



PAME II-2020 – Shipping Expert Group Pre-meeting

Agenda item 6.7 (b)

Update EPPR-PAME project «New low Sulphur fuels, fate and behavior in cold water conditions»

Background

The project idea was launched for EPPR and PAME in 2018. Norway submitted a formal project proposal to EPPR II 2019. A similar proposal was submitted to PAME I 2020. The project was formally approved in January 2020.

The project was advised to be performed in two sub tasks, one task by EPPR and one task by PAME. The results of the two sub tasks was expected to be in one written report. Because of this, close corporation between PAME and EPPR was therefore required.

The project is focused on Ultra-Low and Low Sulphur hybrid- and intermediate fuel oils and the two following sub task:

1. *The fate of Low Sulphur fuel oil when spilled at a cold sea surface*
2. *Environmental toxicity of low Sulphur fuel oils*

Project Plan

According the project proposal, the preparations for the project was planned for spring-summer 2020.

A first draft project plan was circulated for comments to EPPR and PAME medio April 2020 with expected response within May 15. At that time, the following stated announced interest for the project: USA, Canada, Denmark, Iceland and South-Korea.

A final project plan was developed and circulated to EPPR and PAME June 30. This version incorporated most of the suggestions and comments, but some of the comments was kept open for discussions within the project team. The final project plan is attached to this document.

In the e-mail to EPPR-PAME, the following message was drafted from the project leads:

“Comments and suggestions to the proposed project plan

Several of the comments and suggestions from Canada and USA have been incorporated in the revised project plan. There were furthermore other constructive and meaningful comments that dug into the details and that would directly affect the implementation of the project. These comments have not been included in the project plan because we aim for a lean project approach, where engagement and involvement by all the participants form consensus and leads to the best possible project plan in each Work Package (WP). Such involvement is considered to be a key success factor. The commitment so far is very positive and promising and we are optimistic that the project will achieve its goals. All comments have been noted and they will be addressed and discussed in the relevant WPs. Some of the comments and suggestions have also potential to be further improved, when the whole group is cooperating and brainstorming.

Appointment of representatives

We kindly ask each participating state to appoint members to the following groups and work packages (WPs) by 15th of August. One person can fill several roles, but one should strive to find persons with competence in the given field of the WP or work group. Please see the project plan for the main tasks of each work group and WP.

- The project management group
- The report drafting group
- WP 1 Questionnaire
- WP 3 Fuel Oil Sampling

In-kind contribution and budget

In order to be able to implement all the activities in the project plan it is necessary that participating member states commit to funding and/or in kind contributions. We know that e.g. Denmark has applied for funding to analyze three oil samples according to the methodology that will be agreed in the project.

The Norwegian Coastal Administration (NCA) have applied for funding for 2020 to cover NOK 250.000 which is now approved. NCA have also applied for funding for the remaining sum in the budget described in the project plan for 2021 and 2022, but it is yet uncertain if the whole sum will be granted or only partly. It is also a risk factor that no funding is approved.

As pointed out by USA in the comments to the budget it is a tight budget compared to the scope of the project. The importance and value of the project on the other hand is unquestionable very high, not only for the Arctic environment, but also for national interest reasons.

The project depends on further financial commitment from the participating members to secure that all tasks can be conducted within the timetable. It is also possible to extend the scope of the project if additional funding above the current budget is granted. In fact, several good ideas have been suggested already by Canada, Iceland and USA in their comments to the project plan.

Norway challenge each participating member state to grant 200.000 NOK or the same sum in concrete in kind contribution. Please indicate if such contribution can be granted by 15th of August.

The worst-case scenario, if not enough funding for 2021 and 2022 is secured, is that the scope of the project must be reduced, or the project duration extended.

Project start up and priority of the work in 2020

According to the project timetable, Norway will arrange a project start up meeting in September 2020. An agenda will be distributed in the end of August after receiving the appointed participants from the different participating states.

We suggest starting the following tasks in 2020. These tasks is within our budget constraint for 2020 and they are important points to conclude before proceeding with the next steps.

- WP 1. Questionnaire. Suggest a methodology for a survey/questionnaire that targets the ships accurately and deliver it for approval in the Project management Group. Norway will work on an innovative methodology to be debated in the WP.
- WP 2. Start the planning of the Industry Involvement workshop
- WP 3. Sampling. Based on best practice, decide the requirements for laboratory testing and the scope of the testing. Because we already know that several laboratories will be responsible for the testing of the samples it is important to agree on best practice procedures to ensure comparable results. For the same reason one oil sample containing the same Low Sulphur Fuel Oil (LSFO) should be analyzed at all of the involved laboratories to ensure and secure comparability. A document that concludes on best practice and agrees on test procedures and the scope of the testing should be delivered to the Project management group (PMG) for approval by 15th of January 2021. Especially appointed experts from participating states may be required for this task. Appointing such expert can be part of the in-kind contribution. A competent consultant that leads this work may also be required.”

Actions requested by PAME

1. Take note of the information
2. Provide information to the project lead regarding appointment of representatives and possible response to in-kind contribution and funding. An extended deadline has been set to the middle of September.
3. Give any guidance, information and feedback as appropriate