INTERNATIONAL MARITIME ORGANIZATION

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MARINE ENVIRONMENT PROTECTION COMMITTEE
74th session
Agenda item 18

MEPC 74/18
9 June 2019
Original: ENGLISH

REPORT OF THE MARINE ENVIRONMENT PROTECTION COMMITTEE ON ITS SEVENTY-FOURTH SESSION

LIST OF ANNEXES

1 INTRODUCTION – ADOPTION OF THE AGENDA

1.1 The seventy-fourth session of the Marine Environment Protection Committee was held at IMO Headquarters from 13 to 17 May 2019, chaired by Mr. H. Saito (Japan). The Vice-Chair of the Committee, Mr. H. Conway (Liberia), was also present.

1.2 The session was attended by delegations from Members and Associate Members; representatives from United Nations Programmes, specialized agencies and other entities; observers from intergovernmental organizations with agreements of cooperation; and observers from non-governmental organizations in consultative status, as listed in document MEPC 74/INF.1.

1.3 The session was also attended by the Chair of the Council, Mr. X. Zhang (China); the Chair of the Facilitation Committee, Mrs. M. Angsell (Sweden) and the Chair of the Governing Bodies of the London Convention and Protocol, Mrs. A. Prempeh (Ghana).

Opening address of the Secretary-General

1.4 The Secretary-General welcomed participants and delivered his opening address, the full text of which is available at the IMO website at the following link: http://www.imo.org/MediaCentre/SecretaryGeneral/Secretary-GeneralsSpeechesToMeetings.

1.5 The Chair thanked the Secretary-General for his opening address and stated that his advice and requests would be given every consideration in the deliberations of the Committee.

Message by the Prince of Monaco

1.6 The Committee noted with appreciation the video message by His Serene Highness Prince Albert II of Monaco, commending the important role of the Organization in implementing the 2030 Agenda for Sustainable Development.

Adoption of the agenda

1.7 The Committee adopted the agenda for the session (MEPC 74/1/Rev.1) and, having noted the annotations thereto (MEPC 74/1/1), agreed to be guided by the provisional timetable (MEPC 74/1/1, annex 2), on the understanding that the timetable was subject to adjustments depending on the progress made each day.

Credentials

1.8 The Committee noted that the credentials of 99 delegations attending the session were in due and proper order.

Statements

1.9 The Committee noted the general statements made by the following Member States:

.1 Saudi Arabia and the United Arab Emirates, condemning the acts of sabotage against four commercial ships off the east of the emirate of Fujairah on 12 May 2019 and informing that the outcomes of the investigations would be made available to the Organization in due course;

.2 Norway, urging the Committee to follow up on the IMO *Action plan to address marine plastic litter from ships* (MEPC.310(73)) with concrete actions; informing that it was working with the Secretariats of IMO and FAO for a proposed GloLitter project to support the IMO Action Plan; and highlighting that within the framework of the project an award would be instituted to honour the contributions made by Ms. Joanna Toole, a consultant in FAO, who lost her life in an air accident in March 2019;

.3 the United Arab Emirates, pledging an amount of $10,000 towards the Fourth IMO GHG Study;

.4 Argentina, Brazil, Chile, Peru and Uruguay, expressing their commitment to implementing the *Initial IMO Strategy on reduction of GHG emissions from ships* (MEPC.304(72)), and exhorting the need to ensure that measures undertaken to reduce GHG emissions from ships could be fully complied with by all parties without resulting in barriers to international trade; and

.5 the Cook Islands, Palau and Vanuatu, urging that the draft procedure for assessing impacts on States be finalized, and stressing the need for evidence-based assessment of impacts on small island developing States (SIDS), in parallel to efforts to reduce GHG emissions.

1.10 As requested, the statements made by the delegations of Brazil, the United Arab Emirates and Saudi Arabia are set out in annex 27.

2 DECISIONS OF OTHER BODIES

2.1 The Committee, having noted the decisions of LC 40/LP 13 (MEPC 74/2), C 121 (MEPC 74/2/1) and MSC 100 (MEPC 74/2/2) with regard to its work, agreed to take action as appropriate under the relevant agenda items and as indicated below.

Outcome of LC 40/LP 13

2.2 The Committee noted that the outcome of the discussion by the governing bodies at LC 40/LP 13 relating to marine plastic litter from ships had been submitted in a separate document (MEPC 74/8), which would be considered under agenda item 8.

Outcome of C 121

2.3 The Committee considered the request by C 121 to MSC and MEPC to consider the second consolidated audit summary report, with a view to advising the Council accordingly.

2.4 Following consideration, the Committee instructed the III Sub-Committee to consider the request from C 121 and advise the Committees accordingly, subject to concurrent decision by MSC 101.

2.5 The Committee noted that C 121 had approved, in general, the report of MEPC 73 and endorsed:

.1 the inclusion of four new outputs in the Committee's biennial agenda for 2018-2019 or its post-biennial agenda, respectively; and

.2 the holding of the fifth meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships, from 7 to 10 May 2019.

Outcome of MSC 100

2.6 The Committee noted that the request by MSC 100 for the Committee to concur with the decision to discontinue the preliminary assessment of capacity-building implications and technical assistance needs, related to new outputs for amending mandatory instruments, would be considered under agenda item 13.

3 CONSIDERATION AND ADOPTION OF AMENDMENTS TO MANDATORY INSTRUMENTS

Amendments to mandatory instruments

3.1 The Committee was invited to consider and adopt proposed amendments to:

.1 MARPOL Annexes I, II and V concerning electronic record books;

.2 MARPOL Annex II related to cargo residues and tank washings of persistent floating products;

.3 MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships;

.4 NO_x Technical Code 2008;

.5 IBC Code chapters 1, 15, 16, 17, 18, 19 and 21;

.6 BCH Code concerning special, operational and minimum requirements;

and to consider and adopt the relevant non-mandatory instruments:

.7 draft MEPC resolution on Guidelines for the use of electronic record books under MARPOL; and

.8 draft MEPC resolution on Amendments to the 2017 Guidelines addressing additional aspects of the NO_x Technical Code 2008 with regard to particular requirements related to marine diesel engines fitted with selective catalytic reduction (SCR) systems (resolution MEPC.291(71)).

3.2 The Committee noted that the text of the aforementioned amendments to the mandatory instruments had been circulated, in accordance with article 16(2)(a) of MARPOL, to all IMO Members and Parties to MARPOL by Circular Letter No.3892 of 8 November 2018.

3.3 The Committee agreed that, in addition to the 11 documents submitted under this agenda item, document MEPC 73/11/4 (IACS), deferred from MEPC 73, should also be considered under this item, as it related to the draft Guidelines for the use of electronic record books under MARPOL.

3.4 The Committee further agreed that two action items related to the outcome of PPR 6, as set out in paragraphs 2.5 and 2.6 of document MEPC 74/10, pertaining to draft amendments to the IBC Code, should therefore also be considered under this agenda item.

Draft amendments to MARPOL Annexes I, II and V concerning electronic record books

3.5 The Committee recalled that MEPC 73 had considered and approved draft amendments to MARPOL Annexes I, II and V related to electronic record books, with a view to adoption, as set out in the annex to MEPC 74/3.

3.6 Having noted that no comments had been submitted on the draft amendments or the draft requisite resolution, the Committee confirmed their respective contents, subject to any editorial improvements.

3.7 The Committee agreed that the entry-into-force date of the amendments to MARPOL Annexes I, II and V would be 1 October 2020.

Draft amendments to MARPOL Annex II related to cargo residues and tank washings of persistent floating products

3.8 The Committee recalled that MEPC 73 had considered and approved draft amendments to MARPOL Annex II related to cargo residues and tank washings of persistent floating products, with a view to adoption at this session, as set out in the annex to document MEPC 74/3/1.

3.9 Having noted that no comments had been submitted on the draft amendments or the draft requisite resolution, the Committee confirmed their respective contents, subject to any editorial improvements.

3.10 Having noted that the amendments to MARPOL Annex II were directly linked to the amendments to the IBC Code, also to be adopted at this session, the Committee agreed to align the entry-into-force date of these amendments to that of the amendments to the IBC Code. The Committee therefore agreed that the entry-into-force date of the amendments to MARPOL Annex II would be 1 January 2021.

Draft amendments to MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships

3.11 The Committee recalled that MEPC 73 had considered and approved draft amendments to MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships, with a view to adoption at this session, as set out in the annex to document MEPC 74/3/2.

3.12 The Committee, having considered the proposed editorial amendments to MARPOL Annex VI and the NO_x Technical Code 2008 concerning certificates issued under these instruments, proposed by the Secretariat in document MEPC 74/3/8, concurred with the proposals and agreed to refer these to the Drafting Group for inclusion in the draft amendments prior to adoption. The Committee further noted that other modifications that might be required to the amendments to MARPOL Annex VI related to the proposals in document MEPC 73/11/4 would be discussed as part of its consideration of the draft Guidelines for the use of electronic record books under MARPOL (see paragraphs 3.33 to 3.39).

3.13 Having agreed on the above modifications to the amendments, subject to any editorial improvements, the Committee confirmed the content of the draft requisite resolution.

3.14 The Committee agreed that the entry-into-force date of the amendments to MARPOL Annex VI would be 1 October 2020.

Draft amendments to the NO_x Technical Code 2008

3.15 The Committee recalled that MEPC 73 had considered and approved draft amendments to the NO_x Technical Code 2008 concerning electronic record books and certification requirements for SCR systems, with a view to adoption at this session, as set out in the annex to document MEPC 74/3/3.

3.16 The Committee, having agreed to the proposed modifications to the NO_x Technical Code, as set out in document MEPC 74/3/8 (Secretariat), under the previous item (see paragraph 3.12), confirmed the contents of the amendments and draft requisite resolution, subject to any editorial improvements.

3.17 The Committee, having considered a proposal by the observer from IACS to revise the definition of electronic record book in the NO_x Technical Code, noting that the definition in the Code should not make reference to discharges, transfers and other operations, agreed to the proposal and referred the matter to the Drafting Group for action.

3.18 The Committee agreed that the entry-into-force date of the amendments to the NO_x Technical Code would be 1 October 2020.

Draft amendments the IBC Code

3.19 The Committee recalled that MEPC 73 had considered and approved draft amendments to chapters 1, 15, 16, 17, 18, 19 and 21 of the IBC Code, with a view to adoption at this session, as set out in the annex to document MEPC 74/3/4.

3.20 The Committee considered document MEPC 74/3/9 (Secretariat) proposing a number of deletions to product entries in chapters 17 and 19 of the draft amendments to the IBC Code prior to adoption, taking into account the approval by MEPC 73 of the *Guidelines for the carriage of energy-rich fuels and their blends* (MEPC.1/Circ.879) and its endorsement of the consequential inclusion of a new annex 12 in the MEPC.2/Circular under which these products would now be captured.

3.21 In addition, the document proposed a modification to include a reference to the Code for Recognized Organizations (RO Code), in order to align it with the associated references in MARPOL Annex II and regulation XI-1/1 of SOLAS.

3.22 The Committee, having noted that the modifications to the product entries in chapters 17 and 19 would align the amendments to the IBC Code with the decisions it had already taken on the new Guidelines at MEPC 73, agreed with the proposed deletions.

3.23 The Committee also concurred with the proposal to include a reference to the RO Code as part of the amendments to the IBC Code, for purposes of alignment with MARPOL and SOLAS, noting, in particular, the need to clarify that only Parts 1 and 2 of the RO Code were mandatory, and referred these matters to the Drafting Group for appropriate action.

3.24 The Committee, having considered the commenting document submitted by Norway (MEPC 74/3/10) proposing modifications to carriage requirements for a number of products that had previously been agreed by ESPH 24 and PPR 6, subsequent to the approval of the amendments to the IBC Code by MEPC 73, concurred with the proposals and referred these to the Drafting Group for inclusion in the IBC Code.

3.25 The Committee considered the action items from PPR 6 set out in document MEPC 74/10 (paragraphs 2.5 and 2.6), pertaining to the draft amendments to the IBC Code and noted that action item 5 (paragraph 2.5) had already been addressed in paragraphs 3.20 to 3.23 above. Having considered action item 6 (paragraph 2.6), requesting consideration of alphabetizing the definitions in chapter 1 of the IBC Code, the Committee concluded that this was a purely editorial matter that could be addressed by the Drafting Group.

3.26 The Committee noted the concern raised by the observer from IACS related to the inclusion of the new paragraph 15.12 concerning H_2S detection in the draft amendments and the potential perception that this paragraph might infer a requirement that was additional to the requirement set out in paragraph 13.2.1 of the Code. Following consideration, the Committee agreed to add the following at the end of paragraph 15.12 of the IBC Code:

> "Toxic vapour testing instruments provided for complying with the requirement in 13.2.1 of the Code, which are also designed and calibrated for testing H_2S, may be used to satisfy this requirement."

It was also noted that this text could be utilized to address the same issue in paragraph 4.24 of the BCH Code (see paragraph 3.31).

3.27 Having decided on the various proposals, the Committee confirmed the contents of the draft amendments to the IBC Code, taking into account the decisions taken and subject to any editorial improvements, as well as to the requisite draft resolution.

3.28 The Committee agreed that the entry-into-force date of the amendments to the IBC Code would be 1 January 2021.

Draft amendments to the BCH Code

3.29 The Committee recalled that MEPC 73 had considered and approved draft amendments to the BCH Code concerning special, operational and minimum requirements, with a view to adoption at this session, as set out in the annex to document MEPC 74/3/5.

3.30 Having noted that no comments had been submitted on the draft amendments or the draft requisite resolution, the Committee confirmed their respective contents, subject to any editorial improvements.

3.31 Recalling the concerns raised with regard to the application of paragraph 4.24 of the BCH Code related to H_2S detection, during its discussion related to paragraph 15.12 of the IBC Code (see paragraph 3.26), the Committee referred the previously agreed text to the Drafting Group for inclusion in paragraph 4.24.

3.32 The Committee agreed that the entry-into-force date of the amendments to the BCH Code would be 1 January 2021.

Draft MEPC resolution on Guidelines for the use of electronic record books under MARPOL

3.33 The Committee recalled that MEPC 73 had considered a draft MEPC resolution on Guidelines for the use of electronic record books under MARPOL, as set out in annex 13 to document PPR 5/24, together with document MEPC 73/11/4 (IACS), commenting on the draft Guidelines, in particular on the use of ozone-depleting substances (ODS) electronic recording systems on existing ships.

3.34 The Committee further recalled that at MEPC 73, having noted that Member States required additional time to consider the issues raised by IACS in document MEPC 73/11/4, it had agreed to defer a decision on the proposal to this session.

3.35 Having reconsidered the issues and proposals set out in document MEPC 73/11/4 (IACS), the Committee first addressed the issue related to ODS electronic recording systems on existing ships.

3.36 Having discussed whether or not these should be reapproved in light of the Guidelines and the MARPOL amendments, the Committee decided that ODS electronic recording systems installed prior to the entry-into-force date of the MARPOL amendments concerning electronic record books and approved by the Administration without taking account of the Guidelines for the use of electronic record books under MARPOL must be reapproved by the Administration after the entry-into-force of the above-mentioned amendment, to take into account the Guidelines. In this context, the Committee agreed that a transitional period was needed for the reapproval of the existing electronic recording systems.

3.37 The Committee, noting that the requirement agreed to in paragraph 3.36 would need to be reflected in MARPOL Annex VI, potentially in regulation 12, but possibly elsewhere, instructed the Drafting Group to develop appropriate text to reflect this requirement as part of its work.

3.38 The Committee further agreed that type approval of the hardware for ODS electronic recording systems would not be required and, therefore, decided to delete the reference to IEC 60945 in paragraph 4.4.5 of the draft Guidelines.

3.39 Further to the decisions taken on the proposals by IACS**,** the Committee adopted resolution MEPC.312(74) on *Guidelines for the use of electronic record books under MARPOL*, as set out in annex 1.

Draft MEPC resolution on *Amendments to the 2017 Guidelines addressing additional aspects of the* NO_x *Technical Code 2008 with regard to particular requirements related to marine diesel engines fitted with selective catalytic reduction (SCR) systems (resolution MEPC.291(71))*

3.40 The Committee recalled that MEPC 73 had approved, in principle, draft MEPC resolution on Amendments to the 2017 Guidelines addressing additional aspects of the NO_x Technical Code 2008 with regard to particular requirements related to marine diesel engines fitted with selective catalytic reduction (SCR) systems (resolution MEPC.291(71)), in conjunction with the associated draft amendments to the NO_x Technical Code, to be adopted at this session.

3.41 The Committee adopted resolution MEPC.313(74) on *Amendments to the 2017 Guidelines addressing additional aspects of the* NO_x *Technical Code 2008 with regard to particular requirements related to marine diesel engines fitted with selective catalytic reduction (SCR) systems (resolution MEPC.291(71))*, as set out in annex 2.

Establishment of a Drafting Group

3.42 The Committee established the Drafting Group on Amendments to Mandatory Instruments and instructed it, taking into account comments, proposals and decisions made in plenary, to prepare:

.1 the final text of the draft amendments to MARPOL Annexes I, II and V concerning electronic record books;

.2 the final text of the draft amendments to MARPOL Annex II related to cargo residues and tank washings of persistent floating products;

.3 the final text of the draft amendments to MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships taking into account document MEPC 74/3/8;

.4 the final text of the draft amendments to the NO_x Technical Code 2008, taking into account document MEPC 74/3/8;

.5 the final text of the draft amendments to the IBC Code, taking into account documents MEPC 74/3/9, MEPC 74/3/10 and MEPC 74/10; and

.6 the final text of the draft amendments to the BCH Code concerning special, operational and minimum requirements.

Report of the Drafting Group

3.43 Having considered the report of the Drafting Group (MEPC 74/WP.7), the Committee approved it in general and took action as indicated below.

Amendments to MARPOL Annexes I, II and V concerning electronic record books

3.44 The Committee considered the final text of the draft amendments to MARPOL Annexes I, II and V related to electronic record books (MEPC 74/WP.7, annex 1), and adopted the amendments by resolution MEPC.314(74), as set out in annex 3.

3.45 In adopting resolution MEPC.314(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to MARPOL Annexes I, II and V shall be deemed to have been accepted on 1 April 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 October 2020, in accordance with article 16(2)(g)(ii) of the Convention.

Amendments to MARPOL Annex II related to cargo residues and tank washings of persistent floating products

3.46 The Committee considered the final text of the draft amendments to MARPOL Annex II related to cargo residues and tank washings of persistent floating products (MEPC 74/WP.7, annex 2), and adopted the amendments by resolution MEPC.315(74), as set out in annex 4.

3.47 In adopting resolution MEPC.315(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to MARPOL Annex II shall be deemed to have been accepted on 1 July 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 January 2021, in accordance with article 16(2)(g)(ii) of the Convention.

Amendments to MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships

3.48 The Committee considered the final text of the draft amendments to MARPOL Annex VI related to electronic record books and EEDI regulations for ice-strengthened ships (MEPC 74/WP.7, annex 3), and adopted the amendments by resolution MEPC.316(74), as set out in annex 5.

3.49 In adopting resolution MEPC.316(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to MARPOL Annex VI shall be deemed to have been accepted on 1 April 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 October 2020, in accordance with article 16(2)(g)(ii) of the Convention.

Amendments to the NO_x Technical Code 2008

3.50 The Committee considered the final text of the draft amendments to the NO_X Technical Code 2008 concerning electronic record books and certification requirements for SCR systems (MEPC 74/WP.7, annex 4), and adopted the amendments by resolution MEPC.317(74), as set out in annex 6.

3.51 In adopting resolution MEPC.317(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to the NO_x Technical Code shall be deemed to have been accepted on 1 April 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 October 2020, in accordance with article 16(2)(g)(ii) of the Convention.

3.52 In this connection, the Committee noted that the NO_x Technical Code 2008 might require a review of paragraphs making reference to record books when next amended, based on the inclusion of a new definition for electronic record book in the Code.

Amendments to the IBC Code

3.53 The Committee considered the final text of the draft amendments to the IBC Code (MEPC 74/WP.7, annex 5), and adopted the amendments by resolution MEPC.318(74), as set out in annex 7.

3.54 In adopting resolution MEPC.318(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to the IBC Code shall be deemed to have been accepted on 1 July 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 January 2021, in accordance with article 16(2)(g)(ii) of the Convention.

3.55 The Committee noted that the temperature class ranges set out in paragraph 21.4.9.1.1 of chapter 21 of the IBC Code were not consistent with the latest IEC standards and that this information would need to be reviewed and updated when chapter 21 was next amended.

3.56 The Committee further noted that a revision of circular MSC-MEPC.5/Circ.7 on *Guidance on the timing of replacement of existing certificates by revised certificates as a consequence of the entry into force of amendments to chapters 17 and 18 of the IBC Code* might be required to ensure consistent implementation of the draft amendments and therefore referred the matter to ESPH 25 for further consideration.

Amendments to the BCH Code

3.57 The Committee considered the final text of the draft amendments to the BCH Code (MEPC 74/WP.7, annex 6), and adopted the amendments by resolution MEPC.319(74), as set out in annex 8.

3.58 In adopting resolution MEPC.319(74), the Committee determined, in accordance with article 16(2)(f)(iii) of MARPOL, that the adopted amendments to the BCH Code shall be deemed to have been accepted on 1 July 2020 (unless, prior to that date, objections are communicated to the Secretary-General of the Organization, as provided for in article 16(2)(f)(iii) of the Convention) and shall enter into force on 1 January 2021, in accordance with article 16(2)(g)(ii) of the Convention.

Instructions to the Secretariat

3.59 In adopting the aforementioned amendments, the Committee authorized the Secretariat, when preparing the authentic texts, to make any editorial corrections deemed appropriate, including updating references to renumbered paragraphs, and to bring to the attention of the Committee any errors or omissions requiring action by the Parties to MARPOL.

Statement by the delegation of the United States

3.60 The delegation of the United States reserved its position with regard to the adoption of the amendments to MARPOL Annexes I, II, V and VI and the NO_x Technical Code to allow the use of electronic record books and the *Guidelines for the use of electronic record books under MARPOL*. The full text of the statements made by the delegation is set out in annex 27.

4 HARMFUL AQUATIC ORGANISMS IN BALLAST WATER

General

4.1 The Committee, having recalled that the BWM Convention had entered into force on 8 September 2017, noted that the number of Contracting Governments was currently 81, representing 80.76% of the world's merchant fleet tonnage.

Revision of the data gathering and analysis plan for the experience-building phase

4.2 The Committee recalled that, in accordance with the *Data gathering and analysis plan for the experience-building phase associated with the BWM Convention* approved by MEPC 72 (BWM.2/Circ.67), a summary of any data received to date should be submitted by the Secretariat to this session.

4.3 In this context, the Committee noted that the Secretariat had developed a new tab to accommodate the experience-building phase in the Ballast Water Management module in the Global Integrated Shipping Information System (GISIS), structured in accordance with the interfaces in the approved data gathering and analysis plan, which had been launched in December 2018, allowing Member States to start providing data (Circular Letter No.3913).

4.4 The Committee thanked the Governments of Australia, France, the Netherlands and Norway for their financial support for the experience-building phase, and the Government of Canada for its pledged financial support, which would be used to support the analysis of data and the preparation of reports to be submitted to the Committee.

4.5 In light of this information, the Committee urged Member States to use the GISIS module to provide information at the earliest opportunity in accordance with BWM.2/Circ.67.

4.6 The Committee recalled that PPR 6 had agreed to insert a link to the standard operating procedures (SOPs) proposed in document PPR 5/5/2 (ICES) in the *Data gathering and analysis plan for the experience-building phase associated with the BWM Convention* (BWM.2/Circ.67), and had requested the Secretariat to prepare a draft revised BWM circular,

incorporating the link to the SOPs, with a view to approval at this session. Having considered the draft revised BWM circular set out in annex 7 to document PPR 6/20/Add.1, the Committee agreed to refer it to the Ballast Water Review Group for finalization.

Proposed amendments to and unified interpretations of the form of the International Ballast Water Management Certificate

Proposed amendments to the form of the International Ballast Water Management Certificate

4.7 The Committee recalled that MEPC 73, having considered document MEPC 73/4/7 (China) proposing amendments to the form of the International Ballast Water Management Certificate regarding the items under "Details of ballast water management method(s) used", had invited Member Governments and international organizations to submit further comments to this session with a view to consideration by the Ballast Water Review Group.

4.8 In this regard, the Committee had for its consideration document MEPC 74/4/14 (China and IACS) proposing updated draft amendments to the form of the International Ballast Water Management Certificate regarding the items under "Details of ballast water management method(s) used" and "Particulars of ship", as set out in appendix I of the BWM Convention.

4.9 The Committee noted the general support for the need to amend the form of the certificate, though there was some discussion with regard to whether such an amendment should be made at this session or at the end of the experience-building phase. Additionally, some delegations expressed concerns with whether the proposed amendments were too prescriptive and included options that were not derived from mandatory requirements under the BWM Convention.

4.10 Following discussion, the Committee referred the draft amendments to the form of the International Ballast Water Management Certificate, proposed in document MEPC 74/4/14, to the Ballast Water Review Group for finalization.

Unified interpretations of the form of the International Ballast Water Management Certificate

4.11 The Committee recalled that MEPC 72 had approved a unified interpretation of the form of the International Ballast Water Management Certificate, which had been circulated by means of BWM.2/Circ.66, and had instructed the Secretariat to update the unified interpretation with appropriate references to the Code for Approval of Ballast Water Management Systems (BWMS Code) and to submit this to the Committee at a future session, following the entry into force of the Code.

4.12 In this regard, the Committee noted that, in light of the BWMS Code's effective date of 13 October 2019, and noting that MEPC 74 was the last session of the Committee before that date, the Secretariat had submitted the draft updated unified interpretation with a view to approval at this session, with the understanding that it would become applicable on 13 October 2019.

4.13 Having considered the draft updated unified interpretation prepared by the Secretariat (MEPC 74/4/7), the Committee approved the updated unified interpretation of appendix I (Form of the International Ballast Water Management Certificate) of the BWM Convention, as set out in annex 9, and instructed the Secretariat to circulate it by means of BWM.2/Circ.66/Rev.1.

4.14 The Committee had for its consideration document MEPC 74/4/16 (China), proposing to develop a unified interpretation on calculation methods of ballast water capacity in the International Ballast Water Management Certificate. Having recalled that the PPR Sub-Committee had a standing agenda item on "Unified interpretation of provisions of IMO environment-related conventions", the Committee invited interested Member Governments and international organizations to submit proposals for a unified interpretation of ballast water capacity in the International Ballast Water Management Certificate at a future session of the PPR Sub-Committee.

Commissioning testing of ballast water management systems

4.15 The Committee recalled that MEPC 73 had approved BWM.2/Circ.70 on *Guidance for the commissioning testing of ballast water management systems* and had invited Member Governments and international organizations to submit proposals to this session for an amendment to an appropriate mandatory instrument to require commissioning testing, and for interim measures to address this matter before the entry into force of any such amendment.

