Workshop: Climate Protection in Shipping

BSSSC Conference 2009
Ringsted, Denmark,
13-15 October 2009

Bogdan Ołdakowski
SG, Baltic Ports Organization

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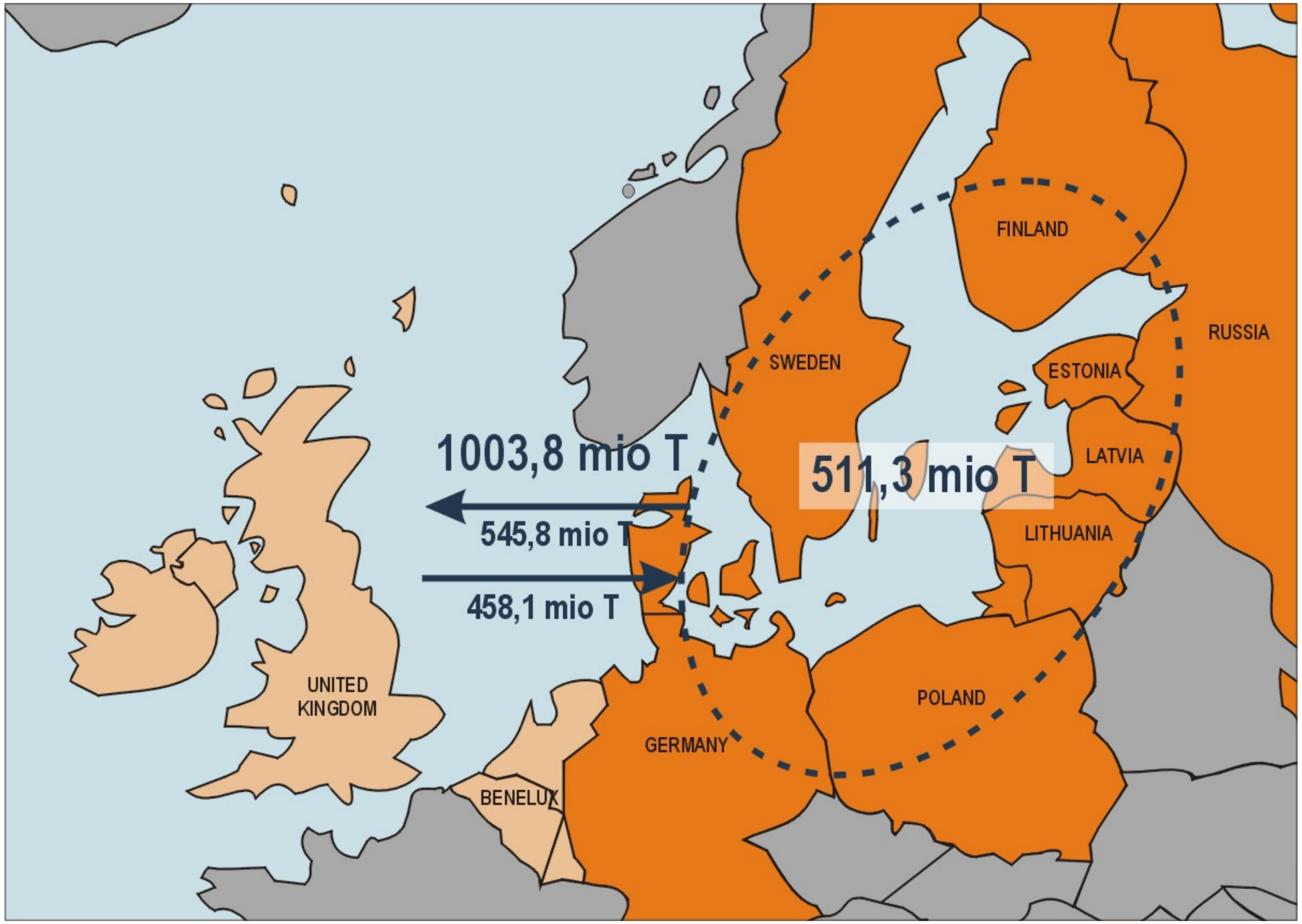
What is BPO?

