

Subsidiary Legislation made under s.13.

Gibraltar Merchant Shipping (Renewable and Low-Carbon Fuels in Maritime Transport) Regulations 2026

LN.2026/192

Commencement **15.7.2026**

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The Government, in exercise of the powers conferred on it by section 118 of the Gibraltar Merchant Shipping (Safety, etc.) Act 1993, section 13 of the Treaty on Gibraltar and the European Union Act 2026 and of all other enabling powers, and in order to make provision for the purposes of the implementation of Article 219(4) of the Agreement in respect of Gibraltar between the European Union and the European Atomic Energy Community of the one part and the United Kingdom of Great Britain and Northern Ireland in respect of Gibraltar on the use of renewable and low-carbon fuels in maritime transport, makes the following Regulations:

PART I PRELIMINARY

Title.

1. These Regulations may be cited as the Gibraltar Merchant Shipping (Renewable and Low-Carbon Fuels in Maritime Transport) Regulations 2026.

Commencement and application.

2.(1) These Regulations come into operation on the Implementation Date.

(2) Parts 3, 4, 5, 6 and 7 of these Regulations apply to reporting periods commencing on or after the date of coming into operation of these Regulations.

Interpretation.

3.(1) In these Regulations, unless the context otherwise requires—

“the Act” means the Gibraltar Merchant Shipping (Safety, etc.) Act 1993;

“administering authority” means the Gibraltar Port Authority, or such other body as may be designated by the Minister under regulation 5;

“biofuels” means liquid fuels for transport produced from biomass;

“biogas” means gaseous fuels produced from biomass;

“company” means the shipowner or any other organisation or person, such as the manager or the bareboat charterer, that has assumed responsibility for the operation of the ship from the shipowner and that, on assuming such responsibility, has agreed to take over all the duties and responsibilities imposed by the International Safety Management Code;

“compliance balance” means the measure of the over-compliance or under-compliance of a ship with the GHG intensity limit for a reporting period, calculated in accordance with Schedule 4;

“compliance deficit” means a negative compliance balance;

“compliance surplus” means a positive compliance balance;

“emission factors” means the well-to-tank and tank-to-wake emission factors for greenhouse gases, as set out in Schedule 2 or as certified under regulation 13;

“energy used on board” means the amount of energy consumed by a ship derived from the fuels consumed, substitute sources of energy, and any electricity delivered to the ship from onshore power supply, measured in megajoules (MJ);

“FuelEU database” means the database established and maintained by the administering authority in accordance with regulation 27;

“FuelEU Document of Compliance” means the document issued to a company in respect of a ship under regulation 26;

“FuelEU penalty” means a financial penalty calculated and imposed in accordance with Part 7;

“FuelEU report” means the ship-specific annual report prepared by the company and submitted to the verifier under regulation 16;

“GHG intensity” means the greenhouse gas intensity of the energy used on board a ship, expressed in grams of CO₂ equivalent per megajoule (gCO₂eq/MJ), calculated in accordance with schedule 1;

“GHG intensity limit” means the maximum permissible annual average GHG intensity of the energy used on board by a ship, as set out in regulation 7;

“greenhouse gas” or “GHG” means carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O);

“gross tonnage” or “GT” means the gross tonnage determined in accordance with the International Convention on Tonnage Measurement of Ships 1969;

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“Implementation Date” has the meaning given in section 3(1) of the European Union (Future Relationship) Act 2026;

“ISM Code” means the International Management Code for the Safe Operation of Ships and for Pollution Prevention, as adopted by the International Maritime Organisation;

“lower calorific value” or “LCV” means the lower calorific value of a fuel, expressed in megajoules per gram (MJ/g), as set out in Schedule 2;

“Maritime Administrator” means the Gibraltar Maritime Administrator;

“the Minister” means the Minister with responsibility for the Port and Maritime Administration of Gibraltar;

“monitoring plan” means a plan prepared by a company in accordance with regulation 11;

“onshore power supply” or “OPS” means the provision of electricity from the shore to a ship at berth, through a standardised connection interface, to power on-board electrical equipment while the ship's engines are shut down;

“port of call” means a port where a ship stops to load or unload cargo or to embark or disembark passengers, but does not include—

- (a) stops for the sole purposes of refuelling, obtaining supplies, relieving the crew, going into dry-dock or making repairs to the ship, its equipment or both;
- (b) stops in port because the ship is in need of assistance or in distress;
- (c) ship-to-ship transfers carried out outside ports;
- (d) stops for the sole purpose of taking shelter from adverse weather or rendered necessary by search and rescue activities; and
- (e) stops of containerships in a neighbouring container transshipment port listed in any implementing act adopted pursuant to Article 2(2) of Regulation (EU); 2023/1805;

“reference value” means the baseline GHG intensity of 91.16 gCO₂eq/MJ;

“renewable fuels of non-biological origin” or “RFNBOs” means liquid or gaseous fuels the energy content of which is derived from renewable sources other than biomass, including renewable hydrogen and synthetic fuels produced from renewable electricity;

"reporting period" means a calendar year during which emissions of the ship are monitored and reported;

"ship" means a vessel of any type whatsoever operating in the marine environment, including submersible craft, floating craft and any structure that is a fixed or floating platform;

"tank-to-wake" or "TtW" means the emissions produced from the combustion and slippage of fuel on board a ship;

"TEN-T port" means a maritime port listed in the Trans-European Transport Network, or such equivalent port in Gibraltar as may be designated by the Minister;

"verification period" means the calendar year following the reporting period, during which the FuelEU report is verified;

"verifier" means an independent body accredited in accordance with regulation 16 to carry out verification activities under these Regulations;

"well-to-tank" or "WtT" means the emissions associated with the production, processing and delivery of a fuel up to the point of its delivery on board a ship;

"well-to-wake" or "WtW" means the combined well-to-tank and tank-to-wake emissions;

"wind-assisted propulsion" means equipment installed on board a ship for the purpose of harnessing wind energy to contribute to the propulsion of the ship;

"zero-emission technology" means a technology that does not produce direct (tank-to-wake) GHG emissions during operation.

(2) For the purposes of these Regulations, a reference to Regulation (EU) 2023/1805 is a reference to Regulation (EU) 2023/1805 of the European Parliament and of the Council of 13 September 2023 on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC, as amended from time to time.

(3) Expressions used in these Regulations which are also used in the Act shall have the same meaning as in the Act, unless the context otherwise requires.

