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German Shipowners' association welcomes onshore power plans

VDR offers to assist with ecologically and economically sound implementation

Last week the German federal government took a step to make onshore power in seaports more attractive; this week the environment ministers of the federal and state governments will be meeting in Hamburg to discuss onshore power initiatives in Germany. Against this backdrop, the German Shipowners' Association (Verband Deutscher Reeder, VDR) welcomes plans to provide ships with onshore power while on berth in German ports. "We are united in our goal to further improve the climate and the air quality in the ports," said Ralf Nagel, Chief Executive Officer of the Association: "Promoting the use of onshore power is a solid step in the right direction."

The VDR takes the view that the supply of electricity from land-based sources in ports will in future become an increasingly important component among the various measures taken by shipping to make the transport of goods and people by sea even more environmentally and climate-friendly than it has been in the past. The use of heavy fuel oil has long been banned in European ports; starting in January, the entire industry will be required to use only low-sulphur fuel, both while docked and at sea throughout the world. The International Maritime Organisation (IMO) is scheduled to meet in London this week to discuss further concrete measures designed to implement its ambitious CO_2 reduction targets. "When it comes to climate and environmental protection, shipping is on a more ambitious course than any other global industry," said Nagel.

For the German Shipowners' Association, three aspects are important in the planned implementation of the onshore power plans in German ports to ensure that the projects are as successful and sustainable as possible:

- **There is a need for sound infrastructure and clear regulations:** onshore power is suitable for ships operating regular shuttle or scheduled services (such as ferries) which routinely use the same berths. Container ships and bulk carriers, on the other hand, frequently moor at different berths in the same port or need to be moved during loading and unloading. Providing them all with flexible onshore-side power facilities is likely to exceed the capabilities of the ports, as well as of many of the ships. In addition, many technical and legal questions remain unresolved, such as the issue of different voltages used by the on-board and land-based networks, and the long-term financial viability of the facilities in the event of a low uptake by the ships.

- **There is a need for a truly sustainable concept:** connecting to onshore power only makes sense in relation to a reduction of CO_2 emissions from ships if the power

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comes from renewable energy sources. Onshore power plants are currently competing against alternative fuels with similar or even better pollutant and CO_2 emission balances – and this competition will become fiercer in the future. What matters in the end is the overall ecological footprint. In addition, onshore power supply connections need to support very high capacities: during peak times, large container vessels and cruise ships will consume up to eight to eleven megawatts of electricity, respectively – as much as a small city.

- **Hooking up to onshore power must become more economically attractive**: to date, the availability of onshore power has been the exception rather than the rule, with only just over 20 ports worldwide offering onshore power facilities. To use onshore power, most shipping companies would first need to retrofit their ships, which would require some effort as well as millions in investment. So far, onshore power in German ports has cost shipping companies two to three times as much as the use of on-board auxiliary diesel engines. The planned reduction of the Renewable Energies Act (EEG) levy on onshore power in Germany by 80 per cent is therefore a sound and important measure. “There is a need to provide financial incentives to shipping companies, as many of them, especially in this country, are engaged in fierce competition on a global scale,” explained Nagel.

In concluding, Ralf Nagel said the association offered to assist in the upcoming implementation of the onshore power projects in Germany: “The German maritime shipping industry will be pleased to support the implementation of the projects in an ecologically and economically sound manner.”

About the German Shipowners’ Association (VDR)
The German Shipowners' Association (*Verband Deutscher Reeder, VDR*) is responsible for representing the common business and social policy interests of German shipping companies at federal and state government level as well as in relation to European and international bodies. The VDR was established in 1907, and in 1994 it merged with the Association of German Coastal Shipowners. With a membership of around 220, the VDR represents the bulk of Germany’s merchant fleet. Further particulars are available at *www.reederverband.de*.

Printable photographs of Ralf Nagel:
https://www.reederverband.de/en/press/press-images.html

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