Integr2 Fuels

Weekly Market News

14th - 18th April 2025

The MedECA comes into force in two weeks

Have a read of Chris Turner's Bunker Quality Trends Report to know what to look out for

READ UPDATE

MEPC 83: IMO's compromise drops GHG levy

The IMO member states voted in favour of a compromise two-tiered **GHG intensity reduction plan** after a week of negotiations failed to reach a consensus on a flat-rate levy.

The approved draft introduces a two-tiered GHG fuel standard, that will require ships to progressively reduce their well-to-wake GHG fuel intensity (GFI) from 2028 onwards.

The targets are benchmarked against 2008 levels, set at 93.30 grams of CO2-equivalent per megajoule (gCO2e/MJ). GFI reduction targets will tighten over time, ranging from 4–17% in 2028 to 30–43% by 2035. The IMO's Marine Environment Protection Committee (MEPC) plans to review and further tighten targets for 2036–2040 during its 2032 session.

The framework includes a 65% base reduction ambition for 2040. Non-compliant ships will need to balance their emissions shortfalls under the two-tier system.

First STS LNG delivery in the UAE's Khalifa

A Mediterranean Shipping Company (MSC) vessel was recently **bunkered with LNG** while it was unloading cargo in the UAE's Khalifa Port. Simultaneous operations refer to the process where ships receive bunker fuel while unloading cargo simultaneously. This method is designed to reduce vessels' docking time in port. This marked the first ship-to-ship (STS) LNG bunkering in Abu Dhabi's deepwater Khalifa Port, port operator AD Ports said.

MSC's container ship MSC Thais was bunkered with an unknown volume of LNG by the Monjasa-operated bunker barge Green Zeebrugge. AD Ports and Monjasa plan to expand LNG bunkering across ports in Abu Dhabi, including for cruise ships at Zayed Port.

New IMO rules squeeze LNG's compliance window

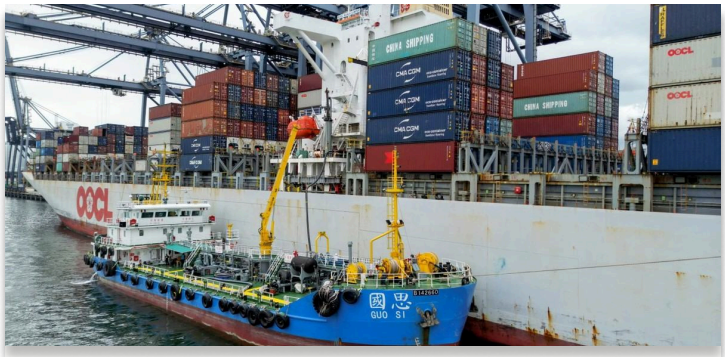
The IMO's newly approved Net-Zero Framework tightens the net on **fossil LNG** as a bunker fuel right from 2028. "The agreement sets a clear limit on the viability of Liquefied Natural Gas (LNG) as a marine fuel solution," Tristan Smith, associate professor at UCL Energy Institute said. That "limit" depends largely on methane emissions, which vary by engine type.

Penalties are expected to rise as the GHG intensity caps tighten through 2034 and beyond.

Smith believes this makes LNG an increasingly unviable option for newbuilds. Existing LNG-powered vessels, he adds, may face "residual value consequences" such as risks of becoming stranded assets as regulatory targets tighten. This framework will accelerate the transition to using liquefied biomethane (LBM) in dual-fuel LNG vessels, a supplier told ENGINE.

MEPC 83: IMO deal not enough to drive investments – GMF

The IMO agreement on a new global fuel standard draft will not be enough to drive investments in **clean marine fuels** uptake at scale, said Jesse Fahnestock, director of decarbonisation at the Global Maritime Forum (GMF). "As currently designed, measures are unlikely to be sufficient to incentivise the rapid development of e-fuels such as e-ammonia or e-methanol, which will be needed in the long run due to their scalability and emission reduction potential," the association said. GMF has also called for clear guidelines on revenue distribution from funds generated by non-compliance of ships, and on the lifecycle assessments (LCAs) of various fuels. These will determine the fuels and vessels that will be rewarded in the framework and which options can meet GHG intensity targets. The IMO has tasked an expert working group to come up with LCAs to determine how much GHG intensity a given fuel has under different conditions. There is no specific timeline set for when the LCAs will be finalised.



Chimbusco Pan Nation starts B30 deliveries in Hong Kong

Hong Kong-based bunker fuel supplier Chimbusco Pan Nation will offer physical deliveries of **B30 biofuel blends** in the port. The announcement follows the IMO's approval of a draft amendment, allowing bunker carriers certified as oil tankers to transport biofuel blends of up to B30 - which contain a 30% bio-component - raising the previous limit of 25%. Under previous IMO regulations, blends exceeding B30 must be transported on IMO Type II chemical tankers.

Norway confirms zero-emission rule for big fjord cruises

Norway has confirmed that only **zero-emission cruise ships** will be permitted to sail through its UNESCO World Heritage fjords from 1 January 2026. All passenger vessels of less than 10,000 GT must adhere to this. A deadline of 1 January 2032 has been set for larger vessels of 10,000 GT or more. To smoothen the transition from conventional marine fuels to clean options, the government has allowed biogas to be used as a temporary alternative until 2032.

Singapore bio-bunker sales in March

145,600 mt

Singapore bio-bunker sales in February

107,000 mt

Singapore records a spike in biofuel sales for March

Singapore's **bio-blended bunker sales** jumped by 36% in March to approximately 145,600 mt, surpassing the previous record of about 145,500 mt set in October, according to preliminary figures from the port authority. The port delivered an average of 4,700 mt/day of bio-bunkers in March, up from 3,800 mt/day in February. Of the total biofuel sales, 93,700 mt were VLSFO blended with a bio component - typically 24% bio content in Singapore - while 52,000 mt were HSFO blended with a bio component. Total biofuel bunker sales for the first three months of the year reached 361,000 mt, nearly three times higher than the 127,000 mt recorded in the same period last year.

LNG bunker sales rose by 30% in March, reaching their highest level since December.

The average stem size increased by 187 mt to 1,259 mt. Total LNG bunker sales in the first quarter reached nearly 102,000 mt, up from 76,000 mt sold a year ago.

Weekly Brent developments

Front-month ICE Brent is set to **rise by 3%** on the week amid fresh US sanctions on Iranian crude and OPEC's announcement of compensation plans from seven overproducing members.

Upward pressure:

The US administration announced stricter sanctions on a Chinese refinery for purchasing Iranian crude oil, along with several companies and vessels responsible for facilitating Iranian oil shipments to China.

OPEC+ has revealed revised compensation plans from seven members, including Saudi Arabia, Russia, Iraq, the UAE, Kuwait, Kazakhstan and Oman. These countries will collectively cut output by 4.6 million b/d until June next year.

Downward pressure:

Oil prices felt some downward pressure after the International Energy Agency (IEA) lowered its forecast for global oil demand growth amid escalating trade tensions. The IEA now sees global oil demand to grow by 730,000 b/d in 2025, about 300,000 b/d lower than its previous estimate. "Concerns that the measures [US tariffs] could stoke inflation, slow economic growth and intensify trade disputes weighed on oil prices. With negotiations and countermeasures still ongoing, the situation is fluid and substantial risks remain," the IEA said.

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