

## **Action plan for more efficient enforcement of sulphur emissions from ships**

Efficient and uniform enforcement of international environmental regulations for ships is a precondition for achieving the intended impact of the regulations in practice and for ensuring fair competition.

Therefore, the Danish Government's Plan for Growth in the Blue Denmark contains an initiative entitled "Improved enforcement nationally and globally".

On 1 January 2015, new and stricter requirements for ships' sulphur emissions take effect in the North Sea and in the Baltic. The regulations stipulate that, in the future, ships must use fuels with a low sulphur content or clean the smoke of sulphur. Since both low sulphur fuels and cleaning technologies are significantly more expensive than conventional fuels, there will be a not inconsiderable economic incentive to not comply with the regulations. Consequently, enhanced enforcement of the regulations is of considerable importance to the environment and to health as well as to ensuring a global shipping industry characterized by fair competition.

In Denmark, the Ministry of the Environment is responsible for regulating the sulphur content of ships' fuels, while the Danish Maritime Authority carries out the inspection in practice. At present, both Danish and foreign ships calling at Danish ports are subject to inspections that include a control of the relevant documents as well as oil sampling.

Against this background, the Danish Maritime Authority and the Danish Environmental Protection Agency have – in dialogue with the Danish Shipowners' Association – identified a number of central focus areas of importance to ensure efficient enforcement both nationally and internationally. In connection with the individual focus areas, specific initiatives have been listed. The focus areas primarily fall within four groups:

- International cooperation.
- New technology.
- Improved statistics and documentation.
- Sanctions.

The initiatives focus on enforcement of the sulphur regulations, but the possibility of launching similar initiatives in connection with the enforcement of other environmental regulations cannot be rejected.

In order to ensure the greatest possible effect of the initiatives, it is important that they are carried out in close cooperation with the industry. Therefore, the action plan also contains a number of initiatives intended to ensure inclusion of the industry.

### **International cooperation**

Enhanced Danish enforcement measures cannot stand alone. Enforcement beyond the borders of Denmark also presents great challenges.

Consequently, it is decisive that Denmark places this issue high on the agenda of relevant international fora.

In addition, it is important to focus on the possibilities of establishing rather informal cooperation relations. In a number of areas, Denmark cooperates closely with various countries. Cooperation on the enforcement of the sulphur regulations could, for example, include common control measures, exchange of experiences, control data, etc.

<b>Goal</b>
<i>Environmental regulation of shipping must be enforced efficiently and uniformly in consideration of the environment and in order to ensure fair competition in the global shipping industry.</i>
<b>Initiatives</b>
<ul style="list-style-type: none"> <li>• <b>Focused control campaign:</b> Denmark has, together with the Netherlands, proposed to carry out a so-called “Concentrated inspection Campaign” on, inter alia, the sulphur regulations in the framework of the Paris MoU.</li> <li>• <b>MAIG cooperation:</b> The Danish Maritime Authority will focus on coordinated enforcement of the sulphur regulations in the framework of the so-called MAIG cooperation, which includes the maritime administrations from Denmark, United Kingdom, Sweden, Norway, Finland, Germany, the Netherlands and Belgium.</li> <li>• <b>European Sustainable Shipping Forum (ESSF):</b> Denmark is actively engaged in the ESSF which is finalizing a number of recommendations for the EU Commission for specific enforcement initiatives. See more below under “Improved statistics and documentation”.</li> <li>• <b>Cooperation around the Baltic (HELCOM):</b> In HELCOM, a working group has been established – inter alia upon the request of Denmark – to consider and prepare specific initiatives for closer cooperation on enforcement among the Baltic countries.</li> <li>• <b>Increased information:</b> In the framework of the ESSF, Denmark will propose to circulate focused information to European shipowners and fuels suppliers prior to the entry into force of the regulations in order to ensure awareness about the provisions and about compliance with them.</li> </ul>

### **New technology**

Efficient enforcement presupposes that the controlling authority has the necessary tools at its disposal for carrying out the control. Therefore, focus must be on the development of new and efficient sampling methods. This involves both effectivisation of conventional inspection procedures and development of alternative surveillance methods, including “sniffers”. They can be used both in connection with surveillance by plane at sea and on fixed installations – for example on bridges and at port entrances, etc.

<b>Goal</b>
<i>Denmark will be a forerunner when it comes to the use and development of new technologies for use when enforcing environmental regulations.</i>
<b>Initiatives</b>
<ul style="list-style-type: none"> <li>• <b>Sniffer project on the Great Belt Bridge:</b> The initiative stipulated in the Plan for Growth on a pilot project related to sniffers on the Great Belt Bridge has been launched in early 2014 and will continue throughout the year. At first, the pilot project is planned to be finalised at the end of 2014. The Danish Environmental Protection Agency supports the project with DKK 1 million.</li> <li>• <b>Drone project:</b> In parallel with the project in the Great Belt, a project has been launched with the purpose of developing drones for measuring emissions from ships. The Danish Environmental Pro-</li> </ul>

tection Agency supports the project with DKK 1 million. The test will be carried out in 2014 with a measuring campaign in the summer of 2014.

