Clean Air for NSW
Consultation Paper

Submission by: Maritime Industry Australia Ltd.
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International Shipping

The shipping industry is committed to meeting its environmental obligations and minimising its footprint on both a local and global scale. As a global industry, it is critical that environmental issues are driven at an international rather than local level to be most effective.

Shipping underpins international trade and is an essential facilitator of Australian exports, domestic trade, and is a generator of significant tourism dollars. For an efficient international shipping industry to operate, it is critical that shipping is subject to internationally consistent regulation.

The shipping industry has a long-established and comprehensive framework of global Conventions and regulations that have been developed by the United Nations’ International Maritime Organization (IMO).

For the most part these IMO Conventions are fully implemented and enforced worldwide, through a combination of flag State inspection and port State control, directly contributing to the improvement of shipping’s environmental performance.

MARPOL Annex VI is the relevant instrument for the control of air emissions from ships. At the 70th meeting of the Marine Environment Protection Committee (MEPC70), held in October 2016, IMO Member states agreed to cap global fuel sulphur content at 0.5% from 2020. This represents a significant reduction in allowable fuel sulphur content for international shipping. As significant physical changes are necessary for many ships to comply with this standard the phased implementation is underway and will be completed before January 2020.

In NSW, shipping plays an important role in both trade and tourism. Port Botany, Port Kembla and the Port of Newcastle are some of the largest in the country for vehicle imports, grain, coal and bulk shipping. Sydney Harbour is the cruise gateway to Australia and critical for the ongoing growth in the cruise industry in this country.

As the Clean Air for NSW consultation paper notes, the impacts from the shipping industry on air quality in NSW are small. However, this does not make it any less of a focus for our industry and we are pleased with the progress being achieved on an international basis.

The Australian Maritime Safety Authority (AMSA) is the Commonwealth statutory authority with responsibility for the protection of the marine environment. As a signatory to MARPOL Annex VI, Australia, via AMSA, will implement the 0.5% sulphur cap in line with other state signatories.

Further, AMSA Martine Notice 21/2016 provides that from December 2016, cruise vessels accommodating more than 100 passengers and at berth in Sydney Harbour will be issued with a Direction by AMSA which requires these vessels to limit sulphur emissions by burning fuel with a sulphur content not exceeding 0.1%, using an IMO approved exhaust gas scrubbing system, a power source external to the vessel, or a combination of these methods.
It should be noted that all cruise ships that berth in Sydney Harbour have been voluntarily complying with this requirement for at least the past 12 months.

To ensure alignment with Australia’s international obligations, discussions concerning environment laws that affect international shipping are best led by AMSA to ensure proper consideration of all the matters pertaining to shipping and Australia’s international obligations.

Given the small contribution to NSW air quality made by shipping, the need for environmental issues to be driven at an international level and the recent significant progress in this area, MIAL supports the current approach by NSW EPA outlined in the Clean Air for NSW Consultation paper which does not propose to regulate shipping emissions at a local level.
About MIAL

Maritime Industry Australia Ltd (MIAL), formerly known as Australian Shipowners Association, represents Australian companies which own or operate:

a. International and domestic trading ships;
b. Floating Production Storage and Offloading units (FPSO);
c. Cruise ships;
d. Offshore oil and gas support vessels;
e. Domestic towage and salvage tugs;
f. Scientific research vessels; and
g. Dredges

MIAL represents employers of Australian and international maritime labour and operators of vessels under Australian and foreign flags.

Members of MIAL include companies whose primary business is to provide sea transport services to the freight market as well as companies whose shipping operations form an element of their supply chain; hence some of MIAL’s members are very large cargo interests.

MIAL provides an important focal point for the companies who choose to base their shipping and seafaring employment operations in Australia.

MIAL’s purpose is to pursue strategic reforms that provide for a sustainable, vibrant and competitive Australian shipping industry and to promote Australian participation in meeting domestic needs for sea transport services and contribution to Australia’s international trade to the benefit of Australian shipowners, their customers and the nation.

MIAL’s members represent a very broad cross-section of the maritime industry, including shipowners, shippers and charterers.

MIAL’s full members are:

- ANL Container Line
- ASP Ship Management
- BP Australia
- Carnival Australia
- DOF
- Farstad Shipping (Indian Pacific)
- Maersk Supply Service
- MMA Offshore
- The Port of Newcastle
- North West Shelf Shipping Service
- Origin Energy
- P&O Maritime Services
- Port Lincoln Tugs
- Rio Tinto Marine
- Sea Transport Corporation
- SeaRoad Shipping
- Searoad Ferries
- SeaSwift
- Shell Tankers Australia
- Smit Lamnalco
- Stolt Nielsen
- Svitzer Australia
- Swire Pacific Offshore
- Teekay Shipping (Australia)
- Toll Marine Logistics
- Viva Energy
- Woodside