

11 Mar 2022
Singapore

Press Release

ASA reiterates the importance of R&D funding such as the IMO Maritime Research Fund (IMRF) to expedite the industry transition to net-zero

The Asian Shipowners' Association strongly supports industry efforts to reduce emissions from international shipping. The ASA further maintains that the only way to achieve ambitious net zero targets would be through the adoption of the IMO Maritime Research Fund (IMRF), which will guarantee funding for the R&D necessary to accelerate the development of zero emission ships.

The IMRF, which will be funded by mandatory R&D contributions from shipowners globally via a levy on actual fuel consumed, will be the most efficient tool to decarbonise the industry - because these are fixed contributions that demonstrate industry's commitment to decarbonisation, they offer a measure of stability to support for R&D efforts and will be relatively insulated from external shocks that may result in increased volatility in carbon markets.

In addition, the IMRF, which will be administered by a diverse and representative board, could also have the flexibility to allocate a portion of the funds collected to support direct mitigation for states that are most affected by climate change.

To further expedite the transition to net zero, the IMRF could also be considered in conjunction with a broader carbon levy for international shipping to help narrow the gap between conventional and zero-carbon fuels and support IMO member states' efforts to develop and deploy the infrastructure that will be necessary to support a zero-carbon fleet.

“The IMRF is a demonstration of industry's long-term commitment to decarbonization”, said Ms. Caroline Yang, Chair of the ASA SNEC. “It can be applied fairly to a global industry, is directly linked to the amount of fuel consumed and therefore carbon emitted. Furthermore, as a long-term measure, the IMRF will be relatively resistant to short-term shifts in

policy and market volatility, *which is increasingly important as the events of the past few weeks have shown.*”

For media enquiries, kindly contact:

Dylan Ow

Technical Manager

Asian Shipowners' Association (ASA)

Tel : (+65) 6325 4737

Email : information@asa.org.sg

Website : www.asianshipowners.org

Editor's Note:

The Asian Shipowners' Association (ASA) is a voluntary organization of the shipowner associations of Australia, China, Chinese Taipei, Hong Kong, Japan, Korea and the Federation of ASEAN Shipowners' Associations comprising shipping associations of ASEAN countries. The aims of the ASA are to promote the interests of Asian shipowners. Between annual ASA meetings, the ongoing work is carried out by five Standing Committees: The Seafarers Committee (SC), the Ship Insurance and Liability Committee (SILC), the Safe Navigation and Environment Committee (SNEC), the Shipping Policy Committee (SPC), and the Ship Recycling Committee (SRC). It has been estimated that ASA shipowners and managers control and operate around 50% of the world's cargo carrying fleet.