Purpose.

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4. The purpose of these Regulations is to reduce greenhouse gas emissions from maritime transport by establishing requirements for the GHG intensity of the energy used on board ships arriving at, within, or departing from a port in Gibraltar, and to promote the uptake of renewable and low-carbon fuels in the maritime sector.

PART 2 **SCOPE AND APPLICATION**

Designation of Competent Authority.

5.(1) The administering authority shall be responsible for the administration of these Regulations, including—

- (a) the establishment and maintenance of the FuelEU database;
- (b) the imposition, collection and enforcement of FuelEU penalties;
- (c) the issuance of FuelEU Documents of Compliance;
- (d) the accreditation and oversight of verifiers;
- (e) the publication of data, reports and information required under these Regulations;
and
- (f) such other administrative functions as may be specified by the Minister.

(2) The Maritime Administrator shall be responsible for—

- (a) the conduct of port state inspections in connection with these Regulations;
- (b) the verification of whether a ship carries a valid FuelEU Document of Compliance;
and
- (c) such other inspection and enforcement functions as may be specified by the Minister.

(3) The administering authority and the Maritime Administrator shall cooperate with each other and with the competent authorities of other jurisdictions, including EU Member States, for the purposes of the effective application and enforcement of these Regulations.

(4) The Minister may, by notice published in the Gazette, designate one or more additional bodies to exercise such functions under these Regulations as may be specified in the notice.

(5) The administering authority shall impose, collect and enforce a FuelEU penalty under subregulation (1)(b) in respect of a company only where Gibraltar is the administering State for that company, determined by applying Article 3gf(1) of Directive 2003/87/EC as given effect in Gibraltar, read with Article 3(40) of Regulation (EU) 2023/1805; and where Gibraltar is not the administering State for a company, the administering authority shall instead cooperate, in accordance with subregulation (3), with the competent authority of the administering State responsible.

(6) The recording of verification activities, compliance balances, the utilisation of flexibility mechanisms, and FuelEU penalties imposed, paid and outstanding shall be effected through the FuelEU database and by accredited verifiers in accordance with these Regulations; and nothing in this regulation affects the power of the administering authority to verify whether a ship carries a valid FuelEU Document of Compliance, or to take port state or enforcement measures under these Regulations in respect of a ship calling at a port in Gibraltar.

Scope of Application.

6.(1) Subject to subregulations (2) and (3), these Regulations apply to all ships above 5,000 gross tonnage, regardless of their flag, that serve the purpose of transporting passengers or cargo for commercial purposes.

(2) These Regulations apply in respect of—

- (a) the energy used during the stay of a ship within a port in Gibraltar;
- (b) the entirety of the energy used on voyages from a port in Gibraltar to a port under the jurisdiction of an EU Member State, or from a port under the jurisdiction of an EU Member State to a port in Gibraltar;
- (c) one half of the energy used on voyages departing from a port in Gibraltar where the next port of call is under the jurisdiction of a third country;
- (d) one half of the energy used on voyages arriving at a port in Gibraltar where the last port of call was under the jurisdiction of a third country.

(3) These Regulations do not apply to—

- (a) warships, naval auxiliaries, or ships engaged in crisis response or humanitarian relief operations;
- (b) fish-catching or fish-processing ships;

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- (c) wooden ships of primitive build;
- (d) ships not propelled by mechanical means;
- (e) ships owned or operated by the Government of Gibraltar and used only for non-commercial purposes.

PART 3 **GHG INTENSITY REQUIREMENTS**

GHG Intensity Limit.

7.(1) The company shall ensure that the annual average GHG intensity of the energy used on board a ship does not exceed the GHG intensity limit set out in the following table:

Reporting Period	Percentage Reduction from Reference Value	GHG Intensity Limit (gCO ₂ eq/MJ)
2025 to 2029	2%	89.34
2030 to 2034	6%	85.69
2035 to 2039	14.5%	77.94
2040 to 2044	31%	62.90
2045 to 2049	62%	34.64
2050 onwards	80%	18.23

(2) The GHG intensity of the energy used on board by a ship shall be calculated in accordance with the methodology set out in schedule 1, taking into account the well-to-wake emissions of all fuels used, any electricity received through onshore power supply, and any applicable reward factors for wind-assisted propulsion.

(3) The reference value for the purposes of subregulation (1) is 91.16 gCO₂eq/MJ.

Renewable Fuels of Non-Biological Origin (RFNBOs).

8.(1) The administering authority shall monitor and publish the share of RFNBOs in the yearly energy used on board ships covered by these Regulations.

(2) If, by reference to data from the reporting period of 2031, the share of RFNBOs in the yearly energy used on board by ships is less than one per cent, then from 1 January 2034, a sub-target shall apply requiring that at least two per cent of the energy used on board by a ship is provided by RFNBOs.

(3) In calculating the GHG intensity of the energy used on board, the use of RFNBOs from 1 January 2025 to 31 December 2033 shall be rewarded by the application of a multiplier of two, so that the GHG savings attributable to RFNBOs are counted twice for the purposes of compliance with the GHG intensity limit.

(4) The RFNBO sub-target shall not apply to a ship which demonstrates that the same share of yearly energy used on board is met by other fuels providing equivalent GHG emissions savings and certified in accordance with regulation 13.

Onshore Power Supply Requirements.

9.(1) From 1 January 2030, a containership or passenger ship above 5,000 gross tonnage moored at the quayside in a port of call in Gibraltar which is covered by Article 9 of Regulation (EU) 2023/1804 shall connect to onshore power supply and use it to cover all its electrical power demand at berth.

(2) From 1 January 2035, a containership or passenger ship above 5,000 gross tonnage moored at the quayside in a port of call in Gibraltar which is not covered by Article 9 of Regulation (EU) 2023/1804, and where the quay is equipped with available onshore power supply, shall connect to that onshore power supply and use it to cover all its electrical power demand at berth.

(3) Subregulations (1) and (2) shall not apply where—

- (a) the ship is moored at the quayside for less than two hours, calculated on the basis of the time of arrival and time of departure monitored and recorded under regulation 15;
- (b) the ship uses a zero-emission technology meeting the criteria specified in Schedule 3 for all its electrical power demand at berth;
- (c) onshore power supply is unavailable at the specific berth allocated to the ship by the Gibraltar Port Authority;
- (d) the onshore power supply is unable to provide sufficient or sufficiently stable power; or
- (e) the ship's onshore power supply equipment and the port's onshore power supply infrastructure are incompatible, provided that the ship's equipment has been certified in accordance with relevant international standards.

