



Organization of
American States | More rights
for more people



Inter-American
Committee
on Ports



RIGHTSHIP



Partnering for Sustainable Ports

INCENTIVIZING SUSTAINABLE SHIPPING

Veracruz
20th October 2016



... IN A SENTENCE!

RightShip is an **innovative** organization with a **social conscience**, best known for our work on **maritime safety**.

We also have a growing reputation for our work in **environmental sustainability**.





RIGHTSHIP

- Independent company formed in 2001
- Ship vetting & risk management
- GHG Emissions Rating & Enviro Score



- **37,999 vets – ↑2,152 (6%) from 2014**
- **11,329 petroleum vets – ↑1,970 (21%) from 2014**
- **3.34b DWT vetted – ↑183m (6%) from 2014**
- **156,813 login sessions – ↓11.3k (7%) from 2014**
- **2,487 inspections – ↓579 (19%) from 2014**
 - 609 Dry – ↓21 (3%) From 2014
 - 1,878 Petroleum – ↓558 (23%) from 2014





TODAY'S DISCUSSION



- **Issue with Shipboard Emissions**
- **GHG emission Rating & EEDI/EVDI**
- **Efficiency Savings – *verified!***
- **Why - Port Incentive Program**
- **Elements of a P I P**
- **Conclusion**



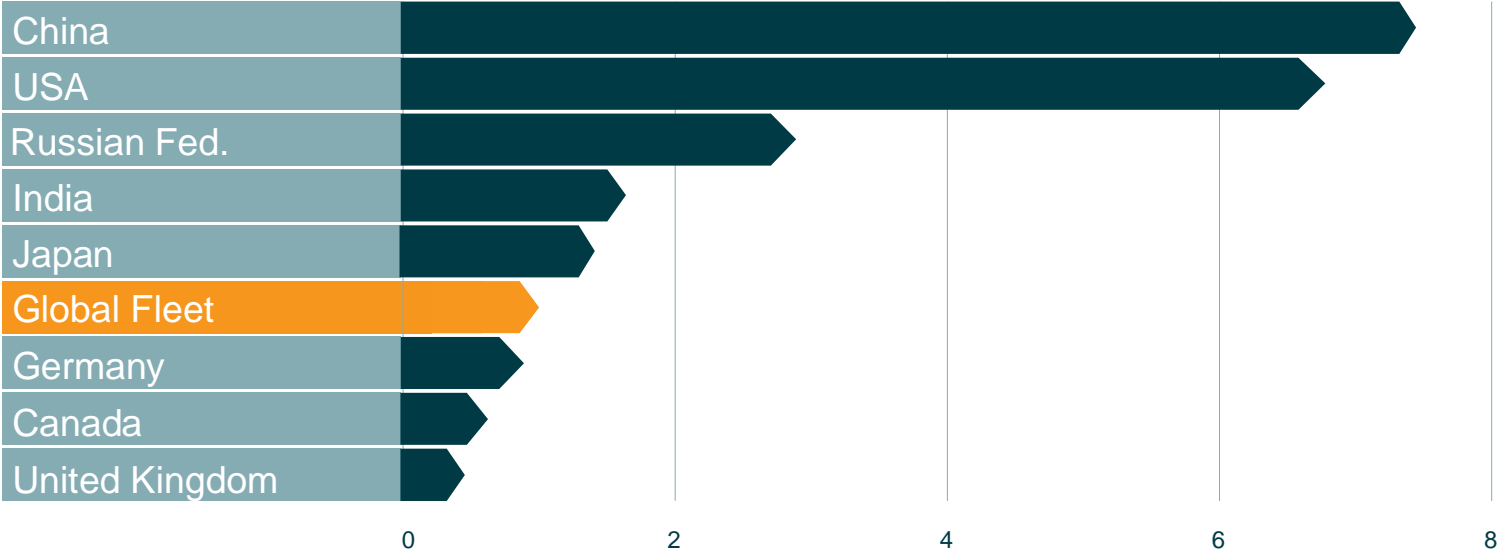
SHIPPING'S GROWING EMISSIONS PROBLEM





CONTEXT OF MARITIME EMISSIONS

Global shipping – amongst the world’s largest carbon dioxide emitters



Data Sources:
Third IMO GHG Study (2014), UNFCCC COP21 (2015)

