TO: ALL SHIPOWNERS, OPERATORS, MASTERS AND OFFICERS OF MERCHANT SHIPS, AND RECOGNIZED ORGANIZATIONS

SUBJECT: Guidance on the International Maritime Organization Data Collection System for Fuel Oil Consumption of Ships and the European Union System for Monitoring, Reporting, and Verification of Carbon Dioxide Emissions from Maritime Transport

References: (a) RMI Marine Notice 2-013-12, Regulations on Energy Efficiency for Ships and Fuel Oil Consumption Data Collection
(b) IMO Resolution MEPC.282(70), Guidelines for the Development of a Ship Energy Efficiency Management Plan (SEEMP), adopted 28 October 2016
(c) IMO Resolution MEPC.278(70), Amendments to MARPOL Annex VI (Data collection system for fuel oil consumption of ships), adopted 28 October 2016
(d) IMO Circular MEPC.1/Circ.876, Sample Format for the Confirmation of Compliance, Early Submission of the SEEMP Part II on the Ship Fuel Oil Consumption Data Collection Plan and its Timely Verification Pursuant to Regulation 5.4.5 of MARPOL Annex VI, issued 16 April 2018
(e) EU Regulation 2015/757, on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC, 29 April 2015
(f) EU Regulation 2016/1927, on templates for monitoring plans, emissions reports and documents of compliance pursuant to Regulation (EU) 2015/757, 04 November 2016
(g) EU Outcome of the 3545th Council Meeting, Luxembourg, 8 and 9 June 2017

PURPOSE

The Republic of the Marshall Islands (RMI) Maritime Administrator (the “Administrator”) developed this document as guidance for complying with both: (1) the global International Maritime Organization (IMO) data collection system for fuel oil consumption of ships and the (2) regional European Union (EU) system for Monitoring, Reporting, and Verification (MRV).

Despite some overlap, these two (2) data collection schemes are not harmonized. They have different start dates, different annual reporting/certification deadlines, require different data parameters to be reported, and will run parallel, at least for some limited time. The European Commission (EC), however, proposed that once the legal framework for the IMO global data collection scheme (DCS) is established, an amendment will be made to the EU MRV Regulation to achieve alignment with the international global scheme.
While efforts continue to seek this alignment, it is important that shipowners trading to EU ports understand the differences between the IMO DCS and the EU MRV program. Below is a table of consolidated dates relevant to the EU MRV and IMO DCS as they currently stand.

**EU MRV and IMO Data Collection Schemes Table**

<table>
<thead>
<tr>
<th></th>
<th>EU MRV</th>
<th>IMO</th>
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</thead>
<tbody>
<tr>
<td><strong>Entry into force</strong></td>
<td>July 2015</td>
<td>March 2018</td>
</tr>
<tr>
<td>Monitoring Plan (MP)</td>
<td>31 December 2017</td>
<td>31 December 2018 and issuance of</td>
</tr>
<tr>
<td>verification and approval by:</td>
<td></td>
<td>Confirmation of Compliance (CoC)</td>
</tr>
<tr>
<td>First Monitoring period begins:</td>
<td>01 January 2018</td>
<td>01 January 2019</td>
</tr>
<tr>
<td>First data reporting period and subsequent reporting:</td>
<td>01 January 2019, and each year thereafter</td>
<td>01 January 2020, and each year thereafter</td>
</tr>
<tr>
<td>Shipowner reports to:</td>
<td>European Commission (EC) to</td>
<td>Administrator to receive data by 31</td>
</tr>
<tr>
<td></td>
<td>receive data by 30 April 2019</td>
<td>March 2020 which reports verified data to IMO by 31 May 2020, and each year thereafter</td>
</tr>
<tr>
<td>Ships to carry a statement of compliance (SoC) or / and document of compliance (DoC) on board:</td>
<td>DoC by 30 June 2019, annual renewable</td>
<td>SoC following verification; no later than 31 May 2020, annual renewable</td>
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**GUIDANCE**

1.0 **EU MRV GUIDANCE**

1.1 **EU MRV Data Collection Scheme**

The EU MRV scheme entered into force on 01 July 2015 through EU Regulation 2015/757, as part of an effort to reduce greenhouse gas (GHG) emissions. The regional regulation requires shipping companies to establish a Monitoring Plan (MP) for data collection, to provide reports measuring the quantity of Carbon dioxide (CO₂) emissions from individual ships, per voyage for every voyage touching on an EU port, on an annual basis. The MP should be developed in line with EU regulation 2016/1927. The MP is subject to verification by an accredited independent verifier in accordance with EU Regulation 2015/757.

1.2 **EU MRV Applicability**

1.2.1 The EU MRV applies to all foreign-flagged ships of more than 5000 gross tonnage (GT), for all voyages conducted into, between, and out of EU and European Free Trade Association (EFTA) States’ (Norway and Iceland) ports.

1.2.2 It is important to note that the EU ports also include ‘outermost regions’ which are ports that are not geographically within Europe, but because they are under the Administrative control of an EU member State, they are considered an EU port of call. These include: the Azores, Canary Islands, Madeira, Martinique, Guadeloupe, French Guyana, Saint-Martin, Mayotte, and Reunion. For a list of European Economic Area (EEA) Member States' Overseas Countries and Territories which do not qualify as EU ports of call, refer to the [FAQ](#).
1.2.3 Reporting exceptions include stops solely for:

.1  refueling;
.2  taking on supplies;
.3  crew sign on and off;
.4  dry docking;
.5  making repairs to the ship or its equipment;
.6  ships needing assistance or in distress;
.7  ship-to-ship transfers carried on outside port limits;
.8  taking shelter from adverse weather; or
.9  those made necessary by search and rescue activities.

