



CHINA NAVIGATION

China Navigation teams up with VIVE for green sugar cargoes – 21 August 2020

Sustainability drive sees China Navigation Co move world's first end-to-end environmentally sustainable sugar cargo

China Navigation Co (CNCo) has delivered a unique cargo of sugar as part of what is being described as the world's first fully sustainable, end-to-end sugar trades.

This is the first time sugar produced under the VIVE sustainability programme has been carried by a shipping company verified by the project and delivered to a VIVE-verified end user, according to Swire Bulk general manager Rob Aarvold.

The dry bulk arm of CNCo shipped 50,000 metric tonnes of raw sugar from Paranagua Port in Brazil to Port Klang in Malaysia, where it was delivered to Central Sugars Refinery, which is processing it for Fraser & Neave.

Singapore-based CNCo has added Swire Bulk to the programme as part of its sustainability drive.

The VIVE initiative is a joint project between UK-based agricultural technology company Intellync — recently rebranded from AB Sustain — and London-based sugar trader Czarnikow that began about two years ago.

Swire Bulk's involvement came as VIVE began to contact long-term partners on an industry-wide basis to try to deliver its vision of having a truly sustainable and accredited supply chain from field to factory.

The reach extends from sugar farmers through to major food producers such as Coca-Cola, Nestle and Fraser & Neave.

"They decided they wanted to move beyond the rhetoric of saying they are doing the right thing to delivering, or providing something we could call a deliverable," Aarvold said.

"From there, we assisted in terms of how to build a sustainable and transparent supply chain in terms of the shipping environment.

"Obviously, when you are trying to incorporate the producer, the intermodal aspects including freight, and then the receiver, it becomes quite a comprehensive process to try to give it this VIVE stamp."

Aarvold stressed that the VIVE initiative is not about ticking a set of boxes and passing a certification process.

"It is really about the fact that people are on a journey to improve year after year," he said.

To become part of the VIVE initiative, Swire Bulk had to answer about 600 questions that probed how it dealt with all aspects of being a shipowner.

The questions varied from the usual generic areas, such as anti-slavery and corporate social responsibility programmes, to topics such as how the company treats its staff to its onboard rubbish recycling practices.



CHINA NAVIGATION

“It is a pretty wide remit and it draws a line in the sand,” Aarvold said.

“It says we have a policy — we have accredited standard operating procedures within our company, and a focus on everything from welfare to safety to sustainability. It really is about demonstrating transparency and a proactive management across those areas.”

Crossing the commodity chain

The VIVE initiative is now very much sugar centric, but Aarvold said the idea is to see whether the concept can work across other commodities as well.

“I think every commodity has its own areas where they are looking to get a viable accreditation, so there are certainly components and sectors such as the soybean world, for example, who look around at the concept of what VIVE is trying to deliver, and I think that certainly resonates in terms of a deliverable for where they can take a bigger step forward,” he said.

“We see this as a journey that is taking us in the right direction. While VIVE has become the vehicle, it has certainly become a trailblazer. We have had a lot of positive interest from the grain industries to start off with.”

Aarvold said the initiative works through close collaboration between all stakeholders in the commodities chain, including trade financiers.

For example, Singapore’s OCBC Bank played a large role in the first cargo, which Swire Bulk carried in the chartered 58,100-dwt bulker Ocean Royal (built 2012).

“I think what has pulled it all together has been the fact that OCBC, in the background, has been very supportive and proactive with providing green finance for the whole process,” Aarvold said.

He believes there is plenty of opportunity for other dry bulk operators to get involved with sustainability initiatives such as VIVE.

“To say that we are the only people who do something different from others would be misleading,” he said. [\(Copyright\)](#)



China Navigation Co's Swire Bulk is keen to participate in more green commodity partnerships. Photo: CNC Co

China Navigation teams up with VIVE for green sugar cargoes

Sustainability drive sees China Navigation Co move world's first end-to-end environmentally sustainable sugar cargo

21 August 2020 21:03 GMT | UPDATED 21 August 2020 21:02 GMT
By Jonathan Boonzaier in Singapore

China Navigation Co (CNC Co) has delivered a unique cargo of sugar as part of what is being



Project Cerulean brings sail power back to the South Pacific – 21 August 2020

Prototype sail-powered cargoships could revive the fortunes of remote islands

Project Cerulean, China Navigation Co (CNCo)'s initiative to return sail-powered cargoships to the South Pacific, is pushing ahead with naval architects hashing out the design details.



Islanders in the South Pacific are deserting their remote island homes in search of work. China Navigation's Project Cerulean hopes to reverse the trend by providing better connectivity and economic opportunities. Photo: Jonathan Boonzaier

First announced in November 2018, the project is a joint venture between the Singapore-based shipowner and Fiji's University of the South Pacific. It plans to raise economic capacity in the outlying communities and islands of the South Pacific that are not on main line routes.

These islands and communities are almost wholly reliant on sea transport for essential imports and other vital transfers of people and goods. Sea transport, especially at the domestic level, has always presented a particularly difficult problem in finding long-term, sustainable, cost-viable solutions.

Many routes are uneconomical using conventional shipping solutions and require increasingly high government subsidies to maintain them.

Simon Bennett, general manager of sustainable development at CNCo, told TradeWinds that this is a major barrier to developing economies and social-service delivery in these remote areas. This has led to large-scale depopulation of island communities as younger members migrate elsewhere in search of jobs.

Low-cost, low-tech, low-carbon

Project Cerulean is developing a new class of small low-cost, low-tech, low-carbon cargo freighter, which, once proven to be commercially and operationally viable, can be scaled up to provide a solution for these marginalised communities that suffer a lack of appropriate transport.



CHINA NAVIGATION

"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 on main line routes," Bennett said. "This really is our way of giving back to the community as we will be building the freighter specially for the South Pacific."

The Project Cerulean ships, which will have a cargo capacity of about 100 metric tonnes, will be powered by sail to make them cheap to operate and environmentally sustainable.

It is expected these vessels will revive copra production on the islands, which has plummeted due to the lack of a cost-effective means of getting it to market.

French naval architects are working on the design, and it is hoped the prototype will be built at a shipyard in the South Pacific.

The prototype vessel is expected to cost about \$2m and take a year to build.

CNCo and the University of the South Pacific will operate and monitor the ship's performance for two years from delivery, to assess its commercial viability.

"We believe the project is massively scalable," Bennett said.

To finance the ship, Project Cerulean plans to submit its case to a private sustainability fund.

[\(Copyright\)](#)

###