



Shipping in the Pacific and the Secretariat of the Pacific Community

Sustainable Sea Transport Talanoa
University of the South Pacific
28-30 November 2012



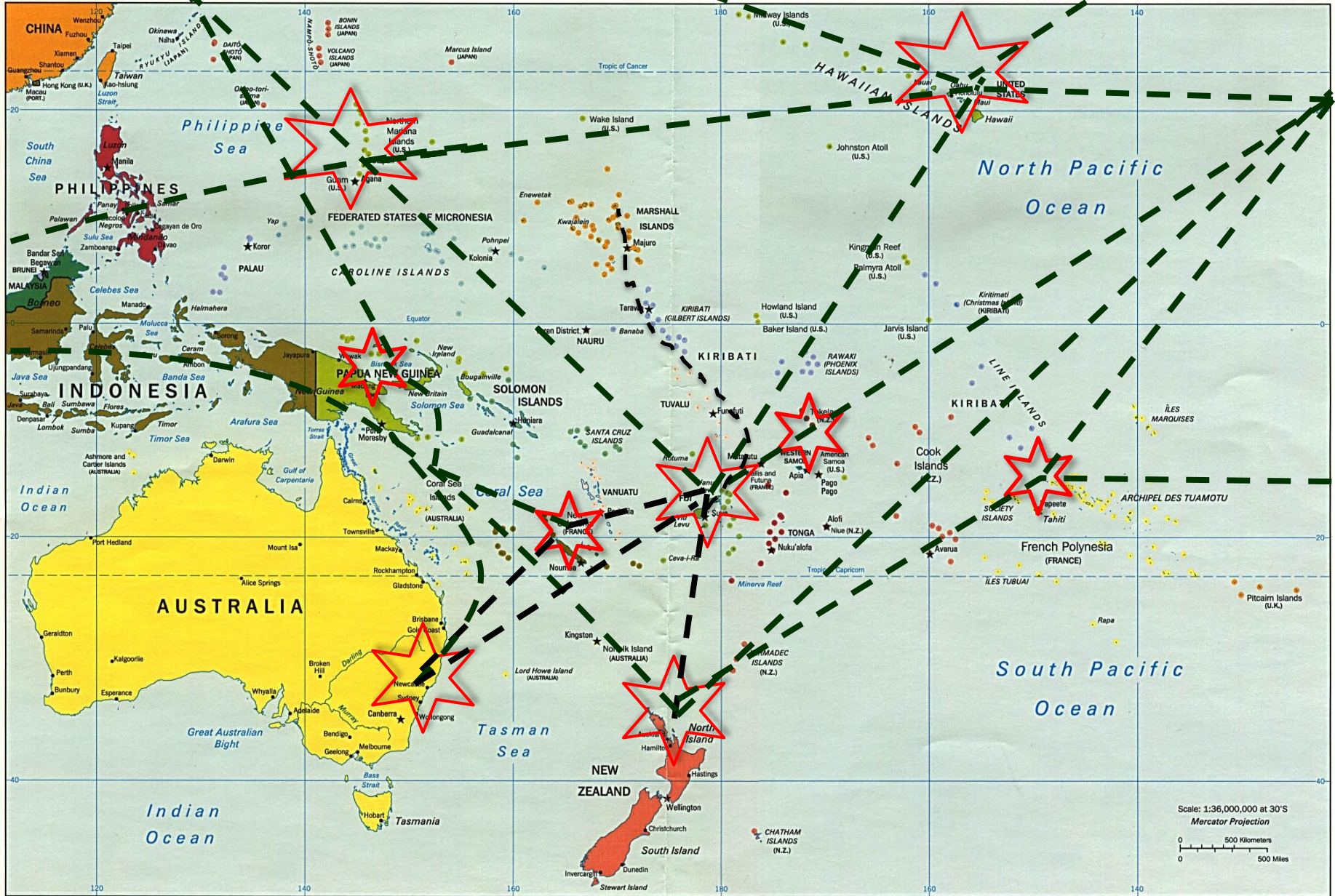
Shipping in the Pacific

- “To support sustainable economic growth in the PICTs, it is necessary that countries have access to reliable, efficient and affordable shipping services.”
- “Most PICTs are net importers; however their trade volumes are such that it can be challenging to support profitable regular services. Low cargo volumes inbound, and even less outbound, can lead to irregular services and high freight rates.”
- “The small populations and large distances between PICTs mean that economies of scale are not achievable and serving small, isolated economies is expensive, particularly at current fuel prices.”
- ...all PICTs, with the exception of PNG, are net importers of goods. This highlights the reliance of isolated island nations on cargo flows to provide food security, fuel and other vital goods to sustain livelihoods.”

