President Joseph R. Biden The White House 1600 Pennsylvania Avenue, NW Washington, D.C. 20500

Re: Urgent Domestic Action to Accelerate Zero-Emission Shipping at Home and Abroad

Dear President Biden:

The undersigned organizations are writing in support of the Administration issuing an Executive Order to accelerate shipping decarbonization as called for in a <u>letter</u> sent to your office on September 28, 2023, on behalf of 32 organizations. In December 2023, 13 additional signatories signed onto the <u>letter</u> in support.

We are witnessing fast-evolving global momentum towards shipping decarbonization and a technological shift towards green maritime technologies such as alternative fuels, wind-assisted propulsion, renewable hydrogen, fuel-cell technologies, port electrification, and many more. Zero-emission ships are expected to become available by 2024, creating a tremendous economic opportunity and source of good-paying jobs. The International Maritime Organization has committed to achieving net zero emissions in the 2050 timeframe, and during IMO negotiations last summer, your administration - alongside the U.K. and Canada - submitted a proposal calling on the IMO to align with the Science Based Target Initative's proposed 1.5C-aligned timeline for maritime, specifically calling for a 96% reduction (from 2008) of absolute GHG emissions from the global shipping fleet by 2040. We are also seeing momentum from shippers toward zero emissions and developments in green shipping technologies. Last September, the Zero Emission Maritime Buyers Alliance released a request for proposals for zero emission shipping services to be delivered by 2025.

We thank the Administration for providing historic levels of funding through the Infrastructure Investment and Jobs Act and the Inflation Reduction Act to support emission reductions at maritime ports and alternative fuels research and development. Continued and expanded public investments and policy mandates from the U.S. government are needed to sustain global progress towards shipping decarbonization and scale zero-emission technologies and infrastructure to adequate levels for industry application.

By taking executive action, the Administration has a critical opportunity to advance technological innovation in the maritime sector while also improving public health and reducing harmful climate pollution.

Therefore, as stated in the September 28 letter, we urge your Administration to issue an Executive Order with specific time-bound actions that will unlock opportunities and innovation for decarbonizing the maritime sector and future-proof this critical component of our supply chains, while creating and maintaining high-quality jobs and advancing environmental justice.

Specifically, we ask you to consider including the following commitments in such an Executive Order:

- Use existing Clean Air Act authority to establish a goal-based fuel standard for ships calling on U.S. ports. The U.S. EPA adopted more stringent exhaust emission standards for large marine diesel engines in 2009, including implementation of international standards for marine engines and their fuels contained in the IMO's International Convention for the Prevention of Pollution from Ships (MARPOL) Annex VI. However, these standards do not directly address GHG emissions. To fill this gap, the U.S. should use its authority under Section 211(c)(1) of the Clean Air Act and its port state control authority under international law to establish a goal-based fuel standard for passenger and cargo ships calling on U.S. ports that would require lifecycle carbon dioxide-equivalent emission reductions of 20% by 2027, 45% by 2030, 80% by 2035, and 100% by 2040, consistent with a 1.5° Celsius decarbonization pathway. The EPA should: 1) review whether GHG emissions from ships significantly contribute to air pollution that may reasonably be anticipated to endanger public health or welfare, and 2) promulgate regulations as described above upon making an endangerment finding.
- Use existing authorities to eliminate in-port ship emissions by 2030. For decades, fossil-fueled ships have brought significant levels of air pollution into largely working-class communities and communities of color near U.S. ports. These emissions do more than just contribute to runaway climate change they also choke the air in port-side communities with pollution that causes an estimated 250,000 premature deaths and six million childhood asthma cases globally each year. The U.S. should set a standard that would require all passenger and cargo ships at-berth or at-anchor in U.S. ports emit zero GHG emissions and zero criteria pollutant emissions by January 1, 2030.
- Immediately establish a monitoring, reporting, and verification mechanism to collect fuel consumption and emissions data from all ships that traverse U.S. waters and use U.S. ports, building a baseline for emissions management. The U.S. does not have an accurate accounting system to count emissions from ships calling on our ports. We need an improved, transparent reporting system that requires ships of all flags to report these emissions to U.S. authorities to serve as a basis for accurate emissions reductions. The U.S. system should be modeled off of the European Union's Monitoring, Reporting, and Verification system for ships (MRV).
- Direct resources toward the electrification and quieting of the U.S. federal ferry and harbor craft fleet. Leverage the market-making power of federal procurement to electrify and quiet the federal ferry and harbor craft fleet and accelerate the development and production of clean battery and fuel-cell technologies—providing significant incentives for early movers while progressing price parity with current "dirty" technologies and fuels—and supporting required landside infrastructure.
- Support U.S. shipbuilders and maritime stakeholders to build low- and zero-emission and quiet marine vessels. Establish a Zero-Emission Vessel Innovation Fund (or similar mechanism) and leverage existing federal loan programs to provide at least \$500 million in

financing for the research, development, demonstration, and deployment of new vessels, or retrofit of existing vessels, equipped with propulsion systems capable of running on zero or near-zero emission alternative fuels, energy sources, and technologies, and that operate quietly.

- Support the development, demonstration, and value chains of zero-emission alternative fuels and technologies for the maritime sector. Establish at least two domestic green shipping corridors (one inland waterway corridor and one coastal corridor) between at least two U.S. ports that support full decarbonization (i.e., zero lifecycle GHGs) of the corridors by 2030.
- Phase out and ban the use of sulfur scrubbers on ships in U.S. waters. Require ships to use low-sulfur fuels or zero-emission technologies to comply with fuel-sulfur standards that apply in U.S. waters.

Now is the time for the United States to take bold action. Maritime decarbonization provides tremendous economic opportunity, supports technological innovation, and is vital to achieving better health outcomes for port communities and reducing climate-warming emissions.

Sincerely,















