



Some of the Vanuatu shipping stakeholders in a consultation meeting at the MSG Secretariat Office on 2 August 2016

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The MSG Secretariat last week began a study to look at improving shipping connectivity between member countries trading under the MSG Trade Agreement including feasibility of establishing an intra-MSG shipping service. The need for the study was endorsed by MSG Leaders at their meeting in New Caledonia in 2013 and is in line with one of the recommendations in the MSG 2038 Prosperity for All Plan. In a declaration made at the end of their meeting in Port Moresby in November 2014, the MSG Trade Ministers also made a commitment, among other things, to undertake the study by end of 2015. However due to funding difficulty, the study was deferred to later this year. The study is being funded through the MSG- Pacific Integration Technical Assistance Project (MSG-PITAP) of the EU, channeled through the Pacific Islands Forum Secretariat.

The MSG Secretariat has engaged a consultant to undertake the study. The consultant, Captain Naveen Singhal, with wide experience in the marine industry, met with more than fifteen key stakeholders from the shipping industry from 2 to 4 August 2016 in Port Vila, Vanuatu, courtesy of the facilitation by the Department of Ports and Marine of Vanuatu.

The study includes exploring the feasibility of establishing a shipping service that connects the MSG countries. It is envisaged that this would facilitate improved movement of goods between the MSG countries and complement the MSG Trade Agreement objectives. The study will also identify existing shipping agencies, authorities and services in the region and their modus operandi, identify possible risks and opportunities for establishing the MSG Shipping Service, propose financing options for initiating and sustaining the Shipping Service. The study will further analyse the financial viability and sustainability of a MSG Shipping Service, identify ways to ensure that the proposal is profitable to members in the long-run once implemented, propose a road map and timeline for the implementation of the MSG Shipping Service and develop recommendations on the establishment of the MSG Shipping Service through a proposed model.

After Vanuatu the consultant, who will be accompanied by an MSG Secretariat official, will visit Papua New Guinea from 21 to 25 August, Solomon Islands from 25 to 27 August and Fiji from 11 to September 2016. The final report on the study is expected by end of October 2016.

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