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(4) In respect of a port of call in Gibraltar covered by Article 9 of Regulation (EU) 2023/1804, the exceptions in subregulation (3)(c), (d) and (e) shall, from 1 January 2035, be limited for each ship to the lower of—

- (a) a maximum number of port calls corresponding to ten per cent of the ship's total number of port calls during the reporting period, rounded up to the nearest whole number; or
- (b) a maximum of ten port calls during the reporting period.

(5) The Minister may, by regulations, exercise the discretion conferred by Article 6(3) of Regulation (EU) 2023/1805 to require a containership or passenger ship moored at the quayside in a port of call in Gibraltar which is not covered by Article 9 of Regulation (EU) 2023/1804 to connect to onshore power supply and use it to cover all its electrical power demand at berth; and unless and until the Minister so provides, no such requirement applies before the date specified in subregulation (2).

(6) The Minister may, by regulations, extend the requirements under this regulation to other categories of ships or to additional port facilities in Gibraltar.

Ice Class Ships.

10.(1) Until 31 December 2034, a ship having ice class IA or IA Super may deduct, from its total energy consumption for the purposes of calculating the GHG intensity, the additional energy used that is attributable to the technical characteristics of the ship when operating in ice conditions.

(2) A ship having ice class IC, IB, IA or IA Super may deduct the additional energy used due to sailing in ice conditions, where the company provides verifiable data on the distance travelled in ice conditions.

PART 4 **MONITORING, REPORTING AND VERIFICATION**

Monitoring Plans.

11.(1) The company shall, for each ship to which these Regulations apply, prepare and submit to a verifier a monitoring plan.

(2) The monitoring plan shall include, as a minimum, the following information—

- (a) the ship's type, name, IMO identification number, the name of the shipowner, and the name and contact details of the company;

- (b) a description of the energy conversion systems installed on board, together with their power capacities expressed in megawatts;
 - (c) for ships falling within the scope of regulation 9, a description of the standards and characteristics of equipment for connection to onshore power supply or zero-emission technology;
 - (d) a description of planned sources of energy to be used on board while in navigation and at berth;
 - (e) the established total electrical power demand of the ship at berth;
 - (f) a description of the procedures for monitoring fuel consumption;
 - (g) a description of the procedures used for determining activity data per voyage;
 - (h) a description of the method to be used for closing data gaps or for identifying and correcting data errors;
 - (i) where applicable, the ship's ice class and information concerning voyages in ice conditions;
 - (j) a description of any wind-assisted propulsion equipment installed on board.
- (3) The monitoring plan shall be assessed and approved by the verifier before the commencement of the first reporting period in which the ship is subject to these Regulations.
- (4) The monitoring plan shall be kept up to date and the company shall notify the verifier of any significant changes to the operational profile of the ship or the information contained in the monitoring plan.

Default and Actual Emission Factors.

12.(1) The default emission factors for the purposes of calculating the GHG intensity of the energy used on board a ship are set out in Schedule 2.

(2) For fossil fuels, the company shall use the default well-to-tank and tank-to-wake CO₂ emission factors. The company may use actual emission factors for tank-to-wake methane, nitrous oxide and slippage emissions, provided that such actual values are certified by means of laboratory testing or direct emissions measurements in accordance with applicable international standards.

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(3) For biofuels and RFNBOs, the company may use actual emission factors certified under a recognised sustainability certification scheme.

Certification of Fuels.

13.(1) Biofuels and RFNBOs used on board a ship for the purposes of compliance with these Regulations shall meet the applicable sustainability and GHG savings criteria.

(2) The administering authority shall maintain and publish a list of recognised sustainability certification schemes for the purposes of these Regulations.

(3) Biofuels that do not comply with the sustainability and GHG savings criteria shall be assigned the default emission factors corresponding to the least favourable fossil fuel pathway for the relevant type of fuel.

(4) The mass balance method shall apply for the certification and tracing of renewable and low-carbon fuels.

Wind-Assisted Propulsion Reward Factor.

14.(1) A ship equipped with wind-assisted propulsion technologies may benefit from a reward factor which effectively improves the annual average GHG intensity of the energy used on board.

(2) The reward factor shall be calculated as a function of the ratio between the effective wind power (P_{wind}) and the installed propulsion power of the ship (P_{prop}), in accordance with the methodology set out in schedule 1.

(3) The maximum improvement attributable to the reward factor shall be five per cent.

Monitoring and Recording.

15. The company shall, from the commencement of each reporting period, monitor and record the following data for each ship and each voyage—

- (a) the ports of departure and arrival, with dates and times, including the duration of stay at berth;
- (b) whether the ship connected to onshore power supply, or the applicable exception under regulation 9(2), with details of fuel consumption at berth and at sea;

- (c) the amount of electricity received through onshore power supply;
- (d) for each fuel type used, the well-to-tank and tank-to-wake emission factors for all greenhouse gases;
- (e) the amount of each type of substitute source of energy consumed at berth and at sea;
- (f) where applicable, the ship's ice class and information on voyages in ice conditions.

Annual Reporting.

16.(1) By 31 January of each verification period, the company shall submit to the verifier a FuelEU report for each ship in respect of the preceding reporting period.

(2) The FuelEU report shall include all data recorded during the reporting period under regulation 15, together with the calculated GHG intensity and the compliance balance for the ship.

PART 5
VERIFICATION AND ACCREDITATION

Accreditation of Verifiers.

17.(1) Verification activities under these Regulations shall be carried out by verifiers accredited by a national accreditation body recognised by the administering authority.

(2) The Minister shall, by notice published in the Gazette, set out the criteria and procedures for the accreditation of verifiers, which shall be based on internationally accepted standards, including the principles set out in the applicable provisions of Regulation (EU) 2023/1805 and any implementing acts adopted thereunder.

(3) The administering authority shall maintain and publish a register of accredited verifiers.

Verification Procedures.

18.(1) The verifier shall, in respect of each ship—

- (a) assess the conformity of the monitoring plan and any modifications thereto;
- (b) verify the FuelEU report, including the accuracy and completeness of the data recorded and the calculations of GHG intensity and compliance balance;

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(c) record the verified compliance balance in the FuelEU database.