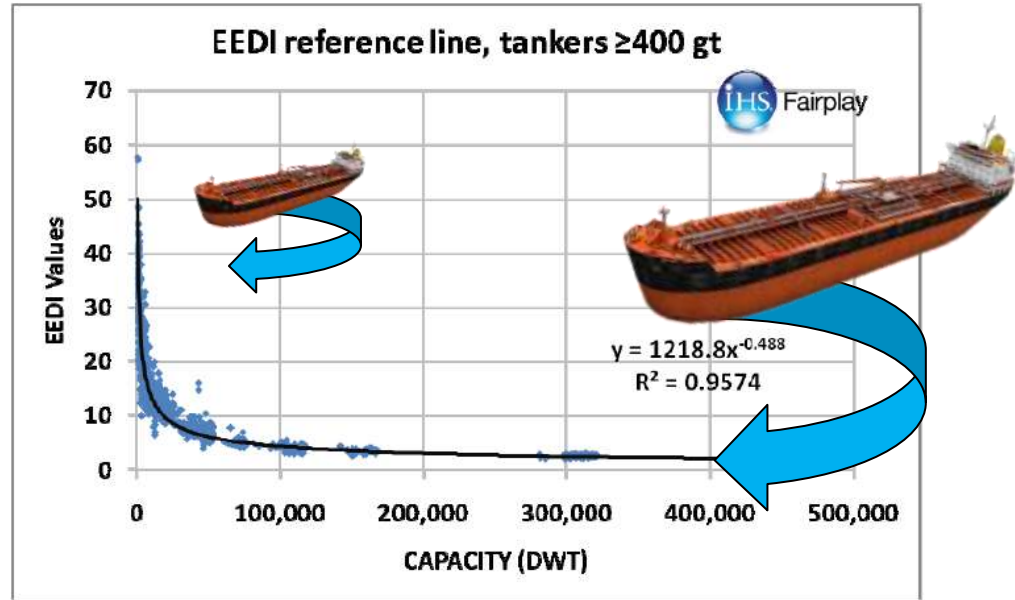
Emissions (Gigatons CO₂)



IMO DEFINES EFFICIENCY

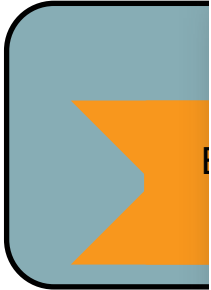
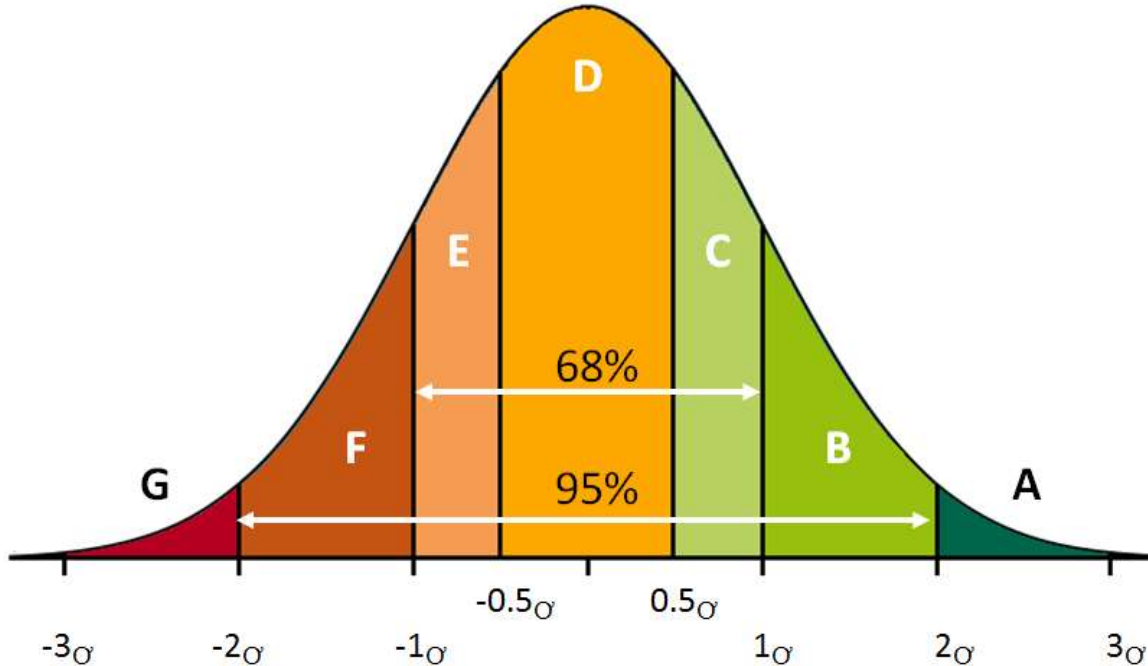
International Maritime Organisation's 'Energy Efficiency Design Index' (EEDI)