4.16 In this regard, the Committee had for its consideration document MEPC 74/4/12 (Bahamas), proposing to amend regulation E-1 of the BWM Convention as well as the BWMS Code, in order to add a clarification on the conduct of statutory surveys for ballast water management systems (BWMS).

4.17 In the ensuing discussion, all delegations who spoke supported amendments to make statutory surveys for BWMS commissioning testing mandatory and expressed, inter alia, the following views:

.1 as any amendments to the BWM Convention would not enter into force until at least 2021, there was a need for the Committee to clarify that commissioning testing should be conducted in the interim period and to encourage early implementation of the amendments;

.2 the Committee should make clear that existing ships already certified in accordance with regulation D-2 did not need to have a commissioning survey conducted; and

.3 the Ballast Water Review Group should consider whether the three non-mandatory instruments related to the issue (the HSSC Survey Guidelines, BWM.2/Circ.42/Rev.1 and BWM.2/Circ.70), in conjunction with the proposed amendments, provided an acceptable level of guidance and instruction with regard to conducting commissioning tests.

4.18 Following discussion, the Committee instructed the Ballast Water Review Group to consider the proposals in document MEPC 74/4/12 and advise it accordingly, taking into account the comments made in plenary.

4.19 The Committee recalled that PPR 6, having considered document PPR 6/4 (Denmark), proposing the development of a standard for verification of ballast water compliance monitoring systems, had invited the delegation of Denmark and other interested delegations to submit a concrete proposal to a future session of MEPC, taking into account the comments made at that session.

4.20 In this connection, the Committee had for its consideration document MEPC 74/4/11 (Denmark), suggesting developing a standard for verification of ballast water compliance monitoring systems that aimed at providing indicative analysis to verify the efficacy of BWMS prior to issuance of the International Ballast Water Management Certificate. In the ensuing

discussion, all delegations that spoke supported the document. Some delegations noted the potentially relevant work being carried out in parallel at ISO and it was reiterated that commissioning testing should start prior to the finalization of such a standard. Some delegations also proposed that the commissioning testing should entail the same level of indicative analysis as during port State control inspections.

4.21 Following discussion, the Committee instructed the Ballast Water Review Group to consider the proposals in document MEPC 74/4/11 and advise it accordingly, taking into account the comments made in plenary.

Exemptions

4.22 The Committee considered document MEPC 74/4/8 (Nigeria), providing descriptions of two proposed concepts on exemption and onshore ballast water management, referred to as "Port with Acceptable Risks" and "Pre-loading Onshore Ballast Water Treatment System".

4.23 In the ensuing discussion, some delegations supported the concepts described in the document, while several delegations expressed the view that the proposals were not in line with the principles of regulation A-4. Some other delegations suggested that the proposal did not require approval, as existing provisions within the Convention could be considered to cover the proposed concepts, and regulation B-3 would be more applicable than regulation A-4. Additionally, concerns were raised with regard to potential ballast water contamination and regrowth when employing the proposed concepts.

4.24 Following discussion, the Committee instructed the Ballast Water Review Group, if time permitted, to consider the proposals in document MEPC 74/4/8 and advise it accordingly.

4.25 The Committee considered document MEPC 74/4/15 (China), proposing to further improve the *2017 Guidelines for risk assessment under regulation A-4 of the BWM Convention (G7)*, based on the analysis of issues encountered when applying the same risk area approach on assessment of exemptions from ballast water management.

4.26 In the ensuing discussion, some delegations supported the further consideration of the proposal and there were diverse views on where this could take place (including the PPR Sub-Committee, the Ballast Water Review Group or a correspondence group). However, other delegations did not support the proposal and expressed the view that the Guidelines (G7) had recently been updated and, if further improvements were needed, they could be done at the conclusion of the experience-building phase.

4.27 In light of the above, the Committee invited interested Member Governments and international organizations to submit concrete proposals for amendments to the *2017 Guidelines for risk assessment under regulation A-4 of the BWM Convention (G7)* at a future session of the Committee under the output "Urgent measures emanating from issues identified during the experience-building phase of the BWM Convention".

4.28 The Committee considered document MEPC 74/4/17 (China), proposing to incorporate regulations A-3.4 and A-3.5 into regulation A-4 as a means of exempting ships from ballast water management rather than cases of exceptional discharges by ships. In introducing the document, the delegation of China also made an alternative proposal to incorporate regulation A-3.5 into regulation A-5.

4.29 The Committee instructed the Ballast Water Review Group to consider the proposals in document MEPC 74/4/17 and advise it accordingly.

4.30 The Committee noted the information contained in document MEPC 74/INF.30 (Denmark et al.) on activities related to improved and consistent implementation of the BWM Convention with respect to exemptions and specifically the application of the same risk area concept.

Application of the BWM Convention to specific ship types

4.31 The Committee had for its consideration the following documents:

.1 MEPC 74/4/13 (Russian Federation), proposing to amend regulation A-5 of the BWM Convention and the *Guidelines for ballast water management equivalent compliance (G3)*, in order to apply provisions for equivalent compliance also to ships designed and used for emergency response, search and rescue, oil spill response and emergency towing; and

.2 MEPC 74/4/18, MEPC 74/4/19 and MEPC 74/4/20 (Turkey), highlighting the technical and operational challenges of retrofitting BWMS on specialized tug boats, and proposing to develop a guidance document and to evaluate the need for a possible amendment to regulation A-4 or B-3 of the BWM Convention.

4.32 Owing to time constraints, the Committee instructed the Ballast Water Review Group to consider the proposals in documents MEPC 74/4/13, MEPC 74/4/18, MEPC 74/4/19 and MEPC 74/4/20 and advise it accordingly, without any prior discussion in plenary. The delegations of the Russian Federation and Turkey expressed concerns with this approach, noting that the proposals entailed potential amendments to the BWM Convention that should be considered in plenary first.

Information on the availability of port reception facilities for ballast water in GISIS

4.33 The Committee recalled that III 5 had invited the Committee to consider whether a new column should be added on the availability of port reception facilities for ballast water in the GISIS module on port reception facilities.

4.34 In this regard, the Committee noted that such a column had already been added to the GISIS module on port reception facilities, allowing Member States to provide information on the availability of reception facilities for ballast water in their ports (Circular Letter No.3773), and that, as the BWM Convention did not have any requirement for port reception facilities for ballast water, this was an optional facility in GISIS for Member States to provide any relevant information if they so wished.

Ballast water sampling and analysis

4.35 Having recalled that PPR 6 had invited the Committee to note that the work on output 1.14 (Revised guidance on ballast water sampling and analysis) had been completed, the Committee considered documents MEPC 74/4/10 and MEPC 74/INF.17 (France), providing information on a new analysis method proposed to be added in the *Guidance on ballast water sampling and analysis for trial use in accordance with the BWM Convention and Guidelines (G2)* (BWM.2/Circ.42/Rev.1), and proposing an extension of the target completion date of this output.

4.36 The Committee agreed to refer documents MEPC 74/4/10 and MEPC 74/INF.17 to PPR 7, and consequently extended the target completion year for output 1.14 to 2021.

Approval of ballast water management systems

Consideration and approval of ballast water management systems that make use of Active Substances

4.37 The Committee noted that the thirty-seventh and thirty-eighth meetings of the GESAMP-Ballast Water Working Group (GESAMP-BWWG) had been held from 26 to 30 November 2018 and 14 to 17 January 2019, respectively, at IMO Headquarters, chaired by Mr. J. Linders, and that the reports of these meetings had been circulated as documents MEPC 74/4/6 and MEPC 74/4/9. During the two meetings, GESAMP-BWWG had reviewed a total of six proposals for approval of ballast water management systems (BWMS) that made use of active substances, submitted by Cyprus, Japan, the Netherlands, Norway and the Republic of Korea.

4.38 The Committee, having considered the recommendations contained in annexes 4 to 6 of the aforementioned reports, agreed to:

.1 grant Final Approval to the Envirocleanse inTank™ BWTS (Bulk Chemical Variation) proposed by Norway in document MEPC 74/4;

.2 grant Basic Approval to the CleanBallast® - Ocean Barrier System proposed by Norway in document MEPC 74/4/1;

.3 grant Final Approval to the MICROFADE II ballast water management system proposed by the Netherlands in document MEPC 74/4/2;

.4 extend the original Final Approval of the Purimar™ ballast water management system for use in fresh water as proposed by the Republic of Korea in document MEPC 74/4/3;

.5 not grant Final Approval to the JFE BallastAce® that makes use of NEO-CHLOR MARINE® proposed by Japan in document MEPC 74/4/4; and

.6 grant Basic Approval to the FlowSafe ballast water management system proposed by Cyprus in document MEPC 74/4/5.

4.39 The Committee invited the Administrations of Cyprus, the Netherlands, Norway and the Republic of Korea to verify that all the recommendations contained in the reports of the thirty-seventh and thirty-eighth meetings of GESAMP BWWG (MEPC 74/4/6, annexes 4 to 6, and MEPC 74/4/9, annexes 5 and 6) were fully addressed during the further development of the ballast water management systems.

4.40 The Committee invited the Administration of Japan to verify that all the concerns and issues raised in the report of the thirty-eighth meeting of the GESAMP-BWWG (MEPC 74/4/9, annex 4) were fully addressed prior to any subsequent re-submission for Final Approval.

4.41 The delegation of the Republic of Korea requested clarification on whether the procedure for submission of new data on fresh water testing of BWMS with Final Approval was mandatory, and whether approval of the Committee was mandatory in order to obtain type approval based on the 2016 Guidelines (G8) and the BWMS Code, noting that some type approval documents submitted were for BWMS that had not been granted Final Approval for use in fresh water by the Committee.

4.42 The Chair of GESAMP-BWWG recalled that any BWMS which made use of active substances must be approved by the Organization under Procedure (G9), including for new data on fresh water testing of BWMS with Final Approval, and that MEPC 72 had agreed that, due to the mandatory language in regulation D-3.2 of the BWM Convention, the application of Procedure (G9) was mandatory. Furthermore, the Chair of GESAMP-BWWG invited the Committee to request Administrations to verify that the recommendations of GESAMP-BWWG were addressed prior to the issuance of the Type Approval Certificate, and for this information to be included in the type approval report.

4.43 The Committee noted the recommendations of the Chair of GESAMP-BWWG, and agreed that Administrations should follow the aforementioned procedure and should notify the Organization when issuing Type Approval Certificates providing all the information required by the 2016 Guidelines (G8) and the BWMS Code.

Future meetings of GESAMP-BWWG

4.44 The Committee noted that the thirty-ninth meeting of GESAMP-BWWG had been scheduled for 4 to 8 November 2019 with detailed information specified in BWM.2/Circ.71.

Type approval of ballast water management systems

4.45 The Committee noted the information regarding the latest type-approved BWMS provided in the following documents:

.1 MEPC 74/INF.4 (Greece) on the type approval of the ERMA FIRST BWTS ballast water management system;

.2 MEPC 74/INF.6 (Norway) on the type approval of the Envirocleanse inTank™ Electrochlorination Ballast Water Treatment System;

.3 MEPC 74/INF.7 (Norway) on the type approval of the SunRui Marine Environment Engineering Co., Ltd's BalClor® Ballast Water Management System;

.4 MEPC 74/INF.8 (Norway) on the type approval of the HiBallast™ Ballast Water Management System;

.5 MEPC 74/INF.9 (Norway) on the type approval of the Headway Technology Co., Ltd's OceanGuard® Ballast Water Management System; and

.6 MEPC 74/INF.32 (Denmark) on the type approval of the CompactClean ballast water management system manufactured by DESMI Ocean Guard A/S.

Other approvals of ballast water management systems

4.46 The Committee noted the information regarding the Statement of Compliance with the *Guidelines for ballast water reception facilities* (G5) of the Bawat™ BWMS Mk2 Mobile Treatment Unit for ballast water provided in document MEPC 74/INF.21 (Denmark).

Organizational arrangements related to the evaluation and approval of ballast water management systems

4.47 Having considered the actions requested in paragraphs 3.4 and 3.5 of the report of the thirty-seventh meeting of GESAMP-BWWG (MEPC 74/4/6), the Committee:

.1 agreed with the Group's recommendation that the relevant Administration should conduct a readiness evaluation before the applicant prepared an application for evaluation by GESAMP-BWWG; and

.2 noted the Group's view that applicants should submit both a hard and electronic copy of the confidential dossier.

Other matters related to the implementation of the BWM Convention

4.48 Having considered document MEPC 74/4/21 (Chile), providing a report on a risk assessment study carried out in Chile during 2017, and proposing to encourage other countries to submit similar information to the Organization, the Committee encouraged Member Governments and international organizations to submit the findings of their investigations and studies regarding ballast water management under the scope of the experience-building phase.

Information on other matters related to the implementation of the BWM Convention

4.49 The Committee noted the information contained in the following documents:

.1 MEPC 74/INF.18 (IMarEST) on the indicative analysis instruments for ballast water testing currently available;

.2 MEPC 74/INF.19 (ISO) on the status of ongoing work within ISO regarding the standard for collection and handling of ballast water samples;

.3 MEPC 74/INF.22 (IMarEST) on practicality and safety concerns related to practising ballast water exchange plus treatment;

.4 MEPC 74/INF.25 (Republic of Korea) on an integrated record format of ballast water management system operation data and database construction; and

.5 MEPC 74/INF.33 (Colombia) on a proposed methodology for designating ballast water exchange areas in waters under Colombian jurisdiction in accordance with resolution MEPC.151(55) on *Guidelines on designation of areas for ballast water exchange (G14)*.

Establishment of the Ballast Water Review Group

4.50 The Committee established the Ballast Water Review Group and instructed it, taking into consideration the comments and decisions made in plenary, to:

.1 finalize the draft revised data gathering and analysis plan for the experience-building phase to incorporate a link to the standard operating procedures (SOPs) referred to in paragraph 9 of document PPR 5/5/2 (ICES), using document PPR 6/20/Add.1, annex 7, as the basis;

.2 prepare, with a view to finalization, the draft amendments to the form of the International Ballast Water Management Certificate, using document MEPC 74/4/14 as the basis;

.3 consider the proposals in document MEPC 74/4/12 to amend regulation E-1 of the BWM Convention and the BWMS Code with regard to BWMS commissioning testing, and advise the Committee accordingly;

.4 consider the proposals in document MEPC 74/4/11 towards a standard for verification of ballast water compliance monitoring systems and advise the Committee accordingly;

.5 consider the proposals in document MEPC 74/4/17 to incorporate regulations A-3.4 and A-3.5 of the BWM Convention into regulation A-4 as a means of exempting ships from ballast water management and advise the Committee accordingly;

.6 consider the proposals in documents MEPC 74/4/13, MEPC 74/4/18, MEPC 74/4/19 and MEPC 74/4/20 on the application of the BWM Convention to specific ship types and advise the Committee accordingly; and

.7 if time permitted, consider the proposals in document MEPC 74/4/8 on proposed concepts on exemption and onshore ballast water management and advise the Committee accordingly.

Report of the Ballast Water Review Group

4.51 Having considered the report of the Ballast Water Review Group (MEPC 74/WP.11), the Committee approved it in general and took action as outlined below.

Revision of the data gathering and analysis plan for the experience-building phase

4.52 The Committee approved BWM.2/Circ.67/Rev.1 on the revised *Data gathering and analysis plan for the experience-building phase associated with the BWM Convention*.

Amendments to the form of the International Ballast Water Management Certificate

4.53 The Committee approved the draft amendments to the form of the International Ballast Water Management Certificate, as set out in annex 10, and requested the Secretary-General to circulate the amendments in accordance with article 19(2)(a) of the BWM Convention, with a view to adoption by MEPC 75.

Amendments to mandatory instruments with regard to BWMS commissioning testing

4.54 The Committee endorsed the view that commissioning testing should begin as soon as possible in accordance with BWM.2/Circ.70 and agreed to reflect this in the requisite resolution for the adoption of the relevant amendments to mandatory instruments. As an interim measure, the Committee urged Administrations to provide the recognized organizations which acted on their behalf with written and clear instructions in relation to the conduct of indicative analysis testing of BWMS at the time of their commissioning on board ships flying their flag, including what actions were to be taken in the event of this testing demonstrating non-compliance.

4.55 The Committee also endorsed the view that commissioning testing should not be applicable to ships that had already installed a BWMS and were certified for compliance with regulation D-2.

4.56 The Committee confirmed that the analysis undertaken in the context of commissioning testing would be indicative and agreed to reflect this in the requisite resolution for the adoption of the relevant amendments to mandatory instruments.

4.57 The Committee invited submissions to PPR 7 concerning proposals on any necessary changes to BWM.2/Circ.70 in light of the draft amendments to regulation E-1, and agreed for the outcome of PPR 7 on this issue to be reported to MEPC 75 as an urgent matter.

4.58 The Committee approved the draft amendments to regulation E-1 of the BWM Convention, as set out in annex 10, and requested the Secretary-General to circulate the amendments in accordance with article 19(2)(a) of the BWM Convention, with a view to adoption by MEPC 75.

4.59 The Committee concurred with the Group's view that there was no need for any consequential amendment to the BWMS Code, as the amendments to regulation E-1 were sufficient to add the missing statutory link and also contained the required reference to relevant guidelines.

Development of a standard for verification of ballast water compliance monitoring systems

4.60 The Committee invited interested Member States and international organizations to submit concrete proposals for the development of a standard for verification of ballast water compliance monitoring systems to PPR 7 under the output "Urgent measures emanating from issues identified during the experience-building phase of the BWM Convention", taking into account the comments made by the Ballast Water Review Group at this session.

Incorporation of regulations A-3.4 and A-3.5 into regulation A-4

4.61 The Committee concurred with the Group's view that regulations A-3 to A-5 of the BWM Convention should not be amended at this stage.

Application of the BWM Convention to specific ship types

4.62 The Committee noted that the Group had recommended inviting concrete proposals for guidance on options other than using a BWMS for compliance with the BWM Convention, in addition to those included in BWM.2/Circ.44, to PPR 7, taking into account the views expressed at this session.

4.63 The delegations of the Russian Federation and Turkey reiterated their concerns with regard to consideration of their proposals in the Group without any prior discussion in plenary, recalling that the proposals entailed potential amendments to the BWM Convention that should be considered in plenary first and expressing their dissatisfaction with the alternative options offered by the Group. Several delegations supported the view that the proposals by the Russian Federation and Turkey merited further consideration in plenary.

4.64 The Committee noted that a relevant statement by the delegation of Turkey had been included as annex 4 to the Group's report and that the delegation of Ireland, supported by the delegation of France, expressed the view that this statement would have been more appropriate for inclusion in the Committee's report instead.

4.65 The delegation of Canada, supported by the delegations of Australia, Germany, Ireland, New Zealand and the United Kingdom, supported the outcome of the Group and expressed the view that the use of the full range of available ballast water management options in the BWM Convention should be encouraged instead of developing new exemption provisions at this time. As requested, the statement made by the delegation of Canada is set out in annex 27.

4.66 Following discussion, the Committee agreed to defer the consideration of documents MEPC 74/4/13, MEPC 74/4/18, MEPC 74/4/19 and MEPC 74/4/20, along with the relevant outcome of the Group (MEPC 74/WP.11, paragraphs 38 to 47 and 52.11), to MEPC 75.

Proposed concepts on exemption and onshore ballast water management

4.67 The Committee endorsed the view that no further guidance on the "Port with Acceptable Risks" and "Pre-loading Onshore Ballast Water Treatment System" concepts as described in document MEPC 74/4/8 was necessary and the proposed concepts could be further pursued by Nigeria and other interested Parties, taking into account the concerns expressed at this session. The delegation of Nigeria stated that it would work to address these concerns and present the outcome to the Committee.

Future work

4.68 The Committee noted the request of the Group concerning the re-establishment of the Review Group at MEPC 75, in accordance with the provisions of regulation D-5 of the BWM Convention.

5 AIR POLLUTION AND ENERGY EFFICIENCY

5.1 The Committee agreed to consider, in addition to documents submitted under this agenda item, documents submitted under agenda item 10 relevant to the outcome of PPR 6 concerning air pollution prevention.

Draft amendments to MARPOL Annex VI

5.2 The Committee noted that PPR 6 had agreed to the draft amendments to MARPOL Annex VI to support consistent implementation of the 0.50% sulphur limit, as set out in annex 10 to document PPR 6/20/Add.1, which included amendments to:

.1 regulation 1 on the application of the regulation;

.2 regulation 2 providing definitions of "sulphur content of fuel oil", "low-flashpoint fuel", "MARPOL delivered sample", "in-use sample", and "onboard sample";

.3 regulation 14 on in-use and onboard fuel oil sampling and testing verification procedures for a MARPOL Annex VI fuel oil sample;

.4 regulation 18 concerning the verification procedure;

.5 appendix I on "the Supplement to the IAPP Certificate", concerning fuel oil sampling point; and

.6 appendix VI concerning the Fuel verification procedure for MARPOL Annex VI fuel oil samples.

5.3 The Committee had for its consideration document MEPC 74/10/11 (IBIA and IPIECA), providing comments on the draft revised sulphur verification process in appendix VI of MARPOL Annex VI; expressing concern that the proposed amendments aimed at simplifying the sulphur verification process for the MARPOL delivered sample would have unintended consequences in leading to an increased risk, since ships, having purchased compliant fuel, might be alleged to have procured non-compliant fuel without further legal recourse to challenge the allegation; and suggesting solutions to address the perceived problem.

5.4 When considering document MEPC 74/10/11, some delegations expressed the view that the problems identified were not recognized; the method was similar for both MARPOL and in-use sample; complaints had not been received on this issue and verification was often undertaken in the same laboratory; concerns raised were extensively discussed by ISWG-AP 1 and PPR 6; the aim was to simplify the procedure; they did not want more lengthy discussion; draft amendments provided a simple and reliable method; they did not support the retention of stage 2 of the verification procedure for the MARPOL sample.

5.5 Other delegations expressed the view that document MEPC 74/10/11 raised concerns that needed to be considered further, as there was a risk that compliant fuel oil would be declared non-compliant; it was best to apply the 95% confidence interval for the MARPOL sample as agreed for the in-use sample; PSC officers might seek to verify compliance of the carriage ban by testing the MARPOL sample and a single laboratory test could render the ship non-compliant even if the BDN indicated otherwise; abandoning the two-stage procedure set out in ISO 4259 went against what had been accepted practice for many years; accordingly, document MEPC 74/10/11 was supported.

5.6 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to conduct a final review of the draft amendments to MARPOL Annex VI, using annex 10 to document PPR 6/20/Add.1 as the basis, taking into account document MEPC 74/10/11.

Draft 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI

5.7 The Committee noted that PPR 6 had completed its work on the draft 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI, as set out in annex 12 to document PPR 6/20/Add.1.

5.8 The Committee, having considered the text in square brackets in paragraphs 3.3.1.4 and 3.3.1.4*bis* of the draft Guidelines, agreed to delete paragraph 3.3.1.4 and remove the square brackets and retain paragraph 3.3.1.4*bis*.

5.9 The Committee had for its consideration the following documents:

.1 MEPC 74/10/6 (Australia), proposing amendments to the draft guidelines to address actions taken to facilitate the bunkering of compliant fuel oil and define the scope of control that could be exercised by the port State where a ship was carrying non-compliant fuel during the period until 1 March 2020 but was not using it; and

.2 MEPC 74/5/19 (Brazil and United Arab Emirates), proposing an additional section containing proceedings to be carried out when bunkering ships with non-compliant fuel oil, due to the unavailability of compliant fuel oil in the port of call.

5.10 In the ensuing discussion, the following comments, inter alia, were made:

.1 clarification of the scope and actions of port State control was supported but not the proposals in document MEPC 74/5/19;

.2 retention of paragraph 4.2.4.6 proposed by document MEPC 74/10/6 was supported but some revisions might unduly complicate the paragraph; however, the proposal for an additional paragraph to be added was not supported given its temporary nature;

.3 the proposal in document MEPC 74/5/19 was supported, in principle; where compliant fuel oil needed to be loaded it should be loaded into separate tanks owing to safety concerns; and the mixing of batches of fuel oil should be avoided;

.4 further procedural changes were required when non-compliant fuel oil was identified; paragraphs 10 and 11 of document MEPC 74/5/19 provided clarity and were supported;

.5 the new paragraph after paragraph 4.2.4.6, as proposed by document MEPC 74/10/6, was supported along with the proposals in document MEPC 74/5/19, as they provided clarity for action by port State control;

.6 the proposals in document MEPC 74/5/19 were supported as they provided clear practical assistance for implementation, in particular, for the disposal of non-compliant fuel oil after a fuel oil non-availability report (FONAR); the document would help implement the provisions of regulation 14.1.3 of MARPOL Annex VI;

.7 it was not appropriate to specify the tank into which fuel oil was loaded as this could lead to compatibility problems; it was not appropriate to apply a penalty unless there were clear grounds; the term "reduction of penalty" needed to be defined with the text suggesting "non-penalty" when a FONAR was submitted or the reference deleted as the guidelines provided no information on applicable penalties;

.8 document MEPC 74/5/19 was supported, in principle, as it outlined various approaches for compliance with the sulphur limit;

.9 document MEPC 74/10/6 was supported, but document MEPC 74/5/19 was not supported as it was unclear that it provided a justification for bunkering non-compliant fuel oil and would lead to fuel oil contamination, which the Administration would have to accept as a basis for non-compliance;

.10 both documents were supported, particularly document MEPC 74/5/19, as it provided clear guidance and supported implementation; and

.11 document MEPC 74/10/6 did provide clarification but the proposed guidance in document MEPC 74/5/19 was not supported as it was susceptible to interpretation that would hinder implementation of the 2020 sulphur limit.

5.11 Following discussion, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize the draft 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI, using annex 12 to document PPR 6/20/Add.1 as the basis, taking into account decisions and comments made at plenary.

5.12 The Committee noted the information provided in document MEPC 74/10/10 (ICS et al.) on industry guidance to shipping companies and crews on preparing for compliance with the 2020 global sulphur limit.

5.13 The Committee also noted information provided by the observer from the Oil Companies International Marine Forum on developments concerning joint industry guidance on potential safety and operational issues related to the supply and use of fuel oil with a maximum sulphur content of 0.50% m/m. The observer confirmed that the joint industry guidance had incorporated information from the draft ISO Publicly Available Specification (PAS) 23263 as far as possible, that the joint industry guidance was expected to be released in August 2019 and submitted to MEPC 75 for information, and that an e-learning course would be developed that should be available by the end of the year.

5.14 The Committee further noted information provided by the observer from ISO on the preparation of PAS 23263 providing guidance on the application of the existing ISO 8217 marine fuel standard to 0.50% compliant fuel oils, which was expected to be published later this year. As requested, the statement made by the observer from ISO is set out in annex 27.

Draft 2019 Guidelines for port State control under MARPOL Annex VI

5.15 The Committee noted that PPR 6 had agreed, in principle, to the draft 2019 Guidelines for port State control under MARPOL Annex VI and the associated draft MEPC resolution, as set out in annex 15 to document PPR 6/20/Add.1. The Committee also noted that, in preparing the draft 2019 PSC guidelines, PPR 6 had taken into account the relevant outcome of III 5.