- **Horizon 2020:** The Danish Maritime Authority has – in cooperation with a wide number of partners – forwarded an application ("EfficienSea2") to the EU with a view to being granted means from the Horizon 2020 program. Enforcement/monitoring of environmental regulations is included in the application.
- **TEN-T:** Upon a Finnish initiative, an informal forum has been established with participation by a number of countries' maritime administrations, including the Danish Maritime Authority. Quite specifically, the possibility of forwarding a TEN-T application in the autumn of 2014 is being considered. The purpose of the project is to make the use of new surveillance methods more common.
- **Financing:** In cooperation with the industry, the Danish Maritime Authority and the Danish Environmental Protection Agency will consider the possibilities of procuring financing for research and development of new technologies for enforcement of environmental regulations.
- **Effectivisation of current inspection in Denmark:** This could, for example, include:
  - The procurement of new portable measuring equipment that could, on the spot, indicate whether the provisions have been violated.
  - An extension of the number of oil samples.
  - Measurements from the air of ship's sulphur emissions (sniffers).

### Improved statistics and documentation

A very crucial precondition for efficient enforcement is the availability of thorough documentation and statistics on violations. The more extensive the documentation available, the easier it is to place enforcement on the agenda in the EU and other international fora and the more precisely the right instruments and initiatives can be used/introduced.

At present, the use of control statistics at the EU level seems to be limited. Against this background, the Commission is expected to make requirements for uniform reporting by the member States before the end of 2014.

The European Sustainable Shipping Forum has established a sub-group on the implementation of the Sulphur Directive, where both the authorities and the industry are represented. The purpose of the group is, inter alia, to assist the Commission in drawing up implementing legal acts. Denmark has an active role in this forum.

<b>Goal</b>
<i>An extensive and well-consolidated data basis is to ensure an efficient and systematic exchange of information between the member States.</i>
<b>Initiatives within the framework of the ESSF (European Sustainable Shipping Forum)</b>
<ul style="list-style-type: none"> <li>• <b>Harmonisation of reports to the EU Commission:</b> The Commission will, on the basis of input from the ESSF, draw up a new and homogeneous format for use when reporting control data. Denmark will propose to include information on sanctions in the reporting, including the size of fines.</li> <li>• <b>Adaptation of THETIS:</b> Inter alia upon the Danish initiative, it is examined whether it is possible to develop a special module for the so-called "THETIS" database with a view to recording the inspection of and violations of the sulphur regulations.</li> </ul>

- **Oil sampling:** The ESSF is striving to develop common EU guidelines on representative oil samples.

### Sanctions in case of violations

An important element in the debate on enforcement is the issue of imposing sanctions. This concerns partly the size of the sanctions, partly whether the authorities have at their disposal the necessary instruments for ensuring efficient sanctioning. In addition, the availability of a homogeneous and solid data basis is a pre-condition for arranging efficient control procedures.

<b>Goal</b>
<i>Violations of environmental regulations must be punished consistently and the sanctions must correspond to any potential benefit.</i>
<b>Initiatives</b>
<ul style="list-style-type: none"> <li>• <b>Administrative fines:</b> The Danish Maritime Authority will – in cooperation with the Danish Environmental Protection Agency – consider the practical and legal possibilities of issuing administrative fines in connection with port State control.</li> <li>• <b>Sanction level:</b> The Danish Environmental Protection Agency will – when recommending the size of fines – take account of the principles of the Sulphur Directive on determining sanctions and on the level of fines in other member States.</li> <li>• <b>Sanctioning violations made by ships not calling at Danish ports:</b> The Danish Maritime Authority and the Danish Environmental Protection Agency will consider the possibility of securing prosecution of foreign ships violating the provisions, but not calling at Danish ports.</li> <li>• <b>Use of sniffer measurements:</b> Denmark will, as part of its work in the ESSF, propose a uniform application of the measuring results from sniffers.</li> </ul>

### Cooperation with the industry

Efficient and consistent enforcement cannot be ensured by the public authorities on their own.

Therefore, it is important that – when developing new control initiatives – there is a close dialogue between the maritime industry and the relevant authorities, including especially the Danish Maritime Authority and the Danish Ministry of the Environment.

In addition, it is possible for the organisations of the maritime industry to contribute significantly to focusing on the need for more efficient enforcement through the relevant international fora in which the organisations take part.

<b>Goal</b>
<i>Continued close and trusting cooperation between the industry and the authorities is to create the basis for maximum influence in international maritime fora.</i>
<b>Initiatives</b>
<ul style="list-style-type: none"> <li>• <b>Information campaign:</b> The Danish Environmental Protection Agency and the Danish Maritime Authority will consider the need for focused information measures vis-à-vis Danish suppliers of ship's fuels.</li> </ul>

- **Focus on enforcement in relevant industry fora and organisations:** The Danish Shipowners' Association works actively in a number of different fora, including for example ECSA, ICS and together with the other Nordic shipowners' associations. More specifically, ECSA strives to draw up a common position paper on enforcement, and in the framework of ICS a questionnaire survey will be carried out on the enforcement of the sulphur regulations by the national maritime authorities.
- **Danish Maritime Days:** In connection with Danish Maritime Days in the autumn of 2014, the Danish Shipowners' Association will hold a seminar for the stakeholders of the maritime industry on quality in environmental legislation. The seminar will include all stakeholders in this area, including shipowners, marine equipment manufacturers, fuel suppliers and green organisations.
- **Submission to the IMO:** Together with the Danish Shipowners' Association, the Danish Maritime Authority and the Danish Environmental Protection Agency will consider submitting a proposal to the IMO on enforcement.
- **Best practice:** The Danish Maritime Authority and the Danish Environmental Protection Agency will consider the possibilities of creating incentives for shipowners to take voluntary steps that could contribute to more efficient enforcement.