(2) The verifier shall complete the verification of the FuelEU report by 31 March of the verification period and record the results in the FuelEU database.

(3) The verifier shall issue a verification report to the company, specifying any misstatements, non-conformities or recommendations for improvement.

PART 6 FLEXIBILITY MECHANICS

Banking of Compliance Surplus.

19.(1) Where a ship has a compliance surplus in a reporting period, the company may bank that compliance surplus and use it for the same ship in the following reporting period.

(2) The banking of a compliance surplus shall be recorded in the FuelEU database.

Borrowing of Compliance Surplus.

20.(1) Where a ship has a compliance deficit in a reporting period, the company may borrow an advance compliance surplus from the next reporting period, provided that—

(a) the borrowed amount does not exceed two per cent of the GHG intensity limit multiplied by the total energy consumption of the ship in the reporting period;

(b) borrowing is not used for two consecutive reporting periods.

(2) In the next reporting period, the borrowed compliance surplus shall be multiplied by 1.1 and subtracted from the compliance balance of the same ship.

(3) The borrowing of compliance surpluses shall be recorded in the FuelEU database.

Pooling of Compliance.

21.(1) Ships from one or more companies may form a pool to collectively comply with the GHG intensity limit or, if applicable, the RFNBO sub-target.

(2) The compliance balance of a ship may only be included in one pool.

(3) The total pooled compliance balance shall be positive for the pool to be valid.

(4) A ship with a compliance deficit shall not have a higher compliance deficit after the allocation of the pool; and a ship with a compliance surplus shall not have a compliance deficit after the allocation of the pool.

(5) All ships in a pool shall be verified by a single verifier.

(6) Companies intending to participate in pooling shall record the composition of the pool and the allocation of the compliance balance to each ship in the FuelEU database by 30 April of the verification period.

PART 7 PENALTIES AND ENFORCEMENT

GHG Intensity Compliance Deficit Penalty.

22.(1) Where, following the verification period, a ship has a compliance deficit for GHG intensity which has not been resolved through the flexibility mechanisms in Part 6, the company shall pay a FuelEU penalty.

(2) The FuelEU penalty for a GHG intensity compliance deficit shall be calculated in accordance with the following formula—

$$\text{FuelEU Penalty} = (\text{Compliance Balance} / \text{GHGIE}_{\text{actual}} \times 41,000) \times 2,400$$
where—

- (a) “Compliance Balance” means the absolute value of the compliance deficit expressed in gCO₂eq;
- (b) “GHGIE_{actual}” means the actual GHG intensity of the energy used on board the ship, expressed in gCO₂eq/MJ;
- (c) 41,000 represents the lower calorific value of very low sulphur fuel oil (VLSFO), expressed in MJ per tonne;
- (d) 2,400 represents the penalty rate in euros per tonne of VLSFO equivalent.

(3) Where a company has a compliance deficit for two or more consecutive reporting periods, the penalty shall be multiplied by a factor of $1 + (n - 1)/10$, where “n” is the number of consecutive reporting periods in which a compliance deficit has been recorded.

RFNBO Sub-Target Penalty.

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23.(1) Where the RFNBO sub-target applies under regulation 8(2) and a ship fails to comply with it, the company shall pay a penalty equivalent to the compliance balance of RFNBOs, calculated as the difference between the required share and the actual share of RFNBOs used, multiplied by the price difference between RFNBOs and compatible fossil fuels per tonne of VLSFO equivalent.

(2) The administering authority shall publish annually the applicable price differential for the purposes of subregulation (1).

Onshore Power Supply Non-Compliance Penalty.

24.(1) Where a containership or passenger ship has made one or more non-compliant port calls during a reporting period in breach of regulation 9, the company shall pay a penalty calculated as follows—

Penalty = $1.5 \times P_{\text{berth}} \times H_{\text{non-compliant}}$ where—

- (a) “1.5” represents the penalty rate expressed in euros per kilowatt-hour;
- (b) “P_{berth}” is the established total electrical power demand of the ship at berth, expressed in kilowatts (kW);
- (c) “H_{non-compliant}” is the total number of hours of non-compliance at berth during the reporting period, rounded up to the nearest whole hour.

Payment and Collection of Penalties.

25.(1) The company shall pay any FuelEU penalty by 30 June of the verification period.

(2) The administering authority shall be responsible for the imposition, collection and enforcement of all FuelEU penalties.

(3) Revenue generated from FuelEU penalties shall be applied by the Government to support the deployment and use of renewable and low-carbon fuels in the maritime sector, including but not limited to—

- (a) stimulating the production of renewable and low-carbon fuels for the maritime sector;
- (b) facilitating the construction of bunkering facilities or onshore power supply infrastructure in a port in Gibraltar;

- (c) supporting the development, testing and deployment of innovative technologies in the fleet to achieve significant emission reductions.

(4) The Government shall, where any revenue has been generated from FuelEU penalties, from 30 June 2030 and every five years thereafter, publish a report on the use of the revenues generated from FuelEU penalties over the preceding five-year period.

FuelEU Document of Compliance.

26.(1) Upon confirmation that—

- (a) the company has no outstanding compliance deficit that has not been resolved through the flexibility mechanisms set out in Part 6; or
- (b) any FuelEU penalty has been paid in full,

the administering authority shall issue or cause to be issued a FuelEU Document of Compliance in respect of the ship.

(2) The FuelEU Document of Compliance shall be carried on board the ship and produced for inspection on demand by port state control officers or other authorised officials.

(3) A ship which does not carry a valid FuelEU Document of Compliance may be subject to port state control measures, including but not limited to detention.

(4) A FuelEU Document of Compliance shall state on its face the date of issuance and the date of expiry, and shall remain valid until the conclusion of the next verification period or until revoked by the administering authority, whichever is earlier.

FuelEU Database.

27.(1) The administering authority shall establish and maintain a FuelEU database for the purpose of recording and maintaining data on—

- (a) verification activities;
- (b) the compliance status of individual ships;
- (c) the utilisation of flexibility mechanisms, including banking, borrowing and pooling;

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(d) FuelEU penalties imposed, paid and outstanding.

(2) The administering authority shall ensure that relevant companies, verifiers and competent authorities have access to the FuelEU database to the extent necessary for the performance of their respective functions.

PART 8 EXPULSION AND REFUSAL OF ACCESS

Consequences of Failure to Pay Penalties.

