

**Teknik Güncelleme: 2016/4/6**

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**TECHNICAL UPDATE: 2016/4/6**

**GLOBAL SULFUR CAP FOR SHIPPING**

IMO will decide in October 2016 regarding the global sulfur cap for shipping. Last week, the IMO Marine Environment Protection Committee (MEPC) held its 69th meeting in London. The topic discussed was about the global 0.5% sulfur cap and if this should come into force in 2020 or 2025.

The MEPC committee agreed in principle to take a decision on this at MEPC 70 which will be held in October 2016. The draft report which covers this topic is expected to be ready in May 2016.

The announcement will however be made only in October 2016.

The MEPC steering committee for this issue includes International Bunker Industry Association (IBIA) and also other shipping and environment organizations. This announcement will impact several aspects of the Marine industry. For example, the demand for scrubbers is likely to shoot up if the date is decided as 2020. If the decision is 2025, most shipping companies will take it easy on emission control measures. With bunker fuel price being so low, there is really no great incentive to expand a large capital cost to procure and install a scrubber. European Union (EU) has already announced that they will go with the 2020 implementation date. However, IMO is committed to find out if that would be enough availability of low sulfur fuels when the complete Marine industry makes this switch.

Please do not hesitate to contact us with any questions.

Best regards,

Dr.Vis