“Inter-island shipping in the Pacific region: challenges and constraints”
Paper by EDD to UN ESCAP, Bangkok, TH, 21/23 November 2012.

PACIFIC HUB PORTS & INT'L SHIPPING ROUTES

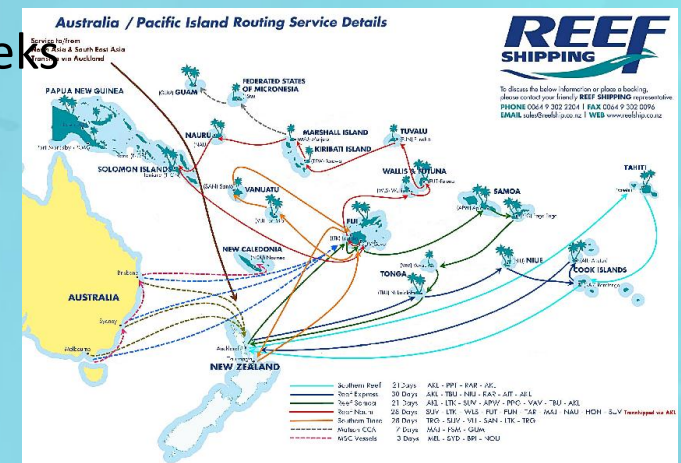
SECRETARIAT OF THE PACIFIC COMMUNITY
GÉNÉRAL DE LA COMMUNAUTÉ DU PACIFIQUE





Shipping in the Pacific: International

- There are appx. 18 private shipping lines servicing the Pacific
- International routes transit between:
 - France (mostly with FR territories)
 - East Asia (Japan, Taiwan, China)
 - Australia/New Zealand
 - United States (including Hawaii, Guam)
- Regularity and frequency of routes (dependant on routes & company):
 - Australia/New Zealand-Pacific: 1, 2 or 3 weeks
 - Asia-Pacific: 1 or 2 weeks
 - US-Pacific: 1, 2 or 3 weeks
 - Europe-Pacific: 1, 2, 3 or 4 weeks
 - Middle East-Pacific: 2, 3 or 4 weeks