28.(1) Where a company fails to pay a FuelEU penalty by the deadline under regulation 25(1), the administering authority may—

- (a) issue an expulsion order in respect of the ship, requiring the ship to leave a port in Gibraltar within a specified period;
- (b) refuse entry to a port in Gibraltar to the ship until the outstanding penalty, together with any interest accrued, has been paid in full.

(2) The administering authority may request the cooperation of competent authorities in other jurisdictions, including EU Member States, to give effect to enforcement measures against non-compliant ships.

PART 9 MISCELLANEOUS

Reporting and Review.

29.(1) By 31 December 2027 and every five years thereafter, the Minister shall cause a report to be published on the application of these Regulations, including an assessment of the impact on GHG emissions from ships calling at a port in Gibraltar and the potential need to revise the GHG intensity limits.

(2) The administering authority shall, where any ships have fallen within the scope of these Regulations during the reporting period, as soon as reasonably practicable after the end of that reporting period, publish aggregate data on the GHG intensity of ships within the scope of these Regulations.

Offences.

30.(1) A company which, without reasonable excuse, fails to—

- (a) submit a monitoring plan in accordance with regulation 11;
- (b) monitor and record data in accordance with regulation 15;
- (c) submit a FuelEU report in accordance with regulation 16;
- (d) carry a valid FuelEU Document of Compliance on board a ship in accordance with regulation 26(2),

commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale, or on conviction on indictment to a fine.

(2) A person who obstructs the administering authority, the Maritime Administrator or any person authorised under these Regulations in the exercise of functions under these Regulations commits an offence and is liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Amendments to Schedules.

31. The Minister may, by regulations, amend the Schedules to these Regulations for the purpose of giving effect to any amendment to Regulation (EU) 2023/1805.

SCHEDULE 1

METHODOLOGY FOR CALCULATING GHG INTENSITY

Regulation 7, 14

PART A - GHG INTENSITY OF THE ENERGY USED ON BOARD A SHIP

General Formula.

1.(1) The GHG intensity of the energy used on board a ship (GHGIE_{actual}), expressed in grams of CO₂ equivalent per megajoule (gCO₂eq/MJ), shall be calculated in accordance with the following formula:

$$\text{GHGIE}_{\text{actual}} = F_{\text{wind}} \times [(\sum_i (M_i \times \text{LCV}_i \times \text{WtTi}) + \sum_i (M_i \times \text{LCV}_i \times \text{CfCO}_{2i} / \text{LCV}_i) + \sum_i (M_i \times \text{CfCH}_{4i} \times \text{GWPC}_{\text{H}_4} / \text{LCV}_i) + \sum_i (M_i \times \text{CfN}_2\text{O}_i \times \text{GWPN}_2\text{O} / \text{LCV}_i) + \sum_i (M_i \times \text{C}_{\text{slip}_i} \times \text{GWP}_{\text{slip}_i} / \text{LCV}_i) + (\text{Eelec} \times \text{WtTelec})) / (\sum_i (M_i \times \text{LCV}_i) + \text{Eelec})]$$
where:

- (a) “F_{wind}” is the wind-assisted propulsion reward factor, calculated in accordance with Part C of this Schedule (where no wind-assisted propulsion is installed, F_{wind} = 1);
- (b) “i” denotes each fuel type used on board the ship during the reporting period;
- (c) “M_i” is the total mass of fuel type i consumed during the reporting period, expressed in grams (g);
- (d) “LCV_i” is the lower calorific value of fuel type i, expressed in megajoules per gram (MJ/g), as set out in Schedule 2;
- (e) “WtTi” is the well-to-tank emission factor for fuel type i, expressed in grams of CO₂ equivalent per megajoule (gCO₂eq/MJ), as set out in Schedule 2;
- (f) “CfCO_{2i}” is the tank-to-wake CO₂ emission factor for fuel type i, expressed in grams of CO₂ per gram of fuel (gCO₂/g_{fuel}), as set out in Schedule 2;
- (g) “CfCH_{4i}” is the tank-to-wake methane (CH₄) emission factor for fuel type i from combustion, expressed in grams of CH₄ per gram of fuel (gCH₄/g_{fuel}), as set out in Schedule 2;

- (h) “CfN2Oi” is the tank-to-wake nitrous oxide (N₂O) emission factor for fuel type i from combustion, expressed in grams of N₂O per gram of fuel (gN₂O/gfuel), as set out in Schedule 2;
 - (i) “Cslip_i” is the tank-to-wake fugitive and slipped emission factor for fuel type i, expressed as a percentage of the mass of gaseous fuel used, as set out in Schedule 2, multiplied by the relevant global warming potential;
 - (j) “GWPOCH4” is the global warming potential of methane, equal to 25 (IPCC AR4);
 - (k) “GWPN2O” is the global warming potential of nitrous oxide, equal to 298 (IPCC AR4);
 - (l) “Eelec” is the total electricity delivered to the ship from onshore power supply during the reporting period, expressed in megajoules (MJ);
 - (m) “WtTelec” is the well-to-tank emission factor for electricity from onshore power supply, which shall be the average emission factor for the electricity production in the jurisdiction in which the port is located, or, where such factor is not available, the EU average grid emission factor.
- (2) For the purposes of paragraph (1)—
- (a) the denominator represents the total energy used on board the ship during the reporting period;
 - (b) the numerator represents the total well-to-wake greenhouse gas emissions during the reporting period, expressed in grams of CO₂ equivalent;
 - (c) where more than one fuel type is used, the GHG intensity shall be calculated as a weighted average across all fuel types, weighted by the energy content of each fuel type.

PART B — SIMPLIFIED FORMULAE FOR SINGLE-FUEL SHIPS

1.(1) Where a ship uses only a single conventional (non-gaseous) fossil fuel type, without onshore power supply or wind-assisted propulsion, the GHG intensity may be calculated as:
$$\text{GHGIE}_{\text{actual}} = \text{WtTi} + (\text{CfCO}_2\text{i} + \text{CfCH}_4\text{i} \times \text{GWPOCH}_4 + \text{CfN}_2\text{Oi} \times \text{GWPN}_2\text{O}) / \text{LCVi}$$
where the terms have the same meaning as in Part A.

