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4 ALBERT EMBANKMENT
LONDON SE1 7SR
Telephone: +44 (0)20 7735 7611

Circular Letter No.5213
26 May 2026

To: All IMO Members
Parties to the MARPOL Convention which are not Members of IMO

Subject: **Draft amendments to MARPOL Annex VI**

1 The Secretary-General has received proposed draft amendments to MARPOL Annex VI from Liberia, being a Party to MARPOL Annex VI.

2 As requested by Liberia, the Secretary-General has the honour to transmit herewith, in accordance with article 16(2)(a) of the Convention, the text of the proposed amendments, set out in the annex, with a view to their consideration, in accordance with the provisions of article 16(2)(b), (c) and (d) of the said Convention, by the eighty-fifth session of the Marine Environment Protection Committee, tentatively scheduled to take place from 30 November to 3 December 2026 at IMO Headquarters, and/or the resumed second extraordinary session of the Marine Environment Protection Committee, tentatively scheduled to take place on 4 December 2026 at IMO Headquarters, subject to confirmation by MEPC 85, as appropriate.

ANNEX**DRAFT AMENDMENTS TO MARPOL ANNEX VI****Regulation 2***Definitions*

1 Insert new paragraph 3 as follows:

3 For the purpose of chapter 5:

- .1 *Attained annual GHG fuel intensity (attained annual GFI)*, expressed in grams of CO₂eq per unit of energy (gCO₂eq/MJ), means the weighted average GHG intensity of all fuels used on board a ship in a given calendar year on a well-to-wake (WtW) basis, taking into account guidelines developed by the Organization in accordance with regulation 33.
- .2 *CO₂ equivalent (CO₂eq)* means the metric measure used to aggregate the emissions of CO₂, CH₄ and N₂O on the basis of their 100-year global-warming potential (GWP), by converting the amounts of CH₄ and N₂O to the equivalent amount of CO₂ as given in the IPCC Fifth Assessment Report (AR5).
- .3 *Compliance deficit*, expressed in tonnes of CO₂eq, means the amount of under-compliance by a ship with the target annual GFI as determined in accordance with regulation 36.
- .4 *Existing ship* means a ship which is not a new ship.
- .5 *Fuel* means any energy source or energy carrier used on board a ship for propulsion or for the operation of any equipment on board a ship.
- .6 *Fuel Life Cycle Label (FLL)* means the technical tool to collect and convey information relevant for the life cycle GHG intensity assessment (LCA) of a fuel, taking into account the guidelines developed by the Organization.
- .7 *GFI compliance balance*, expressed in tonnes of CO₂eq, means the measurement of a ship's GFI compliance status against the target annual GHG fuel intensity in accordance with regulation 36.
- .8 *GHG fuel intensity (GFI)*, expressed in grams of CO₂eq per unit of energy (gCO₂eq/MJ), refers to the amount of life cycle GHG emissions per unit of energy used on board a ship on a well-to-wake basis, taking into account guidelines developed by the Organization to include ship energy efficiency improvements in alignment with the CII Framework.

- .9 *Greenhouse gas (GHG) emissions* means any release of carbon dioxide (CO₂), methane (CH₄) or nitrous oxide (N₂O) into the atmosphere.
- .10 *New ship* means a ship the delivery of which is on or after 1 January 2029.
- .11 *Semi-submersible vessel* is a type of ship that is designed to carry ships, marine facilities and large loads, generally installed with high superstructure or deck room or floating tank at bow or stern, and is able to partially submerge in cargo handling.
- .12 *Ship account* means a mandatory account for a ship to which chapter 5 applies within the IMO GFI Registry in accordance with regulation 38.
- .13 *Ship account statement* means the annual ship account statement issued by the IMO GFI Registry reflecting the transactions recorded in that account in accordance with regulation 38.
- .14 *Surplus unit (SU)*, expressed in tonnes of CO₂eq, means a transferable unit a ship in direct compliance is eligible to receive in accordance with regulation 36.
- .15 *Sustainable fuel certification scheme (SFCS)* is a scheme, administered by a legal entity, which certifies that a fuel is compliant with the requirements set out in chapter 5 and its associated guidelines.
- .16 *GFI_{Max}* means the upper boundary value of the Global Fuel Intensity trajectory calculated as the market-share-weighted average well-to-wake emissions intensity of all Commercially Viable Fuels. *GFI_{Max}* represents the emissions profile of the viable marine fuel market and forms the upper boundary of the GFI reduction trajectory.
- .17 *GFI_{Min}* means the lower boundary value of the Global Fuel Intensity trajectory and shall be the minimum well-to-wake emissions intensity among all Commercially Viable Fuels. *GFI_{Min}* represents the best achievable performance under prevailing market conditions.
- .18 *Annual Reduction Step (Z_t)* means the annual reduction step for the Global Fuel Intensity trajectory determined by linear interpolation between *GFI_{Max}* and *GFI_{Min}* over a 30-year period. *Z_t* establishes the uniform annual decrease required to progress from *GFI_{Max}* to *GFI_{Min}*.
- .19 *Target Annual GFI (GFI_t)* means the GHG fuel-intensity value established for year *t* along the thirty-year reduction trajectory, calculated by applying a uniform annual reduction step from the upper boundary (*GFI_{Max}*) to the lower boundary (*GFI_{Min}*).

