

EXECUTIVE SUMMARY: THE CLIMATE PARTNERSHIP FOR BLUE DENMARK

The transition to a more sustainable shipping industry is a massive challenge. As a leading maritime nation, Denmark has an obligation to take leadership and demonstrate that the Danish merchant fleet – be it ferries, fishing boats or ocean-going vessels – can become carbon neutral.

The Climate Partnership for Blue Denmark fully supports this challenge and is ready to contribute to solutions in cooperation with partners, customers and legislators. Consequently, the Climate Partnership for Blue Denmark has set two ambitious targets that are supported by all industry players across the Danish maritime cluster.

THE CLIMATE PARTNERSHIP FOR BLUE DENMARK'S TARGETS

Target 1: Carbon neutrality by 2050 without the use of climate compensation.

Target 2: The first ocean-going zero emission vessel must be in commercial operation by 2030.

These targets are based on a vision of Denmark as an international pioneer of climate-friendly shipping. Through high ambitions, on-going energy efficiency efforts, investments in new solutions and cooperation across all sectors of the Danish business community, Blue Denmark should take advantage of the commercial opportunities created by a green transition of the global shipping industry.

BARRIERS TO A GREEN SHIPPING INDUSTRY

Several barriers must be overcome to fulfill the vision and reach Blue Denmark's targets. In this report The Climate Partnership has identified five barriers, which must be addressed over the next ten years.

- 1. Blue Denmark is part of a global industry.** More than 95 pct. of Danish shipping activities take place outside of Danish waters. It is an extremely competitive market, which is sensitive to national regulation. Therefore, it should continue to be a clear objective for Danish legislators to regulate Blue Denmark through the International Maritime Organisation.

- 2. Blue Denmark must take a quantum leap in technology** by replacing traditional fuels with new climate-neutral fuels. Within the next years, current energy-saving technology will not be enough to further reduce greenhouse gas emissions in absolute terms.
- 3. The future energy system is not yet in place.** Shipping companies, ship owners and the fishing industry will rely on a green energy system that can ensure steady supplies of green fuels. This requires a substantial upgrade of the current energy system on a national and global scale.
- 4. The land-based energy infrastructure in Danish ports must be upgraded** to be able to handle the new green fuels or batteries. Upgrading production facilities for low carbon fuels, bunkering infrastructure and land-based storage are estimated to make up approximately 87 pct. of the total investments needed to transition to cleaner fuels.
- 5. The business case for climate-friendly shipping must be strengthened** by incorporating climate considerations into commercial activities, in order to incentivize the use of climate-friendly technologies.

INITIATIVES AND RECOMMENDATIONS

The Climate Partnership for Blue Denmark has developed six initiatives, which the members of the partnership are ready to invest in under the current conditions. In addition, the Climate Partnership has put forward fifteen recommendations for government action. The initiatives and recommendations are divided into four overall themes that address the barriers and opportunities for a climate-neutral shipping industry:

ENERGY EFFICIENCY

PORTS AND SHORTSEA SHIPPING

GREEN FUELS

CLIMATE DIPLOMACY

Together, these themes show how Denmark can support a sustainable transition of the shipping industry on both a national and global level.

	National effect	International effect
ENERGY EFFICIENCY		
■ 1. Sharing of shipping data	•	•
■ 2. Development and demonstration programme for maritime climate solutions	•	
■ 3. Export financing	•	•
PORTS AND SHORTSEA SHIPPING		
■ 4. Removing waiting time in ports	•	•
■ 5. Green ferry tenders	•	
■ 6. Green municipal ferry services	•	
■ 7. Green highways at sea	•	•
■ 8. Climate-differentiated toll at ports	•	•
■ 9. New energy infrastructure for ports	•	
GREEN FUELS		
■ 10. A partnership for test ships	•	•
■ 11. Establishment of a Maritime Center of Excellence	•	•
■ 12. Demonstration ship 2030	•	
■ 13. National strategy for the development of Power-to-X	•	
■ 14. Pilot schemes for transition to new fuels	•	
■ 15. Green fuel blend-in option	•	•
CLIMATE DIPLOMACY		
■ 16. A global innovation fund funded by the shipping industry		•
■ 17. Coordinated effort to attract research funds from the EU	•	•
■ 18. Strengthened climate diplomacy in IMO		•
■ 19. Efficient implementation of new IMO regulation		•
■ 20. Fast track scheme in IMO for new climate technology		•
■ 21. Expansion of fishing capacity regulations for fishing vessels in the EU	•	•

■ Blue Denmark's own initiatives

■ Recommendations for the government