Early Warning System

EBRD-23497

EBRD/IMO - Advancing Global Maritime Decarbonsiation Through Financing Sustainable Maritime Transport

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Quick Facts

Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Borrower	International Maritime Organization (IMO)
Sectors	Technical Cooperation, Transport
Investment Type(s)	Grant
Investment Amount (USD)	$ 5.00 million

Project Description

According to the Bank’s website, International shipping accounts for approximately one billion tons of GHG emissions annually, representing nearly three percent of global emissions. If left unaddressed, these emissions are projected to increase significantly by 2050, posing a serious threat to global climate goals. However, the sector is uniquely positioned to lead a global transition to net-zero emissions, thanks to its international regulatory framework under the International Maritime Organization (IMO). In 2023, IMO member states adopted a revised GHG strategy (the 2023 IMO GHG Strategy), committing to net-zero emissions by around 2050 and mandating that at least five percent of ship energy use comes from zero or near-zero emission sources by 2030. In the 2023 GHG Strategy, IMO member states also agreed to develop and finalize a basket of measures comprising both 1) a technical element, namely a goal-based marine fuel standard regulating the phased reduction of the marine fuel's GHG intensity; and 2) an economic element, based on a maritime GHG emissions pricing mechanism.

Maritime decarbonization is stalled by barriers in capacity, collaboration, and financing. Despite the sector's potential to drive global climate action and unlock socio-economic opportunities, large-scale investment into maritime decarbonization remains hindered by four interrelated and persistent barriers: limited capacity, fragmented collaboration, the absence of scalable financing solutions and a lack of a project pipeline.

The Global Environment Facility (GEF) has approved USD 5 million for the IMO, EBRD and World Bank to scale the existing FIN-SMART platform. FIN-SMART, a partnership between IMO, EBRD and World Bank, has since 2019 fostered regular dialogue among key maritime stakeholders on addressing the financing dimension of net-zero shipping transition.

The objective of this project is to sustainably address these barriers by enhancing capacity, fostering cross-sectoral collaboration, and developing scalable financing solutions. This will be achieved through a combination of global and country-level interventions.

The project will partly build on the existing "Financing Sustainable Maritime Transport" (FIN-SMART) platform, jointly led by the EBRD, IMO and the World Bank, with active participation from policymakers, maritime industry and other MDBs. FIN-SMART roundtables discussions and technical analyses will be conducted, whilst aiming to strengthen this platform to go beyond roundtable format and help address the above-mentioned challenges.

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Contact Information

No contacts available at the time of disclosure.

ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent.

You can contact the PCM at: pcm@ebrd.com or you can submit a complaint online using an online form at: http://www.ebrd.com/eform/pcm/complaint_form?language=en

You can learn more about the PCM and how to file a complaint at: http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html