- .20 *Commercially Viable Fuel* means a marine fuel that satisfies the Affordability, Availability, and Scalability Criteria set out in the subparagraphs below. Only fuels meeting the Commercial Viability Criteria shall be used for determining GFI_{Max} , GFI_{Min} , and the GFI reduction trajectory under this Annex. The Organization shall define the Commercially Viable Fuels during the five years reviews in accordance with regulation 41 and the Guidelines to be developed by the Organization.
- .1 Affordability Criterion: A fuel shall be considered affordable when its fuel production price at origin does not exceed 100% above the prevailing global market average bunker fuel price for conventional marine fuels used as a reference fuel under this Annex (e.g., VLSFO). For the purposes of this Annex, "fuel production price at origin" shall exclude transportation, storage, distribution, bunkering/port service charges, insurance, duties and taxes, and shall be expressed as a cost per unit of energy (USD/GJ).
- .2 Availability Criterion: A fuel shall be considered globally available when it meets the following conditions:
- .1 Global Market Share: The fuel shall demonstrate a minimum 4% share of the global marine fuel market, based on verified commercial bunker sales or the verified industrial production volumes of the fuel as a commodity product that are demonstrably available to supply the marine fuel market, taking into account guidelines developed by the Organization (for the avoidance of doubt, any seaborne volumes transported as an industrial commodity shall be deemed as available to supply the marine fuel market for the purposes of this criterion).
- .2 Port Coverage: The fuel shall be available for bunkering at sufficient ports worldwide that provide bunkering facilities for marine fuels, including ports with existing industrial production, storage or export terminals capable of supplying the fuel to ships.
- .3 Geographical Distribution: The fuel shall be available in at least five of the seven major maritime regions (North America, South America, Europe, Africa, Middle East, Asia, and Oceania), subject to the port coverage requirement above.
- .4 Maximum Bunkering Distance: The maximum separation between consecutive bunkering locations supplying the fuel shall not exceed 2,500 nautical miles along major deep-sea trade routes. Compliance shall be demonstrated through documented mapping of bunkering points relative

to major deep-sea trade routes. For the purposes of this criterion, "major deep-sea trade routes" refers to the principal long-distance maritime corridors connecting the world's largest commercial regions — including Asia, Europe, and North America — and transiting internationally recognized primary chokepoints such as the Suez Canal, the Panama Canal, and the Strait of Malacca. These routes represent the core axes of global deep-sea shipping and apply equally to liner and tramp sectors.

- .3 Scalability Criterion: A fuel shall be considered scalable when supported by commercial supply-side and demand-side commitments that demonstrate its potential to meet increasing market demand. Scalability shall be assessed as follows:
 - .1 Current Market State: A fuel shall be classified as:
 - .1 "Mature" when it has a global marine market share greater than 4%; or
 - .2 "Emerging" when it has a global marine market share of 4% or less.
 - .2 Market Forecast: A fuel shall be classified as:
 - .1 "Expanding" when the forecasted 10-year compound annual growth rate (CAGR) is positive and at least 5%; or
 - .2 "Declining" when the forecasted 10-year CAGR is negative and at or below –5%.
 - .3 A fuel shall be eligible for inclusion in the five-year GFI target-setting cycle when it is Mature, irrespective of forecast category; or Emerging, provided that its market forecast is Expanding.

Regulation 3

Exceptions and exemptions

- 2 The chapeau of paragraph 2 is replaced by the following:

"2 The Administration of a Party may, in cooperation with other Administrations as appropriate, issue an exemption from specific provisions for a ship to conduct trials for the development of ship emission reduction and control technologies and engine design programmes. Such an exemption shall only be provided if the applications of specific provisions of the Annex or the NO_x Technical Code could impede research into the development of such technologies or programmes. A permit issued under this regulation shall not exempt a ship from the reporting requirement under regulation 27 and regulation 37, and shall not alter the type and scope of data required to be reported under regulation 27 and regulation 37. A permit for such an exemption shall only be provided to the minimum number of ships necessary and be subject to the following provisions:"

Regulation 5*Surveys*

3 Insert paragraph 5 as follows:

"5 Ships to which chapter 5 applies shall also be subject to the survey specified below, taking into account the guidelines adopted by the Organization:

- .1 An initial survey carried out before a new ship, as defined in regulation 2.3.10, is put in service and before the International Energy Efficiency Certificate is issued. The survey shall verify that the SEEMP required by regulation 26 is on board.
- .2 For existing ships, the Administration shall ensure that the SEEMP complies with regulation 26.4. This shall be done prior to 1 January 2029. Confirmation of compliance shall be provided to, and retained on board, the ship."

