



CONSEIL CONSULTATIF POUR
LES EAUX OCCIDENTALES
SEPTENTRIONALES

NORTH WESTERN
WATERS
ADVISORY COUNCIL

CONSEJO CONSULTIVO PARA
LAS AGUAS
NOROCCIDENTALES

MINUTES

FOCUS GROUP CLIMATE & ENVIRONMENT

Virtual meeting via Teams

Monday 28 June 2021

14:30 – 16:30 CET

Participants

Name	Organisation
Jacopo Pasquero	EBCD
Despina Symons	EBCD
Jerome Jourdain	UAPF
Norah Parke	KFO
Jasmine Vlietinck	Rederscentrale
John Lynch	ISEFPO
Lucile Toulhaut	CNPMEM
Matilde Vallerani	Secretariat
Mo Mathies	Secretariat

1. Welcome and introductions

The Chair (Jacopo Pasquero) welcomed all the participants to the meeting. No apologies were received and the agenda was adopted as drafted.

Action point from last meeting (12 March 2021):

1	Secretariat to distribute advice ToR for ExCom approval Done – Climate advice delivered to the COM on 13 May
2	Secretariat to submit draft reply to the Biodiversity consultation to ExCom for approval. Done – Reply to Biodiversity consultation submitted on 11 May
3	Secretariat to contact the Commission asking for information on when the feedback on draft act CO2 emissions of engines will open and for how long. Done on 6 May, reply from the Commission received on Friday 25 June
4	Members of this FG to attend the SWW meeting. Jerome will provide updates when available. If needed, the Secretariat will also invite an expert to present on this topic at the next FG meeting, to ensure the group is properly informed when preparing the submission. Done - The SWWAC did not specifically address the subject of how to calculate “CO2 emissions of engine” between old and new engine at the meeting. Mr Tristan Smith, Director at UMAS, has been invited today to present on the consultation topic.



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5	Secretariat to review the schedule on the advice ToR and send the draft advice for a first round of comments by Focus Group members.
	Done – Climate advice delivered to the COM on 13/05
6	Secretariat to contact the Commission to inform them about the preparation of this advice and ask for any indication on a timeline to make the advice delivery in a timely manner.
	Done – Climate advice delivered to the COM on 13/05
7	Jerome Jourdain, as PelAC member, will attend the PelAC Ecosystem Focus Group meeting and report back to the Focus Group.
	The Focus Group meeting finally took the form of a workshop due to the large numbers of attendees. Speakers from the CERES and ClimeFish projects were invited to the workshop, talking about projections of the consequences of climate change on fisheries and aquaculture resources. Minutes are available here: https://www.pelagic-ac.org/02184/ The PelAC is also willing to collaborate with other ACs on this topic.
8	Secretariat to launch doodle for next meeting once more information on deadlines for providing feedback on draft act CO2 emissions of engines is available.
	Done

2. Review and comments on the draft reply to the public consultation on the Irish MPAs network as prepared by the Secretariat

First draft prepared by the Secretariat and circulated in advance of the meeting. Written comments were received from Lucile. Members worked directly on the document, discussing the draft replies to the consultation questions.

ACTION: Secretariat to redistribute the updated draft for members to come back with feedbacks. To be finalised via written procedure.

3. Feedback on draft act CO2 emissions of engines - methodology for their reduction

The consultation opened on Monday and the deadline is set on 23 July.

The Group was joined by Tristan Smith, who is a researcher at the University College of London and is leading a research group focusing on the decarbonisation of the international shipping industry.

- **Presentation by Tristan Smith (UMAS)**

Tristan: We are doing a lot of work for the International Maritime Organisation (IMO) as well as with the industry. We try both to understand the recent trends and drivers in energy efficiency, demand and emissions and how the future of energy efficiency might look like, using models to explore what-ifs for future market and policy.

Failure to take the highest possible action in the 2020s would increase the likelihood that policy interventions that reduce the demand for shipping, or that result in premature scrapping, would be needed. Within the IMO, for the large merchant ships we work often on, there is already a



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framework to acknowledge a conversion of a business-as-usual trend to having to reach 0 emissions by 2050. However, how the IMO would implement this is quite ambiguous and is not succeeding in making policies in line with this state of ambition.

We tried to understand what would happen to the larger ships over the next three decades. We have a series of models that represent the decisions that ship owners and operators can make at a given point in time, both investment decisions in technology specifications and operational decisions such as types of speed they might travel at. We modelled this with 40 different energy efficiency technology interventions. These models are based on an assumption about growth in trade and an assumption on growth in wealth and changes in fuel price, but also on the overarching policy narrative, thus decarbonisation either by 2050 or 2070. Unfortunately we don't have a detailed analysis for fishing and technology transition.

Results from these models show the fuel composition changing. Around 2030, the model shows that a phase will start where the fleet will be using 0 carbon fuels. We modelled for a few candidates for that 0 carbon fuels including hydrogen, ammonia and methanol. The finding from the model shows that ammonia is the preferable, as it would be the lowest cost choice. Methanol is used in vessels that have significant volumetric constraints. Hydrogen does not get used because it is too expensive and too inefficient to store. Liquid natural gas is not visible as a significant fuel and that is contrary to the current narrative in international shipping, where at the moment there is a movement towards the use of natural gas as a marine fuel.

