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Subject : Initial advice to stakeholders for the introduction of the new UK MRV regime

The UK Government published a guidance (Marine Information Note 669) for initial advice to stakeholders for the new UK MRV regime related to implementation of the UK monitoring, reporting and verification of CO2 emissions on 17 September 2021.

In accordance with the regulation* supporting the UK MRV system, all ships which are greater than 5,000 GT undertaking one or more voyages into, out of and within port of call in the UK must comply with the requirement and timeline specified in the guidance for the monitoring, reporting and verification of carbon dioxide emission data.

* Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) (Amendment) (EU Exit) Regulations 2018

In this regard, this technical information is providing the main contents of the UK MRV regulation and required measures by the ship company, please refer to this technical file.

*Attachment

- 1. MIN 669(M+F) Reporting Emissions Data into the UK MRV Regime
- 2. MERCHANT SHIPPING 2018 No.1388 Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) (Amendment) (EU Exit) Regulations 2018
- 3. MERCHANT SHIPPING 2017 No.825 Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) and the Port State Control (Amendment) Regulation 2017

KR Page 1 / 11(E)

Key legal requirements under the UK MRV regime

- Ships over 5,000 gross tonnes, transporting cargo and/or passengers for commercial purposes to and from UK ports, between UK ports or within UK ports (including while at berth), are subject to the UK MRV regime.
- The same exceptions apply to vessels under the UK MRV regime (e.g. for warships),
 that apply under the EU MRV regime.
- Ship operators must have in place an assessed monitoring plan before data collection begins
- The assessment of the monitoring plan and the verification of the annual emission report for each ship needs to be done by an accredited verifier. The verifier must be accredited by the United Kingdom Accreditation Service (UKAS).
- Each ship must have its emissions monitored and its data collected for each reporting period, ready for verification.
- By 30 April following each reporting period, a verified emissions report must be submitted to the UK Administration covering the previous reporting period.
- By 30 June following each reporting period, a valid Document of Compliance (DoC)
 must be carried on board each vessel covering the previous reporting period.
- A DoC issued under the EU MRV regime and which covers voyages between the UK and European Economic Area (EEA) ports is recognized as a UK DoC equivalent for those voyages only.
- There are requirements on the Administration to make MRV data available and report annually on the findings.

Approach to practical establishment of the UK MRV scheme

- Ship operators should begin collecting emissions data for their ships under the UK
 MRV regime from 1 January 2022.
- No emissions data should be supplied for 2021 for the UK MRV regime, although data for voyages between the UK and countries in the EEA should still be reported to the European Commission under the EU MRV regime. Any emissions data for voyages to

KR Page 2 / 11(E)

- and from UK ports in 2020 should have been reported to the European Commission by April 2021.
- The type of vessel within scope of the UK MRV regime and type of emissions data for collection will be the same as those under the EU MRV regime.
- To avoid duplication, UK will not be expecting data for voyages between UK and EEA ports and vice-versa, to be reported under the UK MRV regime. Data on these voyages should continue to be submitted to the European Commission under the EU MRV regime.
- Emissions data for voyages between UK ports, between UK and non-EEA ports, and vice-versa, and from vessels at berth in a UK port will need to be included in the UK MRV emissions report.
- If a ship already uses a monitoring plan under the EU MRV regime, the ship operator should confirm with the verifier if this is suitable for the UK MRV regime, or if changes are needed.
- An assessed UK MRV monitoring plan needs to be in place by 31st December2021. If a ship already uses a monitoring plan under the EU MRV regime, the ship operator should confirm with the verifier if this is suitable for the UK MRV regime, or if changes are needed.
- The UK no longer has access to the EU's THETIS-MRV database. Data reports will be entered into a separate emissions database which is under development.

