

Industry giants commit to transparent reporting of shipping emissions

The Sea Cargo Charter sets a new benchmark for responsible shipping, transparent climate reporting, and improved decision making in line with United Nations decarbonization targets.

A group of the world's largest energy, agriculture, mining, and commodity trading companies will for the first time assess and disclose the climate alignment of their shipping activities.

United Nations agencies estimate the international shipping industry to carry around 80% of world trade flows and to be responsible for 2-3% of global greenhouse gas emissions annually.

Large industrial corporations are significant users of international shipping services. The shipping of crude oil, coal, iron ore, grain and other bulk commodities used worldwide make up over 80% of global seaborne trade. The Sea Cargo Charter is a global framework that allows for the integration of climate considerations into chartering decisions to favor climate-aligned maritime transport.

The Sea Cargo Charter establishes a common baseline to quantitatively assess and disclose whether shipping activities are aligned with adopted climate goals. The Sea Cargo Charter is consistent with the policies and ambitions adopted by member states of the International Maritime Organization (IMO), a specialized agency of the United Nations responsible for regulating shipping. This includes its ambition for greenhouse gas emissions from international shipping to peak as soon as possible and to reduce shipping's total annual greenhouse gas emissions by at least 50% of 2008 levels by 2050, with a strong emphasis on zero emissions.

"A standard greenhouse gas emissions reporting process will simplify some of the complexities often associated with reporting. It will encourage a more transparent and consistent approach to tracking emissions, which will be a critical part of making shipping more sustainable," says **Jan Dieleman, President, Cargill Ocean Transportation and Chair of the Sea Cargo Charter drafting group.**

"The shipping industry as a whole needs to adopt a transparent approach, advocated by the Sea Cargo Charter, in order to fully understand the sector's overall greenhouse gas footprint and for us to collectively rise to the challenges faced," says **Rasmus Bach Nielsen, Global Head Fuel Decarbonisation, Trafigura.**

"The Sea Cargo Charter is an important step in laying the foundations for a net-zero emissions shipping industry. Collaboration such as this, from across the sector, is vital to scale-up customer demand for low- or zero-emissions shipping. This same spirit of collaboration is also vital in the pursuit of the technological advances needed to unlock decarbonisation solutions, and in building industry support for regulation which can create an ambitious but level-playing field under which to invest. Building on this momentum we would like the IMO to use its 2023 strategy review to set the trajectory for the sector to move to net-zero emissions by 2050," says **Grahaeme Henderson, Global Head, Shell Shipping & Maritime.**

The 17 Founding Signatories of the Sea Cargo Charter include **ADM, Anglo American, Bunge, Cargill Ocean Transportation, COFCO International, Dow, Equinor, Gunvor Group, Klaveness Combination Carriers, Louis Dreyfus Company, Norden, Occidental, Shell, Torvald Klaveness, Total, Trafigura, and Ørsted.** All other responsible shippers are invited to join the initiative.

"The Sea Cargo Charter enables leaders from diverse industry sectors to use their influence to drive change and promote shipping's green transition by choosing maritime transport that is aligned with agreed climate targets over that which is not," says **Johannah Christensen, Managing Director, Head of Projects & Programmes at international non-profit, Global Maritime Forum.**

The Sea Cargo Charter is intended to evolve over time as the IMO adjusts its policies and regulations and when further adverse environmental and social impacts are identified for inclusion. They also aim to support other

initiatives developed to address climate, environment, and social risks in shipping, such as the Poseidon Principles.

The Sea Cargo Charter is applicable to bulk charterers with interest in the cargo on board; those who simply charter out the vessels they charter in; as well as the disponent owners and all charterers in a charterparty chain. They apply globally, to all chartering activities where a vessel or vessels fall under the purview of the IMO.

The development of the Sea Cargo Charter has been led by global shippers – **Anglo American, Cargill Ocean Transportation, Dow, Norden, Total, Trafigura** – and leading industry players – **Euronav, Gorrissen Federspiel, Stena Bulk** – with expert support provided by the **Global Maritime Forum, Smart Freight Centre, University College London Energy Institute/UMAS**, and **Stephenson Harwood**.

For further information: Head of Communications, Torben Vemmelund at tve@globalmaritimeforum.org or +45 2224 1446.

Industry support

Citi

"All stakeholders must play a role in addressing the adverse impacts of maritime shipping. This is why responsible financial institutions have established the Poseidon Principles. The Sea Cargo Charter is another important initiative that will help the maritime industry to meet the greater goals of society"

Michael Parker, Chairman of Global Shipping Logistics & Offshore at Citi and Chair of the Poseidon Principles Association.

