

CANADA Daily News and Updates January 10th 2025

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- Proposal for IMO-Controlled Shipping Decarbonization Fund Gains Traction
- COSCO Seeks to Defuse Pentagon Spat

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Proposal for IMO-Controlled Shipping Decarbonization Fund Gains Traction

Some 47 governments and industry groups are lobbying the International Maritime Organization (IMO) to implement an emissions pricing mechanism for greenhouse gases (GHG) to raise a fund to decarbonize shipping.

The proposal is just one of many to be mulled by the IMO at the February meeting of its GHGs working group.

The market-based measure would aim to reduce the price gap between fossil and zero-emission fuels in a way that is not necessarily supported by the EU's emissions trading system (ETS) or FuelEU Maritime.

Critics of the European systems say that, while they are perfectly capable of punishing shipowners for non-compliance, they do little to incentivize action by fuel refiners to make such low- and zero-emission fuels available to shipping.

Read more in an [article from The Loadstar](#).

COSCO Seeks to Defuse Pentagon Spat

COSCO, the world's largest shipping company, has sought to downplay news that it has been added to a list of companies the U.S. Department of Defense views as having links to the People's Liberation Army.

While being on the Pentagon's blacklist carries no specific penalties, it discourages U.S. firms from dealing with these companies that Washington views as military entities.

In a statement, COSCO said the subsidiaries singled out by the Pentagon are not Chinese military companies, and the Beijing-headquartered shipping giant is now communicating with relevant U.S. parties to "clarify the facts."

The inclusion of the subsidiaries in the list, COSCO stressed, does not mean that they have been included in any sanctions or export control list, and this will not affect the business and global operations of the group, the company claimed.

Also downplaying the news, Lars Jensen, one of the best known commentators on the container industry, suggested in a LinkedIn post that being included on the Pentagon's China military list would not in itself create any major disruption, as there is no penalty associated with this apart from the U.S. military not being able to ship cargo with COSCO.

Read more in an [article from Splash](#).