5.16 The Committee had for its consideration the following documents:

.1 MEPC 74/10/3 (IMarEST), containing further modifications to the draft 2019 PSC Guidelines, specifically concerning enforcement of provisions related to emissions of nitrogen oxides (NO_x), and pointing out that guidance on energy efficiency and fuel oil consumption data reporting requirements and associated certification/documentation aspects under chapter 4 of MARPOL Annex VI would also need to be developed;

.2 MEPC 74/10/5 (Australia), proposing that further consideration should be given to the draft amendments to the 2009 PSC Guidelines under MARPOL Annex VI, as prepared by III 5, in particular those set out in the appendix to the annex to document PPR 6/2/2, concerning "Non-availability of compliant fuel oil claimed", which could be extended to ships operating outside of an emission control area (ECA); and

.3 MEPC 74/10/13 (INTERTANKO and ICS), addressing the situation where there was a discrepancy between data on the bunker delivery note (BDN) provided to ships and the data from tests performed by accredited laboratories on fuel oil samples taken during fuel oil delivery, and suggesting further modifications to chapter 2 of the draft Guidelines with a view to clarifying the above-mentioned situation.

5.17 In the ensuing discussion, the following comments, inter alia, were made:

.1 documents MEPC 74/10/3 and MEPC 74/10/13 were supported, as the proposed amendments reflected what was already done with regard to paragraph 2.1.5 of the draft PSC guidelines when notification was received of non-availability; accordingly, those amendments should be incorporated in the PSC guidelines;

.2 the amendments proposed in document MEPC 74/10/3 were supported unless they were to result in a delay to the adoption of the PSC guidelines; it was suggested that the guidelines be forwarded to III 6 for finalization with adoption by Assembly; document MEPC 74/10/13 was not supported as the issues it addressed were broadly covered by provisions set out in regulation 18.9.6 of MARPOL Annex VI;

.3 III 5 modifications were not taken fully into account by PPR 6; only provisions in regulations 14 and 18 of MARPOL Annex VI were reflected; the Committee should send a final draft to III 6 for review and finalization, with a view to it being adopted by the Assembly at its thirty-first session and appended to the PSC procedures as per the agreement made by MSC and MEPC; documents MEPC 74/10/3 and MEPC 74/10/5 were supported;

.4 all three documents were supported; amendments proposed in document MEPC 74/10/3 reflected amendments made to regulation 13 and the NO_x Technical Code 2008 in the past 10 years; the draft guidelines in document MEPC 74/10/5 for non-availability should apply to both within and outside an emission control area; the draft guidelines in document MEPC 74/10/13 provided an appropriate way to resolve a problem outside the control of the ship;

.5 the proposed guidance needed to be drafted in such a way as to be applicable outside an emission control area; document MEPC 74/10/13 identified the need for a harmonized approach; the approach set out in document MEPC 74/5/20 to amend the GISIS module could be such an approach and in addition there was a need for guidance on "follow-up actions";

.6 issues highlighted in document MEPC 74/10/13 were real and related to the sulphur verification procedure; paragraph 3.4 of appendix VI of MARPOL Annex VI referred to "reproducibility", and reference to this within the values declared on the bunker delivery note would enable the matter to be dealt with in a practical way;

.7 all three documents were supported in respect of addressing ambiguity in provisions; the bunker delivery note was a statutory declaration that fuel oil was compliant but, when a ship had fuel tested independently, if it were found to be "non-compliant" there was a regulatory gap which needed to be closed in a transparent manner;

.8 documents MEPC 74/10/3 and MEPC 74/10/5 were supported but document MEPC 74/10/13 was not supported; there were concerns that the proposals might delay finalization of the guidelines;

.9 there was agreement that the ship operator should inform authorities, but when it was not a FONAR case the ship operator should take up the matter with the fuel oil supplier, and make arrangements with them for non-compliant fuel oil to be transferred to another ship to be carried as cargo; the issue could be avoided with the due diligence of all stakeholders;

.10 provisions in regulation 18.9.6 of MARPOL Annex VI did not cover follow-up actions; the proposals in document MEPC 74/10/13 were not a loophole; and

.11 the proposal in document MEPC 74/10/13 was supported, as the use of FONAR was inappropriate in the situation identified; and ships in these situations should issue specific notifications to their flag Administrations and present copies to other relevant authorities.

5.18 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize the draft 2019 Guidelines for port State control under MARPOL Annex VI, using annex 15 to document PPR 6/20/Add.1 as the basis, taking into account documents MEPC 74/10/3, MEPC 74/10/5 and MEPC 74/10/13, with a view to adoption through an MEPC resolution at this session.

5.19 In this context, the Committee agreed that the 2019 PSC Guidelines would be issued as an MEPC resolution at this session to support the consistent and effective implementation of the global 0.50% sulphur limit. In view of the limited time available, the Committee instructed the Group to consider only amendments to Chapter 3 of MARPOL Annex VI, and agreed that amendments related to Chapter 4 concerning energy efficiency for ships could be addressed at future sessions.

Draft Guidance for port State control on contingency measures for addressing non-compliant fuel oil

5.20 The Committee recalled that PPR 6 had invited it to consider the draft Guidance for port State control on contingency measures for addressing non-compliant fuel oil, as set out in annex 11 to document PPR 6/20/Add.1, in conjunction with possible concrete proposals for further development or alternative measures, with a view to finalization as a matter of urgency.

5.21 The Committee had for its consideration the following documents:

.1 MEPC 74/10/1 (India), proposing the issuance of interim guidance on contingency measures for addressing non-compliant fuel oil, addressing the issue of disposal of remaining non-compliant fuel oil taken on board in a compliant fuel oil non-availability situation with a FONAR; and

.2 MEPC 74/10/7 (Australia, et al.), proposing text for the consideration of the Committee when developing guidance to determine the most appropriate mechanisms to manage non-compliant fuel oil that had been bunkered as a result of fuel oil non-availability as documented in the FONAR.

5.22 When considering documents MEPC 74/10/1 and MEPC 74/10/7, some delegations expressed the view that annex 11 to document PPR 6/20/Add.1 should be used as the base text; that for operational actions the responsibility should lie with the master and not port State control; that the use of non-compliant fuel oil on the high seas had already been rejected; and that ships could not readily and easily clean their fuel tanks and so guidance was needed.

5.23 Other delegations expressed the view that terms such as "en route" needed further clarification, otherwise it could be onerous for Administrations to evaluate; the annex to document MEPC 74/10/7 should be used as the base text as it was the most practical for avoiding delays and reduced the administrative burden on Administrations; the annex to document MEPC 74/10/1 should be used as the base text, as it had several positive aspects related to document MEPC 74/5/19, was the most practical and safe solution, and would assist in the implementation of regulation 14 of MARPOL Annex VI.

5.24 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize the draft Guidance for port State control on contingency measures for addressing non-compliant fuel oil, using annex 11 to document PPR 6/20/Add.1 as the basis, taking into account documents MEPC 74/10/1 and MEPC 74/10/7.

Draft MEPC circular on verification procedures for a MARPOL Annex VI fuel oil sample (regulation 18.8.2 or regulation 14.8)

5.25 The Committee noted that both the draft 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI and the draft 2019 Guidelines for port State control under MARPOL Annex VI made reference to the draft amendments to appendix VI of MARPOL Annex VI, in order to provide an agreed method to determine whether the fuel oil delivered to, used or carried for use on board a ship was compliant with the applicable sulphur limits of regulation 14 of MARPOL Annex VI.

5.26 The Committee considered whether, in lieu of the Fuel verification procedures for MARPOL Annex VI fuel oil samples (regulation 18.8.2) set forth in appendix VI of MARPOL Annex VI, Parties should implement the amended Verification procedures for a MARPOL Annex VI fuel oil sample (regulation 18.8.2 or regulation 14.8), on or after 1 January 2020, with a view to avoiding the creation of a dual treaty regime during the time period between 1 January 2020 and the entry into force of the amended appendix VI of MARPOL Annex VI.

5.27 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize a draft MEPC circular on verification procedures for a MARPOL Annex VI fuel oil sample (regulation 18.8.2 or regulation 14.8), taking into account decisions taken and comments made in plenary.

5.28 The Committee noted an intervention by the observer from IACS concerning the timing of renewal of the IAPP Certificate as a consequence of amendments to the Supplement to the IAPP Certificate adopted by resolution MEPC.305(73) in October 2018 which were expected to enter into force on 1 March 2020. The observer from IACS stated that, pursuant to paragraph 3.2 of MSC-MEPC.5/Circ.6, the certificate was not required to be renewed until the renewal survey and Parties to MARPOL Annex VI should notify IACS members if they wanted to have certificates issued earlier. As requested, the statement by the observer from IACS is set out in annex 27.

Draft MEPC circular on the 2019 Guidelines for on board sampling for the verification of the sulphur content of the fuel oil used on board ships

5.29 The Committee noted that PPR 6 had agreed to a draft MEPC circular on 2019 Guidelines for on board sampling for the verification of the sulphur content of the fuel oil used on board ships, as set out in annex 13 to document PPR 6/20/Add.1.

5.30 Following consideration, the Committee approved MEPC.1/Circ.864/Rev.1 on the *2019 Guidelines for on board sampling for the verification of the sulphur content of the fuel oil used on board ships*.

Draft MSC-MEPC circular on delivery of compliant fuel oil by suppliers

5.31 The Committee noted that, as instructed by MSC 100, PPR 6 had developed a joint MSC-MEPC circular addressing the delivery of compliant fuels by suppliers, with a view to approval by MEPC 74 and MSC 101.

5.32 Following consideration, the Committee approved, subject to concurrent approval by MSC 101, the draft MSC-MEPC circular on delivery of compliant fuel oil by suppliers, as set out in annex 11.

Review of the 2015 Guidelines for exhaust gas cleaning systems

5.33 The Committee noted that, due to a heavy workload, PPR 6 had agreed to further work at PPR 7 on the review of the *2015 Guidelines for exhaust gas cleaning systems*.

5.34 The Committee noted further that PPR 6, having agreed to the urgent need for guidance on failure of a single monitoring instrument and on recommended actions to take if the exhaust gas cleaning system (EGCS) failed to meet the requirements, had requested the Secretariat to prepare and submit a draft MEPC circular to MEPC 74, consolidating the interim guidance contained in appendix 6 of annex 2 to document PPR 6/11 (Finland) and the comments made in document PPR 6/11/3 (United States).

5.35 In this context, the Committee considered document MEPC 74/5/8 (Secretariat), providing a draft MEPC circular as requested by PPR 6, noting that it also incorporated the amendments proposed in document PPR 6/11/6 (CLIA).

5.36 In the ensuing discussion, the following comments, inter alia, were made:

.1 the proposed guidance should not impact the principle of a level playing field for equivalent compliance; uncertainties and ambiguities would lead to difficulties with implementation and enforcement; the proposed permitted long-term exceedances could result in a benefit to ships fitted with EGCS resulting in existing provisions being weakened; the final product needed to be robust, specific and not provide undue leniency for EGCS breakdown or monitoring system failure; and

.2 the documents all highlighted real issues that needed to be considered; the highest level of transparency and information sharing was required for a level playing field.

5.37 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize a draft MEPC circular on guidance on temporary indication of ongoing compliance in the case of the failure of a single monitoring instrument, and recommended actions to take if the EGCS failed to meet the provisions of the Guidelines, using the annex to document MEPC 74/5/8 as the basis.

Fuel oil quality

5.38 The Committee recalled that MEPC 72 had approved MEPC.1/Circ.875 on *Guidance on best practice for fuel oil purchasers/users for assuring the quality of fuel oil used on board ships*.

5.39 The Committee also recalled that MEPC 73 had:

.1 approved MEPC.1/Circ.875/Add.1 on *Guidance on best practice for fuel oil suppliers for assuring the quality of fuel oil delivered to ships*; and

.2 re-established the Correspondence Group on Fuel Oil Quality and instructed it to finalize the draft Guidance for best practice for Member States/coastal States.

5.40 The Committee considered the report of the Correspondence Group (MEPC 74/5/9), submitted by the United States, providing text of the draft Guidance for best practice for Member States/coastal States, together with the following documents:

.1 MEPC 74/5/4 (ICS et al.), proposing a new requirement in MARPOL Annex VI to establish bunker licensing schemes for global implementation; and providing a template for such a scheme based on existing IMO instruments and guidelines; and

.2 MEPC 74/5/25 (IBIA), containing comments on the draft Guidance for best practice for Member State/coastal States (MEPC 74/5/9), taking into account the development of draft Guidelines on consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI, draft amendments to appendix VI of MARPOL Annex VI and the draft 2019 Guidelines for port State control under MARPOL Annex VI.

5.41 In the ensuing discussion, the following comments, inter alia, were made:

.1 documents MEPC 74/5/9 and MEPC 74/5/25 were supported but not the proposed global bunker licensing scheme, in part, due to the administrative burden it would present globally, but mainly because the provisions of MARPOL Annex VI were carefully drafted to allow Governments to take into account national situations;

.2 information had been provided on existing bunker licensing schemes which could improve the integrity of the international fuel supply chain, but it was too premature for mandatory requirements; the development of a template for a bunker licensing scheme for global harmonization and implementation was supported;

.3 best practice guidance and a bunker licensing scheme was supported;

.4 neither voluntary nor mandatory bunker licensing schemes were supported and therefore document MEPC 74/5/4 was not supported;

.5 a bunker licensing scheme addressed legitimate safety critical issues that had already been considered by MSC 100, the result of which was document MEPC 74/5/4, and to not progress the proposal at this session would be disappointing;

.6 the proposal for a bunker licensing scheme, if not supported at this session, could be forwarded to PPR 7 for further consideration with a concurrent report made to MSC to inform that a document had been received and would be considered further at PPR 7;

.7 safety was the priority for the Organization and it was acknowledged that safety was a matter for MSC to consider, but the matter had already been considered by MSC and the real potential safety issues would not just go away;

.8 reference could be made to document MSC 94/INF.8 on bunker quality management framework;

.9 national bunker licensing schemes were already implemented at a national level and a global scheme was welcomed;

.10 there was agreement in general but on a non-mandatory basis only, so all mandatory language should be removed;

.11 the safety critical nature of the matter was understood but the Committee needed to provide a clear policy direction;

.12 document MEPC 74/5/4 highlighted a way to address industry concerns about the effective implementation of the 2020 sulphur limit; failure to progress would leave no room for Governments to explain arising safety implications, and so due consideration was needed;

.13 the bunker licensing template proposed in the annex to document MEPC 74/5/4 was supported, as the safety concerns were shared;

.14 the draft best practice guidelines already made reference to "licensing/accreditation schemes" and the draft annex to document MEPC 74/5/4 could be a possible template that was appended to the guidelines with an appropriate reference;

.15 bunker licensing schemes should be a matter for national discretion only;

.16 for international aviation the ICAO manual gave responsibility to national Governments for quality of fuel supplied to planes; bad fuel oil quality in shipping must stop and it would be the wrong message if document MEPC 74/5/4 was not considered further; and

.17 the annex to document MEPC 74/5/4 should be forwarded to the Working Group for consideration as voluntary guidance only ahead of the 2020 effective date.

5.42 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize the draft Guidance for best practice for Member State/coastal State, using the annex to document MEPC 74/5/9 as the basis, taking into account the annex to document MEPC 74/5/4 and document MEPC 74/5/25.

Enhancement of the implementation of regulation 18 of MARPOL Annex VI

5.43 The Committee recalled that MEPC 73 had invited further concrete proposals on how to enhance the implementation of regulation 18 of MARPOL Annex VI, in particular on fuel oil quality and reporting of non-availability of compliant fuel oils, including the enhancement of the GISIS MARPOL Annex VI module to support data collection and analysis.

5.44 The Committee also recalled the invitation of MSC 100 to MEPC 74 to advise MSC 101 on the progress made on the new GISIS module for fuel oil safety matters.

5.45 The Committee had for its consideration the following documents:

.1 MEPC 74/5/18 (Austria et al.), presenting considerations and proposals on data collection concerning fuel oil quality and reporting of non-availability of compliant fuel oils, including the enhancement of the GISIS MARPOL Annex VI module;

.2 MEPC 74/5/20 (Bahamas et al.), containing a comprehensive proposal for a data collection and analysis plan through recommended enhancements to the GISIS database; and proposing the establishment of a strategy for data analysis;

.3 MEPC 74/5/21 (Bahamas et al.), providing a draft MEPC circular in connection with the proposal made in document MEPC 74/5/20, with regard to reporting of data in the GISIS MARPOL Annex VI module;

.4 MEPC 74/5/23 (Greece), commenting on the considerations and concrete proposals on data collection and analysis, concerning fuel oil quality and reporting, taking into account the global maritime community's concerns; and inviting the Committee to take note of the importance of ensuring the global availability of safe and compliant fuel oils before and after 1 January 2020 with a view to enhancing the implementation of pertinent regulations of MARPOL Annex VI; and

.5 MEPC 74/10/4 (Australia), proposing changes to MARPOL Annex VI GISIS module to facilitate investigation a fuel oil non-availability report and the process for reporting on the outcomes of this investigation for the information of interested parties.

5.46 In the ensuing discussion, the following comments, inter alia, were made:

.1 proposals on enhancing GISIS and data collection and reporting of non-availability of compliant fuel oil were supported and related to the work on the safety of ships;

.2 it was essential to get solid agreement; approval of the draft MEPC circular proposed in the annex to document MEPC 74/5/21 was supported;

.3 the plan for data collection and regular analysis of the data was supported;

.4 enhanced data collection of availability and quality of fuel oil was important and the proposals were supported;

.5 broadening the scope of reporting in GISIS would provide a good opportunity for the collection and dissemination of information, but the problem was that Parties were not regularly entering the necessary information as they were obliged to do under the provisions of regulation 18 of MARPOL Annex VI; if GISIS was to be a useful tool, data needed to be submitted;

.6 proposals were supported for data collection, quality and non-availability reporting and the proposal in document MEPC 74/10/4 was a good basis for further discussion of how the information in the FONAR could be disseminated; approval of the draft MEPC circular proposed in the annex to document MEPC 74/5/21 was supported;

.7 there was strong convergence on the proposals, but owing to time constraints it was not possible to assess the data collection plan in detail; better data, analysis and conclusions would provide a clear assessment of the implications of the global sulphur limit and there was an urgency to undertake further work including updating and enhancing the MARPOL Annex VI module in GISIS; the Secretariat should initiate a

preliminary overview of data; as it was not possible to finalize the data analysis plan, frequency of analysis or timelines, intersessional work should be undertaken and reported to MEPC 75; the draft MEPC circular proposed in the annex to document MEPC 74/5/21 should be approved;

.8 data collection was important for the uniform implementation and enforcement of the provisions in regulation 18 of MARPOL Annex VI; coordination with the Secretariat should be undertaken and output provided to MEPC 75 as a matter of urgency, and intersessional work should be supported to achieve this;

.9 the proposals would enhance implementation and support dissemination of information on fuel oil availability; the draft MEPC circular proposed in the annex to document MEPC 74/5/21 received approval, but the importance of paragraph 4.2, stating that Member States remained responsible for the accuracy of information provided, needed to be affirmed;

.10 the option to provide data on availability of alternative fuels such as LNG needed to be included in the updated GISIS module;

.11 the obligation on Parties for mandatory reporting to GISIS would remain extant whilst the GISIS module for MARPOL Annex VI was updated by the Secretariat; and

.12 the period identified in document MEPC 74/5/18 of 3 to 5 years for data collection needed to be further considered, as fuel oil quality was a long-standing matter of concern, and so should be established on a permanent basis.

5.47 Following consideration, the Committee approved MEPC.1/Circ.887 on *Reporting of data related to fuel oil availability and quality in GISIS to promote greater understanding of the consistent implementation of the 0.50% m/m Sulphur limit under MARPOL Annex VI*.

5.48 The Committee noted the information contained in document MEPC 74/5/23.

5.49 The Committee instructed the Secretariat to update the existing tabs for regulations 18.1, 18.2.5 and 18.9.6 in the MARPOL Annex VI GISIS module (as proposed in documents MEPC 74/5/18, MEPC 74/5/20 and MEPC 74/10/4), including:

.1 updating the types of fuels and sulphur contents listed;

.2 allowing for multiple ports to be entered in a single entry;

.3 allowing searching by port or compliant fuel;

.4 aligning with the format of the FONAR;

.5 adding checkboxes on fuel oil quality; and

.6 improving the selection of regulations.

5.50 The Committee established a Correspondence Group on Data Collection and Analysis under Regulation 18 of MARPOL Annex VI, to be coordinated by the Secretariat,[1] with the following terms of reference:

.1 investigate the reporting of additional items on GISIS as proposed in documents MEPC 74/5/18, MEPC 74/5/20 and MEPC 74/10/4;

.2 further usability improvements, if feasible and as appropriate; and

.3 submit a written report to MEPC 75.

5.51 The Committee instructed the Secretariat to report to MEPC 75 with a preliminary overview of data on fuel oil quality and availability currently available in GISIS as well as an overview of the current use of GISIS with reference to obligations under regulation 18 and 14; and to advise MSC 101 on the progress made on the new GISIS module for fuel oil safety matters.

IMO sulphur monitoring programme

5.52 The Committee recalled that, in accordance with regulation 14.2 of MARPOL Annex VI and the *2010 Guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships* (resolution MEPC.192(61)), as amended by resolution MEPC.273(69), the results of sulphur monitoring should be presented to a subsequent session of the Committee every year.

5.53 In this regard, the Committee, having considered document MEPC 74/5/3 (Secretariat), noted the outcome of the monitoring of the worldwide average sulphur content of marine fuel oils supplied for use on board ships for 2018, based on information provided by three sampling and testing service providers, which identified the worldwide average sulphur content (i.e. three-year rolling average) of residual fuel oil as 2.59% and of distillate fuel oil as 0.08%; and requested the Secretariat to continue providing information on this matter annually to it.

5.54 The Committee had for its consideration document MEPC 74/5/10 (Secretariat) proposing draft amendments to the *2010 Guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships*, as amended. In this context, the Committee noted that the draft amendments were considered as necessary updates to the IMO sulphur monitoring programme resulting from the entry into effect of the 0.50% sulphur limit from 1 January 2020 and the potential types of fuel oils which would be used to comply with this limit.

5.55 The Committee noted an intervention by the observer from IPIECA that the draft amendments to the *2010 Guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships* should incorporate 0.10% bands immediately above the 0.50% sulphur limit so that information on exceedances above the limit could be obtained. The observer from IMarEST, noting that regulation 14.2 of MARPOL Annex VI made reference to residual fuel oil only, and that whilst the sulphur monitoring programme had reported on distillate fuel oil since 2010, there might be a need to amend the provision to reflect the fuel oil being supplied from 1 January 2020.

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5.56 Following consideration, the Committee:

.1 approved, in principle, the draft amendments to the 2010 Guidelines, as amended;

.2 authorized the Secretariat to liaise with the three providers of sampling and testing services with a view to implementing the draft amendments to the 2010 Guidelines in 2020;

.3 instructed the Secretariat to prepare a consolidated version of the revised Guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships, for consideration by MEPC 76; and

.4 invited interested Member States to submit concrete proposals to amend regulation 14.2 of MARPOL Annex VI.

Draft Guidelines for onboard sampling for the verification of the sulphur content of fuel oil that is not in use on board a ship

5.57 The Committee noted the recommendation of PPR 6 that, as a consequence of draft amendments to regulation 14.8 of MARPOL Annex VI for introducing on board sampling of fuel oil not in use by the ship, guidelines to support effective and safe implementation would need to be developed before the entry into force of the new requirements.

5.58 The Committee had for its consideration document MEPC 74/10/2 (IMarEST) proposing to amend the draft Guidelines for on board sampling for the verification of the sulphur content of fuel oil that is not in-use on board a ship as set out in annex 13 to document PPR 6/20/Add.1, to support the implementation of revised regulation 14.8 of MARPOL Annex VI, extending the usage of the verification procedures given in appendix VI of that Annex to also cover in-use and on board fuel oil samples.

5.59 Following consideration, the Committee forwarded document MEPC 74/10/2 to PPR 7 to further consider and prepare the new guidelines.

Draft unified interpretations to MARPOL Annex VI (regulations 13.2.2, 13.5.3, 14.1 and 16.9)

5.60 The Committee approved unified interpretations of the following regulations of MARPOL Annex VI:

.1 regulation 13.2.2 in relation to the time of the replacement or addition of an engine;

.2 regulation 13.5.3 in relation to the applicability of recording requirements to replacement engines (Tier II) subject to resolution MEPC.230(65));

.3 regulation 14.1 in relation to applying requirement of sulphur content of fuel oil to emergency equipment; and

.4 regulation 16.9 in relation to shipboard incinerators,

as set out in annex 12, and instructed the Secretariat to issue MEPC.1/Circ.795/Rev.4 on consolidated unified interpretations of MARPOL Annex VI.

Impact on the Arctic of emissions of Black Carbon from international shipping

5.61 The Committee noted that the PPR 6 had completed its work under the output "Consideration of the impact on the Arctic of emissions of Black Carbon from international shipping" in accordance with the terms of reference given by MEPC 62.

5.62 The Committee considered the request by PPR 6 to provide instruction on further work on the reduction of the impact on the Arctic of Black Carbon emissions from international shipping, taking into account the relevant outcomes to date, including the simplified compilation of identified candidate control measures and the supporting guidance identifying areas where further work may be required in the future, as set out in annex 9 to document PPR 6/20/Add.1.

5.63 In this context, the Committee had for its consideration the following documents:

.1 MEPC 74/10/8 (Finland et al.), outlining an approach towards regulating or otherwise directly controlling Black Carbon emissions from marine diesel engine exhaust; and proposing draft terms of reference for the PPR Sub-Committee to reduce the impact on the Arctic of Black Carbon emissions from international shipping;

.2 MEPC 74/10/12 (Pacific Environment and CSC), urging the Committee to expedite work to decide on and adopt an initial measure to reduce the impact of Black Carbon emissions from international shipping; and recommending that ships be required to switch to distillate fuels when operating within an appropriate and agreed geographic area; and

.3 MEPC 74/INF.31 (FOEI et al.), containing an infographic on reducing Black Carbon emissions from shipping.

5.64 In the ensuing discussion, many delegations that expressed a view supported the terms of reference for work on reducing the impact on the Arctic of Black Carbon emissions from international shipping, as it was considered a matter of urgency to address concerns that Black Carbon was contributing to climate change and, as a particulate matter, was having an impact on human health.

5.65 Other delegations expressed the view that the recommended Black Carbon measurement methods needed further work to achieve convergence of results and agreement, and that to speak of control measures was premature; that the impact of the 0.50% global sulphur limit needed to be taken into account; that due to the insignificant concentrations of Black Carbon the impact could not be significant; and that the matter should be further assessed in 2021 and further action determined.