- Ships built after 1 January 2013
- ~5,000 ships regulated by EEDI
- ~70,000 existing ships not covered by regulation
- Lack of clarity into individual ship efficiency
- 'One-size-fits-all approach'



CALCULATING THE A-G GHG EMISSIONS RATING

GHG Emissions Rating – Normal Peer Distribution



90,000 DW
Bulkers

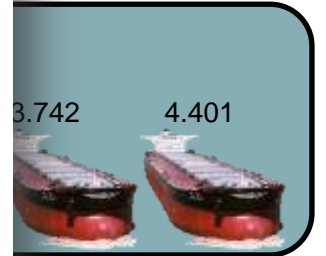


4.334



5
GHG
Emissions
Rating

110,000 DWT
Bulkers



3.742

4.401



GHG EMISSIONS RATING



Robust Methodology: DNV GL reviewed



Easy to use, understand



Corporate Social Responsibility, transparency



Reduces CO₂ & associated emissions



Cheaper to run: Tyndall research



Free of charge: www.shippingefficiency.org



DOES IT PAYS TO BE GREEN?



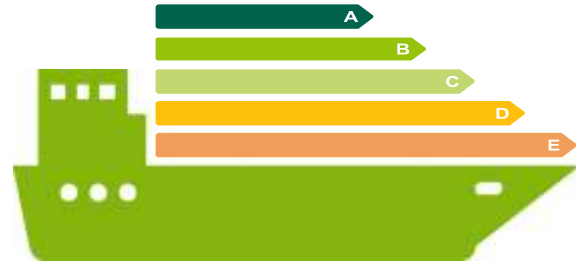


METHODOLOGY

CASE-BY-CASE ASSESSMENT



VS.





METHODOLOGY

FUEL CONSUMPTION – CO₂ EMISSIONS

Single Voyage and Long Term Time Charter

Chartered vessel

- AIS tracking (satellite) utilized
- Origin and destination of journey
- Speed and distance