- BPO is a business organization
- 40 major ports in the Baltic Sea:
  - Different types of ports
- Focus on promoting sea transport in the Baltic
- Promoting environmental management in the ports
- Facilitating contacts with business and political partners from the region and all around the world
- EU Affairs

Baltic Region

Volume and structure of BSR International Trade



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What we do?

1. Expert seminars:

-Seminar on onshore energy supply, Tallinn, January 2009,

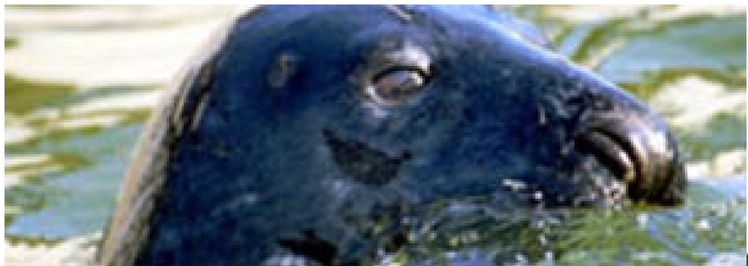
- Seminar on new IMO Regulations and impact on transportation, Copenhagen, 19 January 2010

2. Policy seminar:

- European Parliament, April, every year

3. Baltic Ports Conference, September, every year

4. Research and market studies



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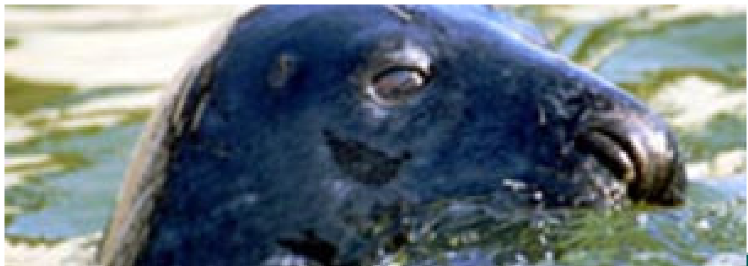
What we do?

Seminar on onshore energy supply,

Tallinn, January 2009,



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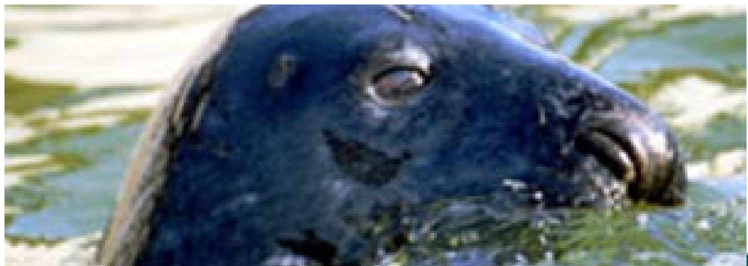
When it comes to the theme of this workshop: Climate protection in shipping

- We promote sea transport
- We promote port management solutions that decrease the emission from port operations and from shipping
- We carefully listen to the shipping industry



