

## **New Energy Efficiency Regulations and its impact on owners / operators**

Date: 17/01/2012

## Dear Member;

The Marine Environmental Protection Committee (MEPC) 62nd meeting took place from July 11th to 15th at the IMO headquarters in London. The meeting largely focused on **Reduction of Greenhouse Gases (GHG)** from ships which led to the adoption of "Energy Efficiency Regulations" as part of a new Chapter 4 of MARPOL Annex VI. This is the first ever mandatory global greenhouse gas reduction regime for an international industry sector.

These include Energy Efficiency Design Index (EEDI) and Ship Energy Efficiency Management Plan (SEEMP).

EEDI reflects the amount of CO2 generated per tonne-mile (cargo carrying capacity). It constitutes a uniform approach to calculation of a ship's energy efficiency during **the design and built** of new ships and will be used to control CO2 levels emitted for future new ships by encouraging improvements in ship design. The index applies to the majority of new ships, setting the energy efficiency they should attain, but is non-prescriptive in terms of the technologies used to achieve it.

SEEMP establishes a mechanism for **operators** to improve the energy efficiency of ships through the management of individual efficiency measures.

Other amendments to Annex VI add new definitions and the requirements for survey and certification, including the format for the International Energy Efficiency Certificate. The regulations apply to all ships of **400 gross tonnage** and above and are expected to enter into force on 1 January 2013.

However, under regulation 19, the Administration may waive the requirement for new ships of 400 gross tonnage and above from complying with the EEDI requirements for up to 4 years.

This waiver may not be applied to ships above 400 gross tonnage for which the building contract is placed four years after the entry into force date of chapter 4; the keel of which is laid or which is at a similar stage of construction four years and six months after the entry into force; the delivery of which is after six years and six months after the entry into force; or in cases of the major conversion of a new or existing ship, four years after the entry into force date.



## Impact on owners / operators

For existing ships of above 400 GT, owners / operators shall prepare a SEEMP by 1<sup>st</sup> January 2013. This could be a standalone document or part of the ship's Safety Management System (SMS). The format for how to develop such plan is already introduced by IMO, through MEPC.1/Circ.683 (Guidance for the development of a Ship Energy Efficiency Management Plan).

However requirements for EEDI only applies to those new ships for which building contract is placed on or after 1<sup>st</sup> January 2013.

After entry into force date, An "International Energy Efficiency Certificate" shall be issued by Administrations for all those ships which chapter 4 of Marpol annex VI is applicable to them.

## **KPI LOSS PREVENTION TEAM**