Therefore, the final result is that international shipping will have to go through a transition to a 0 carbon fuel very rapidly and that sets the context for the smaller ships as well.

Bioenergy was not included as an option for shipping energy use. Partly because of the work done by IPCC on climate change and land use, but also because of the limited offer of this product and the higher demand from other sectors, while shipping has other alternatives.

We then looked at costs for large ships for the different groups of fuels (fuels from renewable electricity, bio-fuels and blue fuels derived from natural gas on land, with carbon sequestration equipment on the production process) to estimate what the sum of the capital cost (i.e. the investment made on the vessel for storage for example) and the actual fuel cost would be evolving from 2020 to 2050. According to this analysis, the cheapest is ammonia produced using natural gas from 2030 onwards. We have a period over the next decade where biofuels will be the cheapest. For the E-fuels there is a price landscape changing rapidly as this is related to the price of electricity. However, results show that e-fuels are consistently more expensive than ammonia, whose competitiveness improves over time.

It is important to consider that at national level commitments towards fleet decarbonisation and supporting alternative fuels are rapidly increasing and will be reflected into policies and strategies.

For what concerns the Commission's public consultation, looking at the draft act text there is a bit of confusion on the language used in Article 1. The policy seems to aim at a 20% improvement, but then lists a series of 0 carbon solutions as alternatives. What is the policy trying to incentivise? For



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sure, the fishing sector should be prepared for the long game and not just move forward on small increments.

Also, there is a real risk to get stuck on natural gas. The policy seems to be framed on CO₂, but we should really consider all GHG in the transition.

Why is the text only mentioning fuel cells and not internal combustion as well? Our work shows that internal combustion is cheaper and I expect that also being true for fishing vessels. Also, the list mentions only the ICE hybrid and not the fuel cell hybrid.

It is not clear if they would be funding fuels or engines.

Finally, it is also not clear how the 20% would be calculated (if on operational emissions or on lifecycle emissions for example).

Jerome: In France we have no national strategies but are asking ourselves if it is at our advantage or not to request a dedicated IMO study on fishing vessels. We know that this is a different dynamic from EU fleets. We also had organised a study analysing GHG emissions from vessels since 1990, which we presented at the NWWAC Climate Workshop in November 2020. I share your remarks because we don't have a direct alternative to fossil fuels even if we are trying to improve our efficiency with new fuels. Unfortunately we lack material technologies that can also be adapted to the size of the fishing vessels.

Tristan: I think it is very important that you consider how your members can avoid premature scrapping because of new regulations coming in force. This fund could be a precursor for future more demanding regulations which will force you to reduce emissions very shortly. Policy makers don't always understand change rates in a sector. I think you should not underestimate how quickly this will happen in the coming years.

John: It is also true that fishing has such a small impact on global GHG emissions that we will probably be rule takers. It is quite difficult for our industry to be involved in decision making on these topics.

Chair: Are fishing vessels ever being addressed in the context of IMO?

Tristan: No, in the GHG studies we didn't include fishing and were expressly advised not to. I think because the IMO remit only involves international shipping. The IMO does not regulate domestic shipping either, that is up to the national jurisdiction. It is quite a complicated issue because the fishing sector does not have a voice in the IMO forum, but I would imagine that many of the next outputs from the IMO will be important for the industry.

- **Next steps:**

ACTION: Secretariat to draft feedback to be sent to the Focus Group members for comments. To be finalised via written procedure.

ACTION: Secretariat to request an extension of the consultation deadline to DG MARE.



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4. Discussion on ICES WKTRADE advice

ICES WKTRADE3 was a workshop held in April which aimed at developing management options to reduce the impacts of bottom fishing on seabed habitats and undertake analysis of the trade-offs between overall benefit to seabed habitats and loss of fisheries revenue/contribution margin for these options.

Members agreed that it could be interesting to examine the workshop report, issued on 24 June, to decide on the possibility to prepare some recommendations to the Commission based on the outputs of the workshop.

Members agreed to postpone this task to a later stage, after the summer, as the Group first needs to focus on the Irish MPA consultation and on the CO2 emissions of vessels consultation.

The Chair informed the group that the North Sea AC is also interested in working on this topic and future inter-AC collaboration could be considered.

5. AOB

Chair: Last week I participated in a meeting of the North Sea Energy Cooperation project, led by the Dutch Government on how fisheries and offshore renewable energy can coexist. Since the project is considering also OSPAR area 3 (which is within the NWWAC remit), participants at the meeting suggested that the NWWAC is involved in the project as well. The project is aiming at providing some recommendations and at forecasting the conflicts that might arise.

ACTION: Secretariat to share the information on this project with the Chair and Vice-Chair of the former Focus Group on seismic activities and offshore wind energy to see if there is interest.

6. Summary of actions agreed and planning

1	Secretariat to redistribute the updated draft for members to come back with feedbacks. To be finalised via written procedure.
2	Secretariat to draft feedback to be sent to the Focus Group members for comments. To be finalised via written procedure
3	Secretariat to request an extension of the consultation deadline to DG MARE.
4	Secretariat to share the information on this project with the Chair and Vice-Chair of the former Focus Group on seismic activities and offshore wind energy to see if there is interest.



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