



Outcome of the Third Meeting of the HELCOM MARITIME Sub-group on Green Technology and Alternative Fuels for Shipping (GREEN TEAM)

Introduction

The Third Meeting of the HELCOM MARITIME Sub-group on Green Technology and Alternative Fuels for Shipping (GREEN TEAM) was held on **3 September 2019** on the Island of Donsö in the Gothenburg archipelago, Sweden. The Meeting was opened at 09:15 and closed at 17:00 the same day.

0.1 The Meeting was attended by representatives of HELCOM Contracting Parties Finland, Germany, Sweden and Poland as well as observers inter alia from ECSA, national industry associations and PA Ship. The list of registered participants is contained in **Annex 1**.

0.2 Ms. Nariné Svensson, Swedish Transport Agency and Ms. Anita Mäkinen, Finnish Transport and Communications Agency, acted as Co-Chairs of the Meeting.

0.3 Mr. Markus Helavuori, HELCOM Professional Secretary, assisted by Mr. Alexey Bakhtov, acted as Secretary of the Meeting.

0.4 The Meeting was welcomed by the Co-Chairs and the participants introduced themselves with a short round of introductions.

Agenda Item 1 Adoption of the Agenda

Documents: 1-1

1.1 The Meeting adopted the Agenda of the Meeting as contained in document 1-1.

Agenda Item 2 Outcomes of recent HELCOM meetings in relevance to GREEN TEAM

Documents: 2-1, 2-2, 2-3

2.1 The meeting took note of the Outcome of HELCOM MARITIME 18-2018 and in particular matters related to GREEN TEAM (Document 2-1)

2.2 The Meeting took note of the Outcome of the 55th Meeting of the Heads of Delegation (HELCOM HOD 55-2018), the Outcome of the 40th Meeting of the Helsinki Commission (HELCOM 40-2019), and the 56th Meeting of the Heads of Delegation (HELCOM HOD 56-2019), in particular matters related to GREEN TEAM (Document 2-2).

2.3 The Meeting took note of the update of the HELCOM Baltic Sea Action Plan (BSAP), being a priority for the HELCOM working groups, and noted that the update of the BSAP will be based on the existing expertise in the HELCOM working structure according to the mandates of the working groups and will be overseen by the Heads of Delegation (Document 2-3).

2.4 The Meeting took note of the strategic plan and work plan for the update of the BSAP. The Meeting further noted that the update of the BSAP features high on the agenda of all main HELCOM Working Groups and that a dedicated session will be held on 23 September as part of MARITIME 19-2019.

Agenda Item 3**GREEN TEAM reporting mechanism and method**

Documents: 3-1, 3-2

3.1 The Meeting noted that HELCOM MARITIME 18-2018 had approved the establishment of the GREEN TEAM Reporting mechanism and method based on the traffic light idea and agreed on the proposal to develop a digitalized reporting system to be established on the HELCOM website as a tool.

3.2 The Meeting recalled that GREEN TEAM 2-2018 agreed that reports should be submitted intersessionally once per year.

3.3 The Meeting took note that the [GREEN TEAM Reporting Mechanism](#) and Method has been published on the HELCOM Website (document 3-1).

3.4 The Meeting considered the results of reporting received and analyzed before the Meeting (document 3-2). The Meeting agreed that the online survey works well, although some improvement is needed. It was also noted that 50% of the responses came from Finland and therefore encouraged stakeholders from all Contracting Parties to complete the survey before GREEN TEAM 4-2020.

3.5 The Meeting discussed the main challenges and obstacles related to the development of the green shipping and alternative fuels deployment in the Baltic Sea area. Based on the results of the reporting, the following areas were identified as presenting the most challenges:

- infrastructure for alternative fuels;
- financing;
- biofuels; and
- onshore power supply.

3.6 The Meeting also considered the responsible bodies identified in question 9 as those able to address the challenges. The Meeting agreed on the importance of the Green Team analysing these responses, as respondents may not always be aware of the mandates of bodies such as the EU or IMO in addressing the various challenges.

3.7 The Meeting considered the possible need for a study on financing for sustainable shipping in different countries in the Baltic Sea region in order to gain more knowledge regarding the processes and principles involved and what kind of measures in this regard have been beneficial for promoting sustainable shipping. The Meeting agreed that such a study would be very useful and consequently invited MARITIME 19-2019 to consider initiating such a study. The Meeting encouraged Contracting Parties and observers to take the lead in conducting such a study, should MARITIME 19-2019 agree to it.

