



Recommendations for implementation of Green Shipping Corridors in the ESCAP Region

Asia-Pacific Regional Forum on Connecting to Global Supply Chains through Inter-Regional Land Corridors and Maritime Routes

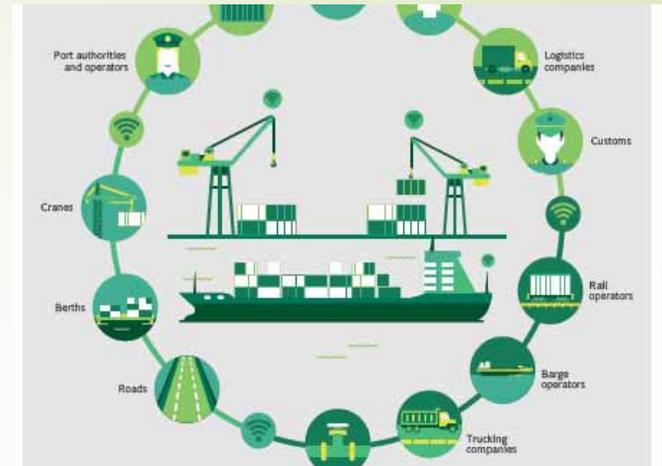
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1. Green Shipping Corridor

1) What is the Green Shipping Corridor

- ▶ The green shipping corridor means facilitating early and rapid adoption of fuels and technologies that, on a lifecycle basis, deliver low and zero emissions across the marine sector, placing the sector on a path to full decarbonization (USA)
- ▶ Routine maritime voyage that has been successfully decarbonised by members of a Zero Emission Partnership (Clydebank Declaration)
- ▶ This concept melds the necessary components of zero-emission shipping – from the technical aspects, such as fuel sourcing, bunkering infrastructure, and vessels, to the operational aspects, such as contracting models, pricing, and community input – into a systematic plan across multiple ports or geographies (ClimateWorks Foundation)
- ▶ A green corridor is defined as a shipping route between two major port hubs (incl. intermediary stopovers) on which the technological, economic, and regulatory feasibility of the operation of zero-emissions ships is catalysed through public and private actions (Getting to Zero Coalition)

1. Green Shipping Corridor

2) Clydebank Declaration(1/2)

- The Clydebank Declaration signifies the official declaration of the initiative for the Green Shipping Corridor at Clydebank, Glasgow, UK, where the COP26 meeting was held.
- Mission statement: to support the establishment of green shipping corridors – zero-emission maritime routes between 2 (or more) ports
- Signatories call for practical implementation and international cooperation to reduce greenhouse gas emissions on specific routes
- 24 countries, including 11 ESCAP members, are signatories

1. Green Shipping Corridor

3) Clydebank Declaration(2/2)

- ▶ Goal: Support the establishment of at least six green corridors by the middle of this decade
- ✓ Aim to put more ships on more routes, longer routes and/or on the same route
- ✓ Hope to have more corridors operational by 2030
- ✓ Access these goals by the middle of this decade
- ▶ Way to facilitation: Establishment of partnerships to accelerate the decarbonisation of the shipping sector and its fuel supply through green shipping corridor projects
- ▶ Requirement: All vessels servicing the Green Shipping Corridor are not required to have zero emissions or participate in partnerships, but at least ensure that they do not add additional GHGs to the global system during the lifecycle of the vessel

2. Recent initiatives on the Green Shipping Corridor

Trans-Pacific route: Los Angeles – Shanghai

- ▶ The Port of Los Angeles & Port of Shanghai: Set partnership to reduce greenhouse gas emissions from the movement of cargo throughout the 2020s including a goal to begin transitioning to zero-carbon fueled ships by 2030
- ▶ The key is to build partnerships with major public and private stakeholders
- ▶ Partnerships include cities, ports, shipping companies and cargo owners
- ✓ To work on an initiative to establish a Green Shipping Corridor between the largest ports in the United States and China
- ✓ Developing a “Green Shipping Corridor Implementation Plan” by the end of 2022 that will include deliverables, milestones, and roles for the partnership
- ✓ Expected to have strong scalability in the future based on the cooperation of C40 Cities
- C40 cities is focused on fighting climate change and driving urban action that reduces greenhouse gas emissions and climate risks, while increasing the health, wellbeing and economic opportunities of urban citizens.

3. Considerations for Implementing Green Shipping Corridors in Asia Pacific

- Secure Investments in Ship Energy Conversion
 - Various eco-friendly energy sources (LNG, ammonia, ethanol, Bio, fuel cells, etc.) are being used or tested
 - Require a detailed review in consideration of the type of ship, size of ship, route, etc
 - Require huge investment the replacement of marine engines or for new shipbuilding
 - Necessary to invest in facilities for onshore energy supply facilities
- Big Gap in implementation conditions
 - Big difference in conditions such as shipping lines, ports, routes including domestic routes
 - Technical, financial and institutional gap
 - At least two ports(countries) need to be consulted. The more ports there are, the more complicated it is.
 - Utilization of fuel storage space varies according to the number of stopover ports

4. Policy Recommendations

- ◆ Develop cooperative partnership to share visions, goals, action plans, role settings and benefits for the green shipping corridor through regional dialogue
- Build shared values between public and private stakeholders to promote decarbonization based on IMO guidelines
- ◆ Recognize green shipping corridors and decarbonization are long-term challenges that require detailed national action plans and roadmaps
- Establish detailed action plans for implementation within the ESCAP region
- Refer to the LA-Shanghai case, but need customizing for potential routes and partners
- ◆ Develop strategies for implementation to domestic routes
- ◆ Build legal, financial and technical facilitation measures to promote Green Shipping Corridors
- R&D and funding to shipping companies to develop pilot trial
- Provide financial and tax incentives
- Enhancing the capabilities of the local shipbuilding and ship repair industry
- ◆ Explore the phased implementation of the Green Shipping Corridor project to achieve decarbonization on selected shipping routes.



Thank you



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