'Replaced' vessel

- Design particulars
- Estimate journey

Methodology: ~3rd GHG Study





RESULTS

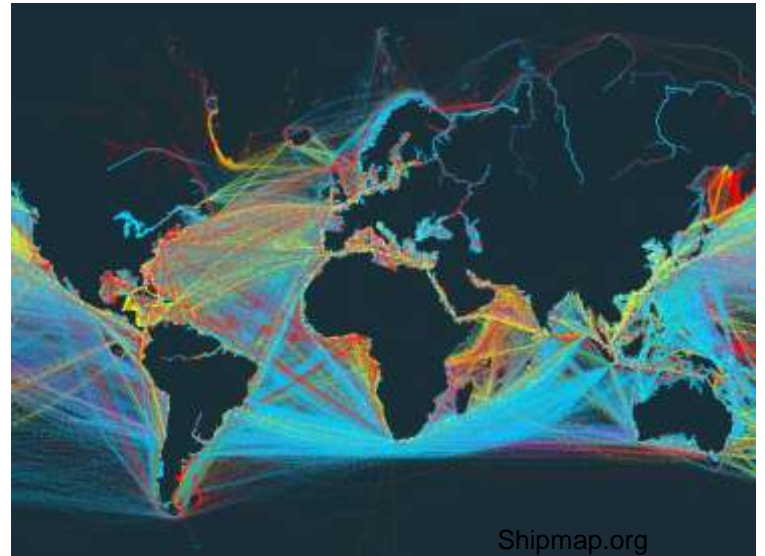
AVERAGE SAVINGS: 5.2% – 8.6%

Case-by-case assessment

- 247 cases assessed
- 136 cases suitable for comparison

Fuel Consumption and CO₂ Savings

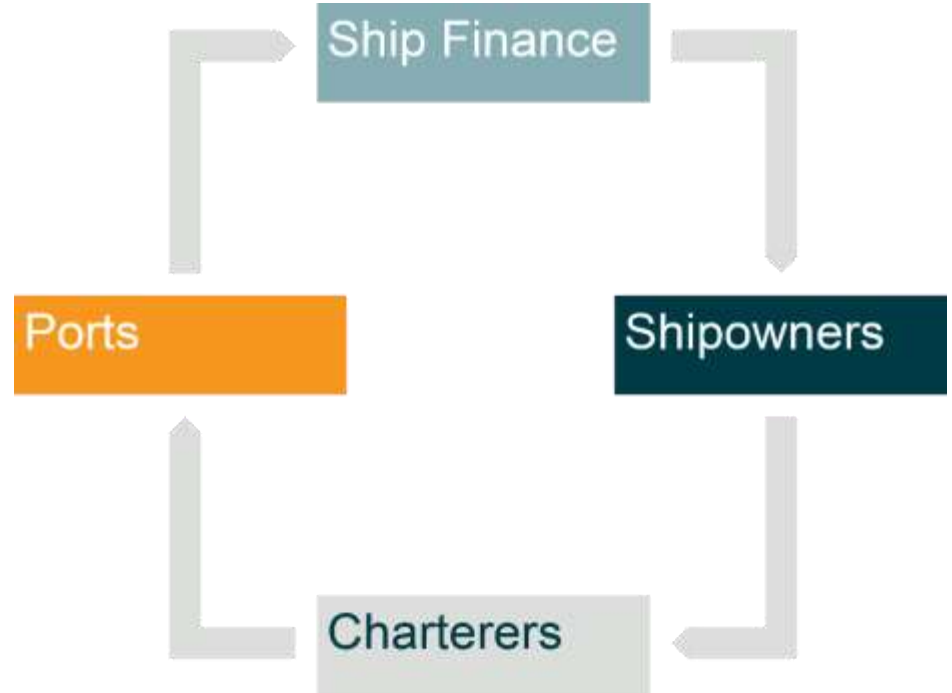
- Majority of individual cases achieved savings
- Charter party key factor:
 - Size / utilization
 - Speed (design speed)





CONCLUSION

“Explicitly considering fuel efficiency in chartering decisions offers significant fuel, financial, and emissions savings”





SUSTAINABLE VESSEL SELECTION PAYS





PORT INCENTIVE PROGRAM

In Americas . . .

