



THEN

**2017**

The BNP Paribas Fortis Chair Transport, Logistics and Ports organizes its first shipping event on the topic ‘**Ship finance in the Basel IV era**’. With this initiative Prof. dr. Christa Sys, holder of the chair, created awareness within the maritime ecosystem for the legislative package implementing the Basel 3 Reforms, also known as Basel 4. Including higher risk weights for certain types of loans, Basel 4 is likely to have a significant effect on the financial sector, including those banks that finance shipping. The participants learned that the new Basel IV ship finance rule will cost banks less than they’ve previously anticipated as well as the proposed timing of implementation is more relaxed.

**2019**

‘**Regulation and its impact on investment decisions in the shipping industry and beyond**’ was the topic of the second BNP Paribas Fortis Chair Shipping event. This event was organized on the eve of the International Maritime Organization’ 2020 sulfur cap, known as IMO2020 entering into force. This stricter regulation (i.e. reduction of the amount of sulfur allowed in bunker fuel from 3.5% to 0.5% ) was estimated by IMO to have an impact on 70,000 ships. To eliminate the ‘blind spot’ related to the impact of regulation (upcoming regulation on emissions of CO2 and NOx, ballast water treatment,...) on the whole maritime chain, the industry panel mainly discussed how to reduce the associated costs.

**2023**

A new set of regulation targeting carbon intensity and ship efficiency came into effect Jan. 1st, 2023, aptly named IMO2023. On 23 March 2023 the EC welcomed the provisional agreement on cleaner maritime fuels between the EP and the Council. This will increase the maritime transport sector's contribution to reaching the EU-wide target of reducing net greenhouse gas emissions by at least 55% by 2030 and achieving climate neutrality by 2050. On 18 April 2023, the European Parliament voted to include greenhouse gas emissions from the maritime sector in the European Union's ETS (Emissions Trading System). This should encourage the maritime sector to accelerate decarbonisation. The industry is embracing this new wave of change for international shipping, but is also grappling with uncertainty and questions once again. The 3rd shipping therefore focuses on **the impact of decarbonization and energy transition**. The IMO GHG strategy aims to reduce CO2 by 50% by 2050 (compared to 2008 levels) and achieve climate neutrality as soon as possible in the 21st century. The low hanging fruit (slow steaming, changing classification, ...° has been picked. It’s time for the serious work.

NOW

**2023**

The European Parliament’s Economics and Monetary Affairs Committee approved Jan. 24th, 2023 a draft law to implement Basel 3 rules on banking capital and liquidity requirements. While the Basel timetable required reforms to be implemented by January 1, 2023, the implementation date is likely to be January 1, 2025, with transitional arrangements applying for another five-year period.

**2023**

4 years later, it can be observed that the transition of the bunkering market quickly took place. Ships switched from high to low sulfur alternatives (price differential was pretty small) or sulfur removing technologies (scrubber). Climate-based finance was not on the agenda in 2019, now, it is central to discussions. The driving force are the customers of the bank’s customers.