

SUSTAINABLE MARITIME INDUSTRY

Shipowners urged to lower emissions by raising energy efficiency

KUALA LUMPUR: Local shipowners can take steps to reduce emissions in the short term by increasing the energy efficiency of their vessels.

This will be vital for operators to participate in the decarbonisation initiative.

PwC Malaysia partner, Southeast Asia (sustainability and climate change) leader Andrew Chan said shipping companies could capitalise on digital technologies and use ship-to-shore data feed technology to monitor onboard operations against an ideal baseline.

"This allows key operational decisions to be made in real time to achieve optimum efficiency while reducing carbon emissions," he told the *New Straits Times*.

Chan said using alternative fuel sources which are significantly less carbon-intensive, such as biomass and liquefied natural gas, will lower carbon emissions.

"This can be done without the need for a complete overhaul of current engine setups."

Chan said modifications to ship operations will also improve energy efficiency and reduce emissions.

For example, he said a slow steaming vessel moving at a reduced maximum speed is proven to save money and fuel.

However, he said decarbonisation efforts may need to be accompanied by relevant metrics mapped to targets.

"The quality and availability of environment, social and governance (ESG) data will continue to inform investment and policy decisions, especially when it comes to government support for the shipping industry."

"This is due to the increasing appetite of investors for ESG performance and its demonstrable impact on financial performance."

PwC sees various avenues for

the government to support the development market demand and supply of low or zero-emission ships.

It said the government could assist the shipping industry in assessing local and regional market demand, price points and feasibility of transitioning to such vessels.

"This feasibility study will be crucial in helping the government determine the costs in pro-

viding the above support commensurate with the potential economic benefits."

Additionally, he said the government can reduce the cost of clean power sources and fuel for green vessels and work with suppliers to secure an adequate supply of clean fuel.

"This can be done through a combination of tax incentives, grants and financing. The Maritime and Logistics Scheme,

which was first announced in the 2021 Budget, can be expanded to support decarbonisation objectives, and its scope could include the development of infrastructure to support more sustainable seaports."

Chan said the government could also play a critical role in bringing together various stakeholders to coordinate the development of a sustainable maritime transport system.



Using alternative fuel sources which are significantly less carbon-intensive, such as biomass and liquefied natural gas, will lower carbon emissions from shipping vessels, according to PwC Malaysia. FILE PIC