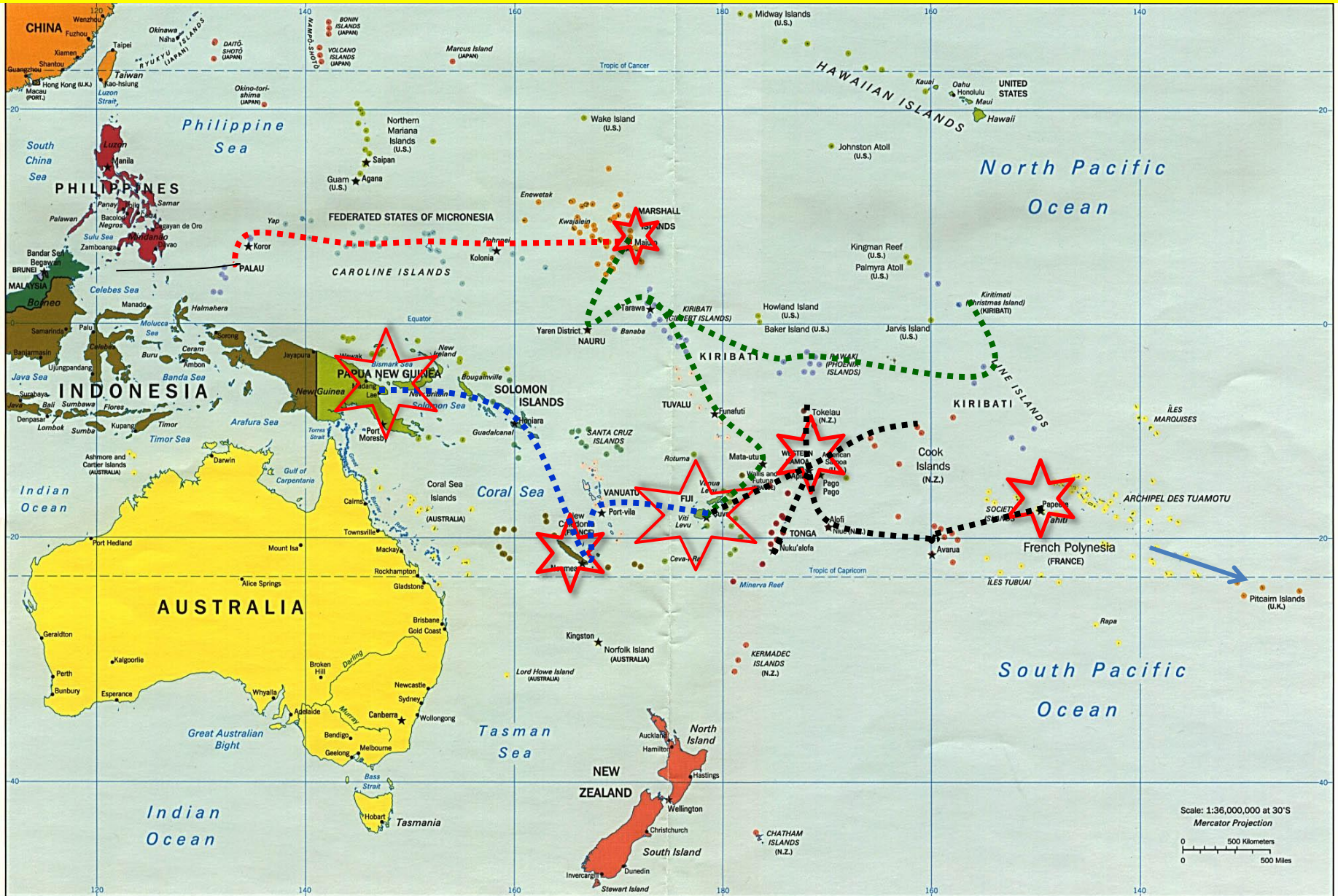




Shipping Lines in the Pacific: international & regional

- Reef Shipping (6, 1986-2003, 86-116m)
- Pacific Direct Lines (11, 1992-2009, 76-160M)
- Neptune Pacific Lines (4, 1993-2003, 97-146m)
- Sofrana Unilines (8, 2003-09, 97-146m)
- Pacific Forum Line (5, 2003-09, 115-159M)
- China Navigation/Swires (41, est 13)
- Polynesian Shipping Line (3, 2003-09, 115-159m)
- Hamburg-Sud (160)
- Maersk Line (600)
- Hapag-Lloyd (146)
- Kyowa Lines/FSM Lines (10, 1994-2010)
- CMA-CGM/ANL (410, 1978-2012, 90-394m)
- Mediterranean Shipping Co. (10)
- Mariana Express Lines (14)
- Matson (12, 350-860ft)
- Sea Trade (29 pages!)
- Armacup (3)

