



Australian first to reduce emissions

In an Australian first NSW Ports has launched an environmental shipping incentive that rewards vessels with better environmental practices.

Shipping is the most efficient mode of transportation of goods. It produces fewer CO2 emissions per tonne transported than other modes of transport. While shipping is a global industry that is internationally regulated, ports have a clear role to play in promoting continual improvement in environmental performance.

NSW Ports has become the first port in Australia to introduce an Environmental Ship Incentive which rewards vessels which meet lower emission standards under the Environmental Ship Index program. This is part of a global initiative known as the World Port Sustainability Program.

“The incentive provides an excellent opportunity to encourage clean and climate friendly shipping. Collectively our industry has the potential to make significant gains on important sustainability goals such as protection of air quality and mitigation of climate change. We are committed to improving environmental outcomes at our ports. The scheme applies to vessel related charges at Port Botany and Port Kembla from 1 January 2019. In this way we reward customers and port users that share our commitment to environmental

improvement” said Marika Calfas, CEO NSW Ports.

Already over 100 vessels have signed up in Q1 2019 to receive financial reimbursement based on their environmental performance. This demonstrates how both the port and the shipping industry are voluntarily taking steps to improve environmental outcomes. And rightly so.

“Even though NSW Ports does not receive vessel related fees from container ships, we believe that it is essential to encourage all vessels using our ports to strive for environmental improvements. So we extended the scheme to include container vessels:” said Calfas.

NSW Ports are also using vessel and environmental data gained from the scheme to understand the benefit of the initiative.

The NSW Ports Shipping Incentive: snapshot

- An Australian first
- Applies from 1 Jan 2019
- Vessels must call at Port Kembla or Port Botany
- Includes container vessels
- Based on International Maritime Organisation index scores

Less emissions on the road

NSW Ports has also recently announced an investment of \$120M to double rail capacity at Port Botany. This is stage one of a three part rail capacity and infrastructure uplift at Port Botany, designed to move more containers onto rail.

“Increasing rail capacity at the port means a faster, cheaper, more sustainable way for exporters and importers to get their product to market.” Ms Calfas said

Stage one will focus on improvements at the Patrick Terminal and will be accompanied by investment by Patrick in rail operating equipment. Each stevedore will benefit from a similar investment and capacity lift. This will occur in line with their pipeline of investment in rail operating equipment to complement the rail infrastructure capabilities.

This is another initiative that will improve supply chain environmental performance. Stage one alone will save over 2 million litres of diesel per year, this is the equivalent to a net reduction in CO2 emissions of more than 5,400 tonnes a year.