UK Legislation

Although the UK is no longer part of the EU MRV regime, the EU Regulation which established that regime (Regulation (EU) 2015/757) was retained in domestic law under the EU (Withdrawal)Act 2018, subject to amendments needed to make it operable in a UK-only context. UK has also retained, and, where necessary, amended the following legislation

- Commission Delegated Regulation (EU) 2016/2071 (ship emissions monitoring methods)
- Commission Implementing Regulation (EU) 2016/1928 (cargo carried)

KR Page 3 / 11(E)

- Commission Implementing Regulation(EU) 2016/1927 (ship emissions templates)
- Commission Delegated Regulation (EU) 2016/2072 (shipping emissions verification and accreditation)

The legislation establishing the UK MRV regime is therefore similar to the EU MRV regime, but the amendments to it are set out in the Merchant Shipping (Monitoring, Reporting and Verification of Carbon Dioxide Emissions) (Amendment) (EU Exit) Regulations 2018(SI 2018/1388). This amended Regulation(EU) 2015/757 and made small changes to the templates in Regulation (EU) 2016/1927 regarding the monitoring plan and emissions reports. A link to the UK templates for the monitoring plan, the emissions report and the document of compliance will be made available on the gov.uk website in due course.

Vessels in scope

Vessels which are subject to the EU MRV regime are also within scope of the UK MRV regime if they visit a UK port. The UK MRV regime covers ships over 5,000 gross tonnage (irrespective of their Flag State or where the ship operator is registered) which serve the purpose of transporting cargo and passengers for commercial purposes to and from UK ports. Categories of ships are as follows.

- a. carriage or/and accommodation of personnel that perform activities for commercial undertakings unrelated to cargo and passenger transport,
- b. all forms of extraction and subsequent carriage of dredged material
- c. ice-breaking activities
- d. carrying, laying, and repairing of cables/pipelines for underwater for telecommunications, electric power transmission, or other purposes
- e. hydrographic or bathymetric survey activities
- f. testing or commissioning of semi-autonomous, autonomous shipping
- g. naval, coast guard, border control or fisheries protection activities.
- h. vessels engaged in the testing, launch or recovery of submersible drone technology
- i. providing support to offshore installations, such as drilling rigs, natural gas and oil platforms, offshore wind farms, and including in particular:
 - i. carriage and positioning of anchors for drilling rigs,
 - ii. providing towage, salvage or other marine assistance/services to offshore

KR Page 4 / 11(E)

installations

- iii. carriage of supplies and equipment to/ from offshore installations and ships
- iv. safety or rescue services provided to offshore installations
- v. diving support
- vi. storing oil or gas without processing it,
- vii. installation and decommissioning of subsea structures and offshore installations.

Voyage and emissions data required under the UK MRV regime

The type of data and parameters which need to be monitored on a per-voyage basis under the UK MRV regime are the same as those required under the EU MRV regime. They include:

- Port of departure and port of arrival including the date and hour of departure and arrival
- Amount and emission factor for each type of fuel consumed in total
- CO2 emitted
- Distance travelled
- Time spent at sea
- Cargo carried
- Transport work

Similar parameters apply under the UK MRV for monitoring emissions on an annual basis. These are:

- The amount and emission factor for each type of fuel consumed in total
- Total aggregated CO2 emitted within the scope of the Regulation
- Aggregated CO2 emissions from all voyages between ports in the UK
- Aggregated CO2 emissions from voyages which departed from ports in the UK (except those going to a port in the EEA)
- Aggregated CO2 emissions from voyages to ports in the UK (except those originating from a port in the EEA)
- CO2 emissions which occurred within ports in the UK at berth
- Total distance travelled
- Total time spent at sea

KR Page 5 / 11(E)

- Total transport work
- Average energy efficiency

Although under UK legislation, data should be monitored for all voyages to, from and between UK ports UK administration recognizes that ship operators will continue to monitor and report data for voyages between the UK and EEA countries under the EU MRV regime. Consequently, to prevent duplication and to simplify procedures, UK is asking ship operators not to include data on UK –EEA voyages, and vice-versa, in their emissions report for the UK MRV regime. The only emissions data UK requires to be reported under the UK MRV regime are for the following voyages:

- Voyages between two UK ports
- Voyages between UK and non-EEA port
- Emissions generated at a UK port for the above voyages

Voyages between a port in the UK and a port in one of the UK overseas territories or Crown dependencies – such as the Falkland Islands, Gibraltar, Isle of Man, Jersey – need to be monitored and reported under the UK MRV regime. However, ports in these overseas territories do not count as UK ports under the UK MRV regime. So, voyages between two Crown dependencies or overseas territories – such as between Jersey and Guernsey – should not be included. Likewise, a journey from a port in an overseas territory or Crown dependency to a non-UK port should not be included.

