

News Release

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University of the South Pacific and The China Navigation Company ink ground-breaking MOU to research new-generation, low-carbon ships for the Pacific region

Singapore, Fiji, 10 November 2018 – The University of the South Pacific (USP) and The China Navigation Company (CNCo), parent of Swire Shipping and Swire Bulk, have signed a Memorandum of Understanding (MOU) to conduct feasibility studies for the design costs and plan for new generation ships for the Pacific region which is committed to low carbon sea transport.

Under the MOU signed on 10 November 2018, Project Cerulean aims to eventually develop a new class of small cargo freighter, which, once proven to be commercially viable to operate, can be scaled up in numbers to provide a cost-effective solution for currently marginalised communities in the Pacific Island Communities and Territories (PICT). In the immediate term, the project aims to design, build and trial a low-carbon Project Ship to service the PICT in partnership with the Micronesian Centre for Sustainable Transport (MCST).

PICT are almost wholly reliant on sea transport for essential imports and other vital transfer of people and goods. Sea transport, especially at the domestic level, has always presented a particularly difficult issue for PICT to find long-term, sustainable, cost-viable solutions for periods of low energy costs.

Lack of appropriate and viable transport is a major barrier to developing economies and social service delivery, especially for remote Maritime Provinces. Many routes are uneconomic using conventional shipping solutions and require increasingly high government subsidies to maintain.

Mr Simon Bennett, General Manager, Sustainable Development at CNCo said that they are pleased to be working with USP and MCST, adding that if there is any form of expertise needed for the project; this could be well gained from the two organisations.

He added that CNCo is looking into an initial investment of around USD2.5 million to design, build and operate a pilot low cost, low carbon, low tech freighter, which he hopes can be constructed in a South Pacific shipyard.

“We want to raise economic capacity in the South Pacific as the vessel will be able to service the outlying communities in the region, which are not currently on main line routes. This really is our way of giving back to the community as we will be building the freighter specially for the South Pacific,” he said.

Professor Derrick Armstrong, Deputy Vice-Chancellor, Research, Innovation and International at USP said that working in collaboration with the private sector is critical way for us to go and the University is very pleased and proud to be able to part of this collaboration with Swire Shipping.

Professor Armstrong also added that both parties share several things in common in terms of our values around the issues of sustainable transport and solutions which are good for the environment, and people in the region.

Both CNCo and USP will operate and monitor the project’s performance for two years from launching and delivery into the project post sea trials to prove the commercial viability of the Project Ship. CNCo will be represented by Simon Bennett, General Manager, Sustainable Development, while the Project Manager from USP shall be Dr Peter Nuttall, Scientific and Technical Advisor.

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CHINA NAVIGATION



About The China Navigation Company Pte. Ltd (CNCo)

CNCo is the wholly owned, deep-sea ship owning and operating arm of the multinational Swire Group. CNCo was founded in 1872 in Shanghai and started its operations trading on China's Yangtze River. Since then the company has expanded globally while its primary operational focus remains in the Asia-Pacific region. The company operates a global network of multipurpose liner services for the transportation of containerised, breakbulk, heavylift and project cargoes in addition to providing dry bulk and bulk logistics services on a worldwide basis, through its three core operating divisions – Swire Shipping, Swire Bulk and Swire Bulk Logistics.

For more information on CNCo, please visit www.swirecnco.com

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