3.8 The Meeting noted that another challenge is the complex processes of applying for EU funding for various projects.

3.9 Related to the challenges with regard to biofuels as identified in the reporting, the Meeting noted that liquefied biogas (LBG) and other biofuels are not recognized as GHG reduction measures in instruments such as MARPOL Annex VI, the IMO DCS, EU MRV and the ISO 8217 standard. Acknowledging the technical challenges in verifying overall reductions of GHG emissions by using standardized biofuels and blends, the Meeting agreed to invite MARITIME 19-2019 to consider ways of addressing the matter, e.g. submitting a document to the IMO MEPC. The Meeting agreed that the matter could also be raised by Contracting Parties at the ESSF or directly with the European Commission, with a view to finding a way forward.

3.10 The Meeting agreed to invite MARITIME 19-2019 to further consider these challenges, advise GREEN TEAM 4-2020 on a way forward and to take action as appropriate.

3.11 The Meeting discussed and considered responses and initial experiences with the online survey with the view to its further improvement and development.

3.12 In this context, the Meeting discussed and agreed on the needs for improvement of the survey as follows:

5.2 The Meeting took note of work regarding policy recommendations within CSHIPP, which will be discussed in a dedicated Symposium on Scenarios and Policy Options for Sustainable Shipping at the Conference, followed by submission to MARITIME 19-2019 for consideration.

5.3 The Meeting noted that for one of the topics to be discussed at the Policy Symposium (scrubber water) there are already ongoing policy discussions in the IMO and several studies on the matter have been conducted.

Agenda Item 6

Funding mechanisms including Horizon 2020

6.1 Meeting participants had the opportunity to attend the DSM Finance Meet session organized as part of the Donsö Shipping Meet 2019. The session was moderated by Mr. Anders Hermansson, Executive vice President of the Swedish Shipowners' Association.

6.2 The Meeting inter alia noted a presentation on achieving the UN Sustainable Development Goals (SDG) as well as presentations and panel discussions on investing in sustainable shipping (through the perspective from shipowners and a financial perspective).

6.3 The Meeting noted that corporate leadership and strong commitments are needed in order to reduce GHG emissions from shipping to levels agreed in the IMO initial GHG Strategy and the UNFCCC Paris Agreement. It was also noted that e.g. the European Investment Bank (EIB) will favour investments going beyond the current regulations and financing shipowners willing to be in the forefront of development. Furthermore, cooperation between industry and the financing sector was noted to be of key importance. In the ensuing discussion the Meeting, however, noted that significant improvements are needed in this regard.

6.4 The Meeting noted from the results of the GREEN TEAM Reporting Mechanism that the Nordic banks have not signed the EIB's Green Shipping Guarantee programme, which may cause problems for Nordic shipowners. The Meeting invited national shipowners' associations to provide more information on the matter to the next meeting.

6.5 The Meeting noted that Horizon 2020 is coming to an end as a funding mechanism and it is currently unclear to what extent shipping will be prioritized in future funding programmes. The Meeting also noted that the 2019 Horizon Transport Info Day will be organized on 7 October 2019 in Brussels where information will be provided about the remaining budget.

Agenda Item 7

Any other business

Documents: 7-1, 7-2, 7-3

7.1 The Meeting recalled that GREEN TEAM 2-2018 had discussed possible ways forward regarding further work to consider the environmental effects/risks of bunkering operations and ship to ship transfers in the Baltic Sea, including possible revision of Recommendation 28/3 on Guidelines on bunkering operations and ship to ship cargo transfer. Contracting Parties had been invited to submit proposals on this matter to the Secretariat by 12 August 2019, but the Meeting noted that no such proposals were submitted. The Meeting agreed to invite proposals on the matter to GREEN TEAM 4-2020.

7.2 The Meeting took note of and discussed a survey on HELCOM knowledge and research needs (document 7-1).

7.3 The Meeting took note of revised HELCOM Recommendation on economic incentives (28E/13) which was adopted by HELOCM 40-2019 (document 7-2).

7.4 The Meeting agreed to invite Contracting Parties and observers to submit to the next meeting further information of incentives used in the Baltic Sea region (mechanisms, experiences etc.) and to invite the Maritime Working Group to follow up on the implementation of Recommendation 28E/13.

7.5 The meeting checked and updated the contact list of GREEN TEAM (document 7-3).

Agenda Item 8

The next Meeting

Documents:

8.1 The Meeting welcomed the invitation from Finland to host GREEN TEAM 4-2020 on 13 May 2020 in Mariehamn, Åland Islands in conjunction with the Åland Maritime Day (14 May 2020).

