



David H. Cummins
President & CEO
M:(832) 374-4700
E: President@bluesky-maritime.org
bluesky-maritime.org

March 26, 2024

President Joseph R. Biden
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

RE: Blue Sky Maritime Coalition Support for Federal Maritime Commissioner Sola's Letter of November 7, 2023

Dear President Biden,

We write on behalf of Blue Sky Maritime Coalition ("Blue Sky"), whose 110 commercial members represent maritime, energy, supply chain, and shipping stakeholders deeply invested in pathways to net zero greenhouse (GHG) emissions, and who recognize the critical urgency of decarbonization of these sectors. This letter conveys our collective commitment and proactive steps toward addressing this pivotal global challenge, and more specifically, our support of Federal Maritime Commissioner Louis E. Sola's letter to you of November 7, 2023¹ in which he rightfully recognized the challenges that the maritime industry faces to incentivize decarbonization and the lack of clear policies to support such incentives.

Commissioner Sola's public support encouraging federal action signals important Administration recognition of the daunting task at hand. Blue Sky agrees with his position that the "appropriate role for the U.S. government is to provide financial support and incentives necessary for adoption of sustainable fuels in the shipping industry," and that our "industry needs an alternate marine fuel coalition." We also draw inspiration and guidance from initiatives such as the Biden Ocean Climate Action Plan, U.S. National Blueprint for Transportation Decarbonization, and efforts by the U.S. Special Presidential Envoy for Climate, and resources like the Decarbonizing the Maritime Shipping Industry toolkit. Blue Sky has heeded Commissioner Sola's call to action and has already taken steps to convene an alternate marine fuel coalition composed of industry experts to determine the appropriate standards and benchmarks to guide U.S. investment in decarbonization. We respectfully urge your Administration's increased and dedicated support of such incentives.

Indeed, maritime transport plays an indispensable role in global trade, facilitating the movement of 80% of traded goods worldwide, while only generating approximately 3% of global GHG gasses. As global decarbonization initiatives advance, it is important for the marine shipping industry's decarbonization progress to keep pace such that its percentage contribution does not increase. The International Maritime Organization's (IMO) goals for decarbonizing the industry, particularly the IMO GHG Strategy, have

¹ Letter of Commissioner Sola to President Joe Biden, <https://www.fmc.gov/letter-of-commissioner-sola-to-president-joe-biden-3/>.

served as a catalyst for strategic planning and innovative developments within our respective companies and associations. This past summer, the IMO released updated targets for GHG reductions in the shipping industry, with a goal of a 20% to 30% reduction from 2008 levels in 2030 and “close to net zero” by 2050. The current trajectory requires enhanced collaboration and immediate action to meet and exceed these targets. Incentives are a key missing component in such efforts.

Notably, the U.S. maritime industry has been pursuing options to decarbonize the sector, although such efforts are complicated because maritime shipping is a hard-to-abate sector. Incentives in the Inflation Reduction Act (IRA) did not expressly account for much-needed maritime-specific provisions, and we stress the critical need for accelerated research, development, and commercialization of technologies that reduce emissions—in part and entirely. Delays in implementing these solutions jeopardize our ability to achieve meaningful emission reductions within the necessary timeframe. We recognize the importance of legislative support and commend critical initiatives such as the IRA. However, we urge further comprehensive policies and financial incentives to expedite the maritime shipping’s transition to sustainable fuels and technologies. This includes ensuring that the EPA’s Clean Ports Program reaches critical maritime stakeholders to include additional hybrid and alternative fuel vessel technologies that can support developing low- and zero-emission-capable vessel technologies. These are important short- and near-term solutions that can bring the industry closer to net-zero.

In alignment with Commissioner Sola's letter to you, we echo the imperative need for an alternate marine fuel coalition to break barriers hindering decarbonization efforts. We implore your Administration's support in facilitating this coalition, creating economic incentives, providing financial support, and fostering an environment conducive to technological innovation and adoption. Our collective efforts have established a robust portfolio of possible solutions tailored to address the unique challenges and needs of the maritime industry. Building upon this foundation, the next crucial step is immediate implementation and action. We remain committed to working collaboratively with your Administration, legislators, and fellow stakeholders to achieve a net-zero GHG maritime industry and achieve maximum efficiency when viewing the nation’s transportation system as an energy system.

Together, we can navigate toward a sustainable future, preserving our environment, economy, and global well-being.

Respectfully,



David H. Cummins

President & CEO

M: (832) 374-4700

E: President@Bluesky-Maritime.org

www.Bluesky-Maritime.org

