



**UNDERSTANDING
THE IMO NET ZERO FRAMEWORK:
THE NIGERIAN PERSPECTIVE AND
IMPLICATIONS FOR MARITIME
STAKEHOLDERS**



INTRODUCTION

Globally, the clamour for reducing gas emissions that impact climate change is profound. The International Maritime Organization (IMO) has embraced this trend through the Marine Environment Protection Committee during its 81st meeting (MEPC 81) held on March 2024 in London. The IMO in this strategic meeting agreed on a draft outline for the reduction of greenhouse gas (GHG) emissions from international shipping (IMO net-zero framework). According to the IMO in 2018, GHG emissions are projected to increase from about 90% of 2008 emissions in 2018 to 90-130% of 2008 emissions by 2050. Hence the need to adopt a net-zero framework to achieve a cleaner marine environment where GHG released by vessels is reduced to the barest minimum. This move by IMO also complies with the United Nations Sustainable Development Goal 13 which is for organisations and member countries to take urgent actions to combat climate change and its impacts. Nigeria currently ranks among the 26 African Countries that have ratified the International Convention for the Prevention of Pollution from Ships ("MARPOL", "the Convention"). The Convention contains salient provisions in line with international best practices on preventing pollution from ships and safeguarding the marine environment. However, Nigeria still grapples with implementing the Convention. Nonetheless, Maritime Organizations across the globe await the implementation of the IMO Maritime Net-Zero framework as this will have a great impact on the Maritime Industry. Against this backdrop, this piece explores the IMO's Net Zero framework and its implications on the Nigerian Maritime Industry and the stakeholders.¹



THE NET-ZERO FRAMEWORK BY IMO

The IMO net-zero framework ("the framework") adopted by MEPC 81 in March 2024 is a further step to achieve the objectives of the 2023 IMO strategy on the reduction of GHG emissions from ships. The framework aims to serve as a global regulation for achieving net-zero GHG emissions from international shipping. The following are notable value propositions by the framework:

1. The creation of a global carbon tax (GHG levy) which will be used to finance energy transition.
2. The framework also proposes an economic mechanism to incentivize the transition to net zero, a step by IMO to encourage and promote the transition to cleaner and more efficient energy.
3. The framework aims to complement the existing International Convention on the Prevention of Pollution from Ships (MARPOL). This may include the addition of a new Annex VI in the MARPOL to include regulations on achieving net-zero emission of GHG from international shipping. The proposed new Annex VI may also include regulations on marine fuel standards which must be complied with by parties to the convention.²

MARPOL; THE STATE OF IMPLEMENTATION IN THE NIGERIAN MARITIME SECTOR

The MARPOL Convention remains one of the world's most important maritime conventions due to its objective to reduce pollution caused by ships to the marine environment. In Nigeria, the MARPOL Convention was ratified in May 2002 through the International Convention for the Prevention

²One of the ways compliances may be enforced by the new Annex VI is the proposed inclusion of a regulation for economic incentive to incentivize parties to the convention that abide by these standards and promote the goal for net-zero GHG emission.

of Pollution from Ships 1973 and 1978 Protocol (Ratification and Enforcement) Act 2007 (No. 54 of 2007). Domestically, Nigeria enacted the Merchant Shipping Act 2007 (MSA) and the Merchant Shipping (Ship Generated Marine Waste Reception Facilities) Regulations 2012 ("2012 Regulations") to implement MARPOL. The MSA specifically provides for the application of the MARPOL Convention³ while the 2012 Regulations relating to the reception facilities for ship-generated marine.

Also, regulators within the Nigerian Maritime Sector have taken steps to enforce compliance with the provisions of MARPOL. For instance, the Nigerian Maritime Administration and Safety Agency (NIMASA) in a Marine Notice MN/09/21/SN02 directed all stakeholders- ship owners, managers, and charterers among others to comply with the regulations of MARPOL on the prevention of air pollution from ships⁴ particularly on the limit of sulphur content in the fuel used by Nigerian ships or any ship on or above the surface of any water in the Nigerian territory and the need for all Nigerian flagged ships and foreign-flagged ships of 400 tonnes and above operating in the Nigerian territorial waters to keep an Energy Efficient Management Plan. Similarly, the Minister for Transportation, in accordance with the MSA⁵ made the Marine Environment (Oil Pollution Preparedness, Response, and Co-operation Convention) Regulations 2012 to provide a framework for marine pollution and set out guidelines for reporting pollution incidents among other objectives of the regulation.

Despite these legislative and regulatory interventions, Nigeria is yet to fully achieve the objectives of the MARPOL Convention aimed at reducing pollution caused by ships whether by deliberate acts or by accidents. In a report by the United Nations Conference on Trade and Development (UNCTAD) in 2019, Nigeria scored 0.38% on vessels fitted with ballast water ⁶ treatment systems.⁷ This is despite the fact that Nigeria is a signatory to the International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004, yet there has been little to no compliance with

³Section 336 of the MSA.