(2) Where a ship uses a single gaseous fuel type (such as LNG or LPG), the GHG intensity shall additionally account for fuel slippage:

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$GHGIE_{actual} = WtTi + [(1 - C_{slip_i}/100) \times (CfCO2i + CfCH4i \times GWPC_{H4} + CfN2Oi \times GWP_{N2O}) + (C_{slip_i}/100) \times GWP_{slip_i}] / LCVi$ where "C_{slip_i}" is the percentage of gaseous fuel that escapes uncombusted from the energy conversion system, as set out in Schedule 2, and "GWP_{slip_i}" is the global warming potential of the slipped gaseous fuel.

PART C — WIND-ASSISTED PROPULSION REWARD FACTOR

1.(1) The wind-assisted propulsion reward factor (F_{wind}) shall be calculated as a function of the ratio between the effective wind power (P_{wind}) and the installed propulsion power of the ship (P_{prop}):

- (a) where $P_{wind} / P_{prop} = 0$, $F_{wind} = 1$ (no reward);
- (b) where $0 < P_{wind} / P_{prop} \leq 1$, F_{wind} shall be determined by linear interpolation such that the maximum improvement does not exceed 5 per cent (i.e. F_{wind} shall not be less than 0.95).

(2) "P_{wind}" is the effective wind propulsion power, expressed in kilowatts (kW), as determined through simulation or measurement approved by a classification society or the Maritime Administrator, taking into account the specific wind-assisted propulsion technology installed, the routes sailed, and seasonal wind conditions.

(3) "P_{prop}" is the total installed propulsion power of the ship, expressed in kilowatts (kW), as stated in the ship's International Energy Efficiency Certificate or equivalent document.

(4) The wind-assisted propulsion reward factor shall only apply where the monitoring plan includes a description of the wind-assisted propulsion equipment installed on board and the methodology used to determine P_{wind}.

PART D — TREATMENT OF RENEWABLE FUELS OF NON-BIOLOGICAL ORIGIN

1.(1) For the purposes of the GHG intensity calculation during the period from 1 January 2025 to 31 December 2033, the contribution of RFNBOs to the reduction of GHG intensity shall be multiplied by a factor of two.

(2) In practice, this means that, in the GHG intensity calculation formula in Part A, the GHG savings attributable to the use of RFNBOs shall be counted twice, thereby providing an additional incentive for the early uptake of RFNBOs.

PART E — COMPLEMENT TO THE BUNKER DELIVERY NOTE

1.(1) Bunker delivery notes for fuels other than fossil fuels used on board shall be complemented with the following information regarding those fuels:

- (a) the lower calorific value (LCV);
- (b) for biofuels, the E values (emission savings values) as established in accordance with the methodologies laid down in Directive (EU) 2018/2001, Part C of Annex V and Part B of Annex VI, expressed in gCO₂eq/MJ, and related evidence of compliance with the rules set out in that Directive, identifying the fuel production pathway;
- (c) for fuels other than fossil fuels and biofuels, the well-to-tank GHG emission factor expressed in gCO₂eq/MJ and the related certificate identifying the fuel production pathway.

SCHEDULE 2

DEFAULT EMISSION FACTORS AND LOWER CALORIFIC VALUES

Regulation 12

PART A — FOSSIL FUELS

The following table sets out the default emission factors and lower calorific values for fossil fuel pathways. For fossil fuels, companies shall not diverge from the default well-to-tank and tank-to-wake CO₂ emission factors. Companies may use actual values for tank-to-wake CH₄, N₂O and slippage emissions, provided that such values are certified in accordance with regulation 11(2).

Fuel Type (ISO 8217 Grade)	LCV (MJ/g)	WtT (gCO ₂ eq/MJ)	TtW CO ₂ (gCO ₂ /g fuel)	TtW CH ₄ (gCH ₄ /g fuel)	TtW N ₂ O (gN ₂ O/g fuel)	Cslip (%)
HFO (Grades RME to RMK)	0.0405	13.5	3.114	0.00005	0.00018	n/a
LFO (Grades RMA to RMD)	0.041	13.2	3.151	0.00005	0.00018	n/a
MDO/MGO (Grades DMX to DMB)	0.0427	14.4	3.206	0.00005	0.00018	n/a
LNG (Otto dual fuel medium speed)	0.0491	18.5	2.750	0	0.00011	3.1
LNG (Otto dual fuel slow speed)	0.0491	18.5	2.750	0	0.00011	1.7
LNG (Diesel dual fuel slow speed)	0.0491	18.5	2.750	0	0.00011	0.2

LNG (LBSI)	0.0491	18.5	2.750	0	0.00011	2.6
LPG (Butane)	0.046	7.5	3.030	0	0.00018	n/a
LPG (Propane)	0.046	7.5	3.000	0	0.00018	n/a [135]

PART B — BIOFUELS

The following table sets out the default emission factors and lower calorific values for biofuel pathways. For biofuels, companies may use actual well-to-tank emission factors certified under a recognised sustainability certification scheme in accordance with regulation 12. Biofuels not meeting the applicable sustainability and GHG savings criteria shall be assigned the default emission factors corresponding to the least favourable fossil fuel pathway for the relevant type of fuel.

Fuel Type	LCV (MJ/g)	Default WtT (gCO ₂ eq/MJ)	TtW CO ₂ (gCO ₂ /g fuel)	TtW CH ₄ (gCH ₄ /g fuel)	TtW N ₂ O (gN ₂ O/g fuel)	Cslip (%)
FAME Biodiesel (HVO/HEFA)	0.044	As per sustainability certificate or default per pathway	2.834	0.00005	0.00018	n/a
Bio-LNG (Otto dual fuel medium speed)	0.0491	As per sustainability certificate or default per pathway	2.750	0	0.00011	3.1
Bio-LNG (Otto dual fuel slow speed)	0.0491	As per sustainability certificate or default per pathway	2.750	0	0.00011	1.7
Bio-LNG (Diesel dual fuel slow speed)	0.0491	As per sustainability certificate or default per pathway	2.750	0	0.00011	0.2
Biomethanol	0.0199	As per sustainability	1.375	0.00005	0.00018	n/a

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		certificate or default per pathway				
Bio-ethanol	0.027	As per sustainability certificate or default per pathway	1.913	0.00005	0.00018	n/a

Note: For biofuels, the well-to-tank emission factor shall be calculated using the formula:

$WtT = CF \times (1 - E) - CF$ where CF is the carbon factor of the fuel and E is the emissions savings term contained in the Proof of Sustainability.

