

Japanese Shipping Industry Announces “Challenge of 2050 Net Zero GHG.”

1. The Japanese Shipowners' Association has announced that the Japanese shipping industry will take on the challenge of 2050 net zero GHG at its press conference held on 26 October, with COP26 and IMO MEPC 77 in sight. Following are key comments by Junichiro Ikeda, President of the JSA, at the press conference.

- The world is pressing ahead with initiatives to realise a sustainable society. For the shipping industry, whose field of operations is the world's oceans, the reduction of GHG as a measure to grapple with climate change is an issue of the most vital importance.
- With COP26 in sight, the whole world, including Japan, is moving GHG reduction measures forward aggressively. In the circumstances, the Japanese shipping industry has committed itself to the challenge of 2050 Net Zero GHG as a current and future leader in the global shipping field.
- Through this challenge, Japanese shipping will actively continue to contribute to the preservation of the global environment and believes that active efforts towards GHG reduction will create a new source of competitiveness for the industry.
- Making efforts throughout the whole supply chain, such as research and the development of new ships and new fuels and the establishment of fuel supply facilities, will be needed for 2050 net zero GHG.
- The transition to zero-emission vessels, which will be powered by new fuels such as carbon-recycled methane, hydrogen and ammonia, is essential. For the Japanese merchant fleet, composed of about 2,200 vessels alone, it is thought that an average of 100 ships per year will need to be built, requiring investment in shipbuilding of about US\$10 billion annually for 25 years to 2050.
- In addition, not only efforts by the industry itself but also cooperative actions with relevant industries will be required to take on the challenge of 2050 net zero GHG. Cooperation with a wide range of stakeholders, including the energy industries, the port industry, cargo owners and trading companies as well as the shipbuilding industry, will be indispensable.
- The industry expects the Japanese government to continue to lead discussions at the IMO about the revision of its Initial GHG strategy, set to begin next month, and reduction measures, pledging full support for the government.
- Today, Mr Tetsuo Saito, Minister of MLIT, said that the Japanese government proposed 2050 carbon-neutral target to the IMO and welcomed this JSA's challenge. The JSA feels very

encouraged by the Minister's statement and welcomes it.

- The Japanese shipping industry strives to play an infrastructural role in people's lives and industry in not just Japan but the world as well as a leading role in the activities of the IMO and is working with a wide range of stakeholders in society to achieve overall carbon neutrality. The industry is rising to the challenge of net zero GHG, on the way to attaining a sustainable society. The JSA thanks all stakeholders for their ongoing support, understanding and encouragement.

2. At the press conference, the JSA also published the PR material "Japanese Shipping Industry: The Challenge of 2050 Net Zero GHG." This material explains the industry's efforts and stance towards GHG reduction clearly and is available via the following link.

<https://www.jsanet.or.jp/GHG/pdf/en.pdf>

3. The JSA plans to carry out PR activities in order to foster a better understanding of the Japanese shipping industry's efforts among a wide range of stakeholders and ordinary people.

The video of the press conference and the following lecture about the PR material will be available on the website (only in Japanese).

<https://www.jsanet.or.jp/GHG/index.html>

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