

DO ECO-RATING SCHEMES IMPROVE THE ENVIRONMENTAL PERFORMANCE OF SHIPS?



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Eco-rating schemes in the shipping sector are relatively recent compared to the maturity of shipping and other industries. This paper analyzes the effectiveness of eco-rating mechanisms in maritime supply chains and their effects on environmental outcomes.

APPROACH:

Using previous eco-certification schemes in other industries as models for effectiveness, this study analyzes six prominent maritime eco-rating schemes. The analysis portion of this study primarily focuses on the design (i.e. universality and transparency) and governance dimensions (i.e. the legitimacy and credibility) of eco-certification schemes to determine their effectiveness and whether they follow the best practices outlined through other industries.

MAIN FINDINGS:

- Despite previous research calling for a collaboration between shipping companies, shippers, ports, and investors, these collaborations have ultimately failed to develop. Cargo-owners and ports have developed separate schemes and do not exercise joint or uniform environmental pressure.
- The lack of universally recognized eco-certifications in the shipping sector has significantly limited their effectiveness.
- Ultimately, this research indicates that best practices with regard to eco-rating schemes' governance and design (universality, transparency, credibility and legitimacy) have not been fulfilled, and therefore the full potential for improved environmental outcomes has likely not been achieved in shipping.