Euronav

"Every single business in the world exists because of its clients ... and what the client want is what we will do. Thanks to the Sea Cargo Charter initiative, the decision-making process of choosing the right carrier for their cargo will not only be based on the economics but increasingly on minimizing the environment footprint that form of transportation produces. All stakeholders within the shipping chain are starting to be aligned on the ambitious targets set by the IMO and the Sea Cargo Charter is a major step in the right direction as it will help catalyse the transition toward a carbon neutral industry."

Hugo De Stoop, Chief Executive Officer, Euronav

Stena Bulk

"Charterers play a central role in creating and increasing demand for more sustainable shipping, and transparency on emissions is crucial in enabling them to set benchmarks and measure progress towards our collective climate goals. The Sea Cargo Charter is thus both a new milestone in facilitating transparency and openness in the industry, as well as a testament to the ambition with which ship owners like ourselves at Stena Bulk and charterers are coming together to address this challenge."

Erik Hånell, President & CEO, Stena Bulk

Founding signatories

Anglo American

"The decarbonization of ocean freight will be critical to shaping a more sustainable maritime industry. Adopting a standard accounting framework will allow us to track our decarbonization trajectory consistently with IMO standards, relying on transparent and accurate methodologies to define a pathway towards decarbonized shipping operations, in line with Anglo American's commitment to reduce emissions along our entire value chain."

Peter Whitcutt, Chief Executive Officer Marketing, Anglo American

ADM

"At ADM, we are committed to promoting sustainable practices across our supply chain to protect the world's natural resources and build resilient systems. That's why we are excited to join the initiative organized by the Global Maritime Forum and become a signatory to the Sea Cargo Charter. We welcome the opportunity to collectively bring greater transparency in our common goals to reduce the carbon footprint of shipping and continually assess the impact of maritime activities on greenhouse gas emissions."

Hans Christian Jensen, Director, Global Ocean Freight, ADM

Bunge

"Bunge is committed to finding ways to reduce our environmental footprint, on both land and sea, and to engage with our value chain peers to find scalable solutions for global challenges. We are excited to work with partners in the Sea Cargo Charter to deliver on these commitments and improve our impact on the environment."

Marcio Valentim Moura, Director, Global Logistics, Bunge

Cargill Ocean Transportation

"A standard greenhouse gas emissions reporting process will simplify some of the complexities often associated with reporting. It will encourage a more transparent and consistent approach to tracking emissions, which will be a critical part of making shipping more sustainable."

Jan Dieleman, President, Cargill Ocean Transportation

COFCO International

"We are very pleased to become Signatory to the Sea Cargo Charter. This initiative is critical to ensure that our sector aligns our climate ambition with global climate targets, and provides transparency on our progress towards zero carbon shipping."

Alessio La Rosa, Global Head of Freight, COFCO International

Dow

"At Dow, sustainability and protecting our planet are part of our Company Ambition. Dow has a long history of setting aggressive sustainability goals and achieving results. In that spirit, we see the Sea Cargo Charter as an important tool in the global challenge to reduce maritime emissions, and we are excited to be an inaugural signatory."

Lance Nunez, Global Marine and Terminal Logistics Director, Dow

Equinor

"Sustainable shipping cannot be achieved by one actor alone, we have to collaborate and be transparent to deliver on our maritime ambitions. Equinor is delighted to become a Signatory of the Sea Cargo Charter, and by joining forces with influential and ambitious charterers aim to pull the industry in the right direction."

Heidi Aakre, Vice President Shipping, Equinor

Gunvor Group

"Gunvor Group is committed to the reduction of greenhouse gas emissions in all our chartering activities and welcomes participation in the Sea Cargo Charter as a transparent and reliable framework to achieve our goals alongside industry counterparts."

Jan Andersen, Managing Director, Clearlake Shipping, Gunvor Group

Klaveness Combination Carriers

"Sea Cargo Charter is an important leap forward in moving the shipping business towards a low-carbon future! Only by tracking, reporting and benchmarking its carbon emissions the industry will take the needed decarbonization steps!"

Engbret Dahm, Chief Executive Officer, Klaveness Combination Carriers

Louis Dreyfus Company

"Louis Dreyfus Company is pleased to be a founding Signatory of Sea Cargo Charter. Harmonizing the assessment of maritime industry climate impacts is in the continuity of our company's transparent reporting efforts, and aligned with our convictions. Collaboration is key to the success of sustainable development, and aligning responsible charterers in the drive to reduce shipping emissions should be one of the pillars toward this goal. We look forward to working together for a greater, more lasting and far-reaching impact."