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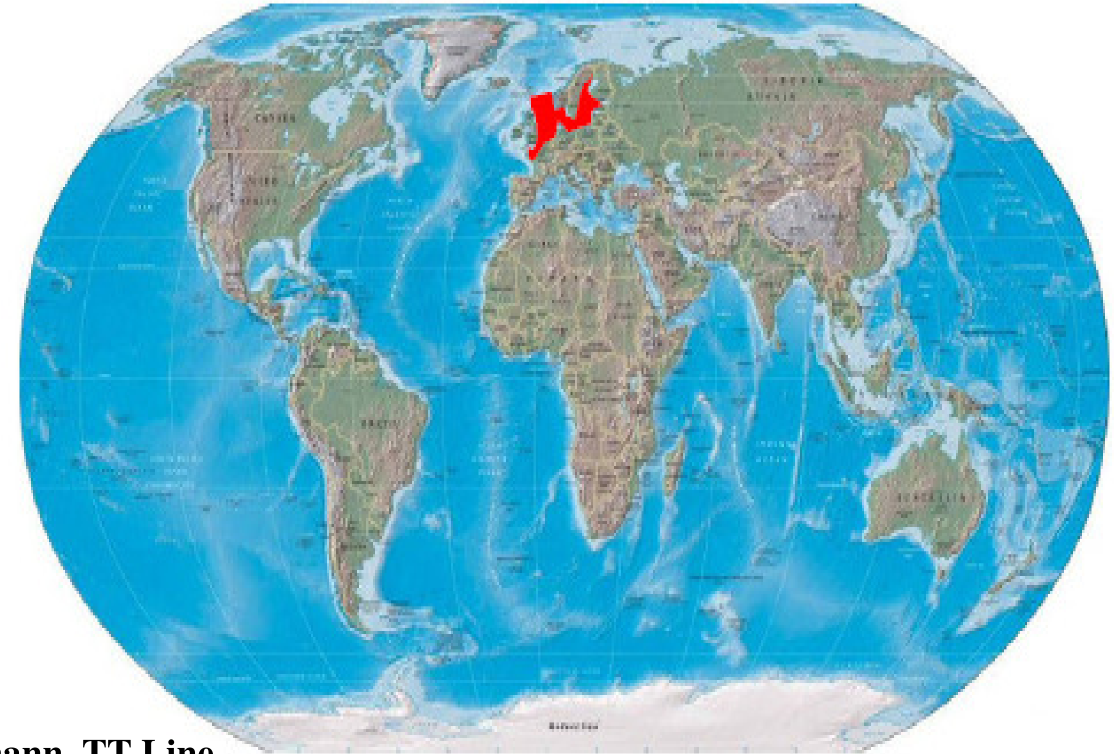
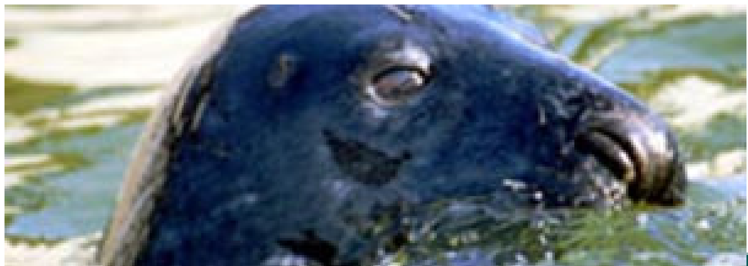
Let’s look at MARPOL Annex VI