4 Renumber existing paragraphs 5 and 6 accordingly.

Regulation 6*Issue or endorsement of Certificates and Statements of Compliance related to fuel oil consumption reporting and operational carbon intensity rating*

5 Insert the following after existing paragraph 8:

"Statement of Compliance related to the annual GHG fuel intensity

9 Upon receipt of reported data pursuant to regulation 37 on attained annual GFI, target annual GFI and GFI compliance balance, the Administration, or any organization duly authorized by it, shall:

- .1 verify whether the data has been reported in accordance with regulation 37.1;
- .2 verify that the attained annual GFI was calculated in accordance with regulation 33;
- .3 verify that the target annual GFI was calculated in accordance with regulation 35;
- .4 verify that the GFI compliance balance was determined in accordance with regulation 36;
- .5 report the verified data to the IMO GFI Registry in accordance with regulation 37;
- .6 verify, upon receipt from the IMO GFI Registry of the annual ship account statement, that the ship complies with chapter 5;

- .7 issue a Statement of Compliance related to annual GHG fuel intensity to the ship no later than nine months after the beginning of the calendar year, upon verification pursuant to regulations 6.9.1 to 6.9.6. In every case, the Administration assumes full responsibility for this Statement of Compliance.

10 Upon receipt of reported data pursuant to regulation 37.7, the Administration or any organization duly authorized by it shall promptly verify and determine whether the data has been reported in accordance with that regulation and, if so, issue a Statement of Compliance to the ship taking into account guidelines developed by the Organization. In every case, the Administration assumes full responsibility for this Statement of Compliance."

Regulation 8

- 6 Revise the title of regulation 8 as follows:

"Form of Certificates and Statements of Compliance related to fuel oil consumption reporting, operational carbon intensity rating and annual GHG fuel intensity"

- 7 Insert the following after existing paragraph 4:

"Statement of Compliance related to the annual GHG fuel intensity

5 The Statement of Compliance issued pursuant to regulations 6.9 and 6.10 shall be drawn up in a form corresponding to the model given in appendix XIII and shall be at least in English, French or Spanish. If an official language of the issuing Party is also used, this shall prevail in case of a dispute or discrepancy."

Regulation 9

- 8 Revise the title of regulation 9 as follows:

"Duration and validity of Certificates and Statements of Compliance related to fuel oil consumption reporting, operational carbon intensity rating, and the annual GHG fuel intensity"

- 9 Insert the following after existing paragraph 12:

"Statement of Compliance related to the annual GHG fuel intensity

13 The Statement of Compliance issued pursuant to regulation 6.9 shall be valid for the calendar year in which it is issued and for the first nine months of the following calendar year. The Statement of Compliance issued pursuant to regulation 6.10 shall be valid until for the calendar year in which it is issued, for the following calendar year, and for the first nine months of the subsequent calendar year. All Statements of Compliance shall be kept on board for at least five years."

Regulation 10*Port State control on operational requirements*

10 Paragraph 5 is replaced by the following:

"5 In relation to chapters 4 and 5, any port State inspection may verify, when appropriate, that there are valid Statements of Compliance related to fuel oil consumption reporting and operational carbon intensity rating and to annual GHG fuel intensity, an International Energy Efficiency Certificate and a Ship Energy Efficiency Management Plan on board, in accordance with article 5 of the present Convention."

Regulation 26*Ship Energy Efficiency Management Plan (SEEMP)*

11 Insert the following after existing paragraph 3:

"4 In the case of a ship to which chapter 5 applies:

.1 On or before 1 January 2029, the SEEMP shall include:

.1 a description of the methodology that will be used to collect the data required by regulation 37 to calculate the ship's attained annual GFI, target annual GFI and GFI compliance balance; and

.2 the processes that will be used to report the data required by regulation 37 to the ship's Administration.

5 For ships to which paragraphs 2, 3 and 4 of this regulation apply, the SEEMP shall be subject to verification taking into account guidelines developed by the Organization. In addition, for ships to which paragraph 3 applies, the SEEMP shall be subject to company audits taking into account guidelines developed by the Organization."

12 Insert new chapter 5 as follows, and move existing chapter 5 to chapter 6 as modified:

"Chapter 5 – Regulations on the Reduction of GHG Emissions from Ships**Regulation 30***Application*

1 This chapter shall apply to all ships of 5,000 gross tonnage and above.

2 The requirements of this chapter shall operate as the single global measure applicable to international shipping, thereby replacing overlapping or duplicative regional or national requirements.

