

REPUBLIC OF THE MARSHALL ISLANDS

Marine Guideline

No. 2-13-7

Rev. Jan/2022

MARITIME ADMINISTRATOR

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

SUBJECT: Carbon Dioxide Emissions Monitoring, Reporting, and Verification in the European Union and United Kingdom

- **References:** (a) EU Regulation 2015/757¹, on the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and amending Directive 2009/16/EC, as amended
 - **(b) EU Regulation** 2016/2072, on the verification activities and accreditation of verifiers pursuant to Regulation (EU) 2015/757
 - (c) EU Regulation 2016/1927, on templates for monitoring plans, emissions reports and documents of compliance pursuant to Regulation (EU) 2015/757
 - (d) EU Regulation 2016/1928, on determination of cargo carried for categories of ships other than passenger, ro-ro and container ships pursuant to Regulation (EU) 2015/757
 - (e) EU Regulation 765/2008, setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93
 - (f) European Commission Notice to Stakeholders: Withdrawal of the United Kingdom and EU rules on the monitoring and verification of CO2 emissions from maritime transport, 16 July 2020
 - (g) United Kingdom (UK) Regulation 2018, No.1388, The Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) (Amendment) (EU Exit), 14 December 2018
 - (h) UK Regulation 2017, No. 825, The Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) and the Port State Control (Amendment) Regulations 2017
 - (i) UK Maritime and Coastguard Agency, Marine Information Note (MIN 669)², Reporting Emissions Data into the UK MRV Regime, 17 September 2021
 - (j) RMI Marine Notice 2-013-12, Regulations on Energy Efficiency for Ships and Fuel Oil Consumption Data Collection
 - (k) RMI Marine Guideline <u>2-11-15</u>, Organizations Acting on Behalf of the Marshall Islands Maritime Administrator

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^{1.} Consolidated text.

^{2.} The UK Maritime and Coastguard Agency (MCA) MIN 669 expires on 31 December 2022.

PURPOSE

This document provides guidance for complying with these regional regulations:

- European Union (EU) system for Monitoring, Reporting, and Verification (MRV) of carbon dioxide (CO₂) emissions from maritime transport (EU MRV); and
- United Kingdom (UK) MRV regime.

The Administrator's requirements for complying with the International Maritime Organization's (IMO) global Data Collection System (DCS) for fuel oil consumption of ships (IMO DCS) are found in MN 2-013-12.

This Marine Guideline replaces Rev. Oct/2018.

BACKGROUND

The EU MRV entered into force on 1 July 2015. Although the UK has withdrawn from the EU, it has retained the EU MRV in UK domestic law (with certain necessary amendments), per statutory instrument 2018 No. 1388. The EU's notice to stakeholders explains the consequences of the UK's withdrawal with respect to the EU MRV.

APPLICABILITY

EU MRV – applies to RMI-flagged ships of more than 5,000 gross tonnage (GT), for voyages³ into, between, and out of ports of call:

- under the jurisdiction of an EU Member State, including the <u>EU Outermost Regions (OR)</u>.
- in <u>European Free Trade Association States (EFTA States)</u> which include Norway⁴ and Iceland.
- with at least one port of call qualifying as an EU⁵, OR, or EFTA.

UK MRV – applies to RMI-flagged ships over 5,000 GT on voyages to-and-from, between, or within ports in the United Kingdom (including while at berth).

^{3.} A '**voyage**' means any movement of a ship that originates from or terminates in a port of call and that serves the purpose of transporting passengers or cargo for commercial purposes. Private yachts operating as a Yacht Engaged in Trade will be considered as a commercial yacht or passenger ship by EU PSC as explained in MG <u>1-11-2</u>.

^{4.} Except for the port of Svalbard. See NMA Circular RSR 05-2017.

^{5.} Overseas Countries and Territories (OCT) do not qualify as an EU port of call. Denmark: Greenland; France: French Polynesia, French Southern and Antarctic Territories, New Caledonia, Saint Barthélemy, St. Pierre and Miquelon, Wallis and Futuna Islands; The Netherlands: Aruba, Bonaire, Curação, Saba, Sint Eustatius, Sint Maarten.

Voyages⁶ between a UK port and one of the <u>British Overseas Territories</u>, or the Crown Dependencies (Bailiwicks of Jersey and Guernsey, and the Isle of Man) must be monitored and reported under the UK MRV. Voyages between British Overseas Territories and Crown Dependencies are not considered as UK ports.

The current position⁷ of the MCA is that the emissions data from voyages between UK and European Economic Area (EEA) ports should not be monitored, verified, and reported under the UK MRV regime because they are already being reported under the EU-MRV.

EU and UK MRV - these ships, among others are not subject to the requirements:

- those not propelled by mechanical means, or
- those whose movements do not serve the purpose of transporting cargo or passengers for commercial purposes.

It is advisable for a shipowner, particularly a yacht owner, to confirm the status of its vessel operations with the local authority.