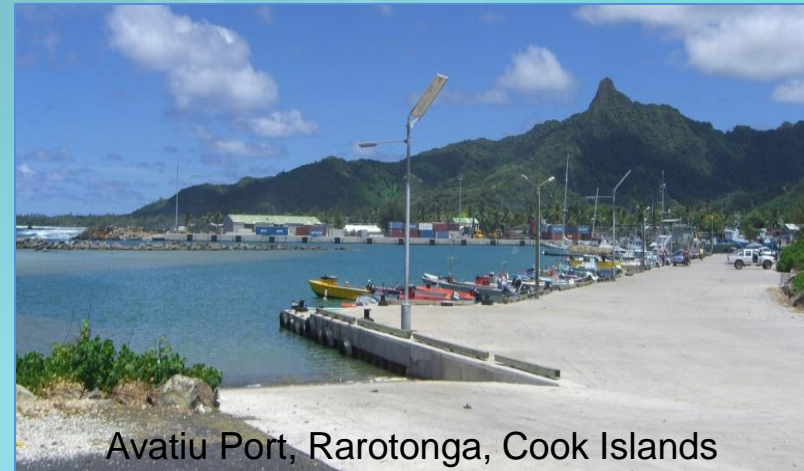
PACIFIC ISLAND HUB PORTS





Shipping in the Pacific: regional

- In 2012 there were:
 - 60 international ports in the Pacific Island region.*
 - appx 80 shipping companies & agencies operating within the Pacific Island region.
 - 11 maritime training institutes, 8 of which are IMO recognized.
- Nine (9) Pacific Island gov'ts operate shipping lines: Fiji, FSM (3), Kiribati, Palau, RMI, Samoa, Tokelau, Tonga, Tavalu



Avatiu Port, Rarotonga, Cook Islands



Maritime Training Centre, Tarawa, Kiribati

*EDD drafts a Pacific Ports Directory every 2-years. (2011)



Shipping in the Pacific: inter-island

Economic Development Division / La Division développement économique

- Within most PICTs the larger or main island(s) serves as a hub for shipping to the smaller islands.
- Local shipping companies are owned/operated by families, churches, island communities.
- Crew-members are recruited from the island or church that the vessel services, and may not have formal training.
- Ships in the inter-island trade tend to be either donor purchased or 2nd hand, and range in age from new to 50+ years.
- Maintenance suffers due to low profit-margins, the inability to locally source supplies/technical assistance & operational requirements

Ships vary in design & service





Shipping in the Pacific: Challenges

- Economic constraints and impacts
 - Cost of shipping goods
 - Cost of diesel fuel
 - Infrastructure maintenance
 - Meeting intl, regional, local mandatory regulations
- Trading in the region
 - Small market economies
 - Reliability of shipping
 - Condition of vessels
- Legislation
 - Currency
 - Applicability
- Port infrastructure
 - Many built in 1950 & 60's
- Maritime industry
 - Administrators
 - Seafarers: domestic
 - Industry specialists: legal, technical, operators
- Lack of repair, servicing & supply facilities
- Coastal State reqmts
 - ATON
 - Charts (hydrography)
 - SAR
- User awareness



