

The Pacific call for an equitable transition for world shipping appears to be building. But is all as it seems?

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It's been a fantastic week for international support for the Pacific's high ambition position at the International Maritime Organisation – after many years of this small alliance of Pacific states, nicknamed the '6PAC',² seemingly being the lone voice crying in the wilderness for a fully 1.5 aligned agenda.

Special Presidential Envoy, John Kerry, said last month in Singapore:

“This is the year that all of our efforts can come together and build the momentum that we need. In July, the International Maritime Organisation must include a goal of zero emissions no later than 2050 and that has to be the North Star for climate ambition for this sector”.



Everything the 6PAC has pushed so hard for since 2015 is still on the table and there is growing support – for a 1.5 aligned Vision, decarbonization no later than 2050, hard reduction targets for 2030 and 2040, equitable transition, a universal levy, fair compensation for disproportionate negative impacts, no State left behind, well-to-wake accountancy.

The 6PAC has built its case well, backed by some of the best international academic support. In 2015, Foreign Minister De Brum's call at IMO, backed by senior diplomats from six Pacific states, for a 1.5 aligned transition for shipping was met by a largely stony silence. Some openly tittered at the naivety. Some, including from the Pacific and most of industry, were vehement in their opposition to the unrealistic demands being made on the sector. In 2018 the 6PAC were told they couldn't have 100% by 2050, because the science wasn't all in yet. In 2020 they were told they couldn't talk about a levy, it was “premature”.

Today, a GHG levy is the front running option for an economic measure for shipping. And suddenly support appears to be arriving from unexpected quarters; John Kerry has been followed by the G7, Africa, and now – after years of silence and prevarication – even the Chair of PIF is claiming a kind of win for the region.

At Hiroshima last week, the G7 leaders were reasonably clear :

We reaffirm our commitment to strengthen global efforts to achieve GHG lifecycle zero emissions from international shipping by 2050 at the latest. We commit to support this target and introducing intermediate targets for 2030 and 2040 for the revised International Maritime Organization (IMO) GHG reduction strategy, in line with efforts to limit the temperature increase to 1.5 °C above pre-industrial levels through a credible basket of measures.

There still isn't consensus in the West on some the critical detail, like whether they will back the numbers actually needed for 1.5 for 2030 (37%) and 2040 (96%) and what makes the basket credible, let alone equitable. But it's the clearest statement of intent yet.

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² 6PAC a nickname given to a Pacific alliance promoting the highest ambition position, including proposals by Marshall Islands and Solomon Islands, supported by Fiji, Kiribati, Tonga, Tuvalu and Vanuatu, for a significant increase in ambition commensurate with a 1.5 degree aligned transition that leaves no state behind. The Pacific alliance has advanced a position of ambitious policy measures, including a universal levy on all shipping emissions with the majority of revenues allocated to the priority needs of climate vulnerable states, in particular SIDS and LDCs.

Next month in Paris, President Macron will call for a new global deal on climate finance alongside world leaders from Barbados and India. But the only anywhere near shovel-ready project of scale for sourcing such funds is the GHG levy on shipping proposed by the Marshall and Solomon Islands. So, can we expect the World Leaders that Macron assembles in Paris to endorse the 6PAC levy at IMO as part of the ‘credible basket’? It’s either our levy or the G7 who need to start fronting with real money.

Last week also saw the first submission out of Africa of substance on this issue. Seven African States calling for 1.5 alignment, a global levy and equitable (and just and fair) transition. Caribbean states are beginning to pledge support. Eight years of patient diplomacy by a small alliance of like-minded states is finally bearing fruit.

And the Chair of Pacific Islands Forum, Mark Brown, had this to say to the G7 on the issue³ (edits and emphasis added):

Excellencies, President of the G7 Summit,

It’s an honour to represent the 18 island nations of the Pacific Islands Forum we urgently need developed countries to deliver their climate finance commitments ... directed to the most climate vulnerable countries ... SIDS in the Pacific.

Shipping is our lifeline ... already pay the most expensive shipping costs in the world ... measures **being proposed by G7** countries ... would **add even more cost to ... our economies** ... poor countries paying the price of wealthier nations.

... **we say**, the **proposed IMO measures will severely impact the already costly shipping services available to us and must therefore be assessed from the lenses of our most vulnerable communities** ... G7 to identify any disproportionate impacts **and address them prior to the approval and subsequent adoption of any such measures** **We have been consistent from the outset** that any funds raised through **a punitive levy**, now being considered at the IMO, to be imposed onto shipping must not come at the cost of the SIDS ... **our** region ... cannot and must not be further penalized by such measures ... This is far removed from our region’s aspirations for a **Just transition to a fossil fuel free Pacific as articulated in the Port Villa declaration** ... As the G7 you have an obligation to lead on climate action – through actions, not just words. ... We ask G7 investment in the **Pacific Resilience Fund** ... The Pacific have been leaders in addressing crises faced worldwide.

