

News Release

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Swire Shipping: Serving the communities in which we operate

Singapore – Swire Shipping serves the many communities in the Pacific which are directly impacted by global warming.

“With many communities at risk of disappearing we must take action to drive change. **We are committed to reducing our GHG footprint, ultimately to net zero by, and preferably well before, 2050,**” said James Woodrow, Managing Director, The China Navigation Company; parent of Swire Shipping.

“Whilst we have already invested USD 650 million over the last seven years to renew our fleet to be more carbon efficient, further reductions in our GHG footprint will require more Technical and Operational (T&O) measures to be adopted. Ultimately though we will not be able to reduce sufficiently our contribution to global warming until a sustainable alternative - low or zero carbon fuel - becomes technically and financially viable,” added Mr Woodrow.

We believe that the upstream development of the necessary global delivery infrastructure for sustainable low or zero carbon fuels will be expedited if **Market Based Measures** are introduced that more realistically price our sector’s GHG emissions.

Accordingly, **Swire Shipping**:

1. **Supports** the earliest global adoption and implementation of the “**Proposal for IMO to Establish a Universal Mandatory Greenhouse Gas Levy**” submitted by the Republic of the Marshall Islands and The Solomon Islands to IMO MEPC 76.
2. will **Reduce** our environmental footprint, ultimately to **net zero by, and preferably well before, 2050** by;
 - a. **Implementing** T&O measures and offsetting any outstanding Scope 1 and 2 emissions. We will be offering to offset these emissions for our Swire Shipping clients on a voluntary basis through our new “**Sail Greener**” programme that we will be launching in mid-2021. However ultimately these emissions will have to be paid for by the customer on a mandatory basis.
 - b. **Engaging** as an active partner with leading decarbonisation centres globally, and like-minded organisations including **The Sustainable Shipping Initiative** and **The Getting to Zero Coalition**, both at the knowledge-partner level and also to cooperate as a provider of commercial shipping test-beds where viable.
 - c. **Delivering** in the longer term a low or zero carbon fleet, starting by at least 2030, using sustainable, alternate fuels, for which current science points to one or more of green Ammonia, Biofuel, Hydrogen and Methanol, once the safety, scalability, technological and training issues have been mitigated.

3. will **Finance** initiatives that promote low carbon shipping, such as our **Project Cerulean**. This project seeks to build the first low-carbon, low-cost sail-assisted inter-island cargo vessel (see attached photo) to serve communities in the Pacific that lack cargo handling infrastructure. We plan to sign the building contract for the pilot vessel of this class by the end of June 2021, for delivery 12 months later.

“The real and urgent change that is necessary now will be driven by the earliest adoption of a mandatory high-ambition levy on all greenhouse gas (GHG) emissions from international shipping. This is an immediate priority measure and must run alongside a revised, heightened level of ambition in the Revised IMO Strategy on the reduction of GHG emissions from ships.

The Pacific Islands’ Communities are relying on organisations such as ours to provide leadership and to take positive action now.” said Jeremy Sutton, General Manager, Swire Shipping.



Initial Design © VPLP Project Cerulean prototype



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About Swire Shipping

Swire Shipping is the brand name for all liner shipping services operated by The China Navigation Company Pte Ltd (CNCo). Dedicated to facilitating and growing trade in regions where it operates, Swire Shipping provides several high frequency liner shipping services in the Asia Pacific markets, and specialises in providing a wide range of specialist customer solutions for project, heavy lift, refrigerated, breakbulk and mini bulk cargoes. It connects 400 ports via an extensive network of services in the Asia-Pacific and globally, and maintains a worldwide agency network in addition to its own representative offices across the Asia-Pacific, Pacific Islands, North America and Europe, providing its customers with dedicated service and expert market knowledge.

For more information, please visit www.swireshipping.com.

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