Sebastien Landerretche, Global Head of Freight, Louis Dreyfus Company

Norden

"Norden is proud to join the Sea Cargo Charter, which we hope will increase focus on greenhouse gas emissions in the industry and become a tool for increased transparency, creating a joint language and goal for clients and shipping firms towards the shared goal of reaching the IMO's climate goals."

Jan Rindbo, Chief Executive Officer, Norden

Occidental

"Occidental supports the maritime sector's efforts to decarbonize marine transportation. The Sea Cargo Charter establishes a framework that will help make realizing that goal possible. Through Oxy Low Carbon Ventures, we are working with industry to help them attain their net zero ambitions by offering low-carbon products and solutions such as low-carbon fuels that will enable the shipping industry to reduce greenhouse gas emissions."

Richard Jackson, President and General Manager, Oxy Low Carbon Ventures

Shell

"The Sea Cargo Charter is an important step in laying the foundations for a net-zero emissions shipping industry. Collaboration such as this, from across the sector, is vital to scale-up customer demand for low- or zero-emissions shipping. This same spirit of collaboration is also vital in the pursuit of the technological advances needed to unlock decarbonisation solutions, and in building industry support for regulation which can create an ambitious but level-playing field under which to invest. Building on this momentum we would like the IMO to use its 2023 strategy review to set the trajectory for the sector to move to net-zero emissions by 2050."

Grahaeme Henderson, Global Head, Shell Shipping & Maritime

Torvald Klaveness

"Decarbonization is the main task of our generation. To succeed with this, businesses need to take the lead, drive the agenda and not least systematically cut their emissions. The Sea Cargo Charter initiative is a perfect platform for Torvald Klaveness to reduce the emissions of the supply chains we take part in."

Lasse Kristoffersen, President and CEO, Torvald Klaveness

Total

"Total shares the ambition to get to net-zero emissions by 2050, together with society, for its global operations. As a broad energy company, we are actively working on improving the environmental footprint of the maritime industry. By becoming today a founding member of the Sea Cargo Charter, we reaffirm our support to this key sector. This pioneering initiative will provide a transparent standard emissions reporting approach and will pave the way for a sustainable shipping industry."

Luc Gillet, Senior Vice President Shipping, Total Trading & Shipping

Trafigura

"Trafigura is pleased to be a Signatory of the Sea Cargo Charter. Since 2019, we have proactively worked with shipowners to implement a voyage charterparty clause that collects the fuel consumption data associated with our spot charters. Whilst our efforts are a positive step towards the more accurate recording of our emissions, the shipping industry as a whole needs to adopt a transparent approach, advocated by the Sea Cargo Charter, in order to fully understand the sector's overall greenhouse gas footprint and for us to collectively rise to the challenges faced."

Rasmus Bach Nielsen, Global Head Fuel Decarbonisation, Trafigura

Ørsted

"Shipping is one of the key sectors that needs to be decarbonized in the coming years. The Sea Cargo Charter will help shipping customers and the shipping industry in choosing low-carbon shipping and in developing new technological solutions, such as zero-emission fuels, which will all be needed to achieve zero-emission shipping in 2050."

Jakob Askou Bøss, SVP Group Stakeholder Relations

Expert support

Global Maritime Forum

"The Sea Cargo Charter enables leaders from diverse industry sectors to use their influence to drive change and promote shipping's green transition by choosing maritime transport that is aligned with agreed climate targets over that which is not."

Johannah Christensen, Managing Director, Head of Projects & Programmes, Global Maritime Forum.

Smart Freight Centre

"The Sea Cargo Charter helps to increase transparency of greenhouse gas emissions from bulk shipping. Smart Freight Centre is proud to have contributed, together with UMAS, to writing the Technical Guidance underpinning the Charter. A next step is to expand maritime greenhouse gas reporting to full fuel cycle emissions, in line with the GLEC Framework, forthcoming ISO 14083 and GHG Protocol, – to support a prompt transition to alternative, cleaner energy sources."

Sophie Punte, Executive Director, Smart Freight Centre

University College London Energy Institute

"The hard part of decarbonisation is not the technical aspects, but the behaviour change required to centuries-old ways of working. The Sea Cargo Charter is fundamental to ensuring better data is reported in a consistent way - to enable, for the first time, the charterer's significant climate risks and opportunities to be managed."

Jean-Marc Bonello, Consultant, UMAS