PART C — RENEWABLE FUELS OF NON-BIOLOGICAL ORIGIN (RFNBOs)

The following table sets out the default emission factors and lower calorific values for RFNBO pathways. For RFNBOs, companies may use actual well-to-tank emission factors certified under a recognised sustainability certification scheme in accordance with regulation 13.

Fuel Type	LCV (MJ/g)	Default WtT (gCO ₂ eq/MJ)	TtW CO ₂ (gCO ₂ /g fuel)	TtW CH ₄ (gCH ₄ /g fuel)	TtW N ₂ O (gN ₂ O/g fuel)	Cslip (%)
e-Diesel	0.0427	As per certificate	3.206	0.00005	0.00018	n/a
e-Methanol	0.0199	As per certificate	1.375	0.00005	0.00018	n/a
e-LNG (Otto dual fuel medium speed)	0.0491	As per certificate	2.750	0	0.00011	3.1
e-LNG (Diesel dual fuel slow speed)	0.0491	As per certificate	2.750	0	0.00011	0.2
e-Hydrogen (compressed)	0.120	As per certificate	0	0	0	n/a
e-Hydrogen (liquid)	0.120	As per certificate	0	0	0	n/a
e-Ammonia	0.0186	As per certificate	0	0	0.004	n/a

e-DME	0.0283	As per certificate	1.927	0.00005	0.00018	n/a
e-LPG	0.046	As per certificate	3.015	0	0.00018	n/a

Note: This table is illustrative and non-exhaustive. The complete list of fuel pathways and their corresponding emission factors shall be determined by reference to Annex II of Regulation (EU) 2023/1805, as updated by any delegated or implementing act adopted thereunder. Where a fuel pathway is not listed in this Schedule, the administering authority shall apply the emission factors specified in the most recent version of Annex II of Regulation (EU) 2023/1805.

PART D — GLOBAL WARMING POTENTIAL VALUES

Greenhouse Gas	Chemical Formula	Global Warming Potential (AR4)
Carbon dioxide	CO ₂	1
Methane	CH ₄	25
Nitrous oxide	N ₂ O	298 [126]

Note: The Minister may, by regulations made under regulation 31, amend this Schedule to adopt the Global Warming Potential values from the IPCC Fifth Assessment Report (AR5), being 1, 28 and 265 for CO₂, CH₄ and N₂O respectively, or from any subsequent assessment report, where the European Commission adopts such values under Regulation (EU) 2023/1805.

SCHEDULE 3

CRITERIA FOR ZERO-EMISSION TECHNOLOGIES AT BERTH

Regulation 9(2)

General Principle

1. A zero-emission technology for the purposes of regulation 8(2)(b) is a technology that enables a ship to cover all of its electrical power demand at berth without producing any direct (tank-to-wake) greenhouse gas emissions.

Qualifying Technologies

2. The following technologies may qualify as zero-emission technologies at berth, provided the criteria in paragraph 3 are met:

- (a) battery-electric energy storage systems, where the batteries have been charged using electricity from the grid, from onshore renewable energy sources, or from onboard renewable energy generation (such as solar photovoltaic or wind turbines);
- (b) hydrogen fuel cells, where the hydrogen is produced from renewable sources and qualifies as an RFNBO;
- (c) ammonia fuel cells, where the ammonia is produced from renewable sources and qualifies as an RFNBO;
- (d) any other technology that the Maritime Administrator determines, on the basis of evidence provided by the company, produces zero direct greenhouse gas emissions during operation at berth.

Criteria for Qualification

3.(1) A zero-emission technology shall satisfy all of the following criteria:

- (a) the technology shall produce zero direct (tank-to-wake) emissions of CO₂, CH₄ and N₂O during the period of its operation at berth;
- (b) the technology shall have sufficient capacity to cover the established total electrical power demand of the ship at berth for the entire duration of the port call (excluding the first two hours and any periods of manoeuvring);

- (c) the energy source used to power the technology shall be certified in accordance with the applicable sustainability and GHG savings criteria, where relevant;
- (d) the technology and its installation on board the ship shall be certified by a classification society or the Maritime Administrator as being safe and fit for purpose.

(2) Where the energy consumed by the zero-emission technology at berth is derived from a fuel (such as hydrogen or ammonia), the well-to-tank emissions of that fuel shall be included in the calculation of the GHG intensity of the energy used on board under Schedule 1.

Evidence and Verification

4.(1) The company shall include in the monitoring plan a description of the zero-emission technology installed on board and the evidence supporting its qualification under this Schedule.

(2) The verifier shall assess the use of zero-emission technology at berth and confirm whether the criteria in paragraph 3 have been met for each port call where the exception under regulation 9(2)(b) is claimed.

Future Criteria

5. The Minister may, by notice published in the Gazette, specify additional criteria or standards for the acceptance of zero-emission technologies, having regard to any implementing acts adopted by the European Commission under Regulation (EU) 2023/1805 regarding the criteria for the acceptance of zero-emission technologies.

SCHEDULE 4

COMPLIANCE BALANCE CALCULATION AND PENALTY FORMULAE

Regulation 3

PART A — GHG INTENSITY COMPLIANCE BALANCE

Calculation of the Compliance Balance

1.(1) The compliance balance of a ship for a reporting period shall be calculated in accordance with the following formula:

$$\text{Compliance Balance} = (\text{GHGIE}_{\text{target}} - \text{GHGIE}_{\text{actual}}) \times (\sum_i (M_i \times \text{LCV}_i) + E_{\text{elec}})$$

where:

- (a) “GHGIE_{target}” is the GHG intensity limit for the relevant reporting period, as set out in regulation 7(1), expressed in gCO₂eq/MJ;
 - (b) “GHGIE_{actual}” is the actual GHG intensity of the energy used on board the ship for the reporting period, calculated in accordance with Schedule 1, expressed in gCO₂eq/MJ;
 - (c) “M_i” is the total mass of fuel type i consumed during the reporting period, expressed in grams (g);
 - (d) “LCV_i” is the lower calorific value of fuel type i, as set out in Schedule 2, expressed in MJ/g;
 - (e) “E_{elec}” is the total electricity delivered to the ship from onshore power supply during the reporting period, expressed in MJ.
- (2) Where the compliance balance is positive, the ship has a compliance surplus.
- (3) Where the compliance balance is negative, the ship has a compliance deficit.

Banking

2.(1) Where a ship has a compliance surplus, the company may bank that surplus for the same ship in the following reporting period, by adding the banked compliance surplus to the compliance balance of the ship for that following reporting period.