3 Notwithstanding paragraph 1 of this regulation, the provisions of this chapter shall not apply to:

.1 ships solely engaged in voyages within waters subject to the sovereignty or jurisdiction of the State the flag of which the ship is entitled to fly; however, each Party should ensure, by the adoption of appropriate measures, that such ships act in a manner consistent with the requirements of chapter 5, so far as is reasonable and practicable;

- .2 ships not propelled by mechanical means, and platforms including FPSOs and FSUs and drilling rigs, regardless of their propulsion; and
 - .3 semi-submersible vessels until further review of the application of this chapter.
- 4 Voluntary flag-State pricing mechanism:
- .1 Nothing in this chapter shall preclude a Party from establishing and implementing, on a voluntary basis, a national pricing mechanism applicable only to ships entitled to fly its flag. The design, scope and administration of any such mechanism, including any charges, rebates or incentives, shall be determined solely by that Party in accordance with its national law. Any such mechanism shall not modify, replace or affect the obligations, calculations, reporting, verification or enforcement requirements of this chapter, including the determination, issuance, transfer or use of Surplus Units and the operation of the IMO GFI Registry, and shall not be applied to ships not entitled to fly the flag of that Party.

Regulation 31

Goal

1 The goal of this chapter is to reduce greenhouse gas (GHG) emissions from international shipping as soon as possible through a transparent, evidence-based, and predictable process for adjusting the GFI trajectory, ensuring that regulatory ambition remains aligned with real-world fuel market developments. The mechanism ensures that new fuels are considered for adjustments to the GFI trajectory only when they have demonstrated sufficient affordability, availability, and scalability, thereby supporting a balanced, practical, and market-responsive transition pathway that effectively promotes the energy transition of shipping while contributing to a level playing field.

2 The mechanism also contributes to continuous energy-efficiency improvements across the global fleet by creating synergies with the existing CII framework and incentivizing sustained operational optimization. It is envisaged that carbon credits generated under this mechanism may, in the future, be exchangeable or fungible with credits or compliance instruments from other IMO energy-efficiency measures, thereby enhancing flexibility for ship operators and strengthening the overall coherence and effectiveness of the IMO decarbonization architecture.

Regulation 32

Functional requirements

1 In order to achieve the goal set out in regulation 31, a ship to which this chapter applies shall comply with the following functional requirements:

- .1 requirements on the continuous improvement of the ship's GHG fuel intensity in accordance with regulation 33; and
- .2 requirements on maintaining adequate fuel management and operational planning to ensure ongoing compliance with its target annual GFI, in accordance with regulation 35.

Regulation 33*Attained annual GHG fuel intensity (attained annual GFI)*

1 After the end of calendar year [following the entry into force of this regulation] and after the end of each calendar year thereafter, each ship to which this chapter applies shall calculate the attained annual GFI over a 12- month period from 1 January to 31 December for the preceding calendar year, using the data collected in accordance with regulations 27 and 37 and specified in appendix IX and appendix XII, taking into account the guidelines developed by the Organization.

2 The attained annual GFI of a ship in a given year (denoted as $GFI_{attained}$) shall be calculated as follows, taking into account the guidelines developed by the Organization:

$$GFI_{attained} = \frac{\sum_{j=1}^J EI_j \times Energy_j}{Energy_{total}}$$

where:

$GFI_{attained}$ is the attained annual GFI of a ship in a given year;

j is the fuel type;

J is the total number of fuels used during the calendar year, taking into account guidelines developed by the Organization;

EI_j , expressed in gCO₂eq/MJ, is the GHG intensity, expressed on a well-to-wake basis of a fuel type j , calculated taking into account the guidelines developed by the Organization;

$Energy_j$, expressed in MJ, refers to the energy consumption of fuel type j by the ship in the calendar year; and

$Energy_{total}$, expressed in MJ, refers to the total amount of energy used by the ship in the calendar year, including but not limited to fuel oil, electricity delivered from shore power, and zero-emission energy sources, such as wind propulsion and solar power.

Regulation 34*Sustainable fuels certification schemes*

1 The GHG intensity of a fuel shall be calculated using GHG emission factors and also taking into account all relevant metrics and indicators for each sustainability theme or aspect of a fuel as documented on the Fuel Life Cycle Label(s) (FLL).

2 GHG emission factors and sustainability themes or aspects of a fuel as documented on the FLL shall be certified, as appropriate, by a recognized Sustainable Fuels Certification Scheme (SFCS) taking into account guidelines developed by the Organization.

3 The certified information in the FLL may accompany the bunker delivery note referred to in regulation 18, taking into account guidelines developed by the Organization.

4 An SFCS shall be recognized by the Committee taking into account the recognition process(es) and criteria specified in guidelines developed by the Organization. The recognition of an SFCS shall be subject to renewal every five years and periodic review, taking into account guidelines developed by the Organization.