5.66 Several delegations commented on the proposal to require ships operating in the Arctic to use distillate grades of fuel oil. Whilst some delegations supported this approach as one solution that could be swiftly implemented, other delegations noted that PPR was already assessing the risk related to heavy fuel oil in the Arctic and this might lead to a ban on the use of heavy fuel oil. Other delegations also noted that the reduction of Black Carbon emissions was dependent upon fuel type used, that modern engines had lower Black Carbon emission factors and that the use of abatement technologies e.g. diesel particulate filters, needed to be considered in light of marine fuel qualities.

5.67 Following consideration, the Committee noted that the overwhelming majority supported, in principle, the draft terms of reference on reducing the impact on the Arctic of Black Carbon emissions from international shipping, as set out in document MEPC 74/10/8,

for further consideration by PPR 7, and with a view to advising the Committee accordingly. The Committee also noted that action considered could include non-mandatory instruments such as guidance, and invited concrete proposals from Member Governments and international organizations on how to control Black Carbon emissions to reduce the impact on the Arctic of Black Carbon emissions from international shipping and how to develop a standardized sampling, conditioning and measurement protocol for Black Carbon emissions from international shipping.

MARPOL Annex VI NO_x Tier III requirements for large yachts

5.68 The Committee recalled that MEPC 73, having noted the information provided in documents MEPC 73/5/11 and MEPC 73/INF.6, had agreed that should Parties to MARPOL Annex VI wish to pursue a further delay of application of large yachts with regard to relevant regulations, a proposal for amendments to MARPOL Annex VI should be submitted to a future session of the Committee.

5.69 In this context, the Committee had for its consideration document MEPC 74/5/15 (Turkey and ICOMIA) highlighting the ongoing issues with Tier III implementation for large yachts over 24 m in length and under 500 GT and proposing two possible alternative NO_x emission solutions.

5.70 In the ensuing discussion, several delegations, in supporting the proposal to amend MARPOL Annex VI, also supported the proposal for a new output, noted that a number of valid issues had been raised that needed further study and that different compliance options and a technology review should be considered.

5.71 Other delegations that expressed a view considered the sector had already been provided with a five-year exemption to develop the technology to enable yachts to comply with NO_x Tier III, that technology was available as evidenced by other sectors such as road and off-road, that those purchasing yachts had the means to support technological innovation and even be pioneers, and that a further delay in implementation for the sector would have an impact on the health of coastal populations and send the wrong signal.

5.72 Following discussion, the Committee noted there was insufficient support for the proposal to further delay implementation of NO_x Tier III requirements to large yachts.

Adjustment of storage period of bunker sample on board for ships navigating on regular routes

5.73 The Committee had for its consideration document MEPC 74/17/1 (Republic of Korea) proposing a review on the need to adjust the retention period of the MARPOL delivered fuel oil sample in accordance with regulation 18.8.1 of MARPOL Annex VI for ships navigating on regular routes.

5.74 Following consideration, the Committee referred document MEPC 74/17/1 to PPR 7 for further consideration and to advise it accordingly.

Ozone-depleting substances

5.75 The Committee noted the information contained in document MEPC 74/5/1 (Secretariat) presenting updated information on the treatment of ozone-depleting substances (ODS) used by ships by the Parties to the Montreal Protocol.

5.76 The Committee, having noted *Decision XXX/7 on Future availability of halons and their alternatives* adopted by the thirtieth Meeting of the Parties to the Montreal Protocol, reiterated its request to Member States to collect data on halons from the maritime sector, in particular to collect information on the number of ships equipped with halon systems (e.g. the total number of halons installed for their merchant fleets) and to convey this information directly to the Ozone Secretariat.

EEDI reviews required under regulation 21.6 of MARPOL Annex VI

5.77 The Committee recalled that MEPC 73, having noted the progress made on the development of draft amendments to MARPOL Annex VI on strengthening EEDI phase 3 requirements, had invited concrete proposals to this session for further consideration, with a view to approval. The Committee also recalled that MEPC 73 had instructed the Correspondence Group on EEDI Review Beyond Phase 2 to further develop the above-mentioned draft amendments to MARPOL Annex VI.

EEDI database update

5.78 The Committee noted document MEPC 74/INF.13 (Secretariat) containing a summary of data and information for the 4,505 ships currently contained in the EEDI database and requested the Secretariat to continue submitting a summary of EEDI information to its future sessions.

Final Report of the Correspondence Group on EEDI Review Beyond Phase 2

5.79 The Committee considered documents MEPC 74/5/2 (Japan) and MEPC 74/INF.11 (Japan), providing the final report of the Correspondence Group on EEDI Review Beyond Phase 2 including recommendations for the start year(s) and reduction rate(s) for EEDI phase 3 requirements and the introduction of possible EEDI phase 4 requirements, together with the following commenting documents:

.1 MEPC 74/5/12 (WSC), proposing a revision of phase 3 EEDI standards for containerships using a graduated set of standards differentiated by size;

.2 MEPC 74/5/24 (Norway), proposing that the starting year for phase 3 should be advanced to 2022 for LNG carriers and cruise passenger ships having non-conventional propulsion;

.3 MEPC 74/5/27 (ICS et al.), supporting the proposed start years and reduction rates set out in documents MEPC 74/5/2 (Japan) and MEPC 74/5/28 (WSC); and

.4 MEPC 74/5/28 (INTERTANKO), providing information on initial data on the reasons for which very large crude carriers would encounter significant difficulties in meeting EEDI phase 3 required values by use of traditional design techniques, based on a study which was aimed at finding practical and safe solutions to this challenge.

5.80 The Committee noted the information contained in document MEPC 74/5/28, in particular that the full study and any proposed draft amendments to MARPOL Annex VI would be submitted to a future session.

5.81 The Committee, having recalled the decision of MEPC 73 to retain the current EEDI phase 3 requirements for tankers and bulk carriers, considered amendments to gas carriers, containerships, general cargo ships, refrigerated cargo ships, combination carriers, LNG carriers and cruise passenger ships having non-conventional propulsion, based on the report of the Correspondence Group.

5.82 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for gas carriers. Following consideration, the Committee agreed:

.1 that phase 3 of EEDI should start on 1 January 2022 for gas carriers of 15,000 DWT and above, and on 1 January 2025 for gas carriers of less than 15,000 DWT;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for gas carriers; and

.3 to instruct the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI for gas carriers, with a view to approval at this session.

5.83 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for containerships. Following consideration, the Committee agreed:

.1 that phase 3 of EEDI should start on 1 January 2022 for containerships;

.2 that the reduction rates for phase 3 for containerships should be based on different ship size categories as proposed in document MEPC 74/5/12; and

.3 to instruct the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI for containerships, with a view to approval at this session.

5.84 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for general cargo ships. Following consideration, the Committee agreed:

.1 that phase 3 of EEDI should start on 1 January 2022 for general cargo ships;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for general cargo ships; and

.3 to instruct the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI for general cargo ships, with a view to approval at this session.

5.85 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for refrigerated cargo ships. Following consideration, the Committee agreed:

.1 that a start year of 2025 for phase 3 of EEDI should be retained for refrigerated cargo ships;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for refrigerated cargo ships; and

.3 that no amendment would be required to table 1 of regulation 21 of MARPOL Annex VI for refrigerated cargo ships.

5.86 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for combination carriers. Following consideration, the Committee agreed:

.1 that a start year of 2025 for phase 3 of EEDI should be retained for combination carriers;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for combination carriers; and

.3 that no amendment would be required to table 1 of regulation 21 of MARPOL Annex VI for combination carriers.

5.87 The Committee considered proposals for the EEDI phase 3 starting year and reduction rates for liquefied natural gas (LNG) carriers. Following consideration, the Committee agreed:

.1 that phase 3 of EEDI should start on 1 January 2022 for LNG carriers;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for LNG carriers; and

.3 to instruct the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI for LNG carriers, with a view to approval at this session.

5.88 In this connection, the Committee noted an intervention by the delegation of Japan which had identified that approval of amendments without data was not the usual practice, but in this exceptional case the proposed 2022 starting year could be supported subject to data being made available by MEPC 75 to justify the adoption of the amendment.

5.89 The Committee considered proposals for the start year and reduction rate for EEDI phase 3 for cruise passenger ships having non-conventional propulsion, and noted that the majority of delegations that expressed a view supported the start year being amended to 2022.

5.90 The observer delegation of CLIA was of the view that there was very little data for this ship type, the data had not been subject to recognized organization or Administration verification resulting in inconsistency in data and ambiguity in parameters used to calculate EEDI; the complexity and long lead time had implications for delivery beyond 2023. The observer delegation of CESA noted the complexity of calculating EEDI but that the lack of data was due to a lack of application, and so it was proposed to maintain the delivery date as 1 January 2029 for phase 3 ships.

5.91 Following consideration, the Committee agreed:

.1 that phase 3 of EEDI should start on 1 January 2022 for cruise passenger ships having non-conventional propulsion;

.2 that the current 30% reduction rate for phase 3 of EEDI should be retained for cruise passenger ships having non-conventional propulsion; and

.3 to instruct the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI for cruise passenger ships having non-conventional propulsion, with a view to approval at this session.

5.92 Following the recommendation by the Correspondence Group, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to *2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships* (resolution MEPC.308(73)), using annex 2 to document MEPC 74/5/2 as a basis, with a view to adoption at this session.

Mandatory reporting of attained EEDI

5.93 The Committee recalled that MEPC 73 had:

.1 considered document MEPC 73/5/5 (Japan et al.), proposing amendments to MARPOL Annex VI to require mandatory reporting of verified EEDI values for new ships subject to the EEDI phase 0, phase 1 and future EEDI phases; and

.2 agreed to the mandatory reporting of EEDI values, in principle, and invited further submissions to MEPC 74, commenting on draft amendments to MARPOL Annex VI, as set out in the annex to document MEPC 73/5/5.

5.94 The Committee had for its consideration document MEPC 74/5/11 (Japan et al.), proposing amendments to regulation 20 of MARPOL Annex VI that would require mandatory reporting of verified attained EEDI values and related information for ships already subject to phase 0 and phase 1 and verified EEDI values and related information for any future new ship covered by regulation 21 of MARPOL Annex VI; as well as associated draft amendments to the *2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships* (resolution MEPC.308(73)).

5.95 In the ensuing discussion, the following comments, inter alia, were made:

.1 the proposal in document MEPC 74/5/11 should have been considered and the matter addressed prior to consideration of the proposed draft amendments to phase 3 requirements for EEDI;

.2 a careful review of the proposed draft amendments was required as it was not clear that there were in fact "substantial gaps" in EEDI data reported to the IMO EEDI database; procedures for reporting from IACS to IMO had been reviewed and revised and so the EEDI database was considered up to date; the criteria for reporting would not be amended so a question was raised as to what were the expectations of the Committee; a question was also raised as to what the time frame would be for submitting data for existing ships;

.3 draft amendments were supported and should be forwarded to the Working Group; and

.4 questions were raised as to what the relationship was between the proposed mechanism and the existing mechanism for reporting EEDI data, and what the implications were for administrative burden.

5.96 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to:

.1 finalize the draft amendments to MARPOL Annex VI, using annex 1 to document MEPC 74/5/11 as a basis; and

.2 finalize the draft amendments to the *2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships* (resolution MEPC.308 (73)), using annex 2 to document MEPC 74/5/11 as a basis.

Reference line for bulk carriers

5.97 The Committee recalled that, following consideration of the EEDI phase 3 requirements for tankers and bulk carriers, MEPC 73 had agreed to retain a start year of 2025, the required reduction rate of 30% and the parameters for determining reference values.

5.98 The Committee had for its consideration document MEPC 74/5/22 (Brazil et al.), proposing amendments to regulation 21.3 of MARPOL Annex VI with regard to the EEDI reference line parameters for the very large bulk carrier ship type.

5.99 In the ensuing discussion, the following comments, inter alia, were made:

.1 more efficient bulk carriers should not be penalized; the solution was to have a constant after a certain tonnage threshold rather than extrapolation of reference line, which was the approach used to amend provisions for ro-ro cargo and ro-ro passenger ships; and

.2 it was timely that the statistical analysis and additional information had been provided and that further technical consideration should be given to the proposal.

5.100 Following consideration, the Committee instructed the Working Group on Air Pollution and Energy Efficiency to finalize draft amendments to table 2 of regulation 21 of MARPOL Annex VI, taking into account document MEPC 74/5/22.

Possible introduction of EEDI phase 4

5.101 The Committee had for its consideration document MEPC 74/5/16 (Japan) containing draft terms of reference for a correspondence group on the possible introduction of EEDI phase 4.

5.102 In the ensuing discussion, many delegations supported the establishment of the correspondence group using the draft terms of reference set out in the annex to document MEPC 74/5/16. Some delegations, in supporting the establishment of the correspondence group, noted that a holistic review must be taken into account including the human element, and that the technical issue and challenges identified in document MEPC 74/5/6 (ICS et al.) should be taken into account in the correspondence group including the need to resolve ambiguities.

5.103 Following consideration, the Committee agreed to establish the Correspondence Group on the Possible Introduction of EEDI Phase 4, under the coordination of Japan,[2] with the following terms of reference:

.1 consider, collate and analyse information and data pertinent to the possible introduction of EEDI phase 4, including:

[2] **Coordinator:**
Mr. Sadaharu Koga
Manager, Regulations Unit
Japan Ship Technology Research Association
Email: koga@jstra.jp

.1 information obtained from the EEDI database;

.2 publicly available and verifiable information from shipyards, naval architects, engine manufacturers and others regarding measurable energy improvements occurring from the actual installation and use of energy-saving technologies on ships, either in service or in demonstration programmes, including the technologies identified in document MEPC 68/INF.38; and

.3 such other publicly available and verifiable information as the Correspondence Group identifies as being relevant;

.2 using the above data and information, consider the status of technological developments for improvement of energy efficiency of the EEDI regulations in chapter 4 of MARPOL Annex VI and the possible introduction of EEDI phase 4, including:

.1 range of technologies (e.g. engine technologies, materials, appliances, apparatus, alternative fuels, reduction of engine power and speed, hull improvements) that may be used to comply with the possible more stringent required EEDI;

.2 current and future use of these technologies on board ships with a characterization of their introduction and demonstration in real-world applications, including consideration of cost-benefit analysis and safety implications; and

.3 progress of shipbuilders, designers and engine manufacturers towards incorporating such technologies as relevant to meeting the required EEDI;

.3 consider how the introduction of possible EEDI phase 4 can contribute to the *Initial IMO Strategy on reduction of GHG emission from ships* (resolution MEPC.304(72)), taking into account the Programme of follow-up actions of the Initial IMO Strategy on reduction of GHG emissions from ships up to 2023 approved at MEPC 73;

.4 further consider introduction of possible EEDI phase 4, taking into account the ideas identified in paragraph 46 of document MEPC 74/5/2, ship safety aspects for various ship types and implications for the human element, views expressed at MEPC 74 including the need to resolve ambiguities, and documents MEPC 74/5 and MEPC 74/5/6; and

.5 submit an interim report to MEPC 75 and a final report to MEPC 76 in 2020.

Shaft Power Limitation and minimum propulsion power to maintain the manoeuvrability of ships in adverse conditions

5.104 The Committee recalled that MEPC 73 had:

.1 agreed to consider EEDI phase 3 requirements on the basis of applying the *2013 Interim guidelines for determining minimum propulsion power to maintain the manoeuvrability of ships in adverse conditions*;

.2 agreed that the minimum power requirements set out in regulation 21.5 of MARPOL Annex VI should be retained; and

.3 noted the Working Group's discussion on the consideration of the proposed shaft power limitation (MEPC 73/WP.7, paragraph 21).

5.105 The Committee had for its consideration the following documents:

.1 MEPC 74/5/5 (France et al.), containing an updated proposal for Shaft Power Limitation ("ShaPoLi"), which was initially introduced in document MEPC 73/5/1, and proposing a technical solution for potential conflicts between EEDI requirements and minimum required propulsion power;

.2 MEPC 74/5/17 (Denmark), introducing a concept to increase engine torque at low engine loads called the "adverse weather condition" function, by which an engine could ensure sufficient power to the ship in adverse weather conditions; and concluding that different solutions to address the challenge with minimum propulsion power requirement should be considered in order to motivate the development of the best solutions;

.3 MEPC 74/5/26 (ICS et al.), commenting on document MEPC 74/5/5, and proposing to complete work on the draft minimum power guidelines before amending the 2018 EEDI Guidelines to incorporate Shaft Power Limitation "ShaPoLi" and proposing that the Committee complete an evaluation of different EEDI certification ratings and Shaft Power Limitation "ShaPoLi" reserve power ratings;

.4 MEPC 74/5/29 (United States), commenting on document MEPC 74/5/5, disagreeing with the changes proposed in document MEPC 74/5/5 to the definition of ship power used for EEDI calculations in *the 2014 Guidelines on survey and certification of the Energy Efficiency Design Index (EEDI), as amended*, and stressing that such a change to the power definition would undermine the intended goals of EEDI and would not result in improved energy efficiency for ships;

.5 MEPC 74/5/31 (China), proposing new recommendations for the shaft power limitation in EEDI calculations based on the proposal contained in document MEPC 73/5/1, taking into account the issues raised in documents MEPC 73/5/13, MEPC 73/5/16 and the Working Group's discussions at MEPC 73; and

.6 MEPC 74/INF.38 (China), providing further validation of the numerical method for calculating the quadratic transfer function of the added resistance in regular waves applied in the *2013 Interim Guidelines for determining minimum propulsion power to maintain the manoeuvrability of a ship in adverse conditions*.

5.106 In the ensuing discussion, many delegations supported the further development and application of the Shaft Power Limitation ("ShaPoLi"), noting that it was one possible option that could potentially assist in resolving the improvement in energy efficiency with concerns over minimum power especially for large bulk carriers and oil tankers, and could be used for reserve power in extreme weather. Some delegations noted that there were significant technical barriers still to be addressed, including which engine power should be used for NO_x certification of the marine diesel engine and whether the optimum propeller design should be for use in adverse weather or under normal operating conditions.

5.107 Several delegations noted that there was still a need to finalize the Interim minimum power guidelines and these should be agreed before amendments were made to the EEDI calculation guidelines as it was important for safety reasons as the current requirements were shifting the responsibility onto the ship's master.

5.108 Other delegations were of the view that the need to finalize the Interim minimum power guidelines should not be conflated with the Shaft Power Limitation ("ShaPoLi") concept, as the concept did not limit power, and level 1 of the Interim minimum power guidelines was used already and set a conservative value for safety reasons. Furthermore, there was no need to work in parallel or to place a caveat on the amendment of the EEDI calculation guidelines to the finalization of the Interim minimum power guidelines.

5.109 One delegation did not support the application of the Shaft Power Limitation ("ShaPoLi") as EEDI was supposed to improve energy efficiency through design or alternative fuels. Accordingly, the concept might discourage innovation as the same engine would have a lower EEDI; also there would be challenges for port State control that needed consideration. Another delegation questioned if the weather assumptions used for level 1 in the Interim minimum power guidelines remained valid and suggested that the power in level 2 to be finalized might need to be greater than level 1.

5.110 Following consideration, the Committee:

.1 invited Member Governments and international organizations to submit further information and concrete proposals on shaft power limitation as set out in document MEPC 74/5/5, taking into account documents MEPC 74/5/9, MEPC 74/5/17, MEPC 74/5/26 and MEPC 74/5/31, to a future session; and

.2 encouraged interested Member Governments and international organizations to expedite work to complete the revision of the Interim minimum power guidelines.

Calculation of EEDI for ships with non-conventional propulsion

5.111 The Committee had for its consideration document MEPC 74/5/13 (Norway) inviting discussion during MEPC 74 on how to calculate EEDI for non-conventional ships, and document MEPC 74/INF.20 (Norway) providing a study on calculating EEDI for non-conventional propulsion.

5.112 Following consideration, the Committee invited interested Member States and international organizations to provide further comments and concrete proposals to MEPC 75 on the calculation of EEDI for ships with non-conventional propulsion, taking into account documents MEPC 74/5/13 and MEPC 74/INF.20.

Documents deferred to MEPC 75

5.113 Owing to time constraints, the Committee deferred documents MEPC 74/5 (IACS), MEPC 74/5/6 (ICS et al.), MEPC 74/5/7 (Secretariat), MEPC 74/5/14 (Republic of Korea), and MEPC 74/5/30 and MEPC 74/INF.39 (China) to the next session. The statement provided by the observer from IFSMA is set out in annex 27.

ESTABLISHMENT OF THE WORKING GROUP ON AIR POLLUTION AND ENERGY EFFICIENCY

5.114 The Committee established the Working Group on Air Pollution and Energy Efficiency and instructed it, taking into account comments and decisions made in plenary, to:

.1 finalize the draft amendments to MARPOL Annex VI, using annex 10 to document PPR 6/20/Add.1 as the basis, taking into account document MEPC 74/10/11;

.2 finalize the draft 2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI, taking into account documents MEPC 74/5/19 and MEPC 74/10/6;

.3 finalize the draft 2019 Guidelines for port State control under the revised MARPOL Annex VI, using annex 15 to document PPR 6/20/Add.1 as the basis, taking into account documents MEPC 74/10/3, MEPC 74/10/5 and MEPC 74/10/13;

.4 finalize the draft Guidance for port State control on contingency measures for addressing non-compliant fuel oil, using annex 11 to document PPR 6/20/Add.1 as the basis, taking into account documents MEPC 74/10/1 and MEPC 74/10/7, with a view to approval as an MEPC circular at this session;

.5 finalize the draft MEPC circular on verification procedures for a MARPOL Annex VI fuel oil sample (regulation 18.8.2 or regulation 14.8);

.6 finalize the draft MEPC circular on guidance on temporary indication of ongoing compliance in the case of the failure of a single monitoring instrument, and recommended actions to take if the EGCS failed to meet the provisions of the Guidelines, using the annex to document MEPC 74/5/8 as the basis;

.7 finalize the draft Guidance for best practice for Member State/coastal State, using the annex to document MEPC 74/5/9 as the basis, taking into account the annex to document MEPC 74/5/4 and document MEPC 74/5/25, with a view to approval at this session;

.8 finalize draft amendments to regulation 20 of MARPOL Annex VI, using annex 1 to document MEPC 74/5/11 as the basis;

.9 finalize draft amendments to table 1 of regulation 21 of MARPOL Annex VI, using annex 1 to document MEPC 74/5/2 as the basis, and taking into account documents MEPC 74/5/12, MEPC 74/5/24 and MEPC 74/5/27;

.10 finalize draft amendments to table 2 of regulation 21 of MARPOL Annex VI, taking into account document MEPC 74/5/22; and

.11 finalize draft amendments to the *2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships* (resolution MEPC.308(73)), using annex 2 to document MEPC 74/5/2 and annex 2 to document MEPC 74/5/11 as the basis.

REPORT OF THE WORKING GROUP

5.115 Having considered the relevant part of the report of the Working Group (MEPC 74/WP.8), the Committee approved the report in general and took action as indicated below.

Draft amendments to MARPOL Annex VI supporting the consistent implementation of 0.50% sulphur limit

5.116 The Committee approved draft amendments to regulations 1, 2, 14 and 18, appendix I and appendix VI of MARPOL Annex VI, as set out in annex 13, with a view to adoption at MEPC 75, and requested the Secretary-General to circulate them in accordance with MARPOL article 16(2).

2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI

5.117 The Committee adopted resolution MEPC.320(74) on *2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI* as set out in annex 14.

2019 Guidelines for port State control under MARPOL Annex VI Chapter 3

5.118 The Committee adopted resolution MEPC.321(74) on *2019 Guidelines for port State control under MARPOL Annex VI Chapter 3* as set out in annex 15.

5.119 The Committee noted that the adopted *2019 Guidelines for port State control under MARPOL Annex VI Chapter 3* had been prepared without guidelines for enforcement of provisions in Chapter 4 of MARPOL Annex VI on regulations on energy efficiency for ships including EEDI, ship energy efficiency management plan (SEEMP) and the collection and reporting of ship fuel oil consumption data. In this regard, the Committee invited Member Governments and international organizations to submit concrete proposals to PPR 7 for consideration, with a view to amending the guidelines at a future session.

Guidance for port State control on contingency measures for addressing non-compliant fuel oil

5.120 The Committee approved MEPC.1/Circ.881 on *Guidance for port State control on contingency measures for addressing non-compliant fuel oil*.

Early application of the approved amendments to the verification procedures for a MARPOL Annex VI fuel oil sample

5.121 The Committee approved MEPC.1/Circ.882 on *Early application of the approved amendments to the verification procedures for a MARPOL Annex VI fuel oil sample*.

5.122 The Committee noted the comments made on the potential need for developing additional guidance on how to conduct the evaluation of testing results by competent authorities in a uniform and consistent way.

Guidance on indication of ongoing compliance in the case of the failure of a single monitoring instrument, and recommended actions to take if the EGCS fails to meet the provision of the Guidelines

5.123 The Committee approved MEPC.1/Circ.883 on *Guidance on indication of ongoing compliance in the case of the failure of a single monitoring instrument, and recommended actions to take if the exhaust gas cleaning system (EGCS) fails to meet the provisions of the 2015 EGCS Guidelines (resolution MEPC.259(68))*.

Guidance for best practice for Member State/coastal State

5.124 The Committee endorsed the view of the Group to keep the proposed example of a bunker supply licence contained in the annex to document MEPC 74/5/4 for consideration at a future session (e.g. PPR 7 or MEPC 75), as early as possible.

5.125 The Committee approved MEPC.1/Circ.884 on *Guidance for best practice for Member State/coastal State*.

Draft amendments to regulations 20 and 21 of MARPOL Annex VI concerning reduction factors for the EEDI and the parameters for the determination of the reference line for bulk carriers

5.126 The Committee approved draft amendments to regulations 20 and 21 of MARPOL Annex VI, as set out in annex 13, with a view to adoption at MEPC 75, and requested the Secretary-General to circulate them in accordance with MARPOL article 16(2).

Amendments to the 2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships (resolution MEPC.308(73))

5.127 The Committee noted that the Group had prepared draft amendments to the *2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships* (resolution MEPC.308(73)), as set out in annex 8 to document MEPC 74/WP.8.

5.128 The Committee agreed to defer paragraphs 4 and 5 of the draft amendments, with a view to adoption at MEPC 75 in conjunction with the draft revised regulation 20.3 of MARPOL Annex VI.

5.129 The Committee adopted resolution MEPC.322(74) on *Amendments to the 2018 Guidelines on the method of calculation of the attained Energy Efficiency Design Index (EEDI) for new ships (resolution MEPC.308(73))*, as set out in annex 16.

6 FURTHER TECHNICAL AND OPERATIONAL MEASURES FOR ENHANCING THE ENERGY EFFICIENCY OF INTERNATIONAL SHIPPING

Owing to time constraints, the Committee agreed to defer the consideration of documents MEPC 74/6 (Russian Federation et al.), MEPC 74/6/1 (CLIA), MEPC 74/6/2 (IACS et al.), MEPC 74/6/3 (Russian Federation) and MEPC 74/INF.35 (Russian Federation et al.) to MEPC 75.