(2) A banked compliance surplus may only be used in the reporting period immediately following the reporting period in which it was generated.

Borrowing

3.(1) Where a ship has a compliance deficit, the company may borrow an advance compliance surplus from the following reporting period, subject to the following conditions:

- (a) the advance compliance surplus shall not exceed:

$\text{Advance Compliance Surplus}(\text{max}) = 0.02 \times \text{GHGIE}_{\text{target}} \times (\sum_i (\text{Mi} \times \text{LCVi}) + \text{Eelec})$ where the terms have the same meaning as in paragraph 1;

- (b) the company shall not borrow for the same ship for two consecutive reporting periods.

(2) In the following reporting period, the advance compliance surplus, multiplied by 1.1, shall be subtracted from the compliance balance of the same ship:

$\text{Aggravated Advance} = \text{Advance Compliance Surplus} \times 1.1$

PART B — GHG INTENSITY PENALTY CALCULATION

GHG Intensity Compliance Deficit Penalty

1.(1) Where a ship has a compliance deficit which has not been resolved through banking, borrowing or pooling, the FuelEU penalty shall be calculated in accordance with the following formula:

$\text{FuelEU Penalty} = (|\text{Compliance Balance}| / \text{GHGIE}_{\text{actual}}) \times (1 / 41,000) \times 2,400$
where:

- (a) “|Compliance Balance|” is the absolute value of the compliance deficit, expressed in gCO₂eq;
- (b) “GHGIE_{actual}” is the actual GHG intensity of the energy used on board, expressed in gCO₂eq/MJ;
- (c) the expression $(|\text{Compliance Balance}| / \text{GHGIE}_{\text{actual}})$ yields the quantity of non-compliant energy in megajoules (MJ);

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- (d) “41,000” represents the lower calorific value of very low sulphur fuel oil (VLSFO), expressed in MJ per tonne, used to convert from MJ to tonnes of VLSFO equivalent;
 - (e) “2,400” is the penalty rate, expressed in euros per tonne of VLSFO equivalent.
- (2) The penalty calculation may be understood in the following steps:
- (a) Step 1: Calculate the compliance balance in gCO₂eq (per Part A above);
 - (b) Step 2: From the compliance balance, calculate the associated non-compliant energy by dividing the absolute value of the compliance balance by GHGIE_{actual};
 - (c) Step 3: Convert the non-compliant energy to equivalent non-compliant tonnes of VLSFO by dividing by 41,000 MJ/tonne;
 - (d) Step 4: Multiply the equivalent non-compliant VLSFO tonnage by €2,400 per tonne to obtain the penalty.

Consecutive Non-Compliance Multiplier

3.(1) Where a company has a compliance deficit for the same ship for two or more consecutive reporting periods, the penalty calculated under paragraph 4 shall be multiplied by the following factor:

$$\text{Multiplier} = 1 + (n - 1) / 10$$

where "n" is the number of consecutive reporting periods in which the ship has had a compliance deficit.

(2) For example, a ship with a compliance deficit for the third consecutive year would have its penalty multiplied by 1.2.

PART C — RFNBO SUB-TARGET COMPLIANCE BALANCE AND PENALTY

RFNBO Sub-Target Compliance Balance

1.(1) Where the RFNBO sub-target applies under regulation 7(2), the RFNBO compliance balance shall be calculated as follows:

$$\text{RFNBO Compliance Balance} = (\text{RFNBO Sub-Target Share} - \text{Actual RFNBO Share}) \times (\sum_i (\text{Mi} \times \text{LCVi}) + \text{Eelec})$$

where:

- (a) “RFNBO Sub-Target Share” is the minimum required share of RFNBOs in the total energy used on board, expressed as a decimal (e.g. 0.02 for 2 per cent);
- (b) “Actual RFNBO Share” is the actual share of RFNBOs in the total energy used on board during the reporting period, expressed as a decimal.

(2) Where the RFNBO compliance balance is positive (i.e. the actual share falls short of the sub-target), a penalty shall be payable.

RFNBO Sub-Target Penalty

2. The penalty for failure to meet the RFNBO sub-target shall be calculated by reference to the price difference between RFNBOs and compatible fossil fuels, multiplied by the energy shortfall converted to VLSFO equivalent. The administering authority shall publish annually the applicable price differential for the purposes of this paragraph.

PART D — ONSHORE POWER SUPPLY PENALTY CALCULATION

OPS Non-Compliance Penalty

1.(1) Where a containership or passenger ship has made one or more non-compliant port calls during a reporting period in breach of regulation 9, the penalty shall be calculated in accordance with the following formula:

OPS Penalty = $1.5 \times P_{\text{berth}} \times H_{\text{non-compliant}}$
where:

- (a) “1.5” is the penalty rate, expressed in euros per kilowatt-hour (€/kWh);
- (b) “Pberth” is the established total electrical power demand of the ship at berth, expressed in kilowatts (kW), as included in the monitoring plan;
- (c) “Hnon-compliant” is the total number of hours of non-compliance at berth during the reporting period, rounded up to the nearest whole hour.

(2) The established total electrical power demand of the ship at berth (Pberth) shall be determined in one of the following ways:

- (a) by reference to the electrical load balance or electrical load study used to demonstrate compliance with Regulations 40 and 41 of Chapter II-1 of the

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International Convention for the Safety of Life at Sea (SOLAS), as approved by the ship's flag administration or a recognised organisation; or

- (b) where the ship is not able to provide the reference under sub-paragraph (a), as 25 per cent of the total of the maximum continuous ratings of the main engines of the ship, as specified in their EIAPP certificate or, where no EIAPP certificate is required, on the nameplate of the engines.

PART E — POOLING

Pooling of Compliance Balances

1.(1) Where ships from one or more companies form a pool under regulation 21, the pooled compliance balance shall be calculated as the sum of the individual compliance balances of all ships in the pool.

(2) The total pooled compliance balance shall be positive for the pool to be valid.

(3) The allocation of the pooled compliance balance to individual ships shall satisfy the following constraints:

- (a) no ship with a compliance deficit shall have a higher compliance deficit after the allocation of the pool;
- (b) no ship with a compliance surplus shall have a compliance deficit after the allocation of the pool.

(4) The verifier shall record the composition of the pool, the individual compliance balances of each ship before and after pooling, and the allocation of the pooled compliance balance, in the FuelEU database by 30 April of the verification period.