

EU ETS costs laid bare

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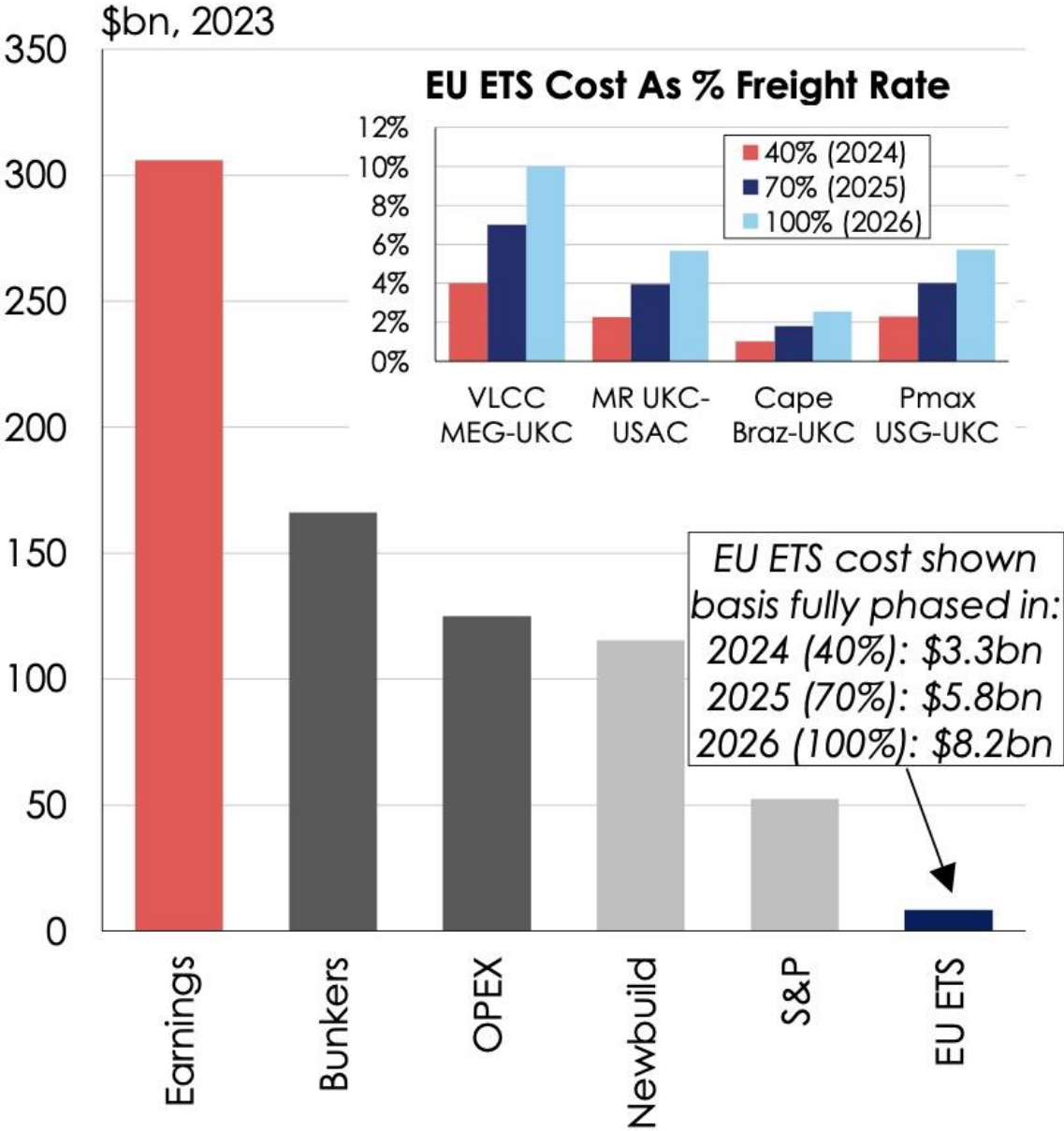
Port of Rotterdam

With two weeks until its implementation, analysts at Clarksons Research have produced data to show the costs of the European Union Emissions Trading Scheme (EU ETS) for VLCCs, MRs, capesizes and panamaxs.

From January 1, shipping will be included in the EU ETS. As a result, vessels visiting EU ports will be required to offset their applicable CO₂ voyage emissions through the purchase of an equivalent number of EU Allowances (EUAs).

Clarksons Research has put together a graph estimating EU ETS costs for certain ship types on the basis of this year’s average EUA price of \$90 per tonne of CO2 and 2022 trading patterns.

The data shows that for a VLCC heading from Ras Tanura to Rotterdam EU ETS costs will be around \$200,000 per voyage next year equivalent to 4% of today’s freight cost, increasing to \$0.5m and 10% in 2026 when the regulation is fully phased in at 100%.



Source : Clarksons Research