

TOGOLESE MARITIME AUTHORITY INTERNATIONAL SHIP REGISTRY

Date: 30th November 2022 Circular no.: 0062C/TG/09/22

To: Ship owners/ Ship-operators & Ship-managers / Masters / Recognized Organizations/ Deputy Registrars.

Subject: NEW MANDATORY MEASURES TO CUT THE CARBON INTENSITY OF INTERNATIONAL SHIPPING

References:

- a. Merchant Marine Circular no: 0056C/TG/03/22 Date: 28th March 2022
- b. 2021 Revised MARPOL Annex VI [IMO Resolution MEPC.328(76)]
- c. Ship Energy Efficiency Management Plan (SEEMP) [IMO Resolutions MEPC.346(78), 347(78)]
- fuel oil consumption of ships [IMO Resolutions MEPC.348(78), 349(78)]
- e. Energy Efficiency Existing Ship Index (EEXI) [IMO Resolutions MEPC.350(78), 351(78)]
- f. Annual operational carbon intensity indicator (CII) [IMO Resolutions MEPC.352(78), 353(78), 354(78), 355(78)]

GENERAL:

1. Purpose

The purpose of this Maritime Circular is to inform Ship Owners, managers and Operators, Recognized Organizations, Maritime Deputy Registrars, masters and all stake holders involved that the International Maritime Organization (IMO) has adopted in early summer of '21, MEPC 76 new mandatory measures to cut the carbon intensity of international shipping and at MEPC 78 in June 2022 has further developed and approved a number of relevant guidelines in order to support the implementation of adopted measures.

The new mandatory measures to cut the carbon intensity of international shipping will set ships on a course to meet greenhouse gas reduction target established in the 2018 Initial IMO Strategy for Reducing GHG Emissions from Ships

2. Existing Circular no: 0056C/TG/03/22 Date: 28th March 2022

The existing Merchant Marine Circular no: 0056C/TG/03/22 Date: 28th March 2022 aimed to provide guidance for complying with: MARPOL, Annex VI, regulation 22A- the global International Maritime Organization (IMO) data collection system for fuel oil consumption of ships (IMO Data Collection System DCS). The above circular remains valid and should be read in conjunction with current Marine Circular.



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IMO DCS

The IMO DCS entered into force in 01 March 2018 through amendments to MARPOL Annex VI by IMO Resolution MEPC.278(70). The IMO DCS will require the development of operational procedures in a new Part II of the Ship Efficiency Management Plan (SEEMP) using a proscribed format. The IMO data collection system requires ships above 5 000 gross tonnage (GT) to report consumption data for each type of fuel oil, hours underway and distance travelled, for all international voyages. The IMO DCS covers any maritime activity carried out by ships, including dredging, pipeline laying, ice-breaking, fish-catching and off-shore installations. The IMO DCS does not apply to ships not propelled by mechanical means, platforms including Floating Production, Storage and Offloading Facilities (FPSOs) and Floating Storage Units (FSUs), and drilling rigs regardless of their propulsion.

Reporting started with the year 2019. The Ship Energy Efficiency Management Plans of all ships covered by the IMO DCS must include a description of the methodology for data collection and reporting. After each calendar year, the aggregated data are reported to the flag state, or any organization duly authorized by it. If the data have been reported in accordance with the requirements, the flag state or any organization duly authorized by it, issues a statement of compliance to the ship. Flag states or any organization duly authorized subsequently transfer this data to an IMO ship fuel oil consumption database, which is part of the Global Integrated Shipping Information System (GISIS) platform. IMO will then produce annual reports, summarizing the data collected.