⁴Annex VI of MARPOL

⁵Section 336 (2) and (3) of the MSA

⁶Ballast water is freshwater, or seawater pumped into the ballast tank of a vessel at the source port and discharged into the sea at the destination port. However, this water may contain different organisms that may be harmful to the receiving marine environment hence the need for a proper ballast water treatment system to detoxify the ballast water before same is discharged at the destination port.

⁷Poor shipping environment: [Nigeria, other African countries ranked low by UN accesses](#) on 10th June, 2024.

its provisions. The report further indicated that Nigeria recorded zero percent on vessels fitted with scrubbers and on vessels compliant with tier-three regulations to reduce nitrogen-oxide emissions correspondingly. Additionally, In 2023, the Nigerian Maritime Sector witnessed a surge in setting ablaze of vessels suspected to be involved in crude oil theft. In July 2023, a vessel with a capacity of 800 metric tonnes allegedly carrying about 150 metric tonnes of stolen crude oil in the Escravos area of Delta State was set ablaze on the mere suspicion of crude oil theft.⁸ Similarly, In October 2022, another vessel, “MT DEIMA”, which was allegedly laden with 1500 metric tonnes of stolen crude oil, was also arrested and set ablaze in the Warri Escravos River by security operatives.⁹ While the need to curb crude oil theft is understandable, there are better ways to achieve that without polluting the marine environment. For example, the MSA empowers the Minister of Marine and Blue Economy to make regulations giving effect to the provisions of the MARPOL Convention.¹⁰

The Ratification of the MARPOL Convention, the enactment of the MSA, and the 2012 Regulations are steps in the right direction to combat pollution from ships and reduce the emission of GHG in the Nigerian Maritime Sector, hence, a more sophisticated approach must be taken to ensure that the provisions of these laws are adequately and effectively implemented. However, it is projected that the draft IMO net-zero framework will throw more light on ways to achieve a cleaner marine environment.

IMPLICATIONS OF THE IMO NET-ZERO FRAMEWORK ON THE NIGERIAN MARITIME SECTOR AND STAKEHOLDERS.

There is no gainsaying that the implementation of the IMO net-zero framework will provide a common regulatory structure across the globe for the reduction of GHG emissions in the maritime sector. Some of the implications of the proposed net-zero framework on the Nigerian maritime sector and stakeholders include:

⁸Foreign vessel intercepted with stolen crude set ablaze in Delta <<https://punchng.com/foreign-vessel-intercepted-with-stolen-crude-set-ablaze-in-delta/> > accessed on 10th June, 2024.
⁹Marpol and the State-sanctioned destruction of crude oil carrying vessels on Nigerian Water, <https://www.aellex.com/marpol-and-the-state-sanctioned-destruction-of-crude-oil-carrying-vessels-on-nigerian-waters/#_ftn2 > accessed on 10th June, 2024.

¹⁰Section 336(3) of the MSA.

- 1. Environmental Implications:** The reduction OF GHG emissions from Nigerian vessels will contribute to global efforts to combat climate change and protect the marine environment. This will also be a commitment of the Nigerian maritime sector and stakeholders to uphold the United Nations Sustainable Development Goals 13 which seeks to combat climate change and limit its impact.
- 2. Regulatory Review and Amendment:** The IMO net-zero framework is expected to make significant changes to the current global regulatory regime on the reduction of GHG from international shipping. Consequently, the implementation of the framework may stir the Nigerian maritime sector to review and amend its laws to align with global perspectives.
- 3. Economic Implications:** The framework proposes to introduce a global carbon tax which will be used to finance the transition to cleaner and efficient energy. However, this commitment may lead to a financial hike in shipping operations within the Nigerian maritime sector. However, the economic incentive proposed by the framework to incentivize compliant parties is critical to enforcing compliance.
- 4. Investment in Innovative Technologies:** Discussions around Maritime Autonomous Surface Ships (MASS) may propel IMO to consider these categories of vessels in implementing the framework. This may require investment in innovative technologies to properly regulate and enforce compliance with the framework of these types of vessels that may navigate Nigerian territorial waters.
- 5. Global Competitiveness:** Nigerian shipping companies that comply with the framework may enjoy an advantage in the global market. More so, the proposed economic incentive may propel competition amongst shipping companies to benefit from the incentive.



CONCLUSION

Ocean shipping accounts for nearly 3% of the world's greenhouse gas emissions and about 20.2% of the world's total CO₂ emissions making it the second-largest contributor to global carbon pollution . The fact that 90% of goods are globally transported by sea makes the need for an international framework for net-zero greenhouse gas emissions in the maritime sector imperative. The proposed IMO net-zero framework is a significant step toward a greener energy transition and reducing greenhouse gas pollution within the maritime environment. Therefore, once implemented and adopted by Stakeholders, the framework will make a positive impact on global trade and investment. Hence it is advised that Nigeria Stakeholders pay keen attention to the IMO and comply with this directive as soon as it is implemented.

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