Shipping in the Pacific: sustainable solutions

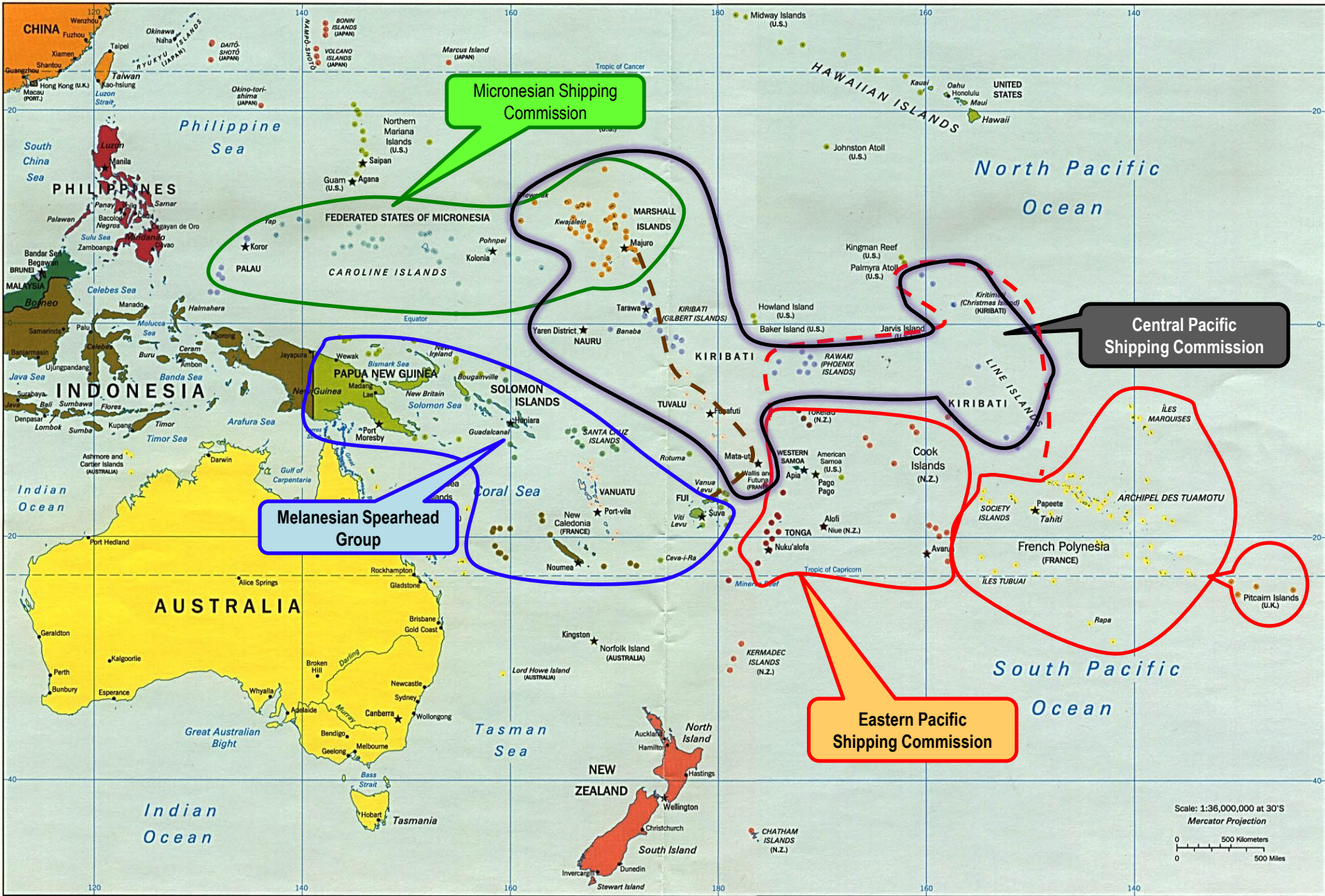
- International and regional shipping companies may be instituting sustainable solutions
- Few solutions have been adapted at the inter-island level:
 - Slow-speed: most vessels are already slow
 - Bio-fuels: one operator in Vanuatu, processes fuel independently.



Shipping in the Pacific: SPC Activity

- Pacific Island Shipping Commissions
 - Promote sufficient, controlled competition
 - Ensure commercial viability of all routes
- Pacific Islands Domestic Ship Safety Programme
 - Safety
 - Maintenance
 - Crew training
- Building regional maritime capacity
 - Backstopping (capacity supplementation)
 - Improve competency
 - Assist with drafting concept papers
- Climate change issues
 - Carbon foot-printing (ports)
 - Sustainable shipping options
 - Other?

Pacific Shipping Commission Sub-regional Groupings





Questions?

Bruce Tweed

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SPC - Economic Development Division – Transport

FAIR WINDS AND FOLLOWING SEAS