that MARPOL Annex VI covers, and getting initial stakeholder reactions, especially major concerns.
- There will be additional meetings in the future that go more in depth on issues where there is a lot of interest and/or technical decisions to be made.
- Officials are also very open to having discussions with individual or smaller groups of stakeholders where there is an interest or where there are sensitive issues.

Annex VI overview

- The focus of Annex VI is to address the impact of air pollution from shipping activities on human health and the environment, as well as the impacts of emissions from shipping activities on climate change and ozone layer depletion.
- Following public consultation, New Zealand decided to accede to Annex VI in 2019. We are now in the process of aligning domestic regulations to enable accession by the end of 2021.
- One objective of today's meeting is to demonstrate that Annex VI is about more than SO_x – it covers a wide range of pollutants, and different provisions apply to ships, engines, fuels, ports, and cargoes. New Zealand will have obligations as a flag state, port state, and coastal state.
- The starting premise of Annex VI is that the provisions apply to all ships, but then there are exemptions and areas of state discretion.
- Areas where New Zealand has discretion will be the focus of our stakeholder engagement.

General discussion questions:

- *What would the impact be of different approaches on industry, environment, and communities?*
- *How can officials support industry to meet the requirements?*
- *How will we know that industry is meeting the requirements?*

Nitrogen oxides (NO_x)

Discussion questions:

- *Is there an appropriate alternative control regime for ships engaged only on domestic voyages?*
- *What would be the impact of including or excluding ships on domestic voyages constructed before 2005 (or where the engine has undergone a major conversion before 2005)?*

Key points raised by stakeholders:

- Pre-2005 domestic-only vessels would include many recreational, tourist, and inshore fishing vessels, as well as at least one small cargo vessel. (Anatoki and possibly the small ships that service the Chatham Islands out of Lyttleton.)
- Having a simple message around how to be compliant is important for recreational and small fishing vessels.
- Setting the cut-off at 2005 rather than pre-2000 is more appropriate.
- More clarity needed about the role of Coastal Plans (and how they interact with national rules) in relation to propulsion.

Sulphur oxides (SO_x)

Discussion questions:

- *What measures are industry currently adopting to comply with the requirements?*
- *What issues are you facing?*
- *What would be the impact of NZ:*
 - *allowing alternative means of compliance, e.g. scrubbers?*
 - *monitoring, prohibiting or restricting discharge from open loop scrubbers in NZ territorial or coastal waters?*

Key points raised by stakeholders:

- It would be good to have more information about the number and type of ships that are already complying, and how they are achieving compliance (e.g. through scrubbers).
- Some Coastal Plans only allow regional councils to restrict use of scrubbers where there is a visible discharge or significant detrimental effect.
- It will be interesting to see the outcomes from the NIWA risk analysis on use of scrubbers.
- It will be challenging for domestic-only vessels to comply, although less so for vessels currently being built. Fuel availability will especially be challenging. Is there a possibility of a transition period for domestic vessels?
- New Zealand's regime should take into account the rules of our key trading partners to enable easier movement between jurisdictions and not impose more onerous requirements if avoidable.
- At least one port has seen a big drop in SO_x since January, which can't be attributed solely to COVID-19 and its effect on the cruising industry.
- Some scrubbers in Fiordland have put out visible (blue-tinged) exhaust; this could be because the water being less saline there is having an effect on the effectiveness of the scrubbers. This could also be an optical illusion due to the colour of the sky or lighting.
- Would it be an option to monitor scrubbers and switch to compliant fuel where scrubbers weren't working to a certain standard? This is the case on at least one large cruise ship; the system is automated.

Fuel oil availability and quality

Discussion questions:

- *Are there any barriers to obtaining or supplying compliant fuel in NZ?*
- *What would be the impact of extending the bunker delivery note and fuel testing requirements to:*
 - *<400 GT ships that travel internationally?*
 - *ships that only travel domestically?*

Key points raised by stakeholders:

- Some attendees have concerns about barriers to availability and quality.

Tea/coffee break

Ozone depleting substances (ODS)

Discussion questions:

- *What impact will meeting the requirement have on your operation?*
- *What would be the impact of expanding the record-keeping requirements to include 400+ GT ships on domestic voyages?*
- *About how many NZ ships have installations containing ODS?*

Key points raised by stakeholders:

- There are likely many smaller ships with small engine-driven compressor gas systems, e.g. the inshore fishing fleet, recreational yachts, and launches. This number is diminishing over time, because the equipment is hard to replace. There is only one firm in New Zealand that can collect and dispose of the components of this equipment (by export).
- There are some smaller inshore fishing vessels with halon-based fire suppressant systems as well as refrigerant gases.
- There has been a lot of work done already on the use of ODS in fire-fighting systems.
- These vessels are probably regulated by the Ozone Layer Protection Act 1996.

Port reception facilities

Discussion questions:

- *Does NZ have services capable of dealing with:*
 - *ODS?*
 - *Scrubber waste?*
- *What is the practical impact of requiring service providers to do this?*
- *What is the likely demand for these services?*
- *What is the impact on ports? On ship operators?*
- *How many ports should have PRFs? What ports?*

Key points raised by stakeholders:

- There are a lot of unknowns here, and it's hard to consider which port reception facilities should be available until it is clearer how the other Annex VI requirements will be implemented.
- It all comes down to the cost of setting up the systems and the likelihood that operators will use them.
- It may make sense for a small number of ports to have facilities rather than all ports having facilities that get used less often.
- Another issue is whether pathways exist for the waste once it is collected.
- Regional councils and harbourmasters will want clear guidance in terms of their responsibilities for spills, etc.
- There may be some value in these facilities being provided by the port itself rather than third party contractors.

Energy efficiency

Discussion questions:

- *What would be the impact of extending energy efficiency requirements to 400+ GT ships that are not engaged in international voyages?*

Key points raised by stakeholders:

- Extending this requirement to apply to large domestic-only vessels would bring Milford Sound tourist vessels, ferry fleet in Auckland, and various dredgers. This would mean more reporting for those operators, but could have benefits.

Volatile organic compounds (VOCs)

Discussion questions:

- *What would be the impacts of establishing VOC- regulated ports or terminals in NZ?*

- *If a VOC-regulated port or terminal was established, what types of ship/cargo should be regulated?*
- *Are there any concerns about VOC emissions associated with particular ports or terminals in NZ?*
- *Is this currently an issue for any NZ flagged ships?*

There was no discussion of this item because the meeting came to an early close due to technical difficulties.

Shipboard incineration

This item was skipped because the meeting came to an early close due to technical difficulties.

Next steps – continuing engagement

Discussion Questions:

- *Who else should we be talking to?*
- *How do we reach parts of industry we haven't talked to yet, e.g. smaller operators, recreational operators?*
- *Do you have any suggestions for how we engage with you/others?*

Key points raised by stakeholders:

- The biggest challenge engaging with stakeholders (especially smaller operators) on a complex subject is to simplify it down to what is required, how will they know if they are compliant, and what it will cost to comply.

Close