Implemented in Vancouver & Port Prince Rupert

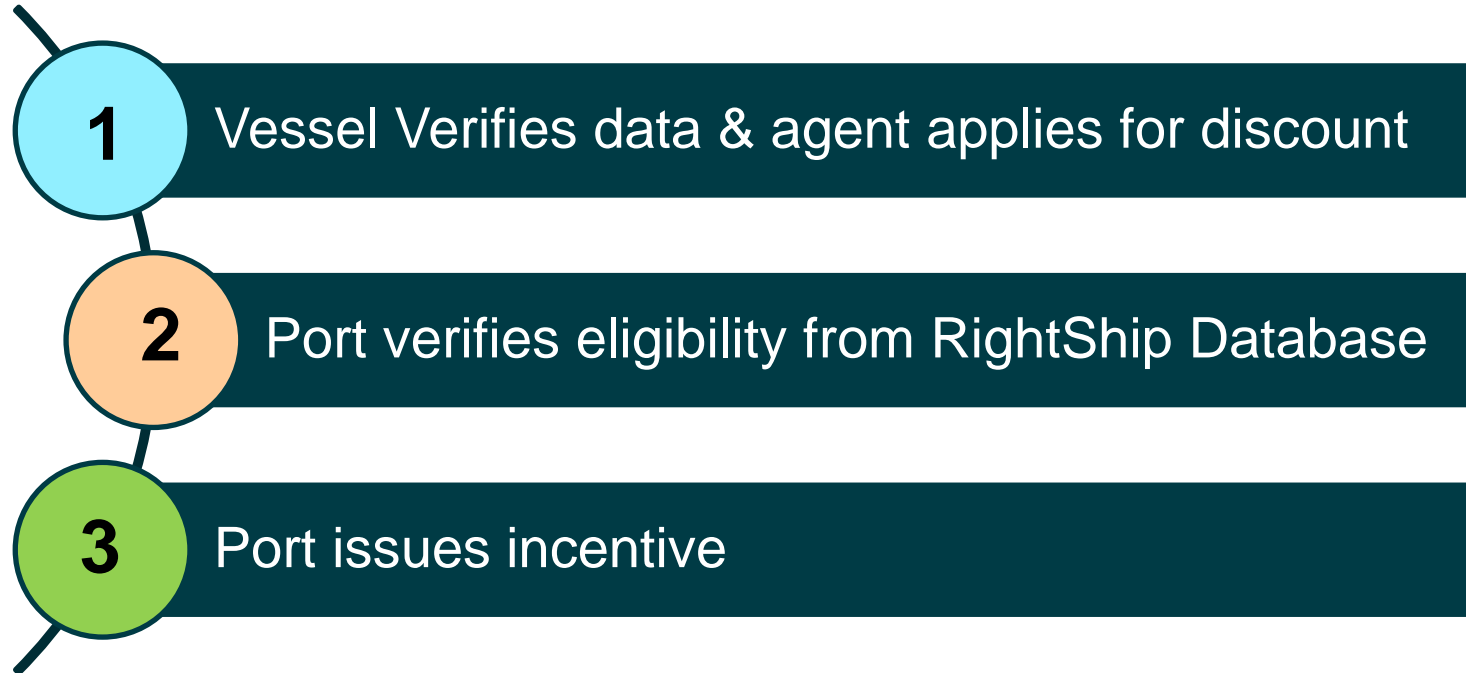
Working with Lazaro Cardenas, Ensenada, Port of Quebec





HOW DOES THE PROGRAM WORK?

Port determines incentive program to reward energy efficient vessels





PORT INCENTIVE PROGRAM – 6 STEP ROADMAP

1

- Initial engagement with ports to scope **will and capability** to offer incentives

2

- Overview of **structure and benefits** within a environmental incentive program

3

- **Benchmark** historical vessel arrivals to estimate potential **cost implications** for the port incentive program

4

- Port **internal approval process** – determine structure of incentive program including cost, administration, communications and operational requirements

5

- Develop a joint **media plan** and **schedule** for press release

6

- **Implement** environmental incentive program, including ongoing monitoring and program reviews



PORT INCENTIVE PROGRAM – SCOPE

1

- Initial engagement with ports to scope **will and capability** to offer incentives

- Sign **MOU** with RightShip as facilitated by OAS - CIP
- Provide **historical list of vessels** calling at port for the last two years for analysis (date of arrival, date of departure, IMO #, DWT, ship type and vessel name)
- RightShip provides **detailed analysis** within four weeks



PORT INCENTIVE PROGRAM – STRUCTURE & BENEFITS

2

- Overview of **structure and benefits** in the Incentive Program

- **Review analysis** of the vessel calls
- **Determine eligibility** for discount/benefit
- **Decide** on **incentive** structure



PORT INCENTIVE PROGRAM – COSTS

3

- **Benchmark** historical vessel arrivals to estimate potential **cost implications** for the port incentive program

- RightShip provides **detailed benchmarking** and analysis report
- Identify approximate **number of vessels** for incentive program
- **Estimate cost** implications of incentive program



PORT INCENTIVE PROGRAM – APPROVAL

4

- Port **internal approval process**– determine incentive program costs, administration, communication and operational requirements

- Internal incentive **program approval**
- Internal **budgetary approval**
- **Name & start date** of the incentive program



PORT INCENTIVE PROGRAM – MEDIA RELEASE

5

- Develop a joint **media plan** and **schedule** for press release

- Develop a joint **media plan**
- **Media release** schedule
- Port **website** and newsletter



PORT INCENTIVE PROGRAM – GO LIVE

6

- **Implement** environmental incentive program, including ongoing monitoring and program reviews