5 No later than [12 month before the entry into force of this regulation], the Secretary-General of the Organization shall publish a list of recognized SFCSs, and shall update the list periodically thereafter.

6 Within three months after the end of calendar year [when this requirement enters into force], and within three months after the end of each following calendar year, the Organization shall ensure that the legal entity administering the recognized SFCS reports data relevant to their activity for that calendar year or portion thereof to ensure transparency, traceability, and environmental integrity in the certification process, taking into account guidelines developed by the Organization. On the basis of the reported data, the Secretary-General of the Organization shall produce an annual report to the Committee.

Regulation 35

Target annual GHG fuel intensity (target annual GFI_t)

1 The target annual GFI_t for each ship to which this regulation applies shall be determined/calculated as follows:

$$\text{Target Annual } GFI_t = GFI_{Max} - (t \times Z_t).$$

where:

t represents the sequential year number along the thirty-year GFI reduction trajectory, beginning with $t = 1$ in the first year after adoption of the trajectory and ending with $t = 30$ in the final year of the trajectory.

Z_t is the annual reduction step for the Global Fuel Intensity linear reduction trajectory determined by interpolation between GFI_{Max} and GFI_{Min} over a 30-year period. as shown below:

$$Z_t = \frac{GFI_{Max} - GFI_{Min}}{30}$$

GFI_{Max} means the upper boundary value of the Global Fuel Intensity trajectory calculated as the market-share-weighted average well-to-wake emissions intensity of all Commercially Viable Fuels. GFI_{Max} represents the emissions profile of the viable marine fuel market and forms the upper boundary of the GFI reduction trajectory and is calculated as follows:

$$GFI_{Max} = \sum_i (\text{Market Share Fuel}_i \times \text{WtW}_i)$$

GFI_{Min} means the lower boundary value of the Global Fuel Intensity trajectory and shall be the minimum well-to-wake emissions intensity among all Commercially Viable Fuels. GFI_{Min} represents the best achievable performance under prevailing market conditions and is calculated as follows:

$$GFI_{Min} = \min (\text{WtW}_i)$$

For the purposes of this regulation, GFI_{Min} shall not be assigned a negative value.

Regulation 36*Annual GFI compliance approaches*

1 At the end of each calendar year, each ship shall determine its GFI compliance balance, as follows, taking into account guidelines developed by the Organization:

$$\text{GFI compliance balance (expressed in tonnes of CO}_2\text{eq)} = (\text{target annual GFI} - \text{Attained annual GFI}) \times 10^{-6} \times \text{Energy}_{\text{total}}$$

2 If the GFI compliance balance is equal to or greater than zero, the ship shall be considered in compliance and be eligible to receive surplus units for its positive compliance balance in accordance with paragraph 6 of this regulation.

3 If the GFI compliance balance is less than zero, the ship shall be considered in deficit and shall achieve compliance by balancing its deficit in accordance with the GFI compliance approaches in paragraphs 4 and 5, as applicable, of this regulation.

Balance of the compliance deficit

4 A ship shall balance its compliance deficit through one or more of the following GFI compliance approaches, which shall be recorded on the ship account statement issued by the IMO GFI Registry in accordance with regulation 38, taking into account the guidelines developed by the Organization:

- .1 surplus units transferred from other ships;
- .2 surplus units banked from previous calendar years; and/or
- .3 surplus units borrowed from up to a maximum of 2 consecutive years.

5 A ship that has fully balanced its compliance deficit in accordance with paragraph 4 of this regulation, as applicable, shall be considered as being compliant with its target annual GFI. Such compliance is without prejudice to the rights of the company to seek reimbursement of the cost from the commercial operators of the ship where the responsibility for the purchase of the fuel or the operation of the ship is assumed by the commercial operator. For the purposes of this paragraph, operation of the ship shall mean determining the cargo carried, the route and the speed of the ship.

Surplus Units

6 If the GFI compliance balance is equal to or greater than zero, the ship shall be considered in compliance and be eligible to receive surplus units for its positive compliance balance. The amount of surplus units a ship in compliance is eligible to receive shall be equal to its positive compliance balance, expressed in tonnes of CO₂eq, taking into account guidelines developed by the Organization.

7 A surplus unit, credited to the ship account in the IMO GFI Registry may be used for the following purposes, which shall be recorded in the IMO GFI Registry, taking into account guidelines developed by the Organization:

- .1 transfer to another ship in the current calendar year or subsequent calendar years; or
- .2 banked for use to balance the ship's compliance deficit in the subsequent calendar years.

