

24 July 2026



Maritime Emissions Section
Reducing Surface Emissions Branch • Surface Transport Emissions and Policy Division
GPO Box 594
Canberra, ACT 2601
Email: maritime.emissions@infrastructure.gov.au

Re: IMO GHG Fuel Intensity and Fuel Certification Workstreams

Dear Maritime Emissions Team,

Freight & Trade Alliance (FTA) and the Australian Peak Shippers Association (APSA) welcome the opportunity to provide feedback to the Australian Government on the ongoing development of the International Maritime Organization's (IMO) greenhouse gas (GHG) framework, including work on lifecycle GHG intensity calculations, fuel certification arrangements, and associated implementation measures.

Freight & Trade Alliance represents Australia's international trade and logistics sector, with over 530 corporate members including international freight forwarders, customs brokers, exporters, importers and logistics providers operating across the import supply chain.

Freight & Trade Alliance also acts as Secretariat to the Australian Peak Shippers Association, the designated peak shipper body under Part X of the Competition and Consumer Act 2010, representing the interests of Australia's containerised importers and exporters at both a domestic level and through international peak shipper networks.

While our members are not vessel operators, fuel suppliers or shipowners, they are significant users of international shipping services and are directly affected by the commercial, operational and regulatory consequences of measures adopted through the IMO framework.

Accordingly, our comments focus on the implications for Australia's international trade competitiveness, supply chains and cargo interests.

Support for a Globally Consistent Framework

FTA and APSA support the IMO's role as the primary international forum for the development of shipping decarbonisation measures.



From the perspective of Australian cargo owners and supply chain participants, a globally consistent approach is strongly preferred to the development of multiple regional or national schemes. Divergent regulatory frameworks would increase complexity, create additional compliance burdens and potentially introduce inconsistent emissions accounting methodologies across shipping trades.

Australia, as a trading nation heavily reliant on international maritime transport, benefits from a harmonised international framework that promotes certainty for carriers, cargo owners and regulators.

Cost Transparency and Supply Chain Impacts

While shipping lines and fuel suppliers will be directly responsible for compliance with future IMO measures, the associated costs will ultimately flow through international supply chains.

Importers and exporters already face increasing freight costs arising from vessel investment requirements, environmental compliance measures, fuel costs and supply chain disruptions. Any future measures linked to fuel certification, lifecycle emissions intensity or reward mechanisms are likely to influence freight pricing and associated surcharges.

FTA and APSA therefore encourage the Australian Government to advocate for:

- transparency in the recovery of decarbonisation-related costs;
- clear visibility of how compliance costs are reflected in freight charges;
- practical reporting arrangements that allow cargo owners to understand the emissions outcomes being achieved; and
- safeguards against disproportionate cost impacts on cargo interests.

This is particularly important given that many Australian businesses have limited ability to influence fuel selection, vessel deployment or operational decisions yet remain exposed to resulting costs.

Protecting Australia's Trade Competitiveness

Australia's geographic isolation makes international shipping an essential service rather than simply a transport option.

Australian exporters compete in global markets where freight costs are already a significant element of delivered pricing. Likewise, importers rely on efficient and affordable shipping services to support domestic supply chains and consumer markets.

FTA and APSA support measures that reduce emissions from international shipping; however, the transition pathway should recognise:

- Australia's reliance on long-distance maritime transport;
- the importance of maintaining competitive export supply chains;
- the unique challenges faced by regional exporters and import-dependent industries; and
- the potential cumulative impacts of decarbonisation costs on Australian trade competitiveness.

Australia's negotiating position should continue to balance environmental ambition with practical trade considerations.

Credible and Practical Fuel Certification

Our members increasingly face customer, investor and regulatory requirements relating to sustainability reporting and emissions disclosure.

As such, FTA and APSA support the development of robust fuel certification arrangements that deliver confidence in lifecycle GHG claims and emissions performance data.

Any certification framework should be:

- internationally recognised;
- independently verifiable;
- transparent and auditable;
- practical to administer; and
- resistant to inconsistent interpretation between jurisdictions.

Cargo owners and supply chain participants require confidence that emissions-related claims are based on credible and comparable methodologies.

Well-designed certification arrangements will improve transparency throughout supply chains and assist businesses in meeting their own environmental reporting obligations.

Administrative Simplicity

Many Australian businesses involved in international trade are small and medium-sized enterprises with limited compliance resources.

FTA and APSA encourage Australia to support implementation arrangements that minimise unnecessary administrative complexity and avoid creating documentation requirements that extend beyond those entities directly regulated under the IMO framework.

Where possible, reporting and certification arrangements should leverage existing systems and avoid duplication of data collection processes.

Ongoing Stakeholder Engagement

FTA and APSA appreciate the Australian Government's continued consultation with industry stakeholders throughout the development of the IMO framework.

While vessel operators and fuel suppliers are central participants in the transition process, cargo owners, exporters, importers and freight forwarders experience the downstream commercial impacts of any measures adopted by the IMO.

FTA and APSA therefore encourage continued engagement with cargo interests as negotiations progress to ensure that Australia's position reflects both environmental objectives and practical trade considerations.

Conclusion

FTA and APSA support the objective of reducing greenhouse gas emissions from international shipping through a globally consistent and transparent framework administered through the IMO.

From the perspective of Australian cargo interests, priority considerations include:

- maintaining international competitiveness;
- ensuring transparency of compliance costs;
- supporting credible and practical fuel certification arrangements;
- avoiding unnecessary administrative burdens; and
- preserving efficient and resilient supply chains.

We look forward to continuing engagement with the Australian Government on these important issues.

Kind Regards,



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