Clean Maritime Policy Unit

POLICY BULLETIN

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Regulatory Uncertainty and the Impact on Chartering Ammonia-Fuelled Vessels

Low-carbon ammonia has the potential to contribute to reducing greenhouse gas emissions from shipping, particularly for larger deep-sea vessels. The required vessel technologies for this fuel type are developing quickly. However, this does not mean that ammonia-fuelled ships are ready for widespread commercial use. This research explores how regulatory uncertainty is affecting the chartering of ammonia-fuelled vessels.

Chartering refers to the commercial hiring of a vessel to transport cargo. This research considers the interaction between regulations, vessel capability, fuel supply, port access, contracts and willingness to pay. Ten expert interviews were undertaken across the sector, including shipowners, a charterer, a regulatory adviser, a funding and policy specialist, shipbrokers and specialist advisers. These interviews were analysed alongside a review of relevant literature, policy, and regulation.

Regulatory uncertainty was found to have two main effects:

- **Approval uncertainty**: whether the vessel, fuel system, and bunkering arrangements will be accepted by class, flag states, and ports.
- **Economic uncertainty**: whether future carbon prices, fuel standards, and compliance mechanisms will make ammonia-fuelled vessels valuable enough to justify its additional cost.

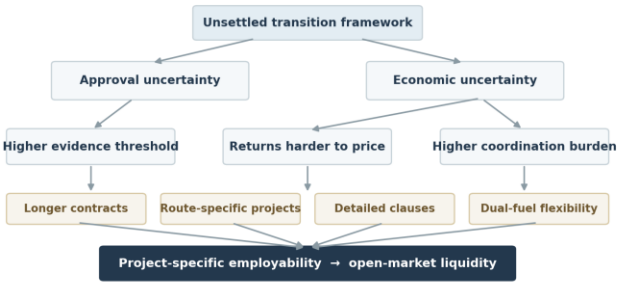

Figure. How regulatory uncertainty shapes chartering responses and market development.

An ammonia-fuelled vessel may be technically capable and approved, but still difficult to charter if fuel, ports, operating experience or willingness to pay are lacking. Early use is therefore likely to develop through specific routes and longer-term contracts where these elements can be coordinated. Note that as the market is still at an early stage, these research findings reflect informed expectations rather than observed market behaviour.

POLICY IMPLICATIONS

Regulatory certainty and coordinated early projects can help ammonia-fuelled vessels move from technical development towards commercial use. Some suggestions for the UK government:

- Incentivise developing green ammonia and other zero or near-zero (ZNZ) greenhouse gas emissions fuel supply and infrastructure within the UK, while partnering with countries and ports along key international shipping routes.
- Provide support for route-specific pilot projects where vessel deployment, fuel supply, port approval, and contractual arrangements can be coordinated and practical operating experience can be built.
- Promote regulatory certainty and international alignment, including consistency with FuelEU Maritime and adoption of the IMO Net-Zero Framework or similar to incentivise ZNZ fuels.

RESEARCH PUBLICATIONS

Wålen, A. M. (2026). *How Does Regulatory Uncertainty in the Net-Zero Transition Shape Chartering Expectations for Ammonia- Fuelled Vessels in Deep-Sea Shipping?*. Masters Thesis. Bayes Business School, City St George's, University of London. https://doi.org/10.5281/zenodo.24168342

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