8 An unassigned surplus unit shall be automatically banked.

Regulation 37

Reporting and verification of the annual GFI

1 Within three months after the end of calendar year [after the entry into force of this regulation] and by 31 March after each calendar year thereafter, the ship shall report to its Administration, or any organization duly authorized by it, the attained annual GFI, the target annual GFI and the GFI compliance balance of the ship for that calendar year or portion thereof, respectively calculated in accordance with regulations 33, 35 and 36, together with the data collected as specified in appendix XII via electronic communication and using the standardized format developed by the Organization for the purpose of verifying the compliance of each ship with this chapter, taking into account guidelines developed by the Organization.

2 In the event of any transfer of a ship from one Administration to another and/or a change from one company to another completed after 1 January [after the entry into force of this regulation], a ship shall, after the end of the calendar year in which the transfer and/or change takes place, comply with paragraph 1 of this regulation for the 12-month period from 1 January to 31 December of the calendar year during which the transfer and/or change took place.

3 Within six months after the end of [after the entry into force of this regulation] and by 30 June after each following calendar year, the Administration, or any organization duly authorized by it, shall verify the reported data pursuant to paragraph 1 of this regulation and transfer the verified data to the IMO GFI Registry, taking into account the guidelines developed by the Organization.

4 Within one month after the ship's verified data has been transferred to the IMO GFI Registry pursuant to paragraph 3 of this regulation or on the 31 July at the latest, the ship shall determine and record in the IMO GFI Registry its selected GFI compliance approach(es) in accordance with regulation 36.

5 By 31 August after each calendar year, the IMO GFI Registry shall issue, for each ship account and calendar year, a ship account statement reflecting the transactions recorded in accordance with regulation 38.4. The ship account statement shall be made available to the ship, its Administration, or any organization duly authorized by it, taking into account guidelines developed by the Organization.

6 By 30 September after each calendar year, the Administration, or any organization duly authorized by it shall on the basis of the reported data and selected GFI compliance approach(es) as recorded on the ship account statement in the IMO GFI Registry issue a Statement of Compliance related to the annual GFI in accordance with regulation 6.9. The Administration, or any organization duly authorized by it, shall submit that Statement of Compliance in the IMO GFI Registry ship account by 31 October after each calendar year.

7 In the event of a transfer of a ship from one Administration to another and/or a change from one company to another as referred to in paragraph 2 of this regulation, the ship shall, on the day of completion of the transfer and/or change or as close as practical thereto, report the data specified in appendix XII for the portion of the calendar year corresponding to that Administration and/or company to the losing Administration, or any organization duly authorized by it, in the case of a transfer of Administration or to its Administration, or any organization duly authorized by it, in the case of a change of company. The Administration or any organization duly authorized by it, shall verify the data pursuant to paragraph 1 of this regulation and issue a Statement of Compliance pursuant to regulation 6.10. Within one month following the issuance of the Statement of Compliance, the Administration shall transfer the verified data and submit that Statement of Compliance to the IMO GFI Registry, taking into account guidelines developed by the Organization.

8 From 1 January [after the entry into force of this regulation], if a ship is permanently withdrawn from service during a calendar year, the ship shall report the data in paragraph 1 of this regulation for the portion of the calendar year during which the ship was operational and comply with the requirements of this chapter on the day of completion of the withdrawal or as close as practical thereto, taking into account guidelines developed by the Organization.

Regulation 38

IMO GFI Registry

Establishment

1 The Secretary-General of the Organization shall establish and administer the IMO GFI Registry to facilitate the implementation of regulations 36 and 37, taking into account the guidelines developed by the Organization.

Ship specific obligations

2 Each ship to which this chapter applies shall open by [six month before the entry into force of this regulation] or its date of delivery, whichever is later, an account with the IMO GFI Registry

Functionalities

3 In accordance with regulation 36, the IMO GFI Registry shall in each ship account, as applicable:

- .1 credit the amount of surplus units a ship in compliance is eligible to receive;
- .2 record banked surplus units between calendar years;
- .3 record all transferred surplus units from one ship account to another ship account; and/or
- .4 cancel surplus units when used by a ship to balance its compliance deficit for a calendar year;

4 By 31 August after the end of each calendar year following the entry into force of this regulation, the IMO GFI Registry shall issue for each ship account and calendar year a ship account statement reflecting all the transactions recorded in accordance with paragraph 4 of this regulation and the GFI compliance balance.

5 The IMO GFI Registry shall record for each ship account for each calendar year the following information:

- .1 the ship account statement;
- .2 the verified attained annual GFI;
- .3 the energy consumption from each fuel j , and its GHG intensity (EI_j);
- .4 the total energy consumption;
- .5 the Statement of Compliance related to the annual GHG fuel intensity; and
- .6 any other information, taking into account guidelines developed by the Organization.

Access to the IMO GFI Registry

6 The Secretary-General of the Organization shall grant access to the Administration of a ship, or any organization duly authorized by that Administration, to all recorded data in the ship's account in order to verify and report the ship's data in accordance with regulation 37 taking into account guidelines developed by the Organization.

