

 QUALITY MATTERS	SHIPS CLASSIFICATION MALAYSIA SCM CIRCULAR TO SHIPOWNERS, SHIPYARDS, MASTERS, AGENTS AND RELEVANT INTEREST PARTIES		  <small>MS ISO 9001 REG. NO. AR2998</small>
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TITLE	FAQ WITH REGARDS TO IMO SULPHUR CAP 2020		

To All Shipowners and Ships Managers of Malaysian Vessels,

The International Maritime Organization (IMO) will enforce a new 0.5% global sulphur cap on fuel content from 01 January 2020, lowering from the present 3.5% limit. The global fuel sulphur cap is part of the IMO’s response to heightening environmental concerns, contributed in part by harmful emissions from ships.

The 2020 deadline was confirmed at the 70th session of IMO’s Marine Environment Protection Committee (MEPC) held in October 2016. The more stringent sulphur regulation has led to shipowners and operators mulling over which options they should choose in order to comply with the IMO regulation.

Below are list of frequently asked questions (FAQ) with regards of IMO 2020 Marine Fuel Sulphur Cap.

1. **What is IMO 2020 Marine Fuel Sulphur Cap?**

IMO has set out a limit on sulphur in the fuel oil used by ships of 0.5% m/m (mass by mass), down from the current limit of 3.5%. It will become binding on 1 January, 2020. Its purpose is to significantly reduce Sulphur Oxide (SOx) emissions from ships which should have positive health and environmental benefits for the world, particularly for populations living close to ports and coasts.

2. **What is harmful influence caused by high sulphur content in fuel?**

By the combustion of high sulphur fuel, Sulphur Oxide (SOx) and particulate matter (PM) are emitted into the atmosphere through exhaust gas. SOx causes the acid rain, which has adverse impacts on soils and forests, killing aquatic life-forms and corrosion of steel structures and stone buildings. PM affects human lungs and heart by causing diseases, such as asthma, lung cancer and heart attacks etc.

3. **Where can I find the actual regulation?**

The regulation is in Annex VI to the International Convention for the Prevention of Pollution from Ships (MARPOL Convention), adopted in 1997. The Annex VI entered into force on 19 May, 2005 and the revised Annex VI with significantly strengthened requirements was adopted in October 2008. The revised Annex VI entered into force on 1 July, 2010, with the enforcement date of 1 January, 2020 for 0.5% sulphur cap.

4. **How can ships comply with 0.5% sulphur cap by 2020?**

Some options are available to comply with 0.5% sulphur cap by 2020, such as:

- Switching current fuel to other fuels with lower environmental impact, for instance from high-sulphur fuel oil (HSFO) to marine gas oil (MGO) or distillates
- Retrofitting vessels to use alternative fuels such as LNG, methanol or other sulphur-free fuels
- Installing exhaust gas cleaning systems (scrubbers), which allows operation on regular HSFO

5. **What happens when compliant fuel of 0.5% sulphur is not available at the port?**

Where compliant fuel of 0.5% sulphur is not available, regulation 18.2.4 of MARPOL Annex VI specifies that a ship should report the fact to its flag State and competent authority of the port of destination. Relevant information will also be inserted in section 4 “Fuel oil non-availability” in “*Guidelines for consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI*”

6. **Does the vessel need to have separate storage tanks for the different compliant fuels?**

An incompatible mix of fuels may be harmful to ship's operation. If compatibility of different fuel cannot be confirmed, it is important to segregate fuels as far as possible and to be cautious of how to manage/handle incompatible fuels on-board.

7. **Shall ships engaged in domestic voyage (operated only in one country) comply with 0.5% sulphur cap specified in regulation 14.1.3 of MARPOL Annex VI?**

General application of MARPOL is to all ships regardless of its voyage area. Thus domestic ships need to comply with 0.5% sulphur cap. If flag State makes its own rule within territorial waters, domestic ships should comply with that regulation.

8. **Are there any sanctions for not complying?**

Ensuring the consistent and effective implementation of the 0.5% sulphur limit is a high priority. Sanctions are established by the individual parties to MARPOL, as Flag and Port States.

9. **How many ships are expected to install scrubbers?**

By 2020, it is expected that around 2,500 ~3,000 ships will install scrubbers.

10. **Which countries prohibit wash water discharge from open-loop type scrubbers?**

It is prohibited in China (including: inland waterways, ports, Bohai-Rim Waters (Beijing, Tianjin and Hebei Province)), Belgium, California and Connecticut in United States, Port of Fujairah in U.A.E., Germany, Latvia, etc. From 2020, it will be prohibited also in Singapore.

As such, all owners and/or operator are advised to ensure to be fully aware with this new requirement.

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