

Speech by Mr Ottar Ostnes, Director General for Maritime Policy and Coastal Development in the Ministry of Trade, Industry and Fisheries, Norway, delivered on December 4, 2023 in the Keynote Session of the Senior Maritime Forum, part of Marintec China 2023.

## **Greener, smarter and more equitable – Norwegian perspectives on the road ahead for the maritime sector**

Minister,

Chairmen,

Your Excellencies,

Distinguished guests,

Ladies and gentlemen,

It is my great pleasure to address you here today at Marintec and the Senior Maritime Forum 2023. Let me begin by thanking the organisers for the opportunity to speak about the road ahead for the maritime sector at such an important event.

The topics of this year's conference are timely: Innovation, Intelligence and Low-Carbon.

We live in uncertain times: Geopolitical friction, a turbulent economic outlook and challenges to the global trade order are recurring headlines.

We also live in a time marked by urgency regarding the more long-term challenges we face: Fulfilling the Sustainable Development Goals and in particular battling climate change and reducing emissions.

The shipping industry is more adept than most at tackling uncertainty and urgency. Technology shifts, market upheavals and most recently a pandemic – the maritime industry has demonstrated its ability to adapt to a changing business environment time again.

We must remember that shipping plays and will continue to play an integral part in providing the world with food, energy and all the necessities that the world needs.

And the maritime value chain, encompassing ship owners, operators, brokers, agents, financiers, lawyers, shipyards, designers and equipment manufacturers – supports jobs, growth and innovation.

The maritime industry must therefore play a key role in fulfilling the Sustainable Development Goals – by developing a greener, smarter and more equitable shipping industry.

These issues are at the top of the Norwegian maritime agenda.

To succeed, we need to work both nationally and internationally – across borders and across government and industry.

The maritime sector is perhaps the most global industry of all. This means that it is also one of the most competitive – on cost, technology and reliability.

We must look for global solutions, and draw up a common regulatory framework.

To ensure that businesses accept the risks inherent in developing low-emission technology, safe systems for autonomous vessels and new recruitment models for seafarers.

In Norway we have set an ambition of cutting emissions from domestic shipping and fisheries in half by 2030.

The industry must take the lead, but there must also be strong and targeted policies.

In Norway the policy approach has been multipronged: Taxation of CO<sub>2</sub>-emissions, funding of R&D, and public grants for investments in technologies and infrastructure.

Putting green requirements in public tenders for ferries, however, can be said to have laid the foundation for green shipping in Norway:

This brought about the development and outspread use of LNG and batteries.

Today, more than 80 ferries have batteries installed, and public support has been awarded to more than 100 onshore power projects. The first car ferry with hydrogen-electric propulsion began sailing this year.

Therefore, putting requirements on emissions for various new segments is an important part of our government's policy going forward:

Norway plans to introduce requirements for zero emission solutions for ferries in 2024 and low-and zero emission solutions for high-speed passenger vessels by 2025.

Work is also underway to introduce requirements for the offshore segment and for vessels in aquaculture.

It is important to realize that green shipping is still at an early stage. Technologies are still being developed and more infrastructure is needed. Therefore, we are currently working on a national plan for making alternative fuels available in shipping.

The plan will look at the possible scenarios for green shipping going forward to 2030 and 2050, and it will address the most important barriers for green shipping, in various segments and for the different technologies.

New technology, however promising, must be implemented safely and fairly.

We need knowledge, we need agreement, and we need commitment.

That is why Norway is pleased with the efforts in the IMO for rallying the international maritime sector behind ambitious goals.

The GHG strategy 2023 is a call to action.

The revised IMO GHG Strategy includes an enhanced common ambition to reach net-zero GHG emissions from international shipping close to 2050, a commitment to ensure an uptake of alternative zero and near-zero GHG fuels by 2030, as well as indicative check-points for 2030 and 2040.

I would also like to mention EU's Fit for 55, which is an important roadmap for change.

Norway looks favourably on the EU agreement to include shipping in its Emission Trading System (EU ETS) from January 1 2024. It starts with cargo and passenger vessels above 5000 GT and will gradually include more vessel categories and different greenhouse gases.

Norway aims to include shipping in the ETS simultaneously as the EU.

These developments help build a market for green shipping and will strengthen research and development of these technologies.

Underpinning the gains in emission reduction is also a digital revolution, encompassing a range of technologies from fuel optimisation and sensor technology to fully autonomous vessels.

Autonomous shipping offers the promise of more efficient routes, increased safety in congested waters, reduced fuel consumption, and numerous other benefits.

The transition to autonomy will be gradual and meticulous, achieved through close cooperation among vessel and technology suppliers, operators, and government regulators.

We are not advocating for a revolution but rather an incremental process, a process that is already well underway in Norway. A notable example is the Yara Birkeland, the world's first autonomous electric containership.

Our achievements are a result of the collaborative effort of the Norwegian cluster and the EU's AUTOSHIP program for research and development. In fact, AUTOSHIP stands as one of the largest EU-funded research and development initiatives for the Norwegian industry.

Norway is now gearing up for its first autonomous passenger ferry pilot, marking an exciting milestone.

But carrying passengers also scales up the demands for safety and reliability. Therefore, the work being done by the IMO to establish regulation for autonomous ships, the MASS-code, is very important.

What we know is this: autonomy can be a key to greater sustainability and to making ocean traffic more future proof, also in terms of competitiveness.

But we also know this: that humans "letting go of the rudder", is conditioned by layers of safeguards, and proper, coordinated regulations that ensure that we are heading into the future at sea, safely, together.

Developing a greener and smarter shipping sector also requires creating a more equitable maritime industry.

Equality is not just about fairness. Innovation requires talent, and talent is distributed equally.

But the gender gap in the maritime industry is striking, particularly amongst seafarers.

In the Norwegian maritime industry in total, on land and at sea, the share of women is 21 percent. It is 11 percent among the seafarers. In freight traffic the share is especially low. Globally, the share of female seafarers are lower still, at around 2 percent.

There are many and complex factors that influence the level of gender equality in the maritime sector: Working environment, attitudes, harassment, adaptation of equipment, and working conditions – just to mention some.

To address these issues, the Norwegian government in June published a gender equality strategy for the maritime sector.

The strategy consists of four focus areas and require close collaboration with the industry:

The first area is recruitment and role models. We need to encourage more girls and young women to apply for maritime education programmes and maritime professions. They can become good role models and ambassadors for the maritime industry.

The second area is to have a working environment that benefits everyone – that the working place is seen as inclusive for both men and women.

The third area is to have a working life free from harassment. That is everyone's responsibility. Managers, organisations, educational institutions – you and me – we all have a duty to work actively to prevent harassment.

And the fourth area is to have an adapted workplace. More flexible solutions for maternity and parental leave can, for example, help to get more women into the maritime industry. It can also be the physical organization of the workplace.

The Norwegian government will also take the initiative to sign a declaration of cooperation with the maritime industry to promote gender equality and inclusion and to document the future development of gender equality.

Gender equality is not only ethically right, but also an important tool for meeting the green and digital transition in the maritime industry. We need the whole work force to find solutions to the enormous challenges we are facing in the world today – not only half.

Gender equality and recruitment of women is of course not only a domestic issue. We need collective determination and international partnership.

Like international standards for emissions and autonomy, we should strive to achieve a collective standard for seafarers reflecting the ambition to make shipping more equitable.

Ladies and gentlemen,

The maritime sector is on the brink of profound transformation, bearing a series of challenges that we must address collectively.

These challenges require global collaboration backed up by robust national policies.

And the opportunities also become greater when key players come together.

Thank you for your attention!