7 The Secretary-General of the Organization shall maintain the IMO GFI Registry and grant access to users, taking into account guidelines developed by the Organization.

Reporting to the Marine Environment Protection Committee

8 On the basis of the information maintained in accordance with this regulation, the Secretary-General of the Organization shall produce an annual report to the Committee summarizing the data collected, specifying the ships with an active ship account, transaction patterns in the issuance, transferring, usage of surplus units in IMO GFI Registry and other relevant information as may be requested by the Committee.

Regulation 39

Enforcement mechanism for non-compliance

General obligation

1 Each ship shall comply with the annual Global Fuel Intensity (GFI) requirement applicable under this chapter. A ship found to have a compliance deficit at the close of the reporting year shall remedy that deficit through the surrender of Surplus Units (SUs), or the application of banked or permitted borrowed units, within the prescribed deadlines.

Notification of non-compliance and cure period

2 Where a compliance deficit remains after the reconciliation deadline, the Administration or a Recognized Organization acting on its behalf shall notify the Company accordingly. Upon notification, the Company shall have a cure period of 90 days, during which the ship may continue to operate. Cure shall be deemed achieved once the required SUs or eligible banked or borrowed units have been surrendered and validated in the GFI Registry.

Non-issuance or suspension of Statement of Compliance

3 If the deficit is not cured within the cure period, the Statement of Compliance (SoC) in accordance with regulation 6.9 of this Annex shall not be issued for the affected period. If an SoC has already been issued on the basis of preliminary submissions, it shall be suspended until the compliance deficit has been cured.

Regulation 40

Promotion of technical cooperation and transfer of technology relating to the continuous improvement of the ship's GHG fuel intensity

1 Administrations shall, in cooperation with the Organization and other international bodies, promote and provide support, as appropriate, directly or through the Organization to States that request technical assistance, especially developing States.

2 The Administration of a Party shall cooperate actively with other Parties, subject to its national laws, regulations and policies, to promote the development and transfer of technology and exchange of information to States which request technical assistance, particularly developing States, in respect of the implementation of measures to fulfil the requirements of chapter 5.

3 The Organization shall promote information-sharing, technology transfer, capacity-building and technical cooperation to enable the development of the use of fuels and energy sources relevant to the implementation of this chapter in developing States.

4 A party may on a voluntary basis contribute to relevant international or regional financing mechanisms and support capacity-building and implementation on the developing states

Regulation 41

Review of the chapter, market stability and regulatory adjustment

1 To ensure the continued achievement of the goal of this chapter, a review shall be completed by the Organization and shall be submitted for consideration and adoption by the Committee, every five years to assess the effectiveness of this chapter in achieving its goal as set out in regulation 31, on the basis of which it shall consider:

- .1 The affordability, availability, and scalability of any fuel that has demonstrated commercial deployment since the previous review period. Where new fuels or technologies exhibit verified improvements in cost competitiveness, infrastructure readiness, production capacity, or global accessibility, the Organization will adjust the GFI linear reduction trajectory for a new 30-year horizon to reflect updated evidence of attainable decarbonization pathways.

- .2 The market stability parameters for the purpose of determining whether SU prices reflect reasonable market conditions, taking into account verified information on the affordability, availability, and scalability of commercially deployed marine fuels. Where the review conducted concludes that corrective action is warranted, adjustments may be made to:
 - .1 GFI reduction trajectory;
 - .2 borrowing and banking provisions; or
 - .3 other compliance flexibilities permitted under this Annex, provided that such adjustments shall be limited to those necessary to alleviate undue cost pressure while preserving the environmental integrity of the GFI framework.
- .3 The possible application of this chapter to ships of 400 gross tonnage and above.
- .4 Interim action may be undertaken when one or more of the following exception criteria are met:
 - .1 sustained escalation of SU prices relative to benchmark fuel price indices beyond limits prescribed by the Organization;
 - .2 prolonged or systemic SU market illiquidity; or
 - .3 verified structural shortages in the supply of SUs.

Chapter 6 – Verification and enforcement of compliance with the provisions of this annex

Regulation 42

Application

Parties shall use the provisions of the Code for Implementation in the execution of their obligations and responsibilities contained in this Annex.

Regulation 43

Verification of compliance

1 Every Party shall be subject to periodic audits by the Organization in accordance with the audit standard to verify compliance with and implementation of this Annex.

2 The Secretary-General of the Organization shall have responsibility for administering the Audit Scheme, based on the guidelines developed by the Organization.

3 Every Party shall have responsibility for facilitating the conduct of the audit and implementation of a programme of actions to address the findings, based on the guidelines developed by the Organization.

