

## A call for Member States to support the adoption of the IMO's Net-Zero Framework in October

*In October, the International Maritime Organization will make a crucial decision on the adoption of the Net-Zero Framework. The Getting to Zero Coalition, which includes over 180 companies active in the global shipping industry, calls on IMO Member States to adopt the framework. A failure to do so risks significant negative consequences for the shipping industry.*

As a global regulator, the International Maritime Organization (IMO) plays a crucial role in shaping the shipping industry's current and future choices. The IMO has the political mandate and decision-making capacity to address the industry's global challenges with binding regulations applied across a level playing field.

In April, the IMO agreed on regulations to address shipping's transition to zero emissions—a transition that began with the adoption of the IMO's Revised Greenhouse Gas Strategy in 2023. While transforming the sector will be challenging, doing so via regulation by the IMO is the best way to ensure that this happens fairly, efficiently, and globally.

For this reason, the Coalition welcomed April's agreement on the Net-Zero Framework. It is crucial that constructive negotiations continue and that negotiators agree on guidelines for implementation that can deliver on the IMO's strategy. The foundation for success is there if the political will to adopt the framework in October and refine it over time remains firm.

Within the industry, the work on the transition has begun. New vessels that can use alternative fuels are being ordered, and the supply chain for alternative fuels has recognised the shipping sector as an important new customer. In our view, a failure to adopt the framework risks significant negative consequences for this momentum. Prolonged uncertainty could put very large investments—ones that will be critical for the future of global trade—at risk.

These investments in new technologies and infrastructure have the potential to deliver significant benefits for member countries' economies, creating millions of jobs in fast-growing sectors. But every year that action is delayed will compound into further delays down the road, as existing projects are scrapped and the planning cycle must begin anew. The absence of global regulatory guidance will raise the costs of change in the long run—costs that the industry, countries, and consumers will bear.

Staying the course on the IMO's Net-Zero Framework is not just about taking action on greenhouse gas emissions. It is about the IMO's role as a global regulator. For shipping, multilateralism is more than a high-minded political concept; it is the foundation of credible global regulation that allows the industry to do its job. The IMO's work on decarbonisation has been challenging, but the results so far offer the industry hope that even the biggest challenges can be handled together. As we await their decisions in October, we urge Member States to reinforce that hope, and not to undermine it.