



PRESS RELEASE

Cities and regions lament failure of global shipping levy talks

- Negotiations at the International Maritime Organization end in a low-ambition agreement, ruling out a carbon levy on shipping emissions, and delivering a low pricing mechanism for emissions trading instead.
- The emissions reduction targets fall short of the goals national governments previously set out, failing to send a strong enough market signal for the global shipping industry to move away from fossil fuels immediately.
- A levy that could have provided a fair system to transition away from fossil fuels for all, particularly those in the most climate-vulnerable areas has been diluted by political stances that lack an evidence base and maintain the polluting status quo.

London, UK (11 April 2025) - C40 Cities and the Under2 coalition of states and regions have criticised national governments for not agreeing on an ambitious global shipping plan to cut emissions and assist climate-vulnerable countries in the Global South and Small Island Developing States. These long-awaited plans to decarbonise global shipping have ended in a low-ambition agreement without any form of levy.

C40 Cities Executive Director, Mark Watts said, “While this agreement is a small step in the right direction, the time for small steps is decades behind us. A levy that could have provided a fair system to transition away from fossil fuels for all, particularly those in the most climate-vulnerable areas has been quashed by political stances that lack an evidence base and maintain the polluting status quo. As per usual, the outcome of these talks has been watered down to a lowest common denominator position. We need a shake-up of multilateral negotiations to focus on action and results.

“Port cities and their mayors power global trade, and are stepping up to drive a just transition in international shipping through bold action to phase out fossil fuels, provide clean energy, and protect the most vulnerable port and coastal communities from climate impacts. Working with cities and regions can help ensure talks like these turn into action on the ground.”

Climate Group Executive Director for Governments and Policy, Champa Patel said, “Today's agreement is a nod in the right direction. But if we want to see a real, tangible reduction of shipping emissions, we need to implement mechanisms, such as levies that reflect the urgency required to decarbonise the sector. What we desperately need is an ambitious levy that generates revenues

that can support regions that are hardest hit by climate change. We can't afford to tinker around the edges.

"We work with states, provinces and regional governments in the Under2 Coalition; they're already driving ambitious climate action, including in their ports. Any levy must complement this drive, or it risks pushing us away from a net zero future, instead of towards it."

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About C40 Cities

C40 Cities is a network of nearly 100 mayors of the world's leading cities working to deliver the urgent action needed right now to confront the climate crisis and create a future where everyone, everywhere, can thrive. Mayors of C40 cities are committed to using a **science-based and people-focused approach** to limit global heating in line with the Paris Agreement and build healthy, equitable and resilient communities. We work alongside a broad coalition of representatives from labour, business, the youth climate movement and civil society to support mayors to halve emissions by 2030 and help phase out fossil use while increasing urban climate resilience and equity.

The current co-chairs of C40 are Mayor Sadiq Khan of London, United Kingdom, and Mayor Yvonne Aki-Sawyer of Freetown, Sierra Leone; three-term Mayor of New York City Michael R. Bloomberg serves as President of the Board. C40's work is made possible by our three strategic funders: Bloomberg Philanthropies, Children's Investment Fund Foundation and Realdania.

To learn more about the work of C40 and our cities, please visit [our website](#), or follow us on [X/Twitter](#), [Instagram](#), [Facebook](#) and [LinkedIn](#).

About the Under2 Coalition and Climate Group

Climate Group is an international non-profit, committed to driving climate action. Fast. Climate group has been working with subnational governments for 20 years, in recent years as Secretariat to the Under2 Coalition. The Under2 Coalition is the largest global network of states and regions committed to achieving net zero emissions by 2050 at the latest. Today, the coalition represents 183 individual states, regions, provinces and subnational governments along with several other national and subnational entities: a total of more than 270 actors, totalling more than 50% of global GDP.