7 REDUCTION OF GHG EMISSIONS FROM SHIPS

General

7.1 The Committee recalled that MEPC 72 had adopted resolution MEPC.304(72) on *Initial IMO Strategy on reduction of GHG emissions from ships* (the Initial Strategy) and that MEPC 73 had approved its programme of follow-up actions up to 2023.

UNFCCC matters

7.2 The Committee noted the information provided by the Secretariat in document MEPC 74/7 regarding the outcome of the twenty-fourth session of the United Nations Climate Change Conference (COP 24) held in Katowice, Poland, in December 2018, which included the forty-ninth session of the UNFCCC Subsidiary Body for Scientific and Technological Advice (SBSTA 49).

7.3 In this regard, the Committee noted a statement by the UNFCCC Secretariat, set out in annex 27, providing an update on UNFCCC matters, including a summary of the outcome of the UNFCCC Climate Change Conference held in December 2018, the development of the Katowice Climate Package, and noting that in response to interest expressed by many Parties a discussion had been initiated on the procedural and substantive aspects of reporting by ICAO and IMO to SBSTA. The priorities for COP 25, in light of the outcome of COP 21 in Paris, and the importance of the Organization continuing to report on its work on reducing GHG emissions from international maritime transport and the support provided to the Member States in building their capacities to implement relevant measures were highlighted.

7.4 The Committee took note of the information provided and requested the Secretariat to continue its well-established cooperation with the UNFCCC Secretariat and its attendance at relevant UNFCCC meetings, and to continue, as appropriate, to bring the outcome of the Organization's work to the attention of appropriate UNFCCC bodies and meetings. In this context, the Committee noted that information on the ongoing work of IMO would be provided to SBSTA 50, scheduled for 17 to 28 June 2019 in Bonn, Germany, and to SBSTA 51, scheduled for 2 to 13 December in Santiago, Chile.

7.5 The Committee further noted that the Government of Chile had offered to host COP 25 in Santiago from 2 to 13 December 2019, and that as per the usual practice, the IMO Secretariat would attend the Conference and be involved in the organization and participation of side events, in order to promote the work of the Organization related to the reduction of GHG emissions from ships. The Committee invited all interested delegations to participate in maritime-related side events to be held during the Climate Change Conference.

Establishment of a voluntary multi-donor trust fund to sustain the Organization's technical cooperation and capacity-building activities to support the implementation of the Initial Strategy

7.6 The Committee recalled that MEPC 73 had agreed, in principle, on the need to establish a voluntary multi-donor trust fund to sustain the Organization's technical cooperation and capacity-building activities to support the implementation of the Initial Strategy.

7.7 The Committee considered the following documents:

.1 MEPC 74/7/5 (Secretariat), providing, as requested by MEPC 73, the Secretariat's analysis on the mechanism for the establishment of a voluntary multi-donor trust fund to sustain the Organization's technical cooperation and capacity-building activities to support the implementation of the Initial Strategy and proposing draft terms of reference for such a fund;

.2 MEPC 74/7/11 (Marshall Islands), commenting on document MEPC 74/7/5; pointing out in particular that the establishment of a voluntary multi-donor trust fund would need to encompass other country-led initiatives which are also working to support reducing GHG emissions from ships; and proposing, in this regard, amendments to the draft terms of reference set out in the annex to document MEPC 74/7/5; and

.3 MEPC 74/7/14 (Republic of Korea), commenting on document MEPC 74/7/5; providing overall support for the proposal to establish a new fund; and emphasizing the need to support least developed countries (LDCs) and small island developing States (SIDS) in terms of impact assessment, provision of policy, institutional and technical information, capacity-building and technology cooperation and R&D during the process of implementing the Initial Strategy.

7.8 In the ensuing discussion, the following comments, inter alia, were made:

.1 the establishment of the fund was supported as it was dedicated to providing support, in particular for SIDS and LDCs;

.2 the establishment of the fund was supported to provide sustainable funding to the GMN project and to enable Maritime Technology Cooperation Centres to be established in other countries;

.3 the establishment of the fund was supported as technical cooperation was important, particularly to SIDS and LDCs; draft terms of reference set out in document 74/7/5 were supported as was the dual purpose to provide specific support to implement the IMO Initial Strategy on reduction of GHG emissions from ships and a financial mechanism to support GMN; the proposed amendment in paragraph 10.2 of document MEPC 74/7/11 was also supported;

.4 the establishment of the fund was an important step for implementation as it would provide predictable and coordinated funding to support initiatives;

.5 documents MEPC 74/7/11 and MEPC 74/7/14 made broad valid points and these should be incorporated into the terms of reference for the fund;

.6 the fund should be as flexible as possible and accordingly there was agreement with the proposed amendment in paragraph 10.2 of document MEPC 74/7/11 to delete the second sentence of paragraph 2 of the draft terms of reference;

.7 the draft terms of reference set out in annex to document MEPC 74/7/5 were adequate and would not disadvantage other initiatives; it was appropriate that the GMN project was identified as this was an IMO initiative; other activities could be established under the IMO Integrated Technical Cooperation Programme (ITCP);

.8 establishment of the fund was supported to provide needed support to progress the GHG issue; document MEPC 74/7/11 should be taken into account;

.9 the proposed fund was a useful financial instrument and did not require amendment as the form of words was correct;

.10 the relationship with ITCP needed to be clarified;

.11 support was needed to develop understanding and implement MARPOL Annex VI; the fund was part of the support for long-term capacity-building for developing countries and the planet;

.12 the fund could be part of financial support that included "blended finance" combining commercial sources of finance with philanthropic sources and where investors worked with Governments to build infrastructure;

.13 as a beneficiary of the GMN project, what limited resources could achieve had been witnessed first-hand through the support for demonstration projects and capacity-building activities for MARPOL Annex VI in line with the Initial Strategy; current MTCCs were strategically located and provided the potential for establishing satellite centres, which had already occurred with one centre, providing an opportunity for R&D in developing countries, in particular SIDS and LDCs; the fund provided a financial mechanism to support the sustainability of the GMN and was supported; and

.14 the establishment of the fund was supported under the draft terms of reference but with the second sentence of paragraph 2 of those terms of reference deleted; initiatives needed to complement not duplicate other initiatives so as to utilize resources effectively and efficiently.

7.9 Following discussion, the Committee:

.1 approved the terms of reference for the establishment of the "GHG TC-Trust Fund" – a voluntary multi-donor trust fund to sustain the Organization's technical cooperation and capacity-building activities to support the implementation of the Initial Strategy, as set out in annex 17, noting that the terms of reference might be reviewed in the future based on the experience gained from the operation of the GHG TC-Trust Fund and taking into account the outcome of the Functional Review;

.2 requested the Secretary-General to establish the GHG TC-Trust Fund and to report to the Council accordingly;

.3 invited Member States and international organizations to make contribution to the GHG TC-Trust Fund at their earliest convenience; and

.4 instructed the Secretariat to report the operation of the GHG TC-Trust Fund to the Committee on a regular basis.

Consideration of possible future working arrangements to support the follow-up actions of the Initial Strategy

7.10 The Committee recalled that MEPC 73, in approving the *Programme of follow-up actions of the Initial Strategy up to 2023*, had noted that in view of the heavy workload arising from the follow-up actions, it was important that enhanced support be provided in terms of working arrangements to progress the follow-up actions, and had invited Member States to submit concrete proposals so that an informed decision or recommendation could be reached at this session.

7.11 The Committee considered the following documents:

.1 MEPC 74/7/1 (Secretariat), providing the Secretariat's analysis on possible future working arrangements to support consideration and implementation of the follow-up actions of the Initial Strategy and the expected heavy workload; and

.2 MEPC 74/7/12 and MEPC 74/7/13 (Kiribati et al.), highlighting the need to enable SIDS and LDCs to participate in any processes adopted to support the implementation and review of the Initial Strategy; and proposing a draft Assembly resolution on financing and partnership arrangements to enable SIDS and LDCs to participate actively and fully in the GHG emissions reduction processes.

7.12 In the ensuing discussion, the following comments, inter alia, were made:

.1 a key issue was how SIDS and LDCs could contribute to future deliberations on the reduction of GHG emissions from ships, as the attendance at meetings placed a significant demand on resources, both human and financial; some of the most climate-vulnerable States already suffering from the impacts of climate change expressed the view that the work being done to reduce GHG emissions from international shipping was of critical importance, and participation was required in the discussions and decision-making as the matters profoundly impacted them; several options had been outlined by the Secretariat to manage the workload, but it was noted that whichever option was agreed upon, how developing countries, and especially SIDS and LDCs, could be supported to participate was of great concern; Pacific IMO Member States made up the bulk of SIDS participating in meetings because of support funding; consideration was needed as to how developing countries, SIDS and LDCs which required financial assistance could be supported to participate, and the Committee was requested to agree to further consider this matter;

.2 there was a need to expedite the discussion on the reduction of GHG emissions from ships and take forward some short- and mid-/long-term measures; a correspondence group had limits as face-to-face negotiation could not be replaced; the establishment of a standing technical group, as identified in document MEPC 74/7/1, was supported as the best solution; this had the advantages of a sub-committee without the budgetary implications, as translation was not required, and it was more flexible than an intersessional meeting of a working group; it also provided for the establishment of a sub-group and would be focused on implementation of the Initial Strategy;

.3 the establishment of a technical standing group was supported as it provided flexibility with little implication for the budget, whilst providing predictability to delegations for planning and preparing submissions;

.4 there were clear advantages to establishing a standing technical group, including the holding of extra meetings; the issue raised about provision of support to SIDS and LDCs needed to be considered further including possibly by the Council;

.5 document MEPC 74/7/1 identified that the additional budgetary implications for a standing technical group were "negligible", but the document also indicated that additional resources would be required for the Secretariat to fully and effectively support the Committee's work on consideration and implementation of the follow-up actions of the Initial Strategy; whilst the Committee could establish subsidiary bodies under rule 2 of its rules of procedure, the Council/Assembly needed to endorse if there were budgetary implications; the proposed standing technical group would bring a cost to the Organization even when there was no translation of documents or interpretation and the purpose of a standing technical group was not supported; the Committee should make further use of current arrangements, including sending technical matters to PPR and even extending PPR to deal with the workload; support for SIDS and LDCs needed consideration for all matters pursuant to resolution A.1060(28);

.6 the proposal was supported to increase Member State allocations by 1% annually to provide a fund to enable participation by developing States, in particular SIDS and LDCs, as this was common practice in other UN bodies; Articles 64 and 65 of the IMO Convention identified that the Organization should work with other UN bodies and this could include obtaining funding for SIDS and LDCs to participate in IMO meetings; specific budgets should be identified and/or legislated for to provide such support;

.7 the European Commission had initiated an 18-month programme to provide support to Pacific SIDS, including for participation in IMO meetings but the budget was limited and could not offer a structured solution and so how to address support for SIDS in the future needed further consideration;

.8 the lack of human and financial resources placed Pacific SIDS at a distinct disadvantage, and yet Pacific leaders had committed them to do all they could in all forums to press for urgent action to tackle the existential threat of climate change; it was understood that financing to support the participation of SIDS and LDCs in future IMO meetings on reduction of GHG emissions from international shipping was challenging, but IMO needed to consider how the words in so many resolutions and policies that recognized the special needs of SIDS and LDCs were to be given effect;

.9 the current working arrangement was supported subject to Council endorsement; the work of the Committee on reduction of GHG emissions from ships was fully on track, with the milestones of the Road map being met; there was a need to substantiate the need for the change in mode of work, as there were also concerns with the establishment of sub-groups and parallel groups, which would be a challenge to service for many countries;

.10 a technical standing group was the best way forward as it had budgetary advantages and organizational benefits; the issue of support for SIDS and LDCs should be forwarded to the Council for consideration;

.11 a standing technical group was supported as there were cost and administrative advantages; a multi-donor trust fund should be established to support the participation of developing countries;

.12 the current working arrangements had worked well, therefore it was premature to decide on whether to have a dedicated standing technical group; of the idea of having more intersessional meetings was supported subject to Council endorsement;

.13 the matter concerning support for countries should be forwarded to the Council; the establishment of a standing technical group was supported;

.14 whilst a standing technical group might be an appropriate approach, the question of also having documents translated was raised, as the cost, compared with the cost of the matters under consideration such as impacts on States, would be insignificant; future new arrangements would be required but more detailed consideration was needed; and

.15 if the current practice were to be continued then the frequency of intersessional meetings would need to be considered further.

7.13 Following discussion, the Committee, having noted the concerns expressed with regard to participation by SIDS and LDCs in the future work on reduction of GHG emissions from ships, agreed to invite the Council to note the discussion on documents MEPC 74/7/12 and MEPC 74/7/13, and agreed that the matter could be considered at a future session. The Committee also noted that more detailed consideration was needed for the future working arrangements and so approved the holding of a sixth intersessional meeting of the Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 6) to be held from 11 to 15 November 2019, subject to the endorsement of the Council, and instructed the Working Group to prepare draft terms of reference (see paragraph 7.49).

7.14 As requested, the statements made by the delegations of the Cook Islands, the Marshall Islands, Spain (supported by Estonia, Finland, France, Germany, Italy, the Marshall Islands, Mexico, Romania, Solomon Islands), Solomon Islands and Tonga are set out in annex 27.

Fifth meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 5)

7.15 The Committee noted that the fifth meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 5) had been held from 7 to 10 May 2019 and that its report had been submitted to the Committee as document MEPC 74/WP.6. Having considered the written report (MEPC 74/WP.6) and the oral report of the chair, Mr. Sveinung Oftedal (Norway), the Committee took action as described below.

Fourth IMO GHG Study

Terms of reference of the Fourth IMO GHG Study

7.16 The Committee recalled that the *Programme of follow-up actions of the Initial Strategy up to 2023* identified that the Fourth IMO GHG Study should be initiated at this session, for consideration of a progress report at MEPC 75 (spring 2020) and of the final report at MEPC 76 (autumn 2020).

7.17 The Committee also recalled that MEPC 73 had approved, in principle, the indicative outline and the timeline of the Fourth IMO GHG Study and had agreed to the holding of an Expert Workshop, noting that some technical and methodological issues would require the advice of the Expert Workshop before finalization of its terms of reference at this session.

7.18 The Committee noted that the Expert Workshop in preparation of the Fourth IMO GHG Study (GHG-EW 1) had been held at IMO Headquarters from 12 to 14 March 2019 and that ISWG-GHG 5 had considered the report of the Expert Workshop submitted as document ISWG-GHG 5/3, noting that this report had also been reproduced as document MEPC 74/INF.37, for the Committee's information. The Committee considered the draft terms of reference of the Study, prepared by the Intersessional Working Group, as set out in annex 1 to document MEPC 74/WP.6.

7.19 The Committee considered document MEPC 74/7/15 (Ghana et al.), suggesting that additional considerations be taken into account to increase transparency and objectivity when developing the terms of reference of the Fourth IMO GHG Study, in particular that the terms of reference of the Study should contain references to relevant provisions and norms or regulations, relating to the bidding process; that the criteria for technical evaluation of tenders should include the weighting attributable to the financial offers and the formula for integrating the technical and financial evaluation; and that the Secretariat provide a presentation explaining the evaluation process for all parts of the tender.

7.20 The Committee also took note of the information provided on the tendering process and the role of the Steering Committee to be established for the Fourth IMO GHG Study, as set out in annex 2 to document MEPC 74/WP.6 and in document MEPC 74/INF.3 (Secretariat) on the establishment of a Steering Committee for the Fourth IMO GHG Study that would be in line with the practice followed for the Third IMO GHG Study 2014.

7.21 Following consideration, the Committee approved the terms of reference of the Fourth IMO GHG Study, as set out in annex 18.

Initiation of the Fourth IMO GHG Study

7.22 The Committee requested the Secretariat to initiate the Fourth IMO GHG Study in accordance with the terms of reference as just approved, including the establishment of the Steering Committee as agreed by the Committee, so that the work could begin in autumn 2019.

7.23 The Committee noted that a circular letter with an invitation for tendering for the Fourth IMO GHG Study would be issued by the Secretariat as soon as possible after the session, and encouraged Member States to convey this information to relevant national research institutes and universities which, in their judgement, would be interested in bidding for the Study.

7.24 The Committee thanked the delegations of France, Norway, the Republic of Korea, the United Arab Emirates and the United Kingdom for financial contributions that had been made towards the Fourth IMO GHG Study and urged those interested Member States and observer organizations that had not already come forward with pledges to contribute financially towards the Study so as to ensure its timely delivery.

Draft MEPC resolution on encouragement of cooperation between the port and shipping sectors to reduce GHG emissions from ships

7.25 The Committee recalled that MEPC 73 had invited Member Governments and international organizations to work with Canada and the International Association of Ports and Harbors on a draft MEPC resolution on encouragement of port developments and activities to facilitate the reduction of GHG emissions from ships, for consideration at this session.

7.26 In this context, the Committee considered document MEPC 74/7/10 (Argentina et al.), proposing a draft MEPC resolution inviting Member States to encourage voluntary cooperation between ports and shipping sectors to contribute to the reduction of GHG emissions from ships. The Committee noted that the draft resolution invited Member States to promote the consideration and adoption by ports within their jurisdiction of measures to facilitate the reduction of GHG emissions from ships, including (a) onshore power supply (preferably from renewable sources), (b) safe and efficient bunkering of sustainable low- and zero-carbon fuels, (c) incentives promoting sustainable low- and zero-carbon shipping, and (d) support for the optimization of port calls. The Committee noted that the Intersessional Working Group had finalized the draft MEPC resolution, as set out in annex 3 to document MEPC 74/WP.6.

7.27 The observer from ICHCA expressed the view that many ports and terminals and the cargo handling equipment therein were likely to be privately owned and as such, support would be needed from Member States; that the most important aspect would be to have measures that reduced GHG emissions from ships; that measures needed careful consideration to ensure effective emission reduction; that the emphasis should be on the way ships were operated; and that there needed to be an acceptance of the challenges faced.

7.28 Following consideration, the Committee adopted resolution MEPC.323(74) on *Invitation to Member States to encourage voluntary cooperation between the port and shipping sectors to contribute to reducing GHG emissions from ships*, as set out in annex 19.

Finalization of the procedure for assessing the impacts on States of a measure

7.29 The Committee recalled that the Initial Strategy identified that the impacts on States of a measure should be assessed and taken into account as appropriate before adoption of the measure, and that the *Programme of follow-up actions of the Initial Strategy up to 2023* foresaw the finalization of a procedure for assessing the impacts on States at this session.

7.30 The Committee considered the following documents:

.1 MEPC 74/7/3 and MEPC 74/INF.12 (World Bank), discussing the potential economic impacts on States which could be induced as a result of GHG mitigation measures in shipping, based on a research paper and its executive summary; and seeking to contribute to the discussion at IMO by (a) identifying four areas of economic impact and their propagation through transport and trade systems, (b) compiling the latest research findings on their order of magnitude, and (c) presenting state-of-the-art economic modelling approaches for future impact assessments; and

.2 MEPC 74/7/17 (Brazil), commenting on document MEPC 74/7/3; and recommending in particular that the economic impact assessment should take into consideration geographical and productive heterogeneities between countries, and that an overview of potential impacts should discriminate the routes, countries and commodities for which the cost of transport would have substantial increases, to address the share of the most affected markets and to measure the impacts in absolute values.

7.31 The Committee noted the information provided in document MEPC 74/INF.2 (Secretariat) regarding the following existing IMO procedures relevant for impact assessments: consideration and assessment of proposals for new outputs; Formal Safety Assessment (FSA) for use in the rule-making process; assessing the implications of capacity-building requirements when developing new, or amending existing, mandatory instruments; identification and designation or particularly sensitive sea areas (PSSAs); and criteria and procedures for designating emission control areas (ECA).

7.32 The Committee, having noted the progress made during ISWG-GHG 5 on the development of the draft Procedure (MEPC 74/WP.6, annex 4), instructed the Working Group on Reduction of GHG Emissions from Ships to finalize the draft procedure for assessing the impacts on States.

Consideration of concrete proposals on candidate short-term measures

7.33 The Committee considered the following documents relating to candidate short-term measures:

.1 MEPC 74/7/2 (Japan), identifying a possible approach for reducing GHG emissions from international shipping in the short term based on a regulatory measure consisting in the introduction of an Energy Efficiency Existing Ship Index (EEXI), with a view to achieving the 40% carbon intensity reduction target by 2030; and proposing the establishment of a correspondence group to further develop the proposed measure by 2023;

.2 MEPC 74/7/4 (Denmark et al.), proposing a short-term measure for all ships consisting in a goal-based approach based on the legal framework of SEEMP with a reduction target derived from Objective 2 of the Initial Strategy;

.3 MEPC 74/7/8 and MEPC 74/7/18 (CSC), describing and proposing one approach to regulating ship operational speed which involved setting maximum average ship speeds per annum differentiated by ship type and size with subsequent reductions designed to help IMO meet its 2030 carbon intensity target, and exempting some ships; and proposing draft amendments to MARPOL Annex VI to regulate ship operational speed;

.4 MEPC 74/7/9 (Belgium et al.) identifying that, in order to meet the 2030 level of ambition, it was essential to adopt short-term measures that would have an impact on the operational efficiency of ships as well as on design efficiency; pointing out that the three measures under discussion had the potential to improve operational efficiency, namely the goal-based short-term reduction measure, the regulation of ship operational speed and the energy efficiency improvement measure on existing ships; and suggesting that at least one of these measures needed to be adopted in order to meet the 2030 level of ambition;

.5 MEPC 74/7/16 (ISC and BIMCO), commenting on document MEPC 74/7/4 and recommending in particular that shipowners should define appropriate operational efficiency indicators or key performance indicators within part I of SEEMP; the Organization should not mandate particular operational efficiency indicators or limit them to those appearing on an IMO list which had been approved by the Committee; the development of guidelines for auditing part I of SEEMP and actual audits would be needed to establish effective application of SEEMP; and failure to achieve a SEEMP objective due to extraneous factors, such as weather and environment conditions, should not result in the ship's International Energy Efficiency Certificate being withdrawn; and

.6 MEPC 74/7/19 (China), commenting on documents MEPC 74/7/2 and MEPC 74/7/4, and providing findings obtained from an empirical analysis on the energy efficiency performance of ships and the policy implications thereof, with a view to informing the forthcoming discussions concerning the measures in relation to the energy efficiency improvement of ships in operation.

7.34 The Committee noted the information provided in the following documents:

.1 MEPC 74/INF.23 (Japan), providing the results of a study on Engine Power Limitation (EPL) for improving energy efficiency of existing ships; and pointing out that EPL consisted of a simple device which could easily limit the engine propulsion power by adjusting a fuel index limiter on the ship's engine control system without retrofitting and that EPL could be utilized as one of the effective measures to improve the energy efficiency of existing ships in the short term;

.2 MEPC 74/INF.26 (RINA), presenting the JoRes Joint Industry Project, aimed at increasing the understanding of ship hydrodynamics in full scale by using newly developed measurement techniques; and

.3 MEPC 74/INF.34 (Secretariat), providing an update on the work of the Global Industry Alliance to Support Low Carbon Shipping on the just-in-time arrival of ships, including the development of a practical guide to just-in-time arrival.

7.35 The Committee noted that ISWG-GHG 5 had considered the concrete proposals on candidate measures and the collation of information regarding candidate short-term measures, based on documents submitted to ISWG-GHG 5 and MEPC 74, as set out in annex 5 to document MEPC 74/WP.6.