In accordance with IMO requirements, the TOGO Maritime Administration is authorizing its ROs to:

- Perform verification of SEEMPs Part II for every vessel of 5000 gross tonnage and above as required by Regulation 22A of Annex VI of MARPOL 73/78 and afterwards issue a "Confirmation of Compliance" for the ship upon successful completion of verification. This "Confirmation of Compliance" must be retained on board the ship.
- Verify if the data reported by ships of 5.000 gross tonnage and above has been collected and complies with Regulation 22A of Annex VI of MARPOL 73/78 and afterwards issue a "Statement of Compliance" in accordance with Regulation 6.6 and 6.7 of Annex VI of MARPOL 73/78.
- Upon issuance of C.o.C. (Confirmation of Compliance) and S.o.C. (Statement of Compliance) to submit same along with the reported data noted in appendix IX, Annex VI, of MARPOL 73/78 to Togo's international ship registry.
- Submit to the International Maritime Organization the reported data noted in appendix IX, Annex VI, of MARPOL 73/78, using the IMO Ship Fuel Oil Consumption Database. (GISIS Module- Appendix 1 for parties to MARPOL ANNEX VI). Upon completion of the above submission to inform Togo's international ship registry accordingly.



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- 3. Introduction of new mandatory measures to cut the carbon intensity of international shipping and at MEPC 78 in June 2022
- 3.1. The IMO's Marine Environment Protection Committee, in its 76th session, held remotely from 10 to 17 June 2021, has adopted amendments to the Annex VI of the International Convention for the Prevention of Pollution from Ships (MARPOL) by the Resolution MEPC.328(76) that will require ships to reduce their greenhouse gas emissions.
- 3.2. The new measures will require all ships to calculate their Energy Efficiency Existing Ship Index (EEXI) following technical means to improve their energy efficiency and establish their annual operational carbon intensity indicator (CII) and CII rating. Carbon intensity links the GHG emissions to the amount of cargo carried over the distance travelled.
- **3.3.** Ships will get an energy efficiency rating (A, B, C, D, E where A is the best). Administrations, port authorities, and other stakeholders are encouraged to provide incentives to ships rated as A or B and send out a strong signal to the market and financial sector.
- **3.4.** A ship rated D for three consecutive years, or E is required to submit a corrective action plan to show how the ship can achieve the required index (C or above).

4. Entry into force

4.1. The amendments to MARPOL Annex VI (adopted in a consolidated revised Annex VI) entered into force on 1 November 2022, with the requirements for EEXI and CII certification coming into effect from 1 January 2023. This means that the first annual reporting will be completed in 2023, with the first rating given in 2024.

5. Application

- **5.1.** EEXI regulation applies to ships of 400 gross tons and above and falls into one or more of the ship type categories in Regulation 2 of MARPOL Annex VI.
- **5.2.** Ships to which the regulation applies will be required to calculate EEXI value of each individual ship (i.e., attained EEXI) and the value shall be equal to or less than the allowable maximum value (i.e., required EEXI). Furthermore, if attained EEXI cannot satisfy the required EEXI, the ship should implement any countermeasures, such as shaft/engine power limitation, retrofitting energy saving devices, etc.
- **5.3.** The certification of EEXI (i.e., revising International Energy Efficiency (IEE) Certificate) will take place at the first annual, intermediate or renewal survey of the International Air Pollution Prevention (IAPP) Certificate on or after 1 January 2023 for ships delivered before 1 January 2023, or at the initial survey of IEE Certificate for ships delivered on or after 1 January 2023. The verification of EEXI shall be completed by the date of the survey.



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- **5.4.** After the end of calendar year 2023 and after the end of each following calendar year, each ship of 5,000 gross tonnage and above, which falls into one or more of the categories in Regulations 2 of Annex VI, such as Bulk Carrier, Combination Carrier, Containership, Cruise Passenger Ship, Gas Carrier General Cargo Ship, LNG Carrier, Refrigerated Cargo Carrier, Ro-Ro Cargo Ship, Ro-Ro Cargo Ship (Vehicle Carrier), Ro-Ro Passenger Ship, Tanker, shall calculate the attained annual operational CII over a 12-month period from 1 January to 31 December for the preceding calendar year, using the data collected in accordance with Regulation 27 of MARPOL Annex VI, taking into account the guidelines developed by the Organization. The statement of compliance (S.O.C.) required by MARPOL Annex VI is to be issued by the Reporting Organization/Verifier by 31 May each year.
- **5.5.** Within 3 months after the end of each calendar year, the ship shall report to its Administration or any organization duly authorized by it, the attained annual operational CII, via electronic communication and using a standardized format to be developed by IMO.Submission is also required for a part of a year if the ship has left or of their management, joined or left the Togo Registry or has been recycled before 31 December.

