

## **Statement of the Marine Fuels Platform**

## Ahead of the IMO MEPC 73 meeting (22-26 October 2018)

## A consistent timely implementation of the IMO global sulphur limit is essential

The implementation of the IMO 0.50 % wt. global sulphur limit as of 1 January 2020 represents an unprecedented challenge for both the bunker supply and shipping industries, as it will result in a very significant change in global marine fuel requirements.

The Marine Fuels Platform members support the adoption of uniform, clear and easily enforceable measures to facilitate **global compliance** with, and promote alignment amongst all Parties to the Convention, for a **consistent implementation of this global sulphur limit**.

The time left for assuring global compliance is tight. However, with a view to promote a fair and level global playing field for all affected industries, the Marine Fuels Platform members do NOT support any suggestions that would de facto lead to a **postponement of the date of implementation in some regions of the world**, leading to a distortion of competition.

## What refiners are doing

Marine Fuels Platform's refiners that produce marine fuels are committed to making available products to support their customers to comply with the IMO decision<sup>1</sup>.

In parallel to the individual actions of the world's refiners, the Marine Fuels Platform is contributing to the **development of an industry guidance document on the safe handling of 0.50 % wt. sulphur fuels by both fuel suppliers and ships**. We are of the opinion that this guidance, in respect of the determination of stability and compatibility of 0.50 % wt. sulphur fuels, should be strongly based on the results and/or recommendations of all the parties involved. With adequate preparation from all stakeholders involved, the transition from high sulphur fuel oil to 0.50 % wt. sulphur fuels can be handled in a safe way.

In the context of the ongoing debate on the verification, control mechanisms and actions, intended to lead to a **uniform approach on the verification of the sulphur content** by all Parties, the Marine Fuels Platform members support to have the same verification procedure for the MARPOL samples as for the in-use samples: the 95% confidence limit should be used for all samples, ensuring a consistent and scientifically sound approach.

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<sup>&</sup>lt;sup>1</sup> As a platform of regional and national trade associations, members cannot develop any forecasts on future fuel prices nor discuss any other items that are sensitive from a competition law perspective like future supply capacity or promotion of products: Marine Fuels supplies in quantity and quality remain fully under the responsibility of the individual fuel suppliers (i.e. refiners – represented by the MFP - , traders, Bunker suppliers). To be noted, also, that refiners represent ~30% of the bunkering supply, the rest being traders and bunkers suppliers.

<u>About us:</u> The main scope of the platform would be to underline the importance of a consistent and effective implementation of IMO's decision in all regions of the world.

Global compliance with IMO's decision on the implementation of a global sulphur limit in marine fuels is needed to avoid competitive distortions that may result from uneven implementation of the global sulphur cap. In addition, A platform amongst associations supplying marine fuel to the market is an adequate way to create awareness and to address advocacy messages to the issue in the different parts of the world.

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<u>Note:</u> Full members of the platform: <u>AFPM</u>, <u>API</u>, <u>ARA</u>, <u>Canadian Fuels Association</u>, <u>FuelsEurope</u>, <u>IIEE</u>, <u>Sapia</u>. Supporting members of the platform: Concawe, IPIECA, JPEC.