7.36 In the ensuing discussion, the following comments, inter alia, were made:

.1 short-term measures should be adopted as quickly as possible to cap GHG emissions from international shipping, to achieve the carbon intensity improvement goal of 40% by 2030 and 70% by 2050, and an absolute reduction of 50% by 2050; operational efficiency measures needed to be implemented by 2023 with consideration given to flexible arrangements to achieve the 2030 goal and to stimulate innovation and energy transition;

.2 changes in operational practices were required, and goal-based measures should be considered, as they would provide the most advantages for least disadvantage and we should also consider how the measures could be developed to enhance the positive and reduce the negative aspects, the level of stringency required to achieve the goals and the timelines;

.3 proposals for mandatory reduction in ship speed were dubious as the claim that speed reduction would reduce GHG emissions had not be demonstrated, and could not be applied to all ships including those carrying seasonal cargoes or those required to have a cruising speed; a uniform coefficient of energy efficiency could not be applied to all categories of ships and would depend on the operational regime; mandatory application of EEDI to existing ships would lead to significant costs for the shipowner to calculate and it should be the shipowners who decided independently for each ship what measures to take; SEEMP should not be included in the ISM Code as safety management and energy efficiency were different concepts and indeed could have opposing goals leading to contradiction and conflict;

.4 measures needed to be applied to all ships, irrespective of flag, to ensure a level playing field was maintained; measures should build on SEEMP with a focus on speed optimization and maximum fuel oil consumption; synergies and interlinkages should be identified with a focus on improving energy efficiency of existing ships and the effective implementation of low/zero carbon fuels;

.5 having speed as the only parameter was not acceptable as it was not fully correlated with fuel consumption, which was affected by other factors including tonnage, wind and waves; to maintain speed there was a need to adjust power up or down; it was essential for any speed measure to undergo an impact assessment, as a one-day delay could increase costs by 0.6% to 2.3% and so might penalize countries that were geographically remote, impact competition and distort trade; there were doubts about the effectiveness, as more ships would be needed to maintain the same trade flows; priority should be given to strengthen SEEMP including optimization of speed;

.6 the aim should be to improve existing mandatory requirements such as EEDI and SEEMP for any measure to be goal-based; speed optimization should be the goal rather than speed limitation, which would slow down investment in new technology;

.7 progress had been made on evaluation of impacts, as all measures needed to be assessed; reduction in speed was not a viable option as it had an effect on trade, of perishable goods for example, including producers and consumers, with the result it would reconfigure international transport;

.8 the proposals considered did not provide adequate information required to understand measures, their implications and the disproportionate impacts identified; some measures were co-related and overlapped; there was a need to organize and streamline the work and the Committee was not in a position to prioritize; there was a need to identify concrete tasks such as improving energy efficiency of existing ships, including reference lines for existing ships and reinforcing SEEMP; developing lifecycle GHG/carbon intensity guidelines for fuels and developing a definition of alternative low and zero-carbon fuels; fuels and innovative technologies were mid/long term

measures but the work needed to be initiated on life cycle assessment and identification of barriers to enable industry to prepare; developing National Action Plans;

.9 there was a need to reiterate the urgency of the matter through the adoption of concrete measures and swifter implementation of the Initial Strategy; there was a need to prioritize the reduction of emissions before 2023; measures needed to maintain a level playing field, be effective, be mandatory and enforceable and reflect the operational aspects of different ship types;

.10 a broad set of verifiable options were required for goal-based mandatory measures for existing ships; the 2030 goal of 40% reduction in carbon intensity should be the target as this would incentivize and stimulate development of low carbon technologies; measures should be adopted under the existing MARPOL framework; document MEPC 74/7/2 fulfilled these criteria and, as with other proposed measures, utilized SEEMP; a concrete proposal was needed to make substantive progress;

.11 all proposals had some elements that could be taken forward; approaches in annex 5 to document MEPC 74/WP.6 needed to be prioritized;

.12 the UN Secretary-General would be visiting the Pacific Islands to canvass support for the Climate Change Summit in September 2019; a streamlining of measures was supported; alternative fuels were required and there was a need to identify disproportionate negative impacts so that these might be addressed;

.13 the adoption of short-term measures was supported through existing IMO instruments to achieve the goals in the Initial Strategy and those measures should comply with the impact assessment procedure; proposed measures considered for adoption should have garnered support through consensus and so initiatives based on mechanisms and goals that caused disagreement should be avoided; proposals should be avoided that focused on speed reduction or penalized countries a long way from production or consumption; support was expressed for speed optimization and measures that did not discriminate on distance travelled; support was expressed for a measure based on the use of alternative fuels;

.14 there was a need to identify the measures with the greatest potential to reduce GHG emissions in line with the 2030 ambition; measures needed to be mandatory, enforceable, solution-neutral and maintain the level playing field; goal-based measures should be designed to have significant effect on reducing emissions whilst allowing flexibility; focus should be placed on improving energy efficiency through EEDI and SEEMP for existing ships, as well as energy efficiency indicators; support was expressed for documents ISWG-GHG 5/4/3, ISWG-GHG 5/4/11 and MEPC 74/7/8;

.15 progress on the Fourth IMO GHG Study and ports resolution was welcomed; agreement was expressed that there were proposals with co-related issues but this delegation was not in a position to prioritize on concrete proposals due to the different views expressed; a full understanding of the impacts in accordance with the agreed procedure was required; openness was expressed to discussing elements leading to a goal-based approach on energy efficiency measures under the existing energy efficiency framework including EEDI, SEEMP and the data collection system; there was shared concern over speed reduction; more clarity was needed to structure the work;

.16 a goal-based approach should be set by the Committee with a monitoring system, and then the shipowner could decide the most appropriate measure to achieve the goal; such an approach would provide flexibility to achieve the goal;

.17 a clearly defined framework was needed to avoid difficulty in adopting and implementing measures; a four-year work plan and structure were needed; document MEPC 74/7/9 set out a clear and effective way ahead for operational practices in the sector; there was a need to prioritize measures for which precise proposals that had been put forward and achieved consensus related to improving the energy efficiency framework; encouragement was expressed for further discussion to achieve consensus on speed optimization and speed reduction concepts;

.18 agreement with the views on SEEMP reinforcement and speed optimization was expressed; shared concern over and opposition to the mandatory application of EEDI to existing ships and prioritization of measures were expressed;

.19 to achieve the goals of the Initial Strategy there was a need to rank measures; such a prioritization should be based on achieving reductions in emissions but balanced with avoiding impacts on developing countries, in particular SIDS and LDCs, and avoiding penalizing or having negative impacts on transport; focus should be placed on measures based on energy efficiency within the EEDI and SEEMP frameworks; other approaches should be considered that did not involve a reduction in speed, including those arising from actions by Member States and the promotion of National Action Plans should be prioritized;

.20 an inclusive, equitable and transparent process was needed; a practicable implementation approach was required for short-term measures; optimal ship speed was the result of several factors; goal-based short-term measures could be developed and finalized when considering a practical approach;

.21 a previous World Maritime Theme was "Shipping: Indispensable to World Trade" – this premise should be reflected in the context of the global sustainability and the resilience agenda; limited transport capacity and lack of connectivity to markets affected sustainability and development, in particular for SIDS; impacts of measures on States needed to be assessed; the reincarnation of the discussion on market-based measures could see additional costs on maritime transport that would inhibit growth and development potential; there was a need for sustainable sea transport for trade in the Pacific region; whatever the measure the impact could be disproportionate; measures should be considered for "international routes" with voyages from distribution hubs to destinations at the end of supply chain being exempted;

.22 implementation aspects of measures needed to be considered otherwise there was a risk that full effect might not be given to GHG abatement potential; implementation referred to the actions taken by shipowners, crews and other stakeholders; in relation to mandatory measures, the question was raised as to how implementation was to be verified by Administrations and recognised organizations, and what the enforcement options were for Member States;

.23 taking a business-as-usual approach would not achieve significant emission reductions required before 2023; in order to achieve goals up to 2023 there was a need to harness the potential of new technology, digitalization, automation and the data economy to scale the results globally;

.24 there was no consensus on prioritization of measures; the way forward was to organize and streamline the work; the work of the working group should be structured in a more organized way so that members knew what to expect when undertaking their work;

.25 the key mandate of the Organization was to facilitate shipping and so any impact on maritime trade and economies ran counter to this mandate; the question was raised as to whether speed reduction would actually reduce GHG emissions, as it would result in more ships; this had not been assessed;

.26 this delegation was not in a position to prioritize measures and considered the follow-up action plan already provides this prioritization; any Member State had the opportunity to bring forward a measure; there was a need to initiate R&D on mid-/long term measures; support could not be given for the development of another work plan; and support was expressed for the need to structure the work so as Member States could prepare;

.27 there were two marked trends – one was a combined approach on reduction and optimization of speed; the other one was the need to have for consideration measures that had the greatest degree of consensus to achieve GHG emission reductions by 2023;

.28 support was expressed for goal-based measures on EEDI and SEEMP; concerns were shared over speed regulations;

.29 support was expressed for the development of measures that had an effect on the operation of ships to achieve emission reduction before 2023 and meet the 2030 goals; the Initial Strategy was clear that short-term measures should be approved before 2023; the future way of working needed further consideration;

.30 there was a need to start work on short-term measures that were implemented before 2023 to achieve 2030 goals; document MEPC 74/7/9 and other submissions on operational energy efficiency formed a good basis for further discussion;

.31 in trying to prioritize, it was critical to evaluate impacts to ensure priority was given to the measures with least associated impacts; rapid assessment could be undertaken through scientific modelling;

.32 short-term measures were required to achieve the 2030 40% carbon intensity reduction target, in particular measures based on the existing MARPOL framework; the Energy Efficiency Existing Ship Index (EEXI) proposal set out in document MEPC 74/7/2 was suitable to achieve the 2030 level of ambition by including existing ships in mandatory energy efficiency measures; there was a need to develop an incentive scheme to develop technology;

.33 no measure should be discarded at this stage without first analysing the impacts on emissions and Member States; all candidate measures should be taken forward for appropriate assessment based on scientific evidence before any decision was made;

.34 Pacific SIDS had specific vulnerabilities, and reliable shipping was a necessity for survivability; concern was expressed that any measure could lead to disproportionately negative impacts and so exemptions should be considered for the Pacific SIDS region;

.35 differences between dry bulk and liner sector needed to be acknowledged; whilst supporting a goal-based approach to strengthen energy efficiency, a prescriptive approach such as related to fuel consumption should be considered so that they could be communicated to the charterers; differentiated solutions should be considered and applied simultaneously but applied separately to different sectors as this would not cause market distortion as the sectors rarely competed with each other;

.36 approaches should be considered as parallel streams of work and were not in competition; agreement was expressed with industry that practical implementation aspects of measures needed further consideration; some concepts might be abandoned with others taken forward to achieve credible reduction in GHG emissions; further consolidation into broader streams of work was supported to ensure there was no duplication and support was expressed for work on items with complementary outcomes towards the goals of the Initial Strategy;

.37 measures should be objective and achievable and should not have a serious impact on countries; this delegation looked forward to achieving goals in a constructive spirit of cooperation; and

.38 whilst sharing the concerns expressed about the impacts on States of measures, especially SIDS, the urgency of the threat of climate change meant speed optimization alone was inadequate; peaking and reducing of GHG emissions as quickly as possible meant work must start now on mid-/long term measures that enabled fossil fuels to be phased out, which was the vision that must be fulfilled.

7.37 In his summing up, the Chair invited the Committee to note that all measures would be considered further; that short-term measures should be implemented before 2023 to achieve the 2030 goal; that the measures should be practicable, implementable and verifiable and any mandatory measures would be incorporated within MARPOL Annex VI; and that measures should also be balanced and global in nature resulting in a level playing field. The Committee also noted that proposed measures should be goal-based and could include energy efficiency measures for existing ships, speed optimization and reduction, alternative fuels and National Action Plans.

7.38 Following consideration, the Committee instructed the Working Group on Reduction of GHG Emissions from Ships to consider, organize and streamline proposals on candidate short-term measures, with a view to identifying those measures that could be further developed and finalized in the following sessions.

Consideration of concrete proposals on candidate mid-/long-term measures

7.39 The Committee considered the following documents relating to candidate mid-/long-term measures:

.1 MEPC 74/7/6 (CESA and EUROMOT), proposing definitions of alternative fuel terminology, such as low-carbon fuel, zero-carbon fuel and fossil-free fuel with a view to adopting a common understanding in IMO; and promoting the timely introduction of alternative fuels, highlighting that the production of such fuels would require substantial amounts of renewable energy, which should be considered in future lifecycle GHG/carbon intensity guidelines for fuels, research and development; and

.2 MEPC 74/7/7 (Norway), providing information that was available on the uptake of alternative fuels; presenting the Alternative Fuels Insight platform; and providing ideas on how the portal could be used to support the Initial Strategy and its follow-up actions.

7.40 The Committee noted that ISWG-GHG 5 had considered the concrete proposals on candidate measures and provided the collation of information regarding candidate mid-/long-term measures, based on documents submitted to ISWG-GHG 5 and MEPC 74, as set out in annex 5 to document MEPC 74/WP.6.

7.41 Following consideration, the Committee instructed the Working Group on Reduction of GHG Emissions from Ships to consider concrete proposals on candidate mid-/long-term measures, focusing on the effective uptake of alternative low-carbon and zero-carbon fuels, and advise the Committee on how best to progress the work.

Establishment of the Working Group on Reduction of GHG Emissions from Ships

7.42 The Committee established the Working Group on Reduction of GHG Emissions from Ships and instructed it, taking into account the comments and decisions made in plenary, to:

.1 finalize the draft procedure for assessing the impacts on States;

.2 consider, organize and streamline proposals on candidate short-term measures, with a view to identifying those measures that could be further developed and finalized in the following sessions;

.3 consider concrete proposals on candidate mid-/long-term measures, focusing on the effective uptake of alternative low-carbon and zero-carbon fuels, and advise the Committee on how best to progress the work;

.4 consider the development of further actions on capacity-building, technical cooperation, research and development, including support for assessment of impacts and support for implementation of measures; and

.5 develop draft terms of reference for a sixth meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships.

Report of the Working Group on Reduction on Reduction of GHG Emissions from Ships

7.43 Having considered the report of the Working Group on Reduction of GHG Emissions from Ships (MEPC 74/WP.9 and MEPC 74/Add.1), the Committee approved it in general and took action as outlined below.

Procedure for assessing impacts on States of candidate measures

7.44 The Committee noted the outstanding issues considered by the Group before finalization of the draft procedure for assessing impacts on States of candidate measures and approved MEPC.1/Circ.885 on *Procedure for assessing impacts on States of candidate measures*.

Consideration, organization and streamlining of proposals on candidate short-term measures, with a view to identifying those measures that can be further developed and finalized in the following sessions

7.45 The Committee noted the Group's discussion related to the consideration, organization and streamlining of proposals on candidate short-term measures.

Consideration of concrete proposals on candidate mid-/long-term measures, focusing on the effective uptake of alternative low-carbon and zero-carbon fuels, and advising the Committee on how best to progress the work

7.46 The Committee noted the Group's consideration of concrete proposals on candidate mid-/long-term measures, focusing on the effective uptake of alternative low-carbon and zero-carbon fuels.

Consideration of the development of further actions on capacity-building, technical cooperation, research and development, including support for assessment of impacts and support for implementation of measures

7.47 The Committee noted that, owing to time constraints, the Group could not consider the development of further actions on capacity-building, technical cooperation, research and development, including support for assessment of impacts and support for implementation of measures.

Development of draft terms of reference for the sixth meeting of the Intersessional Working Group on Reduction of GHG Emissions of Ships (ISWG-GHG 6)

7.48 The Committee agreed to the holding of the sixth meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships, subject to endorsement by C 122, with the following terms of reference:

> The Intersessional Working Group on Reduction of GHG Emissions from Ships is instructed, taking into account the Initial IMO Strategy on reduction of GHG emissions from ships, its programme of follow-up actions up to 2023, the Procedure for assessing the impacts on States of candidate measures, documents submitted to ISWG-GHG 6 and relevant documents submitted to ISWG-GHG 5 and MEPC 74, to:
>
> .1 further consider concrete proposals to improve the operational energy efficiency of existing ships, with a view to developing draft amendments to chapter 4 of MARPOL Annex VI and associated guidelines, as appropriate;

.2 further consider concrete proposals to reduce methane slip and emissions of Volatile Organic Compounds (VOCs);

.3 consider a draft MEPC resolution urging Member States to develop and update a voluntary National Action Plan (NAP) with a view to contributing to reducing GHG emissions from international shipping, and develop associated guidelines, as appropriate;

.4 further consider concrete proposals to encourage the uptake of alternative low-carbon and zero-carbon fuels, including the development of lifecycle GHG/carbon intensity guidelines for all relevant types of fuels and incentive schemes, as appropriate;

.5 consider the development of further actions on capacity-building, technical cooperation, research and development, including support for assessment of impacts and support for implementation of measures;

.6 consider other concrete proposals for candidate measures; and

.7 submit a written report to MEPC 75.

7.49 Following consideration, and noting the substantial work needing to be undertaken, the Committee agreed to the holding of a seventh meeting of the Intersessional Working Group on Reduction of GHG Emissions from Ships (ISWG-GHG 7), subject to endorsement by C 122, with the same terms of reference as for ISWG-GHG 6, modified as appropriate.

7.50 In this regard, the Committee agreed that ISWG-GHG 7 was to precede MEPC 75 and the meetings should be held back-to-back, and should be counted as one meeting in the context of the application of the *Procedure for assessing the impacts on States of candidate measures*. The Committee agreed to further consider and decide the frequency of future arrangements to progress the Initial Strategy, as appropriate.

7.51 The Committee also agreed that ISWG-GHG 6 would be considered as one meeting in the context of the application of the *Procedure for assessing the impacts on States of candidate measures*, and invited Member Governments and international organizations attending ISWG-GHG 6 and ISWG-GHG 7 to include delegates with relevant expertise on energy efficiency and other technical issues.

8 FOLLOW-UP WORK EMANATING FROM THE ACTION PLAN TO ADDRESS MARINE PLASTIC LITTER FROM SHIPS

8.1 The Committee recalled that MEPC 73 had adopted the *Action plan to address marine plastic litter from ships* (resolution MEPC.310(73)) (Action Plan) and agreed that the measures in the Action Plan would be reviewed at MEPC 74 based on follow-up proposals. The Committee also recalled that MEPC 73 had agreed that, following such a review, the Committee would instruct the PPR Sub-Committee or other sub-committees, as appropriate, to undertake work only on actions for which a well-defined scope of work had been developed.

8.2 The Committee further recalled that MEPC 73 had established the Correspondence Group on Marine Plastic Litter from Ships and instructed it to identify issues to be considered under an IMO Study on marine plastic litter from ships, determine the most appropriate mechanism to undertake the study, and develop a regulatory framework matrix in which all international regulatory instruments and best practices associated with the issue of marine plastic litter from ships were identified.

Report of the Correspondence Group on Marine Plastic Litter from Ships

8.3 The Committee considered the report of the Correspondence Group on Marine Plastic Litter from Ships (MEPC 74/8), submitted by the United Kingdom, identifying the issues that could be considered under an IMO Study on marine plastic litter from ships, summarizing the discussions on the most appropriate mechanism to undertake the study, and providing a draft regulatory framework matrix.

8.4 Subsequently, the Committee instructed the Working Group on Marine Plastic Litter from Ships to:

.1 develop terms of reference for an IMO study on marine plastic litter from ships, taking into account document MEPC 74/8, and advise the Committee on the appropriate modalities for the conduct of such a study; and

.2 update the regulatory framework matrix set out in annex 3 to document MEPC 74/8, subject to additional information being presented.

Outcome of LC 40/LP 13

8.5 The Committee noted the information provided in document MEPC 74/8/1 (Secretariat) on the outcomes of the London Convention/Protocol governing bodies meeting (LC 40/LP 13) in relation to marine litter, and the inputs by the LC/LP governing bodies to the Action Plan.

8.6 In this regard, the Committee agreed that the Action Plan should be updated accordingly at its next revision, but not at this session, and requested the Secretariat to keep the LC/LP governing bodies updated on MEPC developments in relation to marine plastic litter and vice versa.

Other related information

8.7 The Committee was also informed by the Secretariat of the following developments:

.1 the adoption of resolution UNEP/EA.4/L.7 on marine plastic litter and microplastics, in which the adoption of the IMO Action Plan and the work of MEPC and LC/LP had been noted;

.2 the publication of two reports under the framework of the Global Partnership on Marine Litter, one on the issue of disposal of fibreglass vessels, and one on the review of hull scrapings and marine coatings as a source of microplastics;

.3 the recent publication of the GESAMP Reports and Studies 99 entitled *Guidelines for the Monitoring and Assessment of Plastic Litter in the Ocean*;

.4 the cooperation by the Secretariat with FAO on these matters, including agreeing to contribute to four regional FAO workshops on best practices to prevent and reduce abandoned, lost or otherwise discarded fishing gear, which would be held throughout 2019; and

.5 the recent establishment of a new GESAMP Working Group on Sea-based Sources of Marine Litter (Working Group 43), co-sponsored by FAO and IMO, with the aim of publishing its first report by the first quarter of 2020.

Proposal for the development of an IMO strategy to address marine plastic litter from ships

8.8 The Committee had for its consideration document MEPC 74/8/2 (Vanuatu et al.), proposing, inter alia, the development of an IMO strategy to address marine plastic litter from ships that, in the view of the co-sponsors, would provide tangible outputs to guide short- and mid-term actions and investments throughout the shipping sector, as well as the development of a work plan identifying appropriate timelines and modalities.

8.9 In the ensuing discussion, the Committee noted wide-ranging support for the development of an IMO strategy to address marine plastic litter from ships, with a view to guiding, monitoring and overseeing the implementation of the Action Plan. The Committee noted comments suggesting that the strategy should be pragmatic and achievable, and that it could be a consolidated document with background, objectives, a schematic timeline and a categorization table of short-, mid- and long-term actions.

8.10 The Committee also noted comments in support of the establishment of a correspondence group to continue work in this regard, should the strategy not be finalized at this session. The importance of inter-agency cooperation in addressing marine plastic pollution was also stressed.

8.11 In connection with the annex to document MEPC 74/8/2, containing proposed terms of reference for the Working Group on Marine Plastic Litter, the Committee noted a comment that the second proposed term of reference should also include a tasking to assess the adequacy of port reception facilities in handling marine plastic litter.

8.12 Following consideration, the Committee instructed the Working Group on Marine Plastic Litter to consider how the work associated with the Action Plan could be advanced, taking into account document MEPC 74/8/2 proposing to develop an IMO strategy to address marine plastic litter from ships, and advise the Committee accordingly.

Reporting the accidental loss or discharge of fishing gear

8.13 The Committee also had for its consideration document MEPC 74/8/3 (Vanuatu) proposing the following:

.1 draft amendments to regulation 10 of MARPOL Annex V requiring each Party to MARPOL to notify IMO of discharges or accidental loss of fishing gear;

.2 a corresponding refinement of section 2.2 of the *2017 Guidelines for the implementation of MARPOL Annex V* (resolution MEPC.295(71)) to narrow down which data should be collected and reported to IMO by each Party to MARPOL; and

.3 the development of a new GISIS module to facilitate the collection of data on discharges or accidental loss of fishing gear.

8.14 Having noted general support for further detailed consideration of the proposals in document MEPC 74/8/3, the Committee agreed to refer the document to the Working Group on Marine Plastic Litter for further consideration, with a view to advising the Committee on how best to proceed.

Establishment of a Working Group

8.15 The Committee established the Working Group on Marine Plastic Litter and instructed it, taking into account the comments and decisions made in plenary, to:

.1 develop terms of reference for an IMO Study on marine plastic litter from ships, taking into account document MEPC 74/8, and advise the Committee on the appropriate modalities for the conduct of such a study;

.2 update the regulatory framework matrix set out in annex 3 to document MEPC 74/8, subject to additional information being presented;

.3 consider how the work associated with the Action Plan could be advanced, taking into account document MEPC 74/8/2 proposing to develop an IMO strategy to address marine plastic litter from ships, and advise the Committee accordingly; and

.4 further consider document MEPC 74/8/3 and advise the Committee on how best to proceed.

Report of the Working Group on Marine Plastic Litter

8.16 Having considered the report of the Working Group on Marine Plastic Litter (MEPC 74/WP.10), the Committee approved it in general and took action as outlined in paragraphs 8.17 to 8.42.

GESAMP Working Group on Sea-based Sources of Marine Litter (GESAMP WG 43)

8.17 The Committee noted that a GESAMP Working Group on Sea-based Sources of Marine Litter (GESAMP WG 43) had been established, which would, inter alia, review and analyse the existing body of knowledge on marine plastic litter from all sea-based sources and provide an assessment of data gaps. The Committee also noted that GESAMP WG 43 was already starting its work, having secured funding to complete its terms of reference, and would aim to deliver its first report in early 2020, and a second report in late 2020.

Development of draft terms of reference for the IMO Study on marine plastic litter from ships

8.18 The Committee noted that the Working Group had agreed that the IMO Study on marine plastic litter from ships should not duplicate work already undertaken or being carried out by GESAMP WG 43, but instead build on the reports and analyses of GESAMP and other organizations by providing new information and quantitative data.

8.19 The Committee further noted that the draft terms of reference for the IMO Study on marine plastic litter from ships, as developed by the Working Group covered the following two broad elements:

.1 information on the contribution of all ships to marine plastic litter; and

.2 information of storage, delivery and reception of plastic waste from and collected by ships.

8.20 Following consideration, the Committee approved the terms of reference for the IMO Study on marine plastic litter from ships, as set out in annex 20.

Information on marking of fishing gear

8.21 Concerning information on marking and logging of fishing gear, the Committee invited FAO to:

.1 make information on fishing gear marking and logging schemes available to MEPC and/or to the GESAMP Working Group 43, as appropriate; and

.2 collaborate with IMO and provide advice on the voluntary or mandatory application of marking of fishing gear, including costs associated with the implementation of a mandatory requirement and the most appropriate FAO or IMO instrument for potentially introducing such a requirement.

Information on the outcomes of investigations of reports of alleged port reception facility inadequacies

8.22 In relation to port reception facilities, the Committee requested the Secretariat to include the outcomes of investigations of reports of alleged port reception facility inadequacies in the document submitted by the Secretariat (Annual enforcement reports on port reception facilities) to the III Sub-Committee, with a view to facilitating the identification of themes relating to the delivery and handling of plastic waste.

Recommendations on how the IMO Study on marine plastic litter from ships should be undertaken

8.23 The Committee concurred with the following recommendations of the Working Group:

.1 subject to sufficient funds being available, procuring the services of contractors to undertake the IMO Study on marine plastic litter from ships was the preferred way of carrying out the Study;

.2 terms of reference 1 and 2 (MEPC 74/WP.10, annex 1), relating to understanding shipping's contribution to marine plastic litter, should be undertaken as a priority, subject to sufficient financial contributions being made; and

.3 subject to additional financial contributions being made, term of reference 3, relating to storage, delivery and reception of plastic waste from ships, should also be undertaken.

8.24 Consequently, the Committee invited Member States and other stakeholders to support the Study by providing financial contributions to ensure the completion of the Study terms of reference, and to provide information on relevant studies undertaken to support this work.

8.25 Having noted that, pending sufficient funding for procuring the services of contractors, the work of GESAMP WG 43 would begin to address terms of reference 1 and 2 of the Study, in terms of a review and analysis of the existing body of knowledge on marine plastic litter from all sea-based sources, and an assessment of data gaps, the Committee recognized the importance of the work of GESAMP in progressing the Study.

8.26 In this connection, the Committee requested GESAMP to provide a report to MEPC 75 on the work of GESAMP WG 43, together with an accompanying presentation.

8.27 The Committee agreed that, as soon as sufficient funding had been provided by Member States and other stakeholders, it would consider requesting the Secretariat to issue an invitation to tender for terms of reference 1 and 2 of the Study, noting that the work of the selected contractor or contractors should not duplicate the work of GESAMP.

8.28 Accordingly, the Committee further requested GESAMP to review term of reference 3 of the Study, with a view to determining if there was any additional work that GESAMP could undertake to progress the work.

Regulatory framework matrix

8.29 With regard to the regulatory framework matrix identifying all international regulatory instruments and best practices associated with the issue of marine plastic litter from ships (MEPC 74/8, annex 3), the Committee:

.1 invited Member States and international organizations to provide relevant information to the Secretariat, for inclusion in the matrix, with a view to maintaining the matrix as an up-to-date resource;

.2 requested the Secretariat to update the matrix when new information was received and to keep the Committee informed of such updates; and

.3 authorized the Secretariat to make the matrix available on the IMO website for reference, with an additional note explaining that the information contained in the matrix was intended for reference only and was not exhaustive.

Reporting accidental loss or discharge of fishing gear

8.30 In relation to document MEPC 74/8/3, the Committee noted the discussions of the Group with regard to the potential benefits of a central repository for the submission of information on the accidental loss or discharge of fishing gear by flag States.

8.31 The Committee also noted the view of the Group that amendments to MARPOL Annex V to introduce a requirement for reporting accidental losses or discharges of fishing gear to the Organization and the establishment of a new module within GISIS to facilitate reporting should be further considered at a later stage.

8.32 The Committee further noted the Group's view that the work in relation to facilitating and enhancing reporting of the accidental loss or discharge of fishing gear, as currently provided in regulation 10.6 of MARPOL Annex V, should be progressed by the PPR Sub-Committee.

8.33 In considering the scope of work for the PPR Sub-Committee, as developed by the Working Group (MEPC 74/WP.10, annex 4, paragraph 7), the Committee noted the intervention by the delegation of Vanuatu, supported by the Cook Islands and several other delegations, to the effect that the instruction to the Working Group to consider document MEPC 74/8/3 and advise the Committee on how best to proceed implicitly captured the Committee's agreement in principle that MARPOL Annex V should be amended to facilitate and enhance reporting for the accidental loss or discharge of fishing gear. Following consideration, the Committee agreed that the PPR Sub-Committee should consider how to amend MARPOL Annex V and the *2017 Guidelines for the implementation of MARPOL Annex V* (resolution MEPC.295(71)), as appropriate, rather than whether and how. Subsequently, the Committee approved the scope of work of the PPR Sub-Committee in this regard, as set out in paragraph 7 of annex 21 (see paragraph 8.37).