S/ECAs – SOx / Emission Control Areas



Source: Capt. Jan Seemann, TT Line



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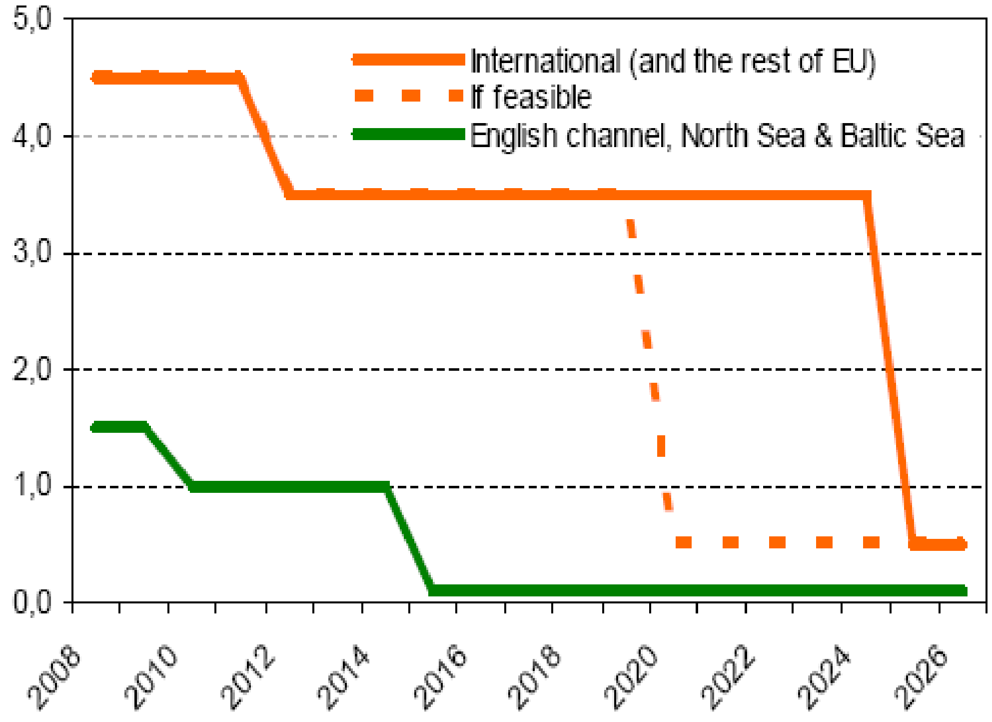
Let’s look at MARPOL Annex VI

Global sulphur limits (including EU countries not in the SECA)

- 4.5 % is maximum today
- 3.5 % from 2012
- 0.5 % globally from 2020 if feasible otherwise from 2025

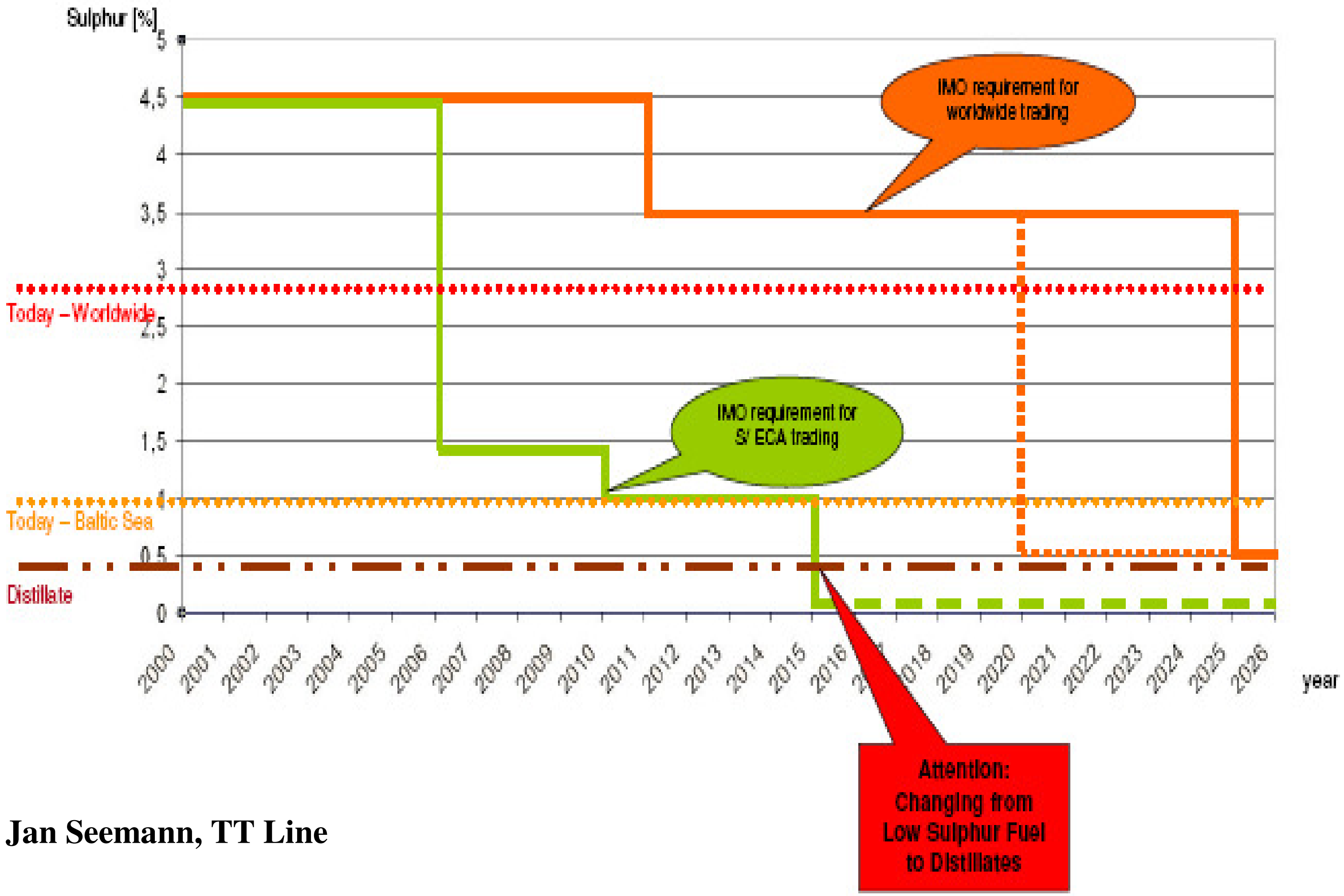
Sulphur limits in SECA (Sulphur Emission Control Area), which is within the English Channel, North Sea and Baltic Sea:

- 1.5 % is maximum today
- 1,0 % from July 2010
- 0.1 % from 2015

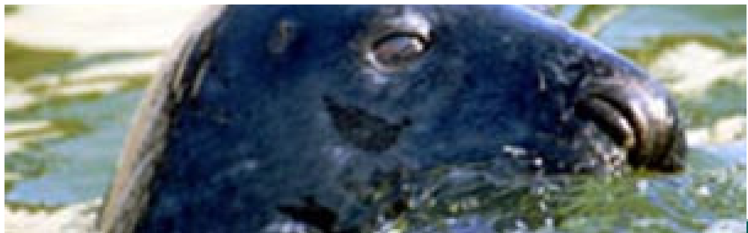


Source: Information Paper – Consequences for the Pulp and Paper Industry due to New Sulphur Regulations for Ships, Swedish Forestry Industry, 2009

Let's look at MARPOL Annex VI



Source: Capt. Jan Seemann, TT Line



Studies have been carried (

PUBLICATIONS OF
THE MINISTRY OF TRANSPORT AND COMMUNICATIONS 31/2009

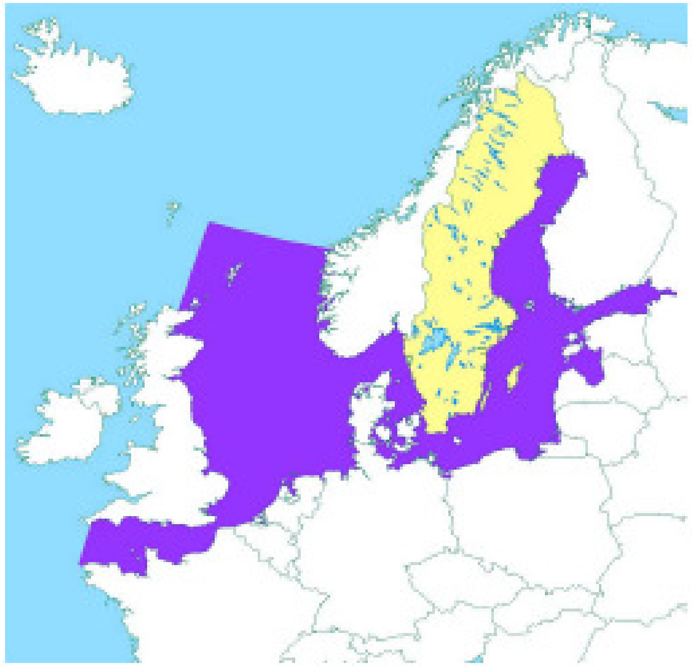
Sulphur content in ships bunker fuel in 2015

