



Capital Link Decarbonization in Shipping Forum

"Moving from Discussion to Delivery"

Digital Conference

Wednesday & Thursday, April 14 & 15, 2021

The Transition To Decarbonization – How To Foot The Bill & Who Will Share Into The Cost?



**Mr. George
Paleokrassas**
Partner
Watson Farley &
Williams

The importance which we at WFW attach to this topic is shown by the recent launch of our thought leadership report '[The Sustainability Imperative](#)', which examined the shipping world's views on sustainability and governance and what actions need to be taken as a result. Sustainability concerns have rocketed up the shipping agenda over the past decade, with environmental, social and corporate governance (ESG) issues already influencing financing decisions, fleet renewal and regulatory change across the industry. Decarbonisation of shipping is by far the most complex and pressing area.



**Mrs. Clara
de la Torre**
Deputy Director-General
Directorate General for
Climate Action -
European Commission

In the maritime transport sector, our plan is to propose a basket of EU measures, along with the measures agreed at global level within the International Maritime Organization. This basket of measures is necessary, as there is no silver bullet to reduce shipping emissions. The extension of the European emissions trading system to maritime transport is part of the basket and is currently being assessed. The European Commission is also preparing other legislative measures such as the FuelEU Maritime initiative to boost the demand for renewable and low-carbon fuels or the revision of existing directives dealing with energy taxation, alternative fuel infrastructure or renewable energy and support for more research and innovation actions in the sector.



**Mr. Rasmus Bach
Nielsen**
Global Head of Fuel
Decarbonization
Trafigura

We have called on the IMO to introduce a global carbon levy to incentivise the use of low and zero-carbon fuels by making these cost neutral compared to the higher emitting fuels primarily used today. The ships in use, the fuels that power them and the related infrastructure all need to change. Trafigura believes the best way of promoting such change is through the adoption of a market-based measure that would charge a significant levy on carbon-intensive shipping fuels and subsidise low-and zero-carbon fuels. These measures were outlined in our [proposal](#) for an IMO-led global shipping industry decarbonisation programme.