



Sustainability in Ocean Freight

November 2023

Shipping becomes part of the EU Emission Trading System



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- **The EU ETS will be extended to maritime transport emissions as of Jan 2024 to help Europe achieve the goal** of a net emission reduction
- With the EU ETS, the government **sets the maximum amount of emissions allowed**
- In practice, shipping lines will have to purchase and surrender (=use) EU ETS emission allowances for each tonne of reported CO₂e emissions and pass on these costs to their customers



- Vessels of **5000+ gross tonnage**
- **entering/leaving EU ports**
- **regardless of the flag**



- The system covers **100%** of emissions that occur **between two EU ports** as well as **50%** of emissions from voyages **starting or ending outside of the EU**
- Also applies for ports located less than **300 nautical miles outside the EU**



- Phase-in period: **starting with 40% for verified emissions from 2024**, 70% of emissions in 2025 and **100% for 2026**

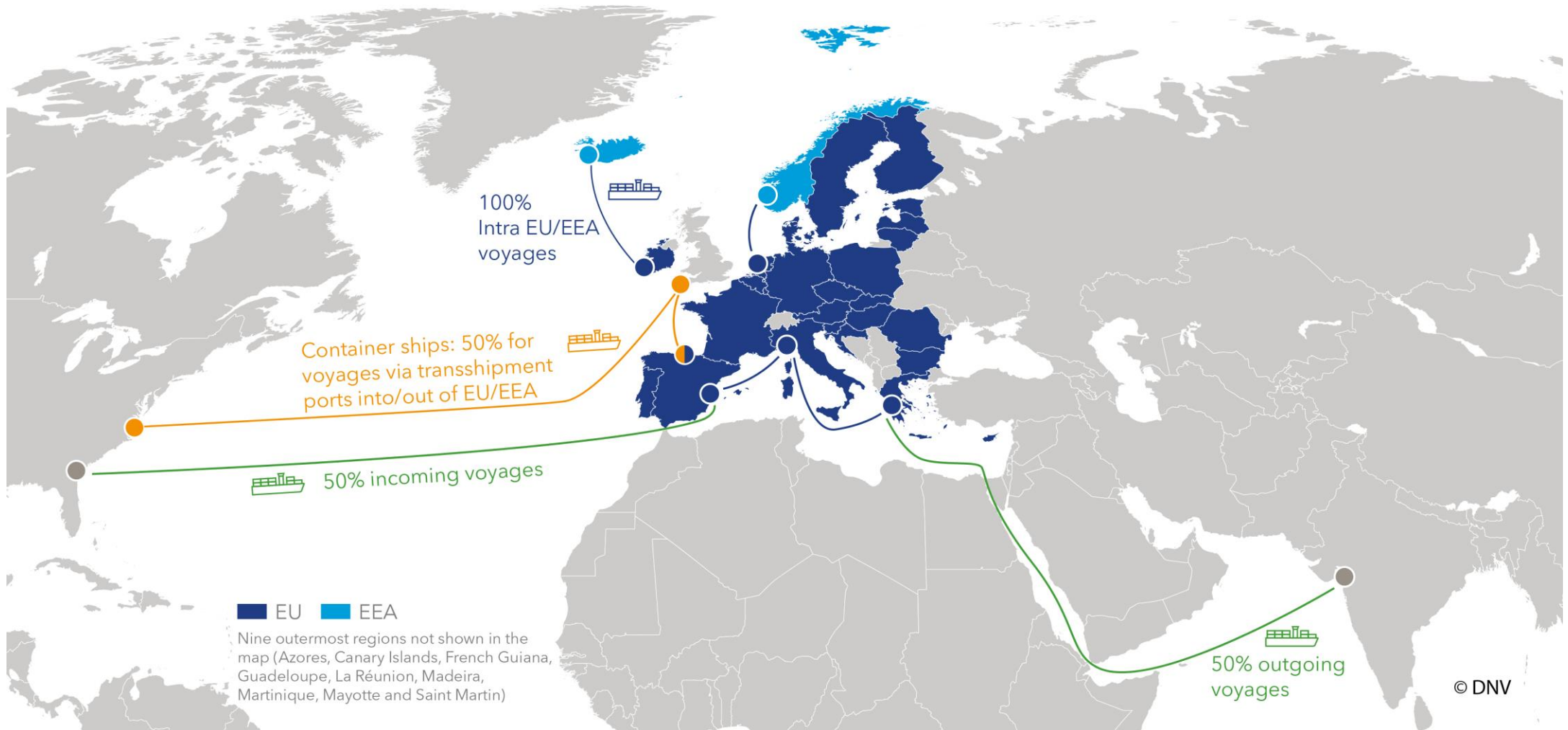


- Emission allowances can be purchased in the **primary market through auctions**, but there is also a **secondary market** in which allowances can be sold bilaterally or through various derivatives provided by financial institutions. Currently, the **EU ETS price stands at ~90 Euro** per tonne of CO₂ (Sep '23)

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The EU Green Deal, as announced in 2019, is a plan for net zero emissions by 2050. To ensure that this can be implemented, structural adjustments are required. This is where the Fit for 55 package, as announced in 2021, comes in. It is a set of policy initiatives designed to help Europe achieve the goal of a net emission reduction of at least 55% by 2030 compared to 1990 levels.

The EU Emission Trading System is one of the regulations included in that plan, which is based on a “cap and trade” scheme. With this, a maximum cap is set on the total amount of greenhouse gases that can be emitted by companies inside the EU area within a given year for certain industries. Companies subject to EU ETS must buy allowances based on the amount of greenhouse gases they emit and surrender these accordingly.

The EU ETS will be extended to maritime transport emissions as of January 2024 to help Europe achieve the goal of a net emission reduction. The system covers 100% of emissions that occur between two EU ports as well as 50% of emissions from voyages starting or ending outside of the EU with a phase-in period starting with 40% for verified emissions from 2024, 70% of emissions in 2025, and 100% as of 2026. As a consequence, a surcharge will be implemented as of January 2024 which is applicable for all shipments on board of vessels calling European ports. The costs for allowances change according to the auctioned value and is therefore adjusted in line with the performance of the index.

Visit: [Sustainability - Ocean Freight | DB Schenker \(signintra.com\)](#)

Visit: [What is the EU ETS? \(europa.eu\)](#)

Below are illustrative ETS charges. Please note these surcharges will be subject to change and we will ensure you remain updated on further developments concerning the implementation of EU ETS. Should you have any questions, please contact your local DB Schenker representatives.

Trade lane	EUR per dry TEU
Far East to North Europe	25 € / TEU
Intra North Europe	37 € / TEU
Europe to North Americas EC	37 € / TEU