- 4 The audits of all Parties shall be:
- .1 based on an overall schedule developed by the Secretary-General of the Organization, taking into account the guidelines developed by the Organization; and
 - .2 conducted at periodic intervals, taking into account the guidelines developed by the Organization."

13 Insert new appendix XII and appendix XIII as follows:

Appendix XII

Information to be submitted on the annual GHG fuel intensity (regulations 33 and 37)

Identity of the ship

Name of the ship.....

IMO number¹.....

Port of registry.....

Company name.....

Company contact details.....

Period of calendar year for which the data is submitted:

Start date (dd/mm/yyyy)

End date (dd/mm/yyyy).....

Technical characteristics of the ship

Year of delivery.....

Gross tonnage (GT)²

Information related to the annual GHG fuel intensity

Energy consumption of fuel type *j* by the ship, as referred to in regulation 33 of MARPOL Annex VI, expressed in MJ,

Energy from other energy sources, expressed in MJ, and methods used for collecting data, if applicable:

- ☐ Total amount of energy from onshore power (kWh and MJ).....
- ☐ Wind assisted propulsion system
- ☐ Photovoltaic power generation system.....
- ☐ Other:.....

Reference of the Fuel Life Cycle Label (FLL) by fuel type used:.....

E_{Ij}, the GHG intensity, expressed on a well-to-wake basis of each fuel type used, expressed in gCO₂eq/MJ:.....

Energy_{total}, total amount of energy used by the ship, expressed in MJ.....

Attained annual GHG fuel intensity

Attained annual greenhouse gas fuel intensity (attained annual GFI), expressed in gCO₂eq/MJ.....

Target annual GHG fuel intensity

Target annual GHG fuel intensity of the ship for the calendar year, expressed in gCO₂eq/MJ:
.....

GHGI compliance balance

GHGI compliance balance, expressed in tCO₂eq:.....

Amount of surplus units banked from previous calendar year:.....tCO₂eq

Appendix XIII

Form of Statement of Compliance – Annual GHG Fuel Intensity (regulation 8.5)

STATEMENT OF COMPLIANCE – Annual GHG Fuel Intensity

Issued under the provisions of the Protocol of 1997 to amend the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto (MARPOL Annex VI) under the authority of the Government of:

.....
(full designation of the country)

by.....
(full designation of the competent person or organization authorized under the provisions of the Convention)

Reporting period:

from (dd/mm/yyyy) to (dd/mm/yyyy)

Particulars of ship

Name of ship.

Distinctive number or letters

IMO number¹.....

Port of registry.

Gross tonnage.

THIS IS TO DECLARE THAT:

- 1 the ship has submitted to this Administration the data required by regulation 37 of MARPOL Annex VI, covering ship operations from (dd/mm/yy) to (dd/mm/yy);
- 2 the data was collected and reported to this Administration in accordance with the methodology and the processes set out in the ship's SEEMP that was in effect over the period from (dd/mm/yy) to (dd/mm/yy);
- 3 the attained annual GHG intensity of the ship for the calendar year isgCO₂eq/t.nm, pursuant to regulation 33 of MARPOL Annex VI ²;
- 4 the GHG intensity fuel compliance balance of the ship for the calendar year is:tCO₂eq, pursuant to regulation 36 of MARPOL Annex VI;
- 5 the amount of surplus units banked in the IMO GFI Registry ship account from previous calendar years, is:..... tCO₂eq;
- 6 the amount of surplus units transferred to another ship, is: tCO₂eq;
- 7 the amount of surplus units the ship received from another ship is: tCO₂eq;

- 8 for a ship with a compliance surplus for the calendar year, pursuant to regulation 36 of MARPOL Annex VI:
- .1 the final amount of surplus units banked in the IMO GFI Registry ship account is:.....tCO₂eq;
- 9 for a ship with a compliance deficit for the calendar year, pursuant to regulation 36 of MARPOL Annex VI ²:
- ☐ the compliance deficit is.....tCO₂eq;
- .1 the following selected GHG intensity compliance approach(es) was/were recorded by the IMO GFI Register to balance the compliance deficit:
- .2
- ☐ use.....surplus units (in tCO₂eq) banked;
- ☐ obtain... ..surplus units (in tCO₂eq) transferred from other ships;
- ☐ borrow... ..surplus units (in tCO₂eq) from the current calendar year;
- ☐ borrow... ..surplus units (in tCO₂eq) from the next calendar year;
- .3 the final amount of deficit units recorded in the IMO GFI Registry ship account is:tCO₂eq;
- 10 the ship is compliant with its target annual GFI, pursuant to regulation 36 of MARPOL Annex VI.

This Statement of Compliance is valid until (dd/mm/yyyy)

Issued at
(place of issue of the Statement)

(dd/mm/yyyy)

(dd/mm/yyyy):
(date of issue)

.....
(signature of duly authorized official
issuing the Statement)

(seal or stamp of the authority, as appropriate)
