



PARLYM

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PARLYM INTERNATIONAL

THE CONTEXT

The International Maritime Organization (IMO) signed an agreement in April 2018 to reduce greenhouse gas emissions from the maritime sector by more than 50% by 2050.

These investments will have an impact on the operational costs of ships and, as a ripple effect, the increase will most likely be reflected on the sea freight's cost.

KEY FIGURES...



80 000 ships

**travelling seas to
transport goods**



3,6 Millions

**Oils barrels
per day consumed**

To achieve the environmental goal, the maximum sulphur content contained in fuels will be reduced from 3.5% to 0.5% starting 1 January 2020

As a result, shipowners will have to take measures to comply with these regulations:

- **Installation of scrubbers:** this option allows to continue using the current heavy fuel oil but with exhaust gas scrubbers.

Installation cost: between \$5 and \$10 million

- **The use of liquefied natural gas:** The second possibility is to switch to alternative fuels such as liquefied natural gas (LNG). However, it is not suitable for all maritime lines because it requires a specific supply infrastructure.
- **The use of low sulphur marine fuel oil:** the most obvious way is to adapt fuels that comply with the new regulations: very low sulphur marine fuel oil or marine diesel. This fuel represents an additional cost of 50% compared to the heavy fuel oil currently used.