8.34 In this context the Committee invited FAO to submit to future sessions of MEPC or the PPR Sub-Committee relevant information on existing reporting mechanisms of accidentally lost or discharged fishing gear, including the challenges and benefits of such systems, as well as information that could help clarify details on losses that should be reported.

8.35 The Committee also invited interested Member States and international organizations to submit to the PPR Sub-Committee proposals on reporting mechanisms for accidentally lost or discharged fishing gear, including the challenges and benefits of such systems, as well as existing and potential ways to encourage fishing vessels to report.

Development of an IMO strategy to address marine plastic litter from ships

8.36 The Committee noted the progress made by the Group in advancing the work associated with the *Action plan to address marine plastic litter from ships* (resolution MEPC.310(73)), through the development of the following elements for inclusion in a strategy to address marine plastic litter from ships:

.1 the table showing the grouping of actions of the Action Plan in short-, mid-, long-term and continuous categories (MEPC 74/WP.10, annex 2); and

.2 the timeline of follow-up actions from the Action Plan (MEPC 74/WP.10, annex 3).

Advancing actions in the Action Plan

8.37 Having noted that the Group had developed the scope of work of the PPR, III and HTW Sub-Committees to progress the work of the relevant short-term actions, the Committee:

.1 approved the scope of work for the PPR Sub-Committee, as set out in annex 21, and agreed to add output 4.3 (Follow-up work emanating from the Action Plan to address marine plastic litter from ships) to the provisional agenda of PPR 7, with four sessions assigned to complete the work;

.2 approved the scope of work of the III Sub-Committee, as set out in annex 21, and agreed to add output 4.3 (Follow-up work emanating from the Action Plan to address marine plastic litter from ships) to the provisional agenda of III 7, with two sessions required to complete the work; and

.3 approved the scope of work for the HTW Sub-Committee, as set out in annex 21, in relation to training aspects of the Action Plan.

8.38 With regard to actions 10 and 11 of the Action Plan, relating to mandatory reporting of containers lost at sea and ways of communicating their location, the Committee agreed that the preferred way for progressing them was for interested Member States and international organizations to submit proposals for a new output to MSC.

8.39 Given the relevance of actions 10 and 11 of the Action Plan to the remit of the CCC and NCSR Sub-Committees, the Committee requested the CCC Sub-Committee and the NCSR Sub-Committee to note the importance of the issue of lost containers at sea for addressing marine plastic litter from ships, as their expertise could be sought in future.

8.40 With regard to action 29 of the Action Plan, concerning the most appropriate instrument to address the responsibility and liability for plastic consumer goods lost at sea from ships, the Committee agreed that the preferred way for progressing it was for interested Member States and international organizations to submit relevant proposals to the Legal Committee.

8.41 In connection with actions 27 and 28 of the Action Plan, the Committee instructed the Secretariat to exchange information with UN Environment, FAO, IOC of UNESCO and other UN bodies on progress with implementing the Action Plan, through the relevant cooperation mechanisms (GPML, UN-Oceans, etc.) as well as through their respective governing bodies, including the United Nations Environment Assembly and the FAO Committee on Fisheries.

Establishment of a correspondence group

8.42 Having noted that owing to time constraints the Group could not manage to finalize the draft strategy for addressing marine plastic litter from ships, the Committee agreed to establish a Correspondence Group on Development of a Strategy to Address Marine Plastic Litter from Ships, under the coordination of Singapore,[3] with the following terms of reference:

".1 finalize a draft strategy to address marine plastic litter from ships, taking into account document MEPC 74/8/2 and using the *Action Plan to address marine plastic litter from ships* (resolution MEPC.310(73)) and annexes 2 and 3 to document MEPC 74/WP.10 as a basis; and

.2 submit a written report to MEPC 75".

9 IDENTIFICATION AND PROTECTION OF SPECIAL AREAS, ECAs AND PSSAs

The Committee noted document MEPC 74/INF.5 (France), providing information on a study of benefits to air quality in the Mediterranean countries associated with emission reduction scenarios, based on reduction of the sulphur content in fuels used, from 0.5% to 0.1%, and reduction of NO_x emissions by equipping a certain amount (50% or 100%) of Tier III engines.

10 POLLUTION PREVENTION AND RESPONSE

OUTCOME OF PPR 6

10.1 The Committee approved, in general, the report of the sixth session of the Sub-Committee on Pollution Prevention and Response (PPR 6) (PPR 6/20 and PPR 6/20/Add.1) and took action as indicated in paragraphs 10.2 to 10.27.

10.2 The Committee noted that, of the actions requested of it by PPR 6, as listed in paragraph 2 of document MEPC 74/10 (Secretariat):

.1 points .5 and .6, concerning the draft modifications to the draft amendments to the IBC Code, had been considered under agenda item 3 (Consideration and adoption of amendments to mandatory instruments) (see paragraphs 3.20 to 3.23);

.2 point .10, concerning the draft revised BWM circular on *Data gathering and analysis plan for the experience-building phase associated with the BWM Convention*, had been considered under agenda item 4 (Harmful aquatic organisms in ballast water) (see paragraphs 4.2 to 4.6 and 4.52);

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.3 points .17 to .26, .28, .29, and .34 to .36, together with documents MEPC 74/10/1, MEPC 74/10/2, MEPC 74/10/3, MEPC 74/10/4, MEPC 74/10/5, MEPC 74/10/6, MEPC 74/10/7, MEPC 74/10/8, MEPC 74/10/10, MEPC 74/10/11, MEPC 74/10/12, MEPC 74/10/13 and MEPC 74/INF.31, concerning air pollution and prevention, had been considered under agenda item 5 (Air pollution and energy efficiency) (see paragraphs 5.2 to 5.67 and 5.114 to 5.123); and

.4 points .27 and .37 to .39, together with MEPC 74/INF.10, concerning the work programme of the Sub-Committee, had been considered under agenda item 14 (Work programme of the Committee and subsidiary bodies) (see paragraphs 14.12 to 14.15, 14.25 and 14.34).

Carriage of dangerous chemicals in bulk

Evaluation of products and cleaning additives

10.3 With regard to the provisional categorization of liquid substances, the Committee:

.1 concurred with the evaluation of products by ESPH 24 and their respective inclusion in lists 1, 2, 3 and 5 of MEPC.2/Circ.24 (issued on 1 December 2018) with validity for all countries and with no expiry date;

.2 concurred with the evaluation of cleaning additives by ESPH 24 and noted their inclusion in annex 10 to document MEPC.2/Circ.24; and

.3 concurred with the evaluation of products and cleaning additives by the ESPH Working Group at PPR 6 and their inclusion in annexes 1, 3 and 10, respectively, of the next revision of the MEPC.2/Circular (i.e. MEPC.2.Circ.25), to be issued in December 2019.

Application of the MEPC.2/Circular in relation to paraffin-like products

10.4 The Committee approved MEPC.1/Circ.886 on *Guidance on the implementation of provisional categorization of liquid substances in accordance with MARPOL Annex II and the IBC Code related to paraffin-like products*.

10.5 The Committee noted the intervention by the observer from IACS, indicating that some flag State authorities were of the opinion that the existing entries as listed in paragraph 5 of the above-mentioned circular should be deleted on the ship's Certificate of Fitness since they duplicated the same cargo as that in paragraph 2 of the circular, while others were of the opinion that the entries listed in paragraph 5 of the circular should be left on the present Certificate of Fitness. In this regard, the Committee also noted the intervention by one delegation that this should be up to each Administration to decide. Following discussion, the Committee agreed to instruct PPR 7 to consider this matter and advise the Committee accordingly.

Carriage of blends of biofuels and MARPOL Annex I cargoes

10.6 The Committee noted that PPR 6 had agreed to make consequential amendments to the *2011 Guidelines for the carriage of blends of petroleum oil and biofuels, as amended* (MEPC.1/Circ.761/Rev.1) as a result of the inclusion of a new annex 12 (Energy-rich fuels subject to Annex I of MARPOL) in the MEPC.2/Circular, and had included a reference to SOLAS regulation VI/5.2 regarding the prohibition of the blending of bulk liquid cargoes and production processes during sea voyages.

10.7 Subsequently, the Committee approved, subject to concurrent approval by MSC 101, the draft MSC-MEPC.2 circular on *2019 Guidelines for the carriage of blends of biofuels and MARPOL Annex I cargoes*, as set out in annex 3 to document PPR 6/20/Add.1.

Provisional assessment of liquid substances transported in bulk

10.8 The Committee noted that, following the finalization of the draft revised chapters 17, 18, 19 and 21 of the IBC Code, which were approved by MEPC 73, PPR 6 had prepared a draft revision of the *Guidelines for the provisional assessment of liquid substances transported in bulk* (MEPC.1/Circ.512).

10.9 Following consideration, the Committee approved the revised *Guidelines for the provisional assessment of liquid substances transported in bulk,* to be issued as MEPC.1/Circ.512/Rev.1, which included amendments to reflect the revisions to chapters 17, 18, 19 and 21 of the IBC Code, and a new section 9 providing guidance for assessing complex mixtures.

Categorization and classification of products

10.10 The Committee noted that, following the finalization of the draft revised chapters 17, 18, 19 and 21 of the IBC Code, which were approved by MEPC 73, PPR 6 had prepared amendments to the *Decisions with regard to the categorization and classification of products* (BLG.1/Circ.33) to capture all relevant decisions to date in relation to the assignment of carriage requirements under the IBC Code.

10.11 Following consideration, the Committee endorsed, subject to concurrent approval by MSC 101, the updated *Decisions with regard to the categorization and classification of products*, as set out in annex 5 to document PPR 6/20/Add.1, to be issued as PPR.1/Circ.7.

Draft amendments to the AFS Convention

10.12 The Committee noted the report of the Technical Group on Amendments to the AFS Convention, which had been established at PPR 6 (PPR 6/20/Add.1, annex 8).

10.13 In this regard, the Committee noted, in particular, that PPR 6 had agreed to the following draft amendments to the AFS Convention, as prepared by the Technical Group, with a view to approval by MEPC 74 and subsequent adoption:

.1 draft amendments to Annex 1 (Controls on anti-fouling systems) to the AFS Convention to include controls on cybutryne, as set out in annex 1 to annex 8 to document PPR 6/20/Add.1 (PPR 6/20, paragraph 6.11); and

.2 draft amendments to Appendix 1 to Annex 4 to the AFS Convention (model form of the International Anti-fouling System Certificate (IAFSC)), as set out in annex 2 to annex 8 to document PPR 6/20/Add.1 (PPR 6/20, paragraphs 6.14 and 6.15).

10.14 The Committee had for its consideration document MEPC 74/10/9 (Japan), proposing modifications to the draft amendments to the AFS Convention, specifically the deletion of the draft provisions requiring the removal or sealing of existing anti-fouling systems containing cybutryne. The delegation of Japan, while supporting the immediate prohibition of applying and re-applying anti-fouling systems containing cybutryne, expressed the view that retrospective requirements to mandate blasting or sealer coatings to all ships that had applied the anti-fouling system in the past needed further careful consideration.

10.15 In the course of discussion, the Committee noted that many delegations supported the inclusion of cybutryne in annex 1 to the AFS Convention without exceptions based on the negative environmental effects of cybutryne, as described in relevant documents submitted to PPR 6 and the comprehensive proposal forwarded by MEPC 73 to PPR 6, which contained all the information required by annex 3 to the AFS Convention.

10.16 The Committee also noted the view expressed by many delegations that the proposed deletion of provisions requiring the removal or sealing of existing anti-fouling systems containing cybutryne was in conflict with article 4(2) of the AFS Convention. In this context, the Committee also noted the intervention by one delegation citing that the controls for anti-fouling systems containing organotin compounds had been applied in a similar manner without any issue, and that it was important to ensure consistency in the application of instruments.

10.17 Conversely, many delegations were of the view that the concerns raised in document MEPC 74/10/9 (i.e. the health and safety risk involved in blasting, and the uncertainty over availability of sealer coats for anti-fouling systems containing cybutryne) were valid and required further consideration.

10.18 Regarding concerns over the availability of sealer coats for anti-fouling systems containing cybutryne, the Committee noted the intervention by the observer from IPPIC indicating that existing sealer coats for anti-fouling systems containing organotin may be effective in sealing cybutryne, and that other approaches for sealing cybutryne may also exist (e.g. overcoating with tie coats, primers and other anti-fouling coatings). However, as evidence was required to ensure that the product supplied would be effective at preventing cybutryne loss from the underlying coating, more time was required for further consideration of the matter.

10.19 Following discussions, the Committee agreed to refer the draft amendments to annex 1 of the AFS Convention to PPR 7 for further consideration, including addressing the potential conflict between article 4(2) of the AFS Convention and the proposed amendments to annex 1 set out in document MEPC 74/10/9, and for the outcome to be reported to MEPC 75 as an urgent matter. In this regard, the Committee requested the Secretariat to provide possible legal advice to PPR 7 in relation to article 4(2) of the AFS Convention.

10.20 The Committee further invited Member States and international organizations to submit information to PPR 7 on the impact of the removal or sealing of existing anti-fouling systems utilizing cybutryne that had been applied to ships, taking into account the information in document MEPC 74/10/9.

10.21 Based on the above decision, the Committee agreed to defer consideration of action items .13, .14, .15 and .16 of the actions requested of the Committee, as set out in document MEPC 74/10 relating to the amendments to the AFS Convention until MEPC 75 took into account the outcome of PPR 7.

Development of measures to reduce risks of use and carriage of heavy fuel oil as fuel by ships in Arctic waters

10.22 The Committee noted the progress made at PPR 6 on the new output on "Development of measures to reduce risks of use and carriage of heavy fuel oil as fuel by ships in Arctic waters".

Working definition of heavy fuel oil

10.23 The Committee noted the working definition for heavy fuel oil developed by PPR 6, as set out in paragraph 12.26 of document PPR 6/20 and reproduced below:

> "*Heavy fuel oil* means fuel oils having a density at 15ºC higher than 900 kg/m^3 or a kinematic viscosity at 50ºC higher than 180 mm^2/s."

Draft methodology to analyse impacts of a ban on the use and carriage of heavy fuel oil as fuel by ships in Arctic waters

10.24 The Committee approved the methodology to analyse impacts of a ban on the use and carriage of heavy fuel oil as fuel by ships in Arctic waters, as set out in annex 16 to document PPR 6/20/Add.1.

Submission of impact assessments to PPR 7

10.25 The Committee, noted that PPR 6 had:

.1 agreed that the methodology should be a guidance document, instead of a prescriptive one, as not all of the items and particular details mentioned in the methodology would be applicable to every Member State and organization that might conduct an impact assessment; and

.2 invited submissions to PPR 7 on impact assessments guided by, but not limited to, the methodology.

Implementation of the OPRC Convention and OPRC-HNS Protocol

10.26 The Committee approved the *Guide on practical methods for the implementation of the OPRC Convention and OPRC-HNS Protocol*, as set out in annex 17 to document PPR 6/20/Add.1, and requested the Secretariat to prepare the Guide for publication through the IMO Publishing Service. In this regard, the Committee authorized the Secretariat, when preparing the Guide for publication, to effect any editorial corrections that might be identified as appropriate.

10.27 In this connection, the Committee also endorsed the actions of the PPR Sub-Committee:

.1 to address the outstanding challenges related to the ratification and implementation of the OPRC Convention and the OPRC-HNS Protocol (PPR 6/20, paragraph 15.11); and

.2 to promote the *Guide on practical methods for the implementation of the OPRC Convention and OPRC-HNS Protocol* once published (PPR 6/20, paragraph 15.12).

11 REPORTS OF OTHER SUB-COMMITTEES

OUTCOME OF III 5

11.1 The Committee recalled that MEPC 73 had considered urgent matters emanating from III 5 concerning alleged inadequacies of port reception facilities and the work programme of the Sub-Committee, as set out in paragraphs 8.3 and 12.3 of document MEPC 73/19.

11.2 With regard to the action requested of it by the Sub-Committee (MEPC 74/11, paragraph 3), the Committee:

.1 recalled that point .3 concerning the draft amendments to the *2009 Guidelines for port State control under the revised MARPOL Annex VI* (2009 PSC Guidelines), as reviewed by PPR 6, had been dealt with under agenda item 5 (see paragraphs 5.15 to 5.19), which, following further consideration, had been adopted by the Committee as resolution MEPC.321(74) on *2019 Guidelines for port State control under MARPOL Annex VI – Chapter 3* (see paragraph 5.118 and annex 15); and

.2 recalled that point .16 concerning adding a new column on the availability of port reception facilities for ballast water in the GISIS module on port reception facilities, had been dealt with under agenda item 4 (see paragraphs 4.33 and 4.34).

11.3 Owing to time constraints, the Committee agreed to defer the consideration of the action items, other than those mentioned in paragraph 11.2, listed in document MEPC 74/11 (Secretariat), as well as documents MEPC 74/11/1 (Marshall Islands et al.) and MEPC 74/11/2 (Secretariat), to MEPC 75, and, at the same time, instructed the III Sub-Committee to take necessary actions as per the instruction of MSC 101 based on its consideration of the outcome of III 5.

12 TECHNICAL COOPERATION ACTIVITIES FOR THE PROTECTION OF THE MARINE ENVIRONMENT

Thematic priorities for ITCP for the 2020-2021 biennium

12.1 The Committee noted the information provided in document MEPC 74/12 (Secretariat) related to thematic priorities for the Integrated Technical Cooperation Programme (ITCP) for the 2020-2021 biennium, in particular the proposal to retain the current environment-related thematic priorities for the 2020-2021 biennium, while considering the proposed changes as described in the annex to the above-mentioned document. It was further noted that the proposed changes by the Secretariat would reflect recent developments and emerging issues related to the protection of the environment when delivering ITCP during the next biennium.

12.2 The Committee approved environment-related thematic priorities for the 2020-2021 biennium, as follows:

.1 assist countries with the implementation of MARPOL, notably Annexes V and VI, and related instruments, and in particular the Initial IMO Strategy on reduction of GHG emissions from ships, the consistent implementation of the 0.50% sulphur limit, the IMO Action plan to address marine plastic litter from ships, notably in relation to waste management and port reception facilities, the environmental requirements of the Polar Code as well as requirements for special areas and PSSAs;

.2 strengthen national and regional capacity and foster regional cooperation for effective and consistent implementation of the BWM Convention, notably in support of the experience-building phase, and AFS Convention and the Biofouling Guidelines;

.3 strengthen national and regional capacity and foster regional cooperation for the ratification and effective implementation of the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships;

.4 assist countries with the implementation of the OPRC Convention and the OPRC-HNS Protocol and enhance regional cooperation in marine pollution preparedness, response and cooperation, including when caused by non-compliant discharges under MARPOL, as well as address aspects of the implementation of the relevant international regimes on liability and compensation for oil and hazardous and noxious substances (HNS) pollution damage; and

.5 assist countries through building capacity for the ratification and implementation of the 1996 Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter, 1972 (London Protocol), as well as support countries in implementing relevant measures aimed at conservation and sustainable governance of the ocean.

12.3 The Committee agreed to refer the thematic priorities on the marine environment to the sixty-ninth session of the Technical Cooperation Committee, to be held in June 2019, for consideration and approval as part of ITCP for the 2020-2021 biennium.

Update on ITCP activities and Major Projects

12.4 The Committee noted the information provided in the documents, notably:

.1 MEPC 74/12/1 and MEPC 74/12/1/Corr.1 (Secretariat) on the Organization's 52 technical cooperation activities related to the protection of the marine environment implemented in 2018 under ITCP, in coordination with the UN Environment Regional Seas Programmes, as well as the activities provided under IMO's Major Projects;

.2 MEPC 74/12/2 (Secretariat), outlining the activities implemented in the second half of 2018 by the Regional Marine Pollution Emergency Response Centre for the Mediterranean Sea (REMPEC), notably related to the OPRC-90 Convention and the OPRC-HNS Protocol, as well as to reducing air pollution from ships and the effective management of ship-generated waste in Mediterranean ports;

.3 MEPC 74/12/3 (Secretariat) on the activities carried out under the six ongoing IMO major technical cooperation projects related to the protection of the marine environment, namely:

.1 GEF-UNDP-IMO GloFouling Partnerships Project;

.2 GEF-UNDP-IMO Global Maritime Energy Efficiency Partnerships Project (GloMEEP Project);

.3 IMO-European Union project on Capacity-Building for Climate Mitigation in the Maritime Shipping Industry, or Global MTCC Network (GMN);

.4 IMO-Norad project on Marine Environment Protection of the South-East Asian Seas (MEPSEAS);

.5 IMO-Norad project on Safe and Environmentally Sound Ship Recycling in Bangladesh, Phase II (SENSREC-Phase II); and

.6 IMO-IPIECA project on Global Initiative, including the Global Initiative for West and Central Africa (GI WACAF), the Global Initiative for South-East Asia (GI SEA) and GI China, aimed at enhancing the capacity to prepare for and respond to marine oil spills in those regions;

.4 MEPC 74/12/4 (Secretariat), providing an update on the work of the Global Industry Alliance to Support Low Carbon Shipping, within the framework of the GloMEEP project.

Industry perspective on IMO's global capacity-building framework for preparedness, response and cooperation in case of incidents involving oil and HNS pollution.

12.5 The Committee noted the information provided in document MEPC 74/12/5 (IPIECA), including the ways the industry supports the implementation of the OPRC-90 Convention and the OPRC-HNS Protocol, notably through the Global Initiative (GI) programme and its various regional Projects such as the GI SEA and GI WACAF Projects. The Committee also welcomed the industry's support for regional centres like REMPEC and RAC/REMPEITC-Caribe, which had been set up under the respective UN Environment's Regional Seas Programmes.

12.6 The Committee noted the continuous need for government and industry alike to keep engaging in the endeavours described in the document such as those of IMO and IPIECA, in particular on human and financial levels.

13 CAPACITY-BUILDING FOR THE IMPLEMENTATION OF NEW MEASURES

Assessment of capacity-building implications

13.1 The Committee recalled that MEPC 73 (MEPC 73/19, paragraph 14.3) had requested the Vice-Chair of the Committee, in consultation with the Chair and assisted by the Secretariat, to submit to this session a preliminary assessment of the capacity-building implications and technical assistance needs related to the amendments to mandatory instruments.

13.2 The Committee considered document MEPC 74/13 (Vice-Chair), providing the outcome of the preliminary assessment referred to above and noted that annex 2 of the document set out the assessment of the implications of six draft amendments to mandatory instruments approved at MEPC 73.

13.3 The Committee noted that four of these amendments were found to have no significant capacity-building implications. The remaining two sets of amendments, notably to the NO_x Technical Code 2008, concerning electronic record books and certification requirements for SCR systems, and to the Code for the Construction and Equipment of Ships Carrying Dangerous Chemicals in Bulk (BCH Code), were found to have some capacity-building requirements. The Committee noted, however, that for these two cases the technical assistance requirements could be addressed through a request for assistance through ITCP.

13.4 With regard to the assessment of capacity-building implications of two new outputs related to amendments to mandatory instruments approved at MEPC 73 (MEPC 74/13, annex 3), the Committee noted that these were found to have no significant capacity-building implications.

13.5 The Committee, taking into account the results of the assessment, agreed that it would not be necessary to establish the Ad Hoc Capacity-building Needs Analysis Group at this session.

Proposal to discontinue preliminary assessment of new outputs

13.6 The Committee, having noted the decision of MSC 100 to discontinue the preliminary assessment of capacity-building implications and technical assistance needs related to new outputs proposing to amend mandatory instruments, agreed accordingly to discontinue its own assessment of the capacity-building implications of new outputs related to amendments to mandatory instruments, given the difficulties in fully evaluating the implications of a new output before any amendments or other related mandatory instruments had been finalized for consideration.

13.7 Having noted that MSC 100 had requested the Secretariat to provide to MSC 101 an analysis of past capacity-building assessments to determine whether the findings resulted in any "added value" or resultant action, the Committee agreed to also consider the outcome of this analysis, as well as any consequential decisions by MSC 101 on the matter, at MEPC 75.

13.8 The Committee concluded by requesting the Vice-Chair, in consultation with the Chair and with the assistance of the Secretariat, to submit to MEPC 75 a preliminary assessment of capacity-building implications or technical assistance needs related to amendments to mandatory instruments to be adopted at that session.

14 WORK PROGRAMME OF THE COMMITTEE AND SUBSIDIARY BODIES

Proposals for new outputs

14.1 The Committee took into account the provisions of the Committees' method of work (MSC-MEPC.1/Circ.5/Rev.1) and of the *Application of the Strategic Plan of the Organization* (resolution A.1111(30)) when assessing the proposals for new outputs submitted to this session.

Proposal for expanding the scope of the existing output 1.26 to include a revision of MARPOL Annex IV

14.2 The Committee had for its consideration the following documents:

.1 MEPC 74/14 (Norway), proposing an expansion of the scope of the existing output on "Amendments to the *2012 Guidelines on implementation of effluent standards and performance tests for sewage treatment plants* (resolution MEPC.227(64), as amended by resolution MEPC.284(70)) to reduce inconsistencies in their application" to include revisions of MARPOL Annex IV and associated guidelines, with a view to introducing a monitoring and control mechanism for the performance of sewage treatment plants on board ships; and

.2 MEPC 74/14/6 (CLIA), commenting on document MEPC 74/14, in particular that a better understanding of the impact of the proposal to existing ships should be necessary; and recommending that any future consideration of amendments to MARPOL Annex IV and their application should be limited to new build ships,

together with the Chair's preliminary assessment of the proposal (MEPC 74/WP.3, annex 2).

14.3 The Committee recalled that, based on a sampling survey conducted by the Netherlands (MEPC 67/8/1 and MEPC 71/INF.22), the majority of ships sampled were discharging effluents from their approved sewage treatment plants that did not meet the requirements and that this issue was linked not only to the type approval process but also to maintenance and enforcement.

14.4 The observer from ICS, supported by the observer from INTERFERRY, commented that the proposed revision of MARPOL Annex IV went beyond the existing output and requirements, thus constituting a new output that necessitated further scientific justification and an analysis of the impacts to be submitted to the Committee. Furthermore, some costs would be incurred due to retrofitting of new equipment throughout the fleet and the requirements for record-keeping would have an impact on the administrative burden for the crew.

14.5 Nevertheless, the Committee noted general support for the proposal in document MEPC 74/14 and agreed to expand the scope of existing output 1.26 and amend the title of the output to read "Revision of MARPOL Annex IV and associated guidelines to introduce provisions for record-keeping and measures to confirm the lifetime performance of sewage treatment plants". The Committee also instructed the PPR Sub-Committee to seek the input of the III and HTW Sub-Committees in relation to issues of port State control and human element, as appropriate.

14.6 With regard to whether potential new requirements should apply only to new ships or to both new and existing ships, the Committee noted divergent views on this matter. Some delegations commented that new requirements should apply to all ships, some commented that the application of amendments to new or existing ships should be determined on a case-by-case basis (e.g. maintaining a sewage record book and management plan could be implemented for new as well as existing ships), and others commented that the grandfathering principle should be secured. Consequently, the Committee instructed the PPR Sub-Committee to give due consideration to the application of draft amendments to MARPOL Annex IV, taking into account the general principle that ships should not be unduly penalized.

