



IMO2020 vessel vetting update

The IMO2020 fuel transition, which was potentially the largest fuel change in the Maritime industry to date at a global scale, has been successful. This could not have been effectively managed without the collaboration of our vessel owners and customers. BHP Maritime is thankful to you for your support.

Background

Under the amendments to MARPOL Annex VI which came into force on 1 January 2020 (the IMO2020 Regulation), the sulphur content of any fuel oil used on board vessels operating outside any designated Emissions Control Areas (where stricter regulations may apply) is not permitted to exceed 0.50% m/m (mass by mass) unless the vessel is fitted with an exhaust gas-cleaning system, commonly referred to as a 'scrubber', that is capable of reducing sulphur emissions to the level required by the IMO2020 Regulation.

Vessels can use low-sulphur compliant fuel oil or exhaust gas-cleaning systems to comply with the IMO2020 Regulation. BHP is also supportive of LNG-fuelled vessels, as well as other innovative emissions reducing solutions, and is fully supportive of the IMO's 2020, 2030 and 2050 targets to reduce global shipping emissions.

BHP's expectations and verification process

BHP expects all vessels operating along our maritime supply chain to be fully compliant with the IMO2020 Regulation. Vessel owners and time charterers have a shared responsibility to ensure that their vessels comply with the IMO2020 Regulation.

To enable direct visibility of preparedness of vessels entering our supply chain, BHP introduced a fuel vetting requirement that was incorporated into our standard vessel vetting process for all CFR/CIF and FOB vessels nominated to load BHP cargoes from 25 November 2019. This process helped ensure that the risk of interruption to BHP's supply chain presented by the changeover to the use of new types of fuel and equipment was effectively mitigated.

Noting that compliance with the IMO2020 Regulation has now become part of business-as-usual for the industry, BHP will be removing the additional fuel vetting requirements introduced in November 2019 and reverting to its previous standard vessel vetting process (excluding fuel vetting) with immediate effect.

For more information

If you have any questions, please reach out to your BHP Maritime key contact.