

MARINE ENVIRONMENT PROTECTION
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ENERGY EFFICIENCY OF SHIPS

EEDI application dates for cruise passenger ships having non-conventional propulsion

Submitted by CESA

SUMMARY

Executive summary: This document highlights the need to consider one unresolved issue regarding the application of EEDI Phase 3 requirements to cruise passenger ships having non-conventional propulsion. CESA recommends expanding the time interval between contract and delivery date with a view to addressing problems related to the COVID-19 pandemic, which induced reduction of productivity and prolongation of building schedules, in particular in relation to series production of cruise ships.

Strategic direction, if applicable: 3

Output: 3.5

Action to be taken: Paragraph 11

Related documents: MSC 75/18 and MEPC.1/Circ.795/Rev.4

Background

1 At the seventy-fifth session of the Committee (MEPC 75), CESA reiterated the recommendation to expand the interval between contract and delivery date when applying EEDI requirements to cruise passenger ships having non-conventional propulsion. Having noted the proposal to address the above-mentioned matter in the context of the revision of relevant unified interpretations, the Committee invited CESA to submit a document on this issue to MEPC 76 for consideration at that session under agenda item 6 on "Energy efficiency of ships".

Discussion

2 The industry building cruise ships re-confirms the technical feasibility to apply EEDI Phase 3 requirements to new cruise passenger ships having non-conventional propulsion contracted from 2022 and is increasing its efforts to implement practicable solutions for ambitious GHG emission reductions in all ship sizes and application cases.

3 CESA has, however, also pointed out that sufficiently long intervals have to be provided for cruise ships in series production to ensure that sister ships built to an identical technical specification under the same contract could be finalized according to EEDI requirements applicable at contract date. Considering the overlong intervals between design, contract and delivery that are common in cruise ship construction, it should be avoided to accidentally require ships to be redesigned in the middle of the project.

4 In this context, the usual 48 months interval between contract and delivery date used in IMO instruments – without any distinction of ship type – can be challenging. In the ongoing COVID-19 pandemic, delays are occurring not only as a result of reduced productivity but also due to planned prolongation of building schedules. This rescheduling needs to be maintained for some time even if the pandemic situation no longer directly hampers the actual construction performance of the shipyard.

5 Since the significant GHG emissions reduction mandated in EEDI Phase 3 requires the utilization of alternative fuels and innovative technology, the resulting design modifications can hardly be implemented in an existing specification forming the basis of a contract. This problem – if not solved by a relaxation of the delivery date – might significantly amplify current economic problems of both the owner and the newbuilding yard.

6 The allocation of longer implementation intervals for cruise ship newbuilding projects would not jeopardize the overall GHG reduction ambitions of the industry. After the Organization has decided to expand GHG measures to existing ships, a minimal reduction in the phase-in speed of new technologies could be compensated by improvements achieved by operational measures during the life cycle of the ship. In order to maintain the ability to innovate and to facilitate the recovery of the industry from COVID-19 pandemic, unnecessary economic risks for the efficient construction of cruise ships should be avoided.

Unified interpretations to MARPOL Annex VI

7 As recommended by MEPC 75, CESA proposes to specifically address the peculiarities of this ship type and to prevent implementation problems by means of a dedicated unified interpretation in the revised circular MEPC.1/Circ.795/Rev.4, which clarifies the definition of "new ship" provided by MARPOL Annex VI, regulation 2.23 of MARPOL Annex VI reads as follows:

"New ship means a ship:

- .1 for which building contract is placed on or after 1 January 2013; or
- .2 in the absence of a building contract, the keel of which is laid or which is at a similar stage of construction on or after 1 July 2013; or
- .3 the delivery of which is on or after 1 July 2015."

8 Currently paragraph 1.1 of MEPC.1/Circ.795/Rev.4 provides a generic rule for the specific dates regarding contract, keel laying and delivery, which are interpreted by paragraph 1.2 for each EEDI phase. In order to reflect the early start of EEDI Phase 3, which was adopted by MEPC 75, the upcoming revision of MEPC.1/Circ.795 should contain a ship type distinction between "early movers" and ship types with unmodified application dates.

Interpretation for cruise ships

9 For cruise ships, current paragraph 1.1 should be modified as follows:

1.1*bis* For the application of the definition "new cruise passenger ships having non-conventional propulsion" as specified in regulation 2.23 to each phase specified in table 1 of regulation 21, it should be interpreted as follows:

- .1 the date specified in regulation 2.23.1 should be replaced with the start date of each phase;
- .2 the date specified in regulation 2.23.2 should be replaced with the date 6 months after the start date of each phase; and
- .3 the date specified in regulation 2.23.3 should, for Phase 1, 2 and 3, be replaced with the date 72 months after the start date of each phase.

10 In the resulting definition of a new EEDI Phase 3 for cruise ships, the contract and keel laying related dates would be moved forward reflecting with the early start of EEDI Phase 3. The delivery related dates would be moved forward by only one year, instead of 3 years. This approach would also affect other phases in order to avoid late new buildings based on existing designs and specifications of earlier phases would unintentionally become new ships. A revised wording for Phase 2 could for example read as follows (the unified interpretations of other phases to be modified accordingly):

1.2.4 the required EEDI of Phase 2 is applied to the following new cruise passenger ships having non-conventional propulsion:

- .1 for which the building contract is placed in Phase 2, and the delivery is before 1 April 2028; or
- .2 for which the building contract is placed before Phase 2 and the delivery is on or after 1 January 2026 and before 1 April 2028; or

in the absence of a building contract:

- .3 the keel of which is laid or which is at a similar stage of construction on or after 1 July 2020 and before 1 October 2022, and the delivery is before 1 April 2028; or
- .4 the keel of which is laid or which is at a similar stage of construction before 1 July 2020, and the delivery is on or after 1 January 2026 and before 1 April 2028.

Action requested of the Committee

11 The Committee is invited to consider the assessment and proposals provided and take action as appropriate.