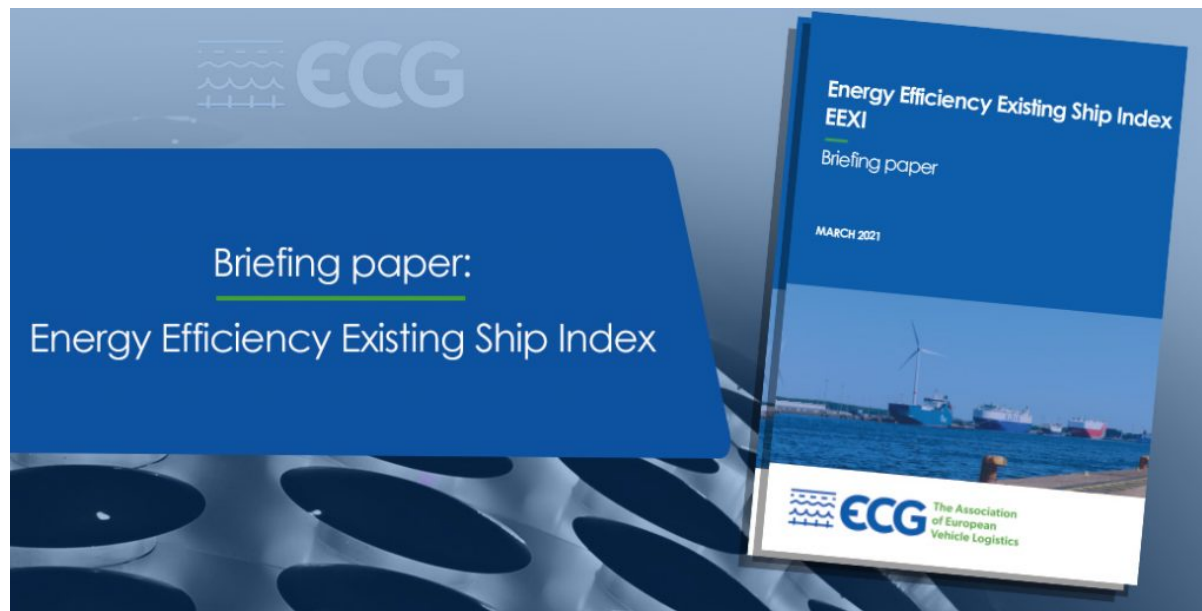


New IMO rules must not endanger Vehicle Logistics sector's capacity to move cars

By **admin** - March 26, 2021



Briefing paper: Energy Efficiency Existing Ship Index

EEXI approach poses challenges to the recovery of automotive industry

New rules from the [International Maritime Organisation \(IMO\)](#) could have a dramatic impact on the automotive logistics sector ability to move cars warns [ECG – The Association of European Vehicle Logistics](#).

The IMO's Energy Efficiency Existing Ship Index (EEXI) is designed to reduce fuel use and CO2 emissions but has not taken the specific concerns of car carrying vessels into account and, as a result, will deem a proportion of the existing fleet uncompliant and potentially unusable.

The EEXI regulation, which is expected to be adopted in June and is likely to take effect from January 2023, was created to work best on ships where the weight of the cargo is the most important limiting factor, such as tankers and dry bulk carriers. However, it is not suited to vessels designed to carry cars where the volume of cargo is the key limiting factor. Consequently even newly launched ships risk scoring poorly under this new system and in fact often score worse than the aged vessels they are replacing.

Furthermore, reducing the engine power and thus sailing times in order to comply will pose major challenges to logistics providers who generally operate under tight deadlines and will prevent them from meeting the automotive industry's needs for urgent deliveries as well as further reducing overall capacity.

Within the framework of its Maritime & Ports Working Group ECG has published a [briefing report](#) on EEXI which shows clearly the negative impact of the Index's "one size fits all" approach on the Finished Vehicle Logistics (FVL) sector and as a result the automotive industry.

This will pose another challenge to the European automotive industry which has been particularly hard hit by the current Covid-19 crisis and will further hamper the recovery of the sector.

Mike Sturgeon, ECG's Executive Director, said "It is hugely regrettable that car carrier vessels have not been taken into account in the EEXI methodology. Shipping lines, that are still in crisis with the semi-conductor shortage compounding the Covid impact in the automotive industry, have made enormous investments in modern vessels and now face being penalised by this index."

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