1.2.4 Ships' movements that do not serve the purpose of transporting cargo or passengers for commercial purposes are also not subject to the monitoring, reporting and verification requirements. However, it would be advisable for a shipowner to confirm the status of its vessel operations with the local controlling authority where the vessel is operating.

1.3 EU MRV: MP Overview

1.3.1 The EU has published a helpful FAQ regarding the EU MRV, with specific information regarding verification.

1.3.2 The first step for ship owners and operators should be to prepare a ship-specific MP for fuel consumption data collection and CO₂ emissions for each of their ships (EU 2015/757 Article 6).

1.3.3 The MP is subject to verification by an independent, EC-accredited verifier. For ships subject to the EU MRV for the first time after 31 August 2017, the MP should be submitted to the verifier no later than two months after the ship’s first call in an EU port.

Ship owners have three (3) options for verification pursuant to Regulation (EC) No. 765/2008 by either:

.1 their own Recognized Organization (RO)¹, if accredited by a National Accreditation Body (NAB)² recognized by the EC;
.2 another so accredited RO; or
.3 an EC-authorized third-party, independent accredited verifier.

1.3.4 Templates for the MP are in Annex I of EC Implementing Regulation (EU) 2016/1927.

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² Ultimately, it is the obligation of each NAB to publish its own list of accredited verifiers and there is no unified list available at this point in time.
1.4 EU MRV: Required Annual Emissions Report

1.4.1 The emissions and transport work data for each calendar year should be consolidated in an annual report, which would then be verified by an independent, accredited verifier by 30 April of each following year.

   .1 Initial data collection period began on 01 January 2018.

   .2 The Template for the Emissions Report (ER) is detailed in Annex II of EU Regulation 2016/1927.

   .3 The first annual reporting is due by 30 April 2019. Each subsequent year thereafter, reports are due on 30 April.

1.4.2 Once the annual report is compiled and verified, the report is submitted by the shipowner to the EC, with a copy sent to the Administrator.

1.4.3 Following annual report verification, verifiers will issue a DoC to demonstrate compliance (EU 2015/757, Articles 17 and 18).

1.4.4 Verifiers must inform the EC and the Administrator, without delay, of the issuance of any DoC.

1.4.5 By 30 June 2019 and 30 June of each year following the end of subsequent reporting periods, ships arriving at, within or departing from an EU port, and which have carried out voyages during that reporting period, must carry on board a valid DoC.

1.4.6 By 30 June each year, the EC will make publicly available the information on CO₂ emissions reported.

2.0 IMO DCS GUIDANCE

2.1 IMO DCS: The IMO DCS entered into force in 01 March 2018 through amendments to MARPOL Annex VI by IMO Resolution MEPC.278(70).

2.2 IMO DCS Applicability: The IMO DCS is an international scheme that applies to all ships of 5,000 GT and above to which Chapter 4 of MARPOL Annex VI applies. Accordingly, the IMO DCS does not apply to ships not propelled by mechanical means, platforms including Floating Production, Storage and Offloading Facilities (FPSOs) and Floating Storage Units (FSUs), and drilling rigs regardless of their propulsion.

2.3 IMO DCS Overview

2.3.1 The IMO DCS requires the development of ship-specific data collection methodologies and data reporting processes to be included in a new Part II of the Ship Energy Efficiency Management Plan (SEEMP). The SEEMP Part II is to be developed, taking into account IMO Resolution MEPC.282(70), and verified for compliance with Regulation 22.2 prior to the ship’s first data collection period.
2.3.2 As specified in RMI Marine Notice 2-013-12, the Administrator has authorized, in accordance with IMO requirements, only its ROs to:

.1 perform verification of the SEEMP Part II (Ship Fuel Oil Consumption Data Collection Plan) and issue a CoC;

.2 verify data collected from each ship operator, per ship;

.3 issue an Annual SoC upon successful completion of data verification; and

.4 submit/transfer data to the IMO Ship Fuel Oil Consumption Database.

2.3.3 The Administrator is responsible for ensuring that the reported data is transferred electronically to the IMO Ship Fuel Oil Consumption Database by its ROs.

2.4 SEEMP Part II Timely Verification

2.4.1 Regulation 5.4.5 of MARPOL Annex VI requires the Administrator to ensure the SEEMP Part II complies with Regulation 22.2 “prior to collecting data under Regulation 22A of this Annex in order to ensure the methodology and processes are in place prior to the beginning of the ship's first reporting period.”

2.4.2 Neither Regulation 5.4.5 nor Regulation 22.2 of MARPOL Annex VI provides a phase-in period for early submittal of the SEEMP Part II for existing ships (delivered before 1 March 2018) to ensure sufficient lead-time for Administrations to carry out verification prior to the ship’s first reporting period. This has raised concerns about possible bottle-necking if a large number of SEEMPs are submitted for verification close to the 31 December 2018 deadline. To illustrate, the International Association of Classification Societies (IACS) reported to MEPC 72 in April 2018 that at that time, its member societies had received less than 100 sets of the SEEMP Part II for approval out of 31,000 ships that would be expected to comply by 31 December 2018.

2.4.3 In order to ensure timely verification of the SEEMP Part II by its ROs, the Administrator strongly recommends that owners and operators of existing ships that will be subject to the IMO DCS submit the SEEMP Part II to its RO as soon as possible, but no later than 01 September 2018, in accordance with IMO Circular MEPC.1/Circ.876.