Production of a monitoring plan

Ship operators must produce a monitoring plan for each of their ships to indicate the method they will use to monitor and report emissions data, based on fuel consumption and other parameters, such as distance travelled, time at sea and cargo carried on a per voyage basis. The objective is to gather annual data into an emissions report, ready for validation by an accredited MRV shipping verifier.

Under the UK's retained legislation, the UK template is virtually identical to that used under the EU's MRV regime. The monitoring plan must be assessed by the verifier and any

KR Page 6 / 11(E)

non-conformities addressed by the ship operator before any data can be collected under the UK MRV regime. Ships calling at UK ports which do not currently have a monitoring plan, will need to produce a plan which conforms to the requirements by 31 December 2021. Although a matter for negotiation between the ship operator and the verifier, UK recommends the monitoring plan is submitted to a verifier by 30 September 2021 to allow sufficient time to complete the assessment process.

Responsibility for assessing the monitoring plans for the UK MRV regime rests with verifiers that are recognized by the UK. If the verifier is content, those ship operators with an existing monitoring plan which conforms to the EU MRV regime, may use their existing plan –appropriately modified if necessary – for both the EU and the UK MRV regime.

UK recommends that ship operators check with the verifier as soon as possible, about the suitability of their existing monitoring plans for the UK MRV regime to ensure the plan conforms to the requirements by 31 December 2021. Where the existing assessed monitoring plan has been / or will need to be revised to meet the UK MRV requirements, then the monitoring plan will need to be reassessed.

your monitoring plan should be checked annually to ensure it reflects the nature and functioning of the ship and whether the monitoring method can be improved. The verifiers should be notified of any modification.

ship operators must submit a monitoring plan to the verifier for newly acquired vessels, no later than two months after the ship's first call to a UK port.

There are no specific legal requirements regarding the way ship operators submit their monitoring plans to the accredited verifier, so it is up to the parties to agree these procedures bilaterally. Only the ship operator and verifier need to see the full monitoring plan. There is no legal requirement for a copy of the monitoring plan:

- to be carried on board the ship (although the crew may need a copy to ensure proper collection of emissions data),
- to be submitted to the UK Administration, or
- to be uploaded onto the new UK reporting system, once available.

KR Page 7 / 11(E)

Collecting data

Under the UK MRV regime, ship operators are required (based on the ship's satisfactorily assessed monitoring plan), to monitor the emissions with a view to aggregate data into an annual emissions report. Normally, ship operators would monitor and provide data on each individual voyage (monitoring data on a per-voyage basis). But like the EU MRV regime, a ship can be exempt from this obligation if all the voyages during the reporting period either start or finish at a UK port, and the ship performs more than 300 voyages during the reporting period. To use the exemption, ship operators have to document their procedures to calculate aggregated data in the monitoring plan, for example the use of other data and documents (such as Bunker Delivery Notes) used to calculate the ship's aggregated data.

Emissions occurring within a UK port of call are to be reported annually as an aggregated annual figure and a separate item under the emissions report. Cargo and other related parameters such as "distance travelled" or "cargo carried" should not be included when reporting emissions which occur within a UK port.

For voyages starting and ending in two different calendar years, the monitoring and reporting data shall be accounted under the first calendar year concerned. Consequently, no emissions data should be reported under the UK MRV for a voyage which begins in 2021 and finishes in 2022, because the UK is not collecting 2021 emissions data. However, in their 2022 report, operators will need to include any emissions from a voyage which begins in 2022 and finishes in 2023.