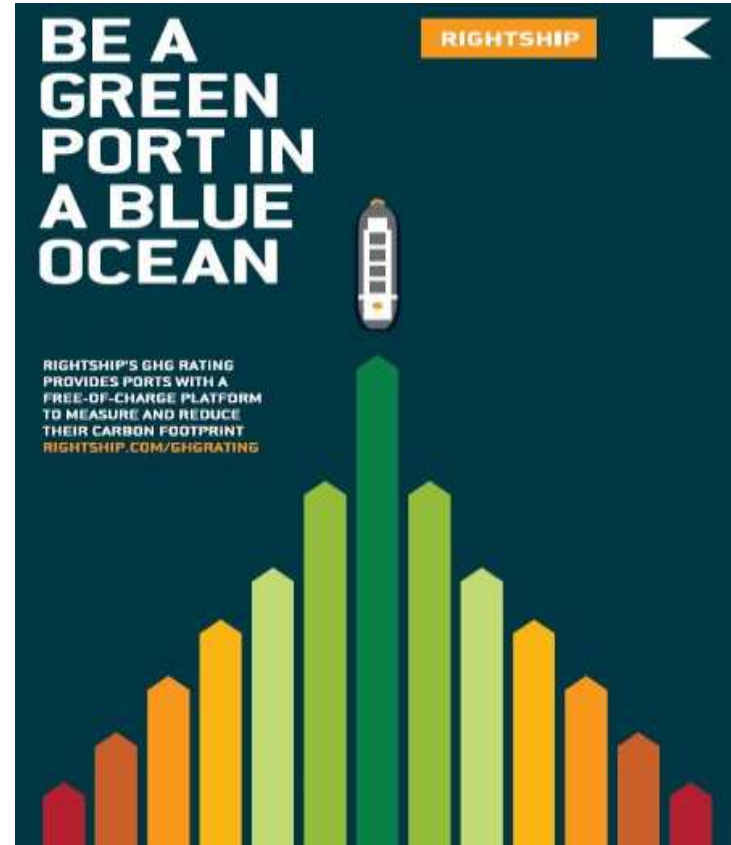
- **Training** of port personnel on SVIS
- **Implementation** by port administration
- **Ongoing** monitoring
- **Periodic review**



Key benefits for ports

- Reduced emissions in port & the voyage
- Increase cargo volumes – **Reduce GHG emissions**
- Monitor and track emissions per call
- Public image / stakeholder relations
- Health benefits – *all stakeholders*

Cost \$0!





RECENT INITIATIVES

Port Emissions Portal

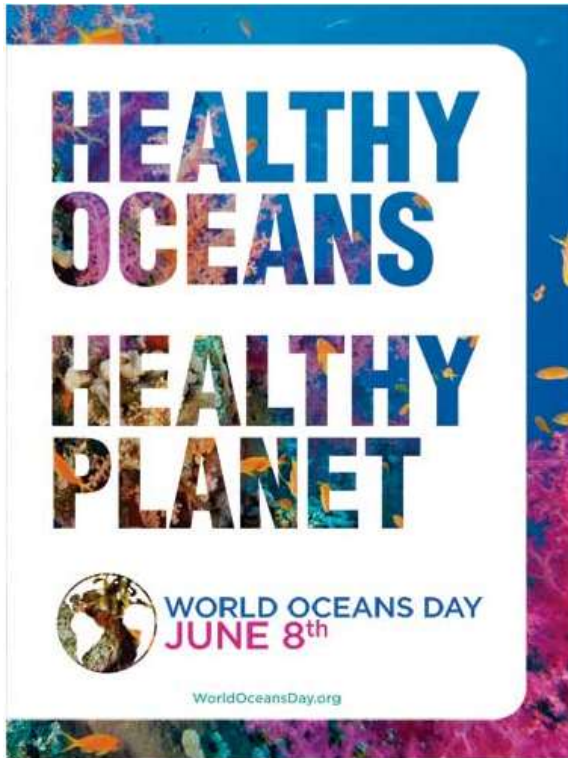
- Partnering with **AUSMEPA**
- Satellite tracking & big data approach
- One of 10 finalists receiving \$250K - \$750K funding for 2016 Google Impact Challenge



Impact Challenge



<https://impactchallenge.withgoogle.com/australia2016/charity/ausmepa>





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¡Muchas Gracias!

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