A study on the impacts of the new IMO regulations on transportation costs

MINISTRY OF TRANSPORT AND COMMUNICATIONS FINLAND

Helsinki, 2009

CONSEQUENCES OF THE IMO'S NEW MARINE FUEL SULPHUR REGULATIONS



SOURCE: VTI

SWEDISH MARITIME ADMINISTRATION 14-5-2009

Studies have been carried out

Table 6.2. Effects of the estimated price rise in fuel on freight charges (percentage increase on current levels).

Freight type	Sulphur content		
	1.0 %	0.5 %	0.1 %
Container	4–13 %	8–18 %	44–51 %
Paper reel	3–10 %	6–14 %	35–40 %
Lorry	3–10 %	6–14 %	35–41 %
Private car	3–10 %	6–14 %	35–41 %
Oil	3–8 %	5–11 %	28–32 %
Freight tonne on bulk carriers	4–11 %	7–15 %	39–44 %
Timber	3–10 %	6–14 %	35–40 %
Steel products	3–10 %	6–14 %	35–40 %

Source: Sulphur content in ships bunker fuel in 2015, A study on the impacts of the new IMO regulations on transportation costs, Finnish Study 2009

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Shipping and industry voice:

- Cost increase of marine fuel by 50-80 % - as the result of change to distillate fuel (0,1%)
- Sea transport cost increase with 30-45 %
- Change in logistics flow in Europe to ports not included in the area
- Forcing freight on to the roads since it will be cost-efficient with lorries, so modal backshift – from sea to road
- 0.5 % limit seems to be accepted by shipping industry

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BPO voice:

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CMP COPENHAGEN MALMÖ PORT

Seminar
on
impact of the new marine fuel regulations on transport in the Baltic Sea

date: January 19, 2010
venue: CMP building [Containervej 9, Copenhagen, Denmark]

DRAFT PROGRAMME

8.00 Openning of the Seminar
- Mr. Johan Röstin, CEO, Malmö Copenhagen Port
- Mr. Bogdan Oldakowski, Secretary General, Baltic Ports Organization

8.15. Chairman introduction
Mr. Tom Elmer Christensen, Danish Ports (to be invited)

Session I: New regulations for shipping - policy dimension

New IMO marine fuels regulations in the Baltic Sea
IMO expert (or alternatively person from Ministry, University, etc....) - to be invited

EU Strategy for the Baltic Sea Region - Emission and Climate Change Challenges
- EU official or Swedish Official – to be invited

Proposal for the environmental ship index
WPCI - to be invited

10.15 – 10.45 Coffee Break

Session II: From policy to real businesses

Stena Line's point of view on new IMO regulations. Comments on future policy on emission from ships
Johan Roos, Environmental Manager, Stena Line

Impact of New regulation on ro-ro and ferry market - Scandlines' perspective
Speaker to be announced

Impact of New regulation on ro-ro and ferry market - DFDS' perspective
Speaker to be announced

Impact of New regulation on ro-ro and ferry market - Finnlines' perspective
Speaker to be announced

12.15 – 13.15 Lunch

Session III: Impact of new regulations on industry

Impact of new regulations on fuel pricing
Finish Ministry of Transport and Communication (outcomes of the Finnish study) – speaker to be announced

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BPO voice:

- we promote sea transport as the most environmental friendly way of moving the cargo and people

- we also listen to shipping industry

- we now are on the process of discussion about new IMO rules

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GO BALTIC!

It is a sea of opportunities.

Thank you for your attention

www.balticports.com

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