If a ship operator purchases a second-hand ship during a reporting period, then it is the new company's responsibility to get all the necessary information and emissions data from the previous owner as soon as possible, to ensure it can provide a full emissions report at the end of the reporting period.

Reporting data

By 30 April of each year, ship operators must submit a verified emissions report for each ship. For the UK MRV regime, UK expects ship operators to meet this obligation from 30 April 2023 (for the 2022 reporting period). It is recommended however, that ship operators submit their emission reports to the verifier by 15 February, to allow sufficient time for any

KR Page 8 / 11(E)

issues to be resolved before the 30 April deadline. When the verifier receives the report, they will need to be satisfied that the report for each ship meets the regulatory requirements, is not missing any important information and the report is broadly aligned with other ship's data – e.g. vessel tracking via the ship's Automatic Identification System (AIS). When the verifier is content with the data, the report must be submitted, and a DoC will be issued to the ship operator for every ship.

Data on voyages between UK and EEA ports, and vice-versa, should be reported to the European Commission as part of the EU MRV regime report and should not be included in the UK MRV report (pending further review of the legislation).

Article 11 of retained EU Regulation 2015/757 identifies the information to be included in the emissions report. Article 12 of retained EU Regulation 2015/757 requires the emissions report to be submitted using automated systems and data exchange formats. The UK no longer has access to the THETIS-MRV database, and consequently is developing a cross-sectoral database that can receive MRV data from all the UK industrial sectors that have retained MRV legislation. The main elements of the database are expected to be in place in the latter half of 2022, which should allow enough time before the first verified emissions report needs to be submitted in early 2023.

Compliance and enforcement

From 2023, by 30 June of each year, ship operators must ensure that any ships that were subject to the UK MRV regime in the previous reporting period, carry a valid DoC certificate. An EU DoC will be recognized for voyages between UK and EEA ports. However, a separate UK DoC will be needed to confirm that a validated emissions report for voyages between UK ports, and between UK ports and non-EEA ports (and vice-versa), was submitted for the reporting period in question. The UK DoC is valid for 18 months after the end of the reporting period.

Publication of information

The UK MRV regime includes similar commitments to those in the EU MRV regime about publishing MRV data. Consequently, during 2023 and for each year thereafter:

KR Page 9 / 11(E)

- the information on emissions data reported in accordance with Article 11 of retained EU
 Regulation 2015/757 will be made available.
- an annual report on emissions data and other relevant information from maritime transport,
 including aggregated and explained results, will be published.

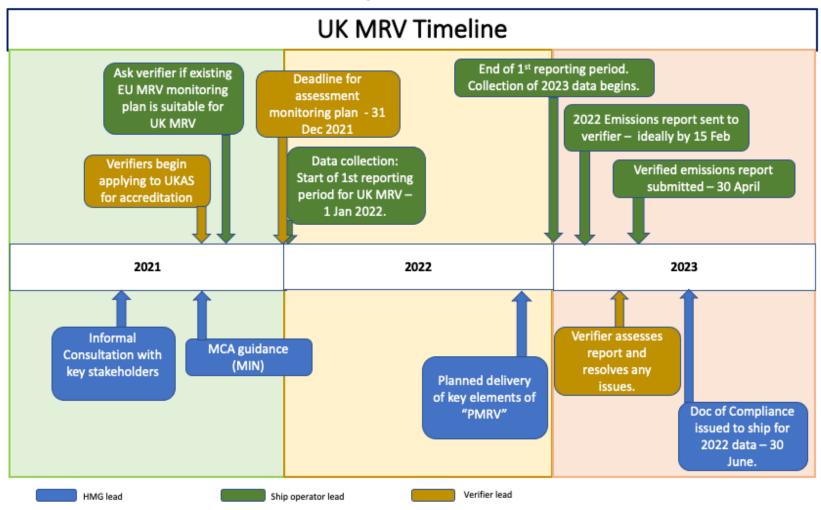
(Distributions: KR surveyors, Ship owners, Other relevant parties)

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KR Page 10 / 11(E)

Appendix 1. Timeline of the application of the UK MRV regime



KR Page 11 / 11(E)