This is all sterling stuff from the region’s most powerful diplomat. A hard call to the world’s economic powerhouses to make sure that any revenues that do flow from shipping to the region, come via the Forum’s plumbing. And he ends recalling a great Pacific victory:

“It was Pacific voices that led the call of ‘1.5 to stay alive’ – a call that led to the adoption of the Paris Agreement.”

It was indeed Pacific voices that led on 1.5 at Paris in 2015 - and at IMO even earlier that year. But at IMO it wasn’t PIF or any regional voice that has spoken any of these words.

On this issue, the Forum has not been consistent from the outset. The Forum has been MIA. This is the first statement of its kind by a PIF Chair on the IMO GHG negotiations on behalf of the region, on the measures under debate, on the levels of ambition or the nature of the transition ahead. In 2015, PIFS and the rest of the regional architecture did all it could to stop Pacific voices making this call.

Why? Largely because one or two Pacific states, in particular the Cook Islands, didn’t consider high ambition or 1.5 to be in the best interests of their commercial open registries. And because of endless internal squabbling over mandate and funding between the powerful region agencies. What has been achieved by a small group of high ambition Pacific states at IMO is truly Herculean and now internationally well recognised. Unfortunately, it is has had to be achieved **in spite** of the best efforts of PIF, not because of its support. Had the

PIF come out in full support of high ambition at IMO in 2015 when RMI and others asked it to (or in 2017, 2019 and 2023), then progress at IMO might not have been so slow.

Not once in his statement to world leaders, (which largely quotes from 6PAC submissions) does the Chair of PIF acknowledge the work of the 6PAC which has doggedly and persistently led all this work for 8 years – without any assistance or encouragement from the PIF. There is no attempt to use this platform to support and endorse the work the 6PAC continues to lead at IMO. The Statement is peppered with the Cook Island's talking points made in recent interventions (e.g. **G7 to identify any disproportionate impacts and address them prior to the approval and subsequent adoption of any such measures**) which reinforces a particular bloc's low ambition position in the negotiations but certainly not that of most of the Pacific states that have participated.

If this statement is the considered and agreed position of 18 states, why just this month did the Cook Islands and NZ insist on refusing to endorse the 6PAC position at IMO in the Regional Ministers Forum in Vila? Or is it that the PIF has finally woken up to the logic of what the 6PAC members states have now been saying for eight years, recognises the real potential of the 6PAC position prevailing at IMO and, like Macron, smells financial incentive to finally come onboard.

Behind the PIF chair's glossed and somewhat crude attempt to claim ownership and control for something they have not played a hand in achieving, is a very messy can of worms.

At a time when the Pacific should be celebrating the hard work of the 6PAC and do all it can to support it, we see instead the beginnings of the regional and global octopus reeling in the hard won gains of small but principled voices and positioning themselves to control the significant revenue stream we have built in spite of their opposition. You need to dig a little deeper to understand why this is so contentious and why the Cook Islands Prime Minister's statements on behalf of this region need a little fact checking against the historical record. The media below provides a starting point:

<https://www.climatechangenews.com/2016/07/15/offshore-carbon-why-a-climate-deal-for-shipping-is-sinking/>
<https://www.desmog.com/2021/09/17/cook-islands-un-negotiator-paid-700k-by-shipping-industry-lobby-group/>
<https://splash247.com/patient-persistent-pacific-research-and-diplomacy-moves-shipping-ambition/>
<https://www.nytimes.com/2021/06/03/world/europe/climate-change-un-international-maritime-organization.html>

What Mr Brown and colleagues have not recognised is that, in the absence of a high ambition strategy at IMO, the price of shipping will go up, with multiple drivers. The cost of inaction will be higher than decisive action now. And the Pacific has the greatest risk of being disproportionately negatively impacted. Real revenues streams are needed to enable an equitable transition. As Brown himself points out, the G7 has not provided this to date, the flows to GCF are a fraction of what is needed. A GHG price on shipping emissions generates significant revenues.

For eight years Pacific high ambition has proven that the Pacific can speak and can catalyse global change. Unfortunately, the PIF Chair is also proving that at IMO, narrow self-interest at a regional level can just as easily undermine the best efforts for high ambition.