

News Release

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Second Pacifica Shipping vessel adds capacity and frequency to meet increased demand for inter-island domestic freight services

Two sailings a week now planned for the Auckland/Tauranga to Lyttelton service and improved schedule reliability for other regional ports

New Zealand – Pacifica Shipping confirms it is introducing a second vessel onto its New Zealand coastal shipping service, which is expected to be operational mid-September this year.

The vessel will add 1,300TEU extra capacity every week and will complement the existing coastal service provided by Pacifica Shipping's MV Moana Chief, a 1,700TEU ship, which has been operating since August 2019.

Country Manager for Pacifica Shipping and Swire Shipping New Zealand Mr Brodie Stevens, says the service coverage of the new vessel will improve the frequency for the core trade from Auckland / Tauranga to Lyttelton to twice a week, offering a viable alternative to other transport modes on the inter-island trade.

He pointed out that coverage for the regional ports will also improve to a weekly for Nelson and fortnightly for Timaru and Marsden Point. This has been a significant challenge to regional exporters during the COVID-19 pandemic, with international shipping lines reducing port calls into regional ports due to supply chain disruptions.

"As New Zealand's domestic transport is forecast to grow substantially over the next two decades, we are determined to meet that demand by increasing the frequency and capacity of our inter-island domestic freight service, as well as international transshipment cargo demand," Mr Stevens said.





He referenced Ministry of Transport data projections, showing freight volumes will increase a further 11% in the next 10 years and 40% by 2053 (See attached extract in Appendix 2: "Improving Freight Connections" - from National Land Transport Programme 2021-24 and link to full report).

Pacifica Shipping is also strongly advocating coastal shipping as a means for New Zealand businesses to consider how to utilise more sustainable options in their supply chain. Coastal shipping supports the New Zealand government's policy to cut transport CO₂ emissions.

"Moving substantially more inter-island freight by coastal shipping is estimated to enable savings of 66,000 tonnes of CO₂ per annum, compared to moving cargo by road transport," Mr Stevens added.

In addition, coastal shipping brings resilience to New Zealand's supply chain in times of natural disaster and disruption. A point of reference: during the Christchurch and Kaikoura earthquakes, coastal shipping was able to maintain their services into Christchurch. Reducing truck movements on the national highway network will also contribute to improved road safety.

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About Pacifica Shipping

For over 37 years, Pacifica Shipping has been New Zealand's leading dedicated coastal ship operator and sustainable domestic cargo carrier. It offers door-to-door and wharf-to-wharf movements for inter-regional FCL cargo to complement New Zealand's road and rail networks. Pacifica Shipping currently operates one New Zealand-flagged coastal container ship, MV Moana Chief, and is a member of the New Zealand Shipping Federation Inc. Headquartered in Auckland, Pacifica is an operating division of Swire Shipping (NZ) Ltd.

For more information, please visit https://www.pacship.co.nz/.

About Swire Shipping

Headquartered in Singapore, Swire Shipping is dedicated to facilitating and growing trade in regions where it operates. It 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.

Swire Projects, its projects division, provides specialist shipping services to the energy, resource and infrastructure sectors in the global project logistics market. In March 2021, Swire Shipping set up its integrated logistics arm providing door-to-door solutions for its customers, providing a single point of contact for customers for the full supply chain solution.

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





Appendix 1: Photos of MV Moana Chief



Connecting New Zealand: *MV Moana Chief* on her maiden departure from Auckland to Lyttelton in 2019



MV Moana Chief around the coast of New Zealand

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Appendix 2: An extract from "Improving freight connections" https://www.nzta.govt.nz/assets/planning-and-investment/nltp/2021/NLTP-2021-24.pdf

For the land transport system to work most effectively, we need to ensure that road, rail and coastal shipping all play their part in moving freight around the country.

New Zealand's economy relies on having access to a safe, reliable and resilient transport network. This is even more critical now as regions adapt to the impact of the COVID-19 pandemic and look at growth to offset the loss of tourism while most borders remain closed.

Between 2012 and 2018, freight volumes grew 18% to about 280 million tonnes. Ministry of Transport data projects these will increase a further 11% in the next 10 years and 40% by 2053, driven by the needs of our growing population. This growth means that to reduce carbon emissions and ensure goods get to market on time, we need to look at new ways of moving freight.

In this NLTP period, we'll look at opportunities to move freight using the best combination of road, rail and sea transport options. Increasing the use of both rail and sea will also improve safety and reduce emissions.

High productivity motor vehicles (HPMVs) allow fewer trucks to transport more freight. This helps the economy grow, while at the same time reducing congestion, carbon emissions and improving safety on our roads. More than 8,200kms of our state highways are now capable of supporting HPMVs.

During the next three years, our investment will progress the Weigh Right programme which supports improved productivity, makes our road safer and protects the network from damage from overweight vehicles. Weigh Right uses electronic scales built into the road to weigh trucks as they travel the network. Potentially overweight vehicles are directed into Commercial Vehicle Safety Centres (CVSCs) for further testing and compliance checks.





Fully equipped CVSCs are already operating at Glasnevin (Waipara) and Paengaroa, with upgrades planned this NLTP period for Ohakea and Stanley Street in central Auckland. New centres will be established at Albany in north Auckland, Bombay in south Auckland; Mackays Crossing, Napier Port, Rakaia, Tauranga Port and Taupo to complete the nationwide network.

By sea

Coastal shipping has a role to play in transporting freight, such as cement, refined petroleum products and shipping containers. In time, investment from the NLTF is expected to help provide the freight industry with more choice in how they move goods to support a more resilient freight network. Moving more freight by coastal shipping will also help to reduce emissions and improve safety.

Activities to be funded under this activity class are yet to be identified. We are working with the sector to identify specific actions and activities for building a more resilient, sustainable and competitive domestic coastal shipping sector, and enable coastal shipping to play a greater role in moving freight.

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