Agenda Item 9

Outcome of the Meeting

Documents:

9.1 The Meeting adopted the draft Outcome of HELCOM GREEN TEAM 2-2018. The final outcome will be completed by the Co-Chairs and the Secretariat based on the comments received and the final file will be circulated to the participants by email. The Outcome of the Meeting will be made available in the HELCOM Meeting Portal, together with the documents considered and presentations given during the Meeting.

Annex 1. List of Participants

Name	Representing	Organisation	Email address
Anita Mäkinen	Co-chair	Finnish Transport and Communications Agency	anita.makinen@traficom.fi
Narine Svensson	Co-chair	Swedish Transport Agency	narine.svensson@transportstyrelsen.se
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Marta Czaplewicz	Poland	Ministry of Energy	marta.czaplewicz@me.gov.pl
Suzanne Green	Sweden	Swedish Shipowners Association	suzanne.green@sweship.se
Marcus Jakobsson	Sweden	Terntank	marcus.jakobsson@terntank.com
Caroline Petrini	Sweden	Swedish Transport Agency	caroline.petrini@transportstyrelsen.se
Fredrik Larsson	Observer organization	ECSA - European Community Shipowners Association	fredrik.larsson@sweship.se
Josefine Pallesen	Observer organization	PA Ship / EUSBSR	jelp@dma.dk
Kjell Larsson	Other organization	Kalmar Maritime Academy	kjell.larsson@lnu.se
Markus Helavuori	HELCOM Secretariat	HELCOM Secretariat	markus.helavuori@helcom.fi
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Alexey Bakhtov	HELCOM Secretariat	HELCOM Secretariat	alexey.bakhtov@helcom.fi

Annex 2. Draft updated Work Plan of the sub-group Green Technology and Alternative Fuels for Shipping (GREEN TEAM) in 2020-2021

NO	ACTION	RESPONSIBLE	TARGET DATE
1	Further develop public–private co-operation and keep the Green Team open for relevant stakeholders to join	GREEN TEAM, Contracting Parties, Observers and relevant stakeholders	Ongoing
2	Promote the GREEN TEAM Reporting Mechanism , analyze results annually at GREEN TEAM meetings and report outcome to the Maritime Working Group	GREEN TEAM	Annually
3	Consider the regulatory bottlenecks/challenges hindering green investments, and defining the so far established solutions on a regional level and within the mandate of HELCOM MARITIME	GREEN TEAM	Ongoing
4	Consider developing common standards (e.g. various issues related to alternative fuels, bunkering operations and Ship to Ship transfer (possible revision of Recommendation 28/3), taking into account the ongoing work in other processes including the European Sustainable Shipping Forum and avoiding duplicating efforts	GREEN TEAM	GREEN TEAM 5-2021
5	Existing regional and local incentive systems to be compiled and compared (such as environmentally differentiated fairway dues, tax exemptions, environmental ship index etc.). Consider effective incentives to accelerate green investments, propose a way forward with a common Baltic Sea incentive scheme, where significant benefits to society and sea are addressed. Possible new incentive schemes to be addressed. ¹	GREEN TEAM	GREEN TEAM 5-2021
6	Conduct a study on financing for sustainable shipping in the Baltic Sea region. Explore the possibilities, taking into account existing financial instruments for the Region and financial institutions in the Region, of developing a Baltic Sea financial instrument for risk sharing and guarantee mechanisms, including pricing based on society and	GREEN TEAM	GREEN TEAM 4-2020 and 5-2021

¹ This could be based on the already existing information such as the ZVT ECA Bonus Pre-study, Joint University Project ZERO.8 measurements and monetization to find societal/sea benefits, Environmental Performance Indicators etc.

	sea benefits, together with the public and private sector to find workable solutions to enhance investments in green technology and alternative fuels ²		
7	Take the IMO`s Initial Strategy on reduction of GHG emissions from ships into account in the work of GREEN TEAM	GREEN TEAM	Ongoing
8	Continue to coordinate the GREEN TEAM activities with other regional organizations and platforms in the framework of Green Tech and Alternative Fuels (IMO, ESSF, EGMP working group in CBSS, BDF, SPI, EUSBSR and others)	GREEN TEAM, Contracting Parties, observers.	Ongoing

² GREEN TEAM should identify and recommend a possible financial institution to lead this work.