6. Carbon intensity measures in detail

- **6.1.** The short-term measures are aimed at meeting the target set in the IMO Initial GHG Strategy to reduce carbon intensity of all ships by 40% by 2030, compared to 2008. These mandatory measures under MARPOL Annex VI will bring in the attained Energy Efficiency Existing Ship Index (EEXI), the annual operational carbon intensity indicator (CII) and CII rating.
- **6.2.** Attained Energy Efficiency Existing Ship Index (EEXI) is required to be calculated for ships of 400 GT and above, in accordance with the different values set for ship types and size categories. This indicates the energy efficiency of the ship compared to a baseline. Ships are required to meet a specific required Energy Efficiency Existing Ship Index (EEXI), which is based on a required reduction factor (expressed as a percentage relative to the EEDI baseline).
- **6.3.** The CII determines the annual reduction factor needed to ensure continuous improvement of the ship's operational carbon intensity within a specific rating level. The actual annual operational CII achieved (attained annual operational CII) would be required to be documented and verified against the required annual operational CII.
- **6.4.** This would enable the operational carbon intensity rating to be determined. The rating would be given on a scale operational carbon intensity rating A, B, C, D or E indicating a major superior, minor superior, moderate, minor inferior, or inferior performance level. The performance level would be recorded in the ship's Ship Energy Efficiency Management Plan (SEEMP).
- **6.5.** A ship rated D for three consecutive years, or E, would have to submit a corrective action plan, to show how the required index (C or above) would be achieved.
- **6.6.** Administrations, port authorities and other stakeholders as appropriate, are encouraged to provide incentives to ships rated as A or B.



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7. Guidelines

7.1. Since the adoption of the amendments to MARPOL Annex VI, IMO has further developed and approved a number of relevant guidelines to support the implementation. Following to the last meeting of the IMO Marine Environment Protection Committee (MEPC 78) in June 2022, the following Guidelines related to energy efficiency measures have been approved:

Ship Energy Efficiency Management Plan (SEEMP)

- 2022 Guidelines for the development of a Ship Energy Efficiency Management Plan (SEEMP) (Resolution MEPC.346(78);
- Guidelines for the verification and Company Audits by the Administration of Part III of the Ship Energy Efficiency Management Plan (SEEMP) (Resolution MEPC.347(78)).

Fuel oil consumption of ships

- 2022 Guidelines for Administration verification of ship fuel oil consumption data and operational carbon intensity (Resolution MEPC.348(78);
- 2022 Guidelines for the development and management of the IMO Ship Fuel Oil Consumption Database (Resolution MEPC.349(78).

Energy Efficiency Existing Ship Index (EEXI)

- 2022 Guidelines on the method of calculation of the attained Energy Efficiency Existing Ship Index (EEXI) (Resolution MEPC.350(78);
- 2022 Guidelines on survey and certification of the attained Energy Efficiency Existing Ship Index (EEXI) (Resolution MEPC.351(78)

Annual operational carbon intensity indicator (CII)

- 2022 Guidelines on operational carbon intensity indicators and the calculation methods (CII Guidelines, G1) (Resolution MEPC.352(78);
- 2022 Guidelines on the reference lines for use with operational carbon intensity indicators (CII Reference Lines Guidelines, G2) (Resolution MEPC.353(78);
- 2022 Guidelines on the operational carbon intensity rating of ships (CII Rating Guidelines, G4) (Resolution MEPC.354(78);
- 2022 Interim Guidelines on correction factors and voyage adjustments for CII calculations (CII Guidelines, G5) (Resolution MEPC.355(78)



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In accordance with above IMO requirements, the TOGO Maritime Administration is authorizing its ROs to perform above verifications and issue the above certificates, C.o.C. (Confirmation of Compliance) and S.o.C. (Statement of Compliance) with the new requirements and guidelines adopted by the IMO, in order to improve energy efficiency needs of Togolese vessels.

Contact Information:

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For the International Ship Registry

of Togo

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ENCLOSED: Amendments to the Annex VI of MARPOL Resolution MEPC.328(76)