14.7 Having noted a comment by the observer from IACS seeking clarification on whether the scope of the work (MEPC 74/14, paragraph 16) should include not only amendments to regulations of MARPOL Annex IV but also development of associated templates or guidelines in relation to sewage record-keeping and sewage management plan, the Committee agreed to refer the comment to the PPR Sub-Committee for further consideration.

Proposal for a new output on "Evaluation and harmonization of rules and guidance on the discharge of liquid effluents from EGCS into waters, including conditions and areas"

14.8 The Committee had for its consideration the following documents:

.1 MEPC 74/14/1 (Austria et al.), proposing a new output on "Evaluation and harmonization of rules and guidance on the discharge of liquid effluents from exhaust gas cleaning systems (EGCS) into waters, including conditions and areas", with a view to addressing concerns over the potential negative impact on the marine environment caused by discharge of EGCS effluents and the unilateral local measures to control the discharge;

.2 MEPC 74/14/7 and MEPC 74/INF.27 (CLIA), commenting on document MEPC 74/14/1, inter alia, with regard to the incomplete and unreleased status of the study on effluent discharges of EGCS (PPR 6/INF.20), which was referenced in document MEPC 74/14/1; and highlighting the study of 281 EGCS washwater samples, which were collected from cruise ships and analysed against 54 parameters, including polyaromatic hydrocarbons and heavy metals;

.3 MEPC 74/14/8 (CESA), commenting on document MEPC 74/14/1, inter alia, suggesting a framework for an independent study that would gather further information on the environmental impact of EGCS discharges in advance of any decision to take further regulatory measures, and proposing changes to the title of the proposed new output;

.4 MEPC 74/14/9 (China), proposing elements and a four-step approach to be considered when assessing the environmental impacts of discharge water from EGCS that consisted of calculation of pollutants, monitoring and study of model water areas, laboratory simulation, and assessment of effects on the marine environment and ecosystem;

.5 MEPC 74/INF.10 (Panama), summarizing the key findings of a literature review on environmental impacts of EGCS that was commissioned by Panama and undertaken by a team from the Massachusetts Institute of Technology, the United States; and concluding that further scientific investigations were needed for two areas (i.e. impact of EGCS effluent discharge on marine life and biogeochemical processes, and whether ships equipped with EGCS were truly equivalent to ships using low sulphur fuel regarding air emissions); and

.6 MEPC 74/INF.24 (Japan), presenting a report on the environmental impact assessment of discharge water from EGCS, which was used for making the policy decision of the Government of Japan; and concluding that risks of discharge water from EGCS to the marine environment and marine aquatic organism were in an acceptable range or negligible from both short- and long-term perspectives,

together with the Chair's preliminary assessment of the proposal (MEPC 74/WP.3, annex 2).

14.9 In the ensuing discussion, the following comments, inter alia, were made:

.1 it was important to develop a set of harmonized rules and guidance relating to the discharge of liquid effluent from EGCS;

.2 the tendency of states to introduce local or regional restrictions or prohibition measures was a worrying development, especially if no scientific background information or justification was provided;

.3 States which were considering introducing local rules should conduct prior impact assessments by themselves and IMO should advise or support such activities by developing guidelines;

.4 according to regulation 34 of MARPOL Annex I and regulation 13 of MARPOL Annex II, while the discharge of pollutants that were diluted below threshold limits was allowed, this was normally under stipulated conditions, such as when the ship was at a certain distance from the nearest land and/or the ship was proceeding at a certain speed;

.5 there was a need for additional scientific studies to provide more clarity and assist in understanding the impacts to the marine environment of washwater discharged by EGCS;

.6 a potential study should select all representative areas, use internationally accepted models for predicting environmental concentrations, such as MAMPEC, and assess pollutant loads not only in water but also in sediment;

.7 any future regulatory measures to control the discharge of washwater from EGCS should be based on sound scientific studies and evidence-based data;

.8 due consideration should be given to early movers who had fitted their vessels with EGCS to avoid penalizing them; and

.9 the intention and the scope of the new output should be refined to provide further clarification; the new output should address the issue of different local rules but not the development of a global standard as it was already an ongoing process at the PPR Sub-Committee.

14.10 As requested, the statement made by the delegation of Panama is set out in annex 27.

14.11 Having noted general support for a new output in relation to the environmental impacts of EGCS liquid effluents, the Committee approved, in principle, a new output on "Evaluation and harmonization of rules and guidance on the discharge of liquid effluents from EGCS into waters, including conditions and areas" in the 2020-2021 biennial agenda of the PPR Sub-Committee and the provisional agenda for PPR 7, with a target completion year of 2021, and referred documents MEPC 74/14/1, MEPC 74/14/7, MEPC 74/14/8, MEPC 74/14/9, MEPC 74/INF.10, MEPC 74/INF.24 and MEPC 74/INF.27 to PPR 7 for further consideration, with a view to refining the title and the scope of the output and advising MEPC 75 accordingly.

14.12 In connection with the comments made with regard to the need for more scientific research, the Committee:

.1 recalled that MEPC 73 had instructed PPR 6, in conjunction with further advice from GESAMP, to consider the view that the environmental benefits of reducing pollution to air were not diminished in the event that EGCS discharge washwater presented additional risks; and

.2 noted that PPR 6 had requested the Secretariat to explore the possibility of GESAMP carrying out a review of the scientific literature and overseeing a modelling study on the environmental impact of the discharge of washwater from EGCS and to update PPR 7.

14.13 In this context, the Committee was informed by the Secretariat of the outcome of its discussion with the Chair of GESAMP, in particular that, at the request of MEPC, GESAMP could establish a task team to assess the available evidence relating to the environmental impact of discharges of EGCS effluent, including the studies and analyses submitted to MEPC 73, PPR 6 and MEPC 74 (i.e. documents MEPC 73/INF.5, PPR 6/INF.20, MEPC 74/INF.10, MEPC 74/INF.24 and MEPC 74/INF.27), other analyses and results from research projects that were accessible to the task team, as well as the results of available simulations for predicting the environmental concentrations of target substances. The Committee also noted that, in order for a task team to be established, appropriate experts would have to be identified and sufficient external funding would have to be secured.

14.14 Having considered the above information, the Committee requested the Secretariat, subject to sufficient external funding being provided by Member States and other stakeholders, to liaise with GESAMP and convey the Committee's request for a GESAMP task team to be established to carry out the activities described in paragraph 14.13 and for the task team to report its findings to PPR 7.

14.15 In this connection, the Committee encouraged interested Member States and other stakeholders to provide funding to the Organization for the purpose of establishing the GESAMP task team as soon as possible.

Proposal for a new output to amend MARPOL to allow the establishment of regional arrangements in the Arctic

14.16 The Committee considered document MEPC 74/14/2 (Canada et al.), proposing a new output to amend relevant requirements in MARPOL Annexes I, II, IV, V and VI to allow States with ports in the Arctic region to enter into regional arrangements for port reception facilities, together with the Chair's preliminary assessment of the proposal (MEPC 74/WP.3, annex 2).

14.17 In the ensuing discussion, the Committee noted the support expressed by a number of delegations for taking practical measures to ensure that requirements for port reception facilities in the Arctic were fulfilled with a view to protecting that particularly vulnerable environment. A number of other delegations cautioned that since regional arrangements were currently applicable to small island developing States only, a comprehensive assessment for regional arrangements in the Arctic would be needed, including where these port reception facilities would be located, how they would be used and what type of wastes they would be capable of handling.

14.18 Having noted general support for the proposal, the Committee agreed to include a new output on "Development of necessary amendments to MARPOL Annexes I, II, IV, V and VI to allow States with ports in the Arctic region to enter into regional arrangements for port reception facilities" in the post-biennial agenda of MEPC, assigning the PPR Sub-Committee as the associated organ, with two sessions needed to complete the work.

Proposal for a new output on the development of an operational guide on the response to spills of hazardous and noxious substances

14.19 The Committee considered document MEPC 74/14/3 (Turkey), proposing a new output to develop an operational guide compiling good practices on preparedness and response to spills of hazardous and noxious substances (HNS), drawing from years of experience in this field from Member States and organizations, including the latest technologies, together with the Chair's preliminary assessment of the proposal (MEPC 74/WP.3, annex 2).

14.20 Having noted support for the proposal, the Committee agreed to include a new output on "Development of an operational guide on the response to spills of HNS " in the post-biennial agenda of the Committee, assigning the PPR Sub-Committee as the associated organ, with two sessions needed to complete the work.

Proposal for a new output on amendments to regulation 13.2.2 of MARPOL Annex VI

14.21 The Committee considered document MEPC 74/14/4 (Norway), proposing a new output to amend regulation 13.2.2 of MARPOL Annex VI to clarify that the installation of a marine diesel engine replacing a boiler shall be considered a replacement engine, together with the Chair's preliminary assessment of the proposal (MEPC 74/WP.3, annex 2).

14.22 Having noted the need for an in-depth technical consideration of the proposal, including the possibility of amendments to the *2013 Guidelines as required by regulation 13.2.2 in respect of non-identical replacement engines not required to meet the Tier III limit* (resolution MEPC.230(65)), the Committee agreed to refer document MEPC 74/14/3 to PPR 7 for further detailed consideration, with a view to advising MEPC 76 accordingly.

Review of mandatory requirements regarding watertight doors on cargo ships

14.23 The Committee considered document MEPC 74/14/5 (Liberia et al.), noting that the co-sponsors had submitted to MSC 101 a similar document (MSC 101/21/16) on a proposal for a new output on the safety-related issue of harmonizing mandatory requirements relating to watertight doors on cargo ships in several IMO mandatory instruments. The Committee further noted that, while seeking the approval of the new output from MSC, the co-sponsors suggested that, if MSC concurred with the proposal for a new output in document MSC 101/21/16 (and that the review of relevant instruments including MARPOL and the IBC Code should be initiated at SDC 7), then MEPC should be shown as a coordinating organ in the 2020-2021 biennial agenda.

14.24 Following discussion, the Committee agreed, in principle, that, if MSC approved the proposed new output for inclusion in its biennial agenda, then MEPC should be involved as an associated organ.

Sub-Committee on Pollution Prevention and Response (PPR)

Biennial agenda of the PPR Sub-Committee and provisional agenda for PPR 7

14.25 Having considered the biennial status report of the Sub-Committee for the current biennium and the provisional agenda for PPR 7 (PPR 6/20, annexes 19 and 21) and having taken into account the relevant decisions made at this session, the Committee approved the biennial agenda of the PPR Sub-Committee and the provisional agenda for PPR 7, as set out in annexes 22 and 23, respectively. In this connection the Committee recalled that the following issues emanating from PPR 7 would be considered by MEPC 75 as urgent matters, with the remainder being considered by MEPC 76:

.1 changes to BWM.2/Circ.70 in light of the draft amendments to regulation E-1 of the BWM Convention (see paragraph 4.57);

.2 draft amendments to the AFS Convention to include controls on cybutrynes (see paragraph 10.19); and

.3 consideration of the outcome of the environmental impacts of EGCS effluents (see paragraph 14.11).

Sub-Committee on Carriage of Cargoes and Containers (CCC)

Biennial agenda of the CCC Sub-Committee and provisional agenda for CCC 6

14.26 Having recalled that MEPC 73 and MSC 100 had approved the biennial agenda of the CCC Sub-Committee and the provisional agenda for CCC 6 (MSC 100/20, annexes 11 and 12), the Committee confirmed both.

Sub-Committee on Implementation of IMO Instruments (III)

Biennial agenda of the III Sub-Committee and provisional agenda for III 6

14.27 Having recalled that MEPC 73 and MSC 100 had approved the biennial agenda of the III Sub-Committee and the provisional agenda for III 6 (MSC 100/20, annexes 11 and 12), the Committee confirmed both.

Status of outputs of the Committee for the 2018-2019 biennium

14.28 Having recalled that, as per usual practice, the status of outputs would only be produced after the session as an annex to the Committee's report, in accordance with paragraph 9.1 of the *Application of the Strategic Plan of the Organization* (resolution A.1111(30)), to avoid any unnecessary duplication of work, the Committee invited the Council to note the status report of the outputs of MEPC for the 2018-2019 biennium, as set out in annex 24.

Proposed outputs of MEPC for the 2020-2021 biennium

14.29 The Committee, having considered document MEPC 74/WP.4 (Secretariat), approved the proposed outputs of MEPC for the 2020-2021 biennium and the outputs on the post-biennial agenda of the Committee, as set out in annex 25; and requested the Secretariat to review the outputs, taking into account the outcome of this session, in particular with regard to the proposals for new outputs, and make any necessary modifications as appropriate, for submission to C 122 for endorsement.

Items to be included in the agendas of MEPC 75 and MEPC 76

14.30 The Committee, having considered document MEPC 74/WP.5 and taken into account the decisions made at this session, approved the items to be included in the agendas of MEPC 75 and MEPC 76, as set out in annex 26.

Tentative dates for MEPC 75 and MEPC 76

14.31 The Committee noted that MEPC 75 and MEPC 76 had been tentatively scheduled to take place from 30 March to 3 April 2020 and from 19 to 23 October 2020, respectively.

Groups expected to be established at MEPC 75

14.32 The Committee, taking into account the decisions made under the respective agenda items, anticipated that the following groups might be established at MEPC 75:

.1 Working Group on Air Pollution and Energy Efficiency;

.2 Working Group on Reduction of GHG Emissions from Ships;

.3 Working Group on Marine Plastic Litter;

.4 Drafting Group on Amendments to Mandatory Instruments; and

.5 Ballast Water Review Group.

Correspondence groups

14.33 The Committee recalled that it had decided under the respective agenda items to establish the following intersessional correspondence groups:

.1 Correspondence Group on Enhancement of the MARPOL Annex VI Module in GISIS;

.2 Correspondence Group on Possible Introduction of EEDI Phase 4; and

.3 Correspondence Group on Development of a Strategy to Address Marine Plastic Litter from Ships.

Intersessional meetings

14.34 The Committee approved, subject to endorsement of the Council, the holding of:

.1 an intersessional meeting of the ESPH Working Group in 2020; and

.2 the sixth and seventh meetings of the Intersessional Working Group on Reduction of GHG Emissions from Ships from 11 to 15 November 2019 and from 23 to 27 March 2020, respectively.

15 APPLICATION OF THE COMMITTEES' METHOD OF WORK

15.1 The Committee recalled that MEPC 72 had considered the requests by A 30 to review and revise, during the 2018-2019 biennium, their method of work, taking into account resolution A.1110(30) on *Strategic Plan for the Organization for the six-year period 2018 to 2023*.

15.2 The Committee further recalled that MSC-MEPC.1/Circ.5/Rev.1 on *Organization and method of work of the Maritime Safety Committee and the Marine Environment Protection Committee and their subsidiary bodies* had been issued accordingly.

16 ELECTION OF THE CHAIR AND VICE-CHAIR

The Committee, in accordance with Rule 18 of its Rules of Procedure, unanimously re-elected Mr. H. Saito (Japan) as Chair and Mr. H. Conway (Liberia) as Vice-Chair, both for 2020.

17 ANY OTHER BUSINESS

17.1 Owing to time constraints, the Committee agreed to defer the consideration of documents MEPC 74/17 (Secretariat), MEPC 74/17/Add.1 (Secretariat), MEPC 74/17/2 (Canada et al.), MEPC 74/17/3 (FOEI et al.), MEPC 74/1NF.14 (CMS), MEPC 74/INF.15 (Secretariat), MEPC 74/INF.16 (Secretariat), MEPC 74/INF.28 (Canada), MEPC 74/INF.29 (Australia et al.) and MEPC 74/INF.36 (Canada) to MEPC 75.

17.2 As requested, statements by the delegations of Japan, Malta and ICS regarding accessions to and the importance of the Hong Kong Convention are set out in annex 27.

17.3 The delegation of Canada made a statement regarding an upcoming policy meeting hosted by Canada in autumn 2019 to advance discussions on underwater noise, and invited interested delegations to request additional information if so desired.

18 ACTION REQUESTED OF OTHER IMO ORGANS

18.1 The Council, at its 122nd session, is invited to:

.1 consider the report of the seventy-fourth session of MEPC and, in accordance with Article 21(b) of the IMO Convention, transmit it, with any comments and recommendations, to the thirty-first session of the Assembly;

.2 note the Committee instructed the III Sub Committee to consider the second consolidated audit summary report and advise MSC and MEPC accordingly, subject to concurrent decision by MSC 101 (paragraph 2.4);

.3 note that the Committee adopted amendments to MARPOL Annexes I, II, V and VI, the NO_x Technical Code 2008, the IBC Code and the BCH Code (section 3 and annexes 1 to 8);

.4 note the action taken by the Committee on issues related to ballast water management, in particular the approval of draft amendments to the BWM Convention concerning commissioning testing of ballast water management systems and the form of the International Ballast Water Management Certificate (section 4 and annexes 9 and 10);

.5 note the action taken by the Committee on issues related to air pollution and energy efficiency of ships, in particular the completion of the work on the consistent implementation of 0.50% sulphur limit under MARPOL Annex VI and the approval of draft amendments to regulations 20 and 21 of MARPOL Annex VI to significantly strengthen the Energy Efficiency Design Index (EEDI) phase 3 requirements (section 5 and annexes 11 to 16);

.6 note the action taken by the Committee on issues related to the reduction of GHG emissions from ships, in particular the approval of the terms of reference for the Fourth IMO GHG Study; the establishment of the GHG TC-Trust Fund; the adoption of an MEPC resolution on *Invitation to Member States to encourage voluntary cooperation between the port and shipping sectors to contribute to reducing GHG emissions from ships*; and the approval of an MEPC circular on Procedure for assessing impacts on States of candidate measures (section 7 and annexes 17 to 19);

.7 note the action taken by the Committee on issues related to addressing marine plastic litter from ships, in particular the approval of the terms of reference for an IMO Study on marine plastic litter from ships; and the scope of work for the PPR, III and HTW Sub-Committees to progress the work (section 8 and annexes 20 and 21);

.8 note the action taken by the Committee on the outcome of PPR 6 (section 10);

.9 note the action taken by the Committee regarding technical cooperation activities for the protection of the marine environment, in particular the approval of environment-related thematic priorities for the 2020-2021 biennium (section 12);

.10 endorse the Committee's decision to include three new outputs in its biennial agenda for 2020-2021 or its post-biennial agenda, respectively (paragraphs 14.11, 14.18 and 14.20);

.11 note the status report of the outputs of MEPC for the 2018-2019 biennium (paragraph 14.28 and annex 24);

.12 note the proposed outputs of MEPC for the 2020-2021 biennium (paragraph 14.29 and annex 25);

.13 note that the Committee approved the items to be included in the agendas of MEPC 75 and MEPC 76 (paragraph 14.30 and annex 26); and

.14 endorse the holding of the sixth and seventh meetings of the Intersessional Working Group on Reduction of GHG Emissions from Ships, from 11 to 15 November 2019 and from 23 to 27 March 2020, respectively, and an intersessional meeting of the ESPH Working Group in 2020 (paragraph 14.34).

18.2 The Maritime Safety Committee, at its 101st session, is invited to:

.1 take the concurrent decision to instruct the III Sub-Committee to consider the second consolidated audit summary report and advise MSC and MEPC accordingly (paragraph 2.4);

.2 note that the Committee adopted, by resolutions MEPC.314(74), MEPC.316(74) and MEPC.317(74), amendments to MARPOL Annexes I, II, V, MARPOL Annex VI, and NO_x Technical Code 2008, respectively, to allow the use of electronic record books; and resolution MEPC.312(74) on Guidelines for the use of electronic record books under MARPOL (paragraphs 3.39, 3.45, 3.49 and 3.51, and annexes 1, 3, 5 and 6);

.3 note that the Committee adopted by resolution MEPC.318(74) amendments to the IBC Code; and by resolution MEPC.319(74) amendments to the BCH Code (paragraphs 3.53 and 3.57, and annexes 7 and 8);

.4 in respect of consistent implementation of 0.50% sulphur limit under MARPOL Annex VI:

.1 note that the joint industry guidance on potential safety and operational issues related to the supply and use of fuel oil with a maximum sulphur content of 0.50% m/m is expected to be released in August 2019 and that an e-learning course will be developed and made available by the end of the year (paragraph 5.13);

.2 note the information provided by the observer from ISO on the preparation of a Publicly Available Specification (PAS) 23263 providing guidance as to the application of the existing ISO 8217 marine fuel standard to 0.50% compliant fuel oils, which was expected to be published later this year (paragraph 5.14);

.3 note that the Committee approved MEPC.1/Circ.864/Rev.1 on 2019 *Guidelines for onboard sampling for the verification of the sulphur content of the fuel oil used on board ships* (paragraph 5.29);

.4 concurrently approve draft MSC-MEPC circular on delivery of compliant fuel oil by suppliers, as set out in annex 14 to document PPR 6/20/Add.1, subject to concurrent approval by MSC 101 (paragraph 5.31 and annex 11);

.5 note that the Committee approved, in principle, the draft amendments to *2010 Guidelines for monitoring the worldwide average sulphur content of fuel oils supplied for use on board ships* (paragraph 5.56);

.6 note that the Committee approved draft amendments to regulations 1, 2, 14 and 18, appendix I and appendix VI of MARPOL Annex VI with a view to further supporting the consistent implementation of 0.50% sulphur limit (paragraph 5.116 and annex 13);

.7 note that the Committee adopted resolution MEPC.320(74) on *2019 Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI* (paragraph 5.117 and annex 14);

.8 note that the Committee adopted resolution MEPC.321(74) on *2019 Guidelines for port State control under MARPOL Annex VI Chapter 3* (paragraph 5.118 and annex 15);

.9 note that the Committee approved MEPC.1/Circ.881 on *Guidance for port State control on contingency measures for addressing non-compliant fuel oil* (paragraph 5.120);

.10 note that the Committee approved MEPC.1/Circ.882 on *Early application of the approved amendments to the verification procedures for a MARPOL Annex VI fuel oil sample* (paragraph 5.121);

.11 note that the Committee approved MEPC.1/Circ.883 on *Guidance on indication of ongoing compliance in the case of the failure of a single monitoring instrument, and recommended actions to take if EGCS fails to meet the provision of the Guidelines* (paragraph 5.123); and

.12 note that the Committee approved MEPC.1/Circ.884 on *Guidance for best practice for Member State/coastal State* (paragraph 5.125);

.5 in respect of enhancement of the implementation of regulation 18 of MARPOL Annex VI:

.1 note that the Committee approved MEPC.1/Circ.887 on *Reporting of data related to fuel oil availability and quality in GISIS to promote greater understanding of the consistent implementation of the 0.50% m/m sulphur limit under MARPOL Annex VI* (paragraph 5.47);

.2 note that the Committee instructed the Secretariat to update the existing tabs for regulations 18.1, 18.2.5 and 18.9.6 in the MARPOL Annex VI GISIS module for better functionality (paragraph 5.49);

.3 note that the Committee established a Correspondence Group on Data Collection and Analysis under Regulation 18 of MARPOL Annex VI, to be coordinated by the Secretariat, to investigate the reporting of additional items on GISIS and further usability improvements, if feasible and as appropriate (paragraph 5.50); and

.4 note that the Committee instructed the Secretariat to report to MEPC 75 a preliminary overview of data on fuel oil quality and availability currently available in GISIS as well as an overview of the current use of GISIS with reference to obligations under regulation 18 and 14; and to advise MSC 101 on the progress made on the new GISIS module for fuel oil safety matters (paragraph 5.51);

.6 note that the Committee approved the scope of work for the PPR, III and HTW Sub Committees to progress the work of the relevant short-term actions under the Action Plan to address marine plastic litter from ships (paragraph 8.37);

.7 note that the Committee invited proposals for a new output to a future session of MSC on progressing mandatory reporting of containers lost at sea and ways of communicating their location, and that the Committee requested CCC and NCSR Sub-Committees to note the importance of the issue of lost containers at sea for addressing marine plastic litter from ships, as their expertise could be sought in future (paragraphs 8.38 and 8.39);

.8 concurrently approve the draft MSC-MEPC.2 circular on *2019 Guidelines for the carriage of blends of biofuels and MARPOL Annex I cargoes* (paragraph 10.7);

.9 concurrently endorse the updated PPR 1 circular on *Decisions with regard to the categorization and classification of products*, to be issued as PPR.1/Circ.7 (paragraph 10.11);

.10 note that owing to time constraints, the Committee defer the consideration of the outcome of III 5 to MEPC 75 and instructed the III Sub-Committee to take necessary actions as per the instruction of MSC 101(paragraph 11.3);

.11 note that the Committee agreed to discontinue its assessment of the capacity-building implications of new outputs related to amendments to mandatory instruments, given the difficulties in fully evaluating the implications of a new output before any amendments or other related mandatory instruments had been finalized for consideration (paragraph 13.6); and

.12 note that the Committee agreed, in principle, that, if MSC 101 approved the proposed new output as described in document MSC 101/21/16 (Liberia et al.) on the safety-related issue of harmonizing mandatory requirements relating to watertight doors on cargo ships in several IMO mandatory instruments, then MEPC should be involved as an associated organ (paragraphs 14.23 and 14.24).

18.3 The Technical Cooperation Committee, at its sixty-ninth session, is invited to:

.1 note that the Committee approved the terms of reference for the establishment of the GHG TC-Trust Fund – a voluntary multi-donor trust fund to sustain the Organization's technical cooperation and capacity-building activities to support

the implementation of the Initial Strategy and requested the Secretary-General to establish the Trust Fund and to report to the Council accordingly (paragraph 7.9 and annex 17);

.2 note that the Committee approved environment-related thematic priorities for the 2020-2021 biennium, for consideration by TCC 69, with a view to approval as part of ITCP for the 2020-2021 biennium (paragraphs 12.2 and 12.3); and

.3 note that the Committee noted the information provided on the Organization's technical cooperation activities related to protection of the marine environment which were implemented in 2018 under ITCP and under major projects financed through external sources (paragraph 12.4).

18.4 The Facilitation Committee, at its forty-fourth session, is invited to:

.1 note that the Committee adopted, by resolutions MEPC.314(74), MEPC.316(74) and MEPC.317(74), amendments to MARPOL Annexes I, II, V, MARPOL Annex VI, and NO_x Technical Code 2008, respectively, to allow the use of electronic record books; and resolution MEPC.312(74) on *Guidelines for the use of electronic record books under MARPOL* (paragraphs 3.39, 3.45, 3.49 and 3.51, and annexes 1, 3, 5 and 6); and

.2 note that the Committee adopted resolution MEPC.323(74) on *Invitation to Member States to encourage voluntary cooperation between the port and shipping sectors to contribute to reducing GHG emissions from ships* (paragraph 7.28 and annex 19).

(The annexes to this report have been issued as documents MEPC 74/18/Add.1 (annexes 1 to 3, 5, 6 and 9 to 27) and MEPC 74/18/Add.2 (annexes 4, 7 and 8))