



CAPITAL LINK FORUM- THE VOICE OF OUR YOUNG EXECUTIVES

REDUCING GREEN HOUSE EMISSIONS

Due to changes in IMO regulations the shipping industry must be prepared for the use of new technologies. Diesel fuel could be replaced with alternative fuels, such as hydrogen. One of the alternative fuels that will be used more rapidly in future is ammonia. The use of ammonia will help tackle climate change because it burns without CO2 emissions. Additionally, the industry has some experience with Methanol, Ethane and LPG.

My observation is that, not all companies are ready to make the change and not all of them exhibit the same maturity. There are various ways to start, such as machinery systems, dynamics and logistics but the bottom line is alternative fuels. There are no golden standards, as alternative fuels do not match every type of vessel.

Are companies ready to pay for all these new technologies?

The shipping companies must raise capital to be able to meet the new IMO regulations, as new technologies and decarbonisation require a substantial amount of money. The proposal of the creation of International Maritime Source Funds is a solution, but who will use this money and how will this money be used? Will the politicians have access to that money? How efficient and how useful can it be? Analysts in the market report that at least 1 trillion of investments in new fuel technologies is needed to enable the shipping industry to meet the U.N. target for cuts in carbon emissions by 2050.

Regulators and regulations must take into account that it is impossible for companies to comply with new regulations immediately, and that apart from the benefits there are significant financial consequences for the shipping industry. All will agree that the fragmentation in shipping industry will make it more difficult for these changes to be enforced so, round tables and collaboration between regulators and owners are needed more than ever.



Gerasimos Pylarinos
Audit and Assurance