GUIDANCE

1.0 Monitoring Plans

- 1.1 **EU MRV**⁸ requires shipping companies to establish a ship-specific monitoring plan for data collection and to provide annual reports measuring the quantity of CO₂ emissions from individual ships, for each voyage touching on an EU port. The template for the monitoring plan is detailed in Article 2 and Annex I of EU regulation 2016/1927.
- 1.2 **UK MRV** ship operators must have by 31 December 2021 an assessed monitoring plan for data collection conforming to the UK requirements. Provided the verifier is satisfied⁹, an existing EU MRV monitoring plan may meet both the EU and the UK MRV regimes if it has been modified as necessary to also meet the UK requirements.

2.0 Emissions Reporting

2.1 **EU MRV** - in each calendar year, the emissions and transport work data should be consolidated into an annual report. This will be verified by an independent, accredited verifier.

^{6.} A **voyage** means any movement of a ship that originates from or terminates in a port of call, and that serves the purpose of transporting passengers or cargo for commercial purposes. Private yachts operating as a Yacht Engaged in Trade will be considered as a commercial yacht or passenger ship by UK PSC.

^{7.} According UK MCA MIN 669 footnote 1.

^{8.} A company is exempt from the obligation to monitor a specified ship on a "per-voyage basis", if according to schedule: (a) all of the ship's voyages during the reporting period are EEA-related voyages; and (b) the ship performs more than 300 voyages during the reporting period. Both conditions need to be fulfilled at the beginning of the reporting period.

^{9.} Per UK MCA MIN 669 footnote 2.

- .1 The template for the Emissions Report (ER) is detailed in Article 3 and Annex II of EU Regulation 2016/1927.
- Once the annual report is compiled and verified, the report must be submitted by the shipowner to the European Commission (EC) through THETIS MRV.
- .3 Following annual report verification, verifiers will issue a Document of Compliance (DoC) to demonstrate compliance (Articles 17 and 18 of EU Regulation 2015/757, as amended). Verifiers, when issuing any DoC, must inform the EC and the Administrator without delay. See Article 17(4) of EU Regulation 2015/757.
- .4 By 30 June of each year, ship operators must ensure that any ships subject to the EU MRV regime in the previous reporting period, must carry on board a valid DoC.
- 2.2 **UK MRV** ship operators should begin collecting emissions data for their vessels from 1 January 2022.
 - .1 Ship operators must submit their annual emission reports to the UK MRV verifier by 15 February 2023.
 - .2 From 2023, by 30 April of each year, ship operators must submit their verified emissions report to the UK Secretary of State.
 - .3 From 2023, by 30 June of each year, ship operators must ensure that any ships that were subject to the UK MRV regime in the previous reporting period, carry a valid DoC. See also UK Port State Control Regulations 2017, No. 825.

.4 This table has the important dates under the two regimes:

	EU MRV	UK MRV
Entry into force	1 July 2015	1 January 2021
Monitoring Plan (MP) verification and approval by:	31 December 2017	31 December 2021
First monitoring period begins:	1 January 2018	1 January 2022
First data reporting period and subsequent reporting:	1 January 2019, and each year thereafter	1 January 2023, and each year thereafter
Shipowner requests verification of the annual emission reports from:	an EU MRV verifier. Verified data must be reported into THETIS MRV by 30 April 2019 and each year thereafter.	an UK MRV verifier by 15 February 2023. The UK Secretary of State must receive verified data by 30 April 2023 and each year thereafter
Ships to carry on board a Document of Compliance (DoC):	DoC - EU MRV by 30 June 2019, annual renewal	DoC - UK MRV by 30 June 2023, annual renewal

- 2.3 For both the EU MRV and UK MRV annual emission reporting excludes 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 ports;
 - .8 taking shelter from adverse weather; or
 - .9 those made necessary by search and rescue activities.

3.0 Verification

- 3.1 **EU MRV** The monitoring plan is subject to verification by an independent EC-accredited verifier.
 - .1 Ship owners have three options for verification in accordance with EU Regulations 2016/2072 and (EC) No. 765/2008:
 - a. their own Recognized Organization (RO)¹⁰, if accredited by a National Accreditation Body (NAB) recognized by the EC;
 - b. another RO, if accredited by a National Accreditation Body (NAB) with EC recognition; or
 - c. an EC-authorized third-party, independent accredited verifier.
 - .2 For ships subject to the EU MRV for the first time after 31 August 2017, the monitoring plan should be submitted to the verifier no later than two months after the ship's first call in an EU port.
- 3.2 **UK MRV** Until the end of 2022, operators can use a verifier who is applying for UK Accreditation Service (UKAS) recognition, providing they are already accredited for the EU MRV regime by a European NAB. Thereafter, the annual emission report for each ship must be done by a UKAS-accredited verifier.

4.0 Aggregated data

- 4.1 **EU data** As required by article 21 of Regulation (EU) <u>2015/757</u>, verified information submitted by companies to the European Commission is publicly accessible on the (EMSA) European Maritime Safety Agency's <u>THETIS-MRV</u> system.
- 4.2 **UK data** The UK can no longer access EMSA's THETIS-MRV database. The UK MRV reporting database is under development.

^{10.} See MG <u>2-11-15</u>.

^{11.} See UK MCA MIN 669 footnote 8.