MARITIME AUTHORITY
SOLOMON ISLANDS

Maritime Investment & Financing

7th SIMA Workshop with Ship Operators
2 June 2026

Fleet Profile: Composition & Age

2024 vs 2025 Comparison

Vessels	179	**183**	+4
Tonnage (GT)	78,026	**80,332**	+2,306
Net Value (USD M)	$24.9	**$25.8**	+$0.9
Replacement (USD M)	$71.4	**$74.6**	+$3.2

Fleet Age Alert

~25

years average

Risk of "replacement cliff" when vessels reach end-of-life simultaneously.

Policy Implications

- Fleet renewal is an economic necessity for service continuity, not just environmental compliance
- Port capacity investments must align with fleet renewal pathways
- The $75M replacement envelope provides auditable baseline for climate finance applications

National Shipping Asset Account: Key Findings

Current Fleet Value (2025)

USD $25.8M

Net capital stock (depreciated value)
Accumulated infrastructure investment

Full Replacement Cost (2025)

USD $75M

Investment envelope for fleet modernisation
Key figure for climate finance proposals

183	**80,332**	**~25 yrs**
Vessels	Gross Tonnage	Fleet Age

Key Insight: The $50M gap between current value and replacement cost reveals the scale of capital renewal required for fleet modernisation and decarbonisation.

Maritime Labour Account: Key Findings

Estimated Maritime Workforce

1,365

seafarers (mid-range estimate)

Range: 1,980 - 2,967 persons

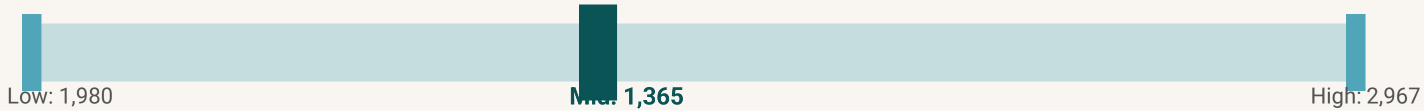
Total Annual Compensation

~USD $24M

SBD 197.5 million

Key input for total cost of ownership

Employment Estimation Range



Compensation by Maritime Certification

Clear wage hierarchies aligned with certification levels

Class 2 Master — **SBD $15,693/fn**
Highest qualification

Class 3 Master/Engineer — **SBD $8,200-9,200/fn**
Mid-level officers

Class 4-6 Officers — **SBD $1,044-3,770/fn**
Entry-level officers, largest officer group

Deckhands/Ratings — **SBD $930-1,184/fn**
45% of workforce, lowest pay – priority for development attention

Workforce Development Priorities:

• Shortage of Class 2/3 officers constrains vessel deployment • Training pipelines needed for modernisation • Deckhands: high concentration but lowest pay – target for upskilling

Policy Applications & Future Directions

Fleet Modernisation

- $75M replacement envelope for climate finance
- Auditable baseline for investment cases
- Sequence acquisitions over budget cycles

Workforce Development

- 1,365 seafarers as planning baseline
- Training pipeline for certifications
- Address Class 2/3 officer shortages

Integrated Planning

- Link fleet renewal to port expansion
- Design subsidy mechanisms on total cost
- IO multipliers for investment justification

These accounts transform fragmented data into auditable, decision-ready evidence for Cabinet, development partners, and climate finance.

Climate Finance & Decarbonisation

Global Context: IMO 2023 Strategy

IMO targets for emissions reductions and zero/near-zero fuel uptake by 2030. Early alignment positions Solomon Islands to access climate finance.

What Ocean Accounts Provide

- Current fleet value & replacement costs
- Workforce capacity & training needs
- Baseline for emissions profiles
- Economic contribution at stake

The Climate Finance Investment Case

USD $75M Replacement Cost → **Climate Finance Proposals** → **Low-Emission Fleet Renewal**

Strategic Advantage

The ageing fleet (avg 25 years) requires renewal regardless of climate commitments. Replace end-of-life vessels with low-emission technologies, accessing climate finance for both modernisation AND decarbonisation objectives.

Solomon Islands Maritime Investment and Coordination Platform (SI-MICP)

Purpose

A national coordination platform to align maritime financing and investment.

Key Features

- NOT a new bank or statutory institution
- Government-anchored coordination mechanism
- Uses existing financing channels and institutions
- Supports implementation of maritime development priorities
- Builds on Ocean Accounting for Maritime Transport findings

Coordination

- MID & Ministry of Finance (co-chairs)
- SIMA, SIPA, MECDM, MMERE
- DBSI, CBSI, SINPF
- SINU / Maritime College
- SIMTA and private sector
- Development partners and climate finance partners

Focus

- Fleet replacement
- Maritime workforce development
- Maritime decarbonisation
- Maritime infrastructure and connectivity
- Cross-sector enablers (energy, finance, insurance, digitalisation)

Window 1: Small Vessel Renewal & Domestic Maritime Finance

Objective

Support replacement and modernisation of domestic small and medium vessels.

Proposed tools

- Concessional finance
- Credit lines through DBSI
- Blended finance
- First-loss grants
- Potential leasing mechanisms

Potential Partners

- ADB
- AIFFP
- DFAT
- MFAT
- EU
- DBSI
- SINPF

Priority Outcomes

- Safer domestic vessels
- Reduced fleet ageing
- Improved provincial connectivity
- Lower financing costs for operators

Window 2: Inter-Island Fleet Renewal & Green Shipping Transition

Objective

Support larger vessel replacement and maritime decarbonisation.

Proposed tools

- Government/SPV asset ownership
- Lease-to-operator models
- Climate finance
- Blended sovereign financing

Potential Partners

- ADB
- AIFFP
- GCF
- IMO
- JICA
- UNDP

Priority Areas

- Fleet replacement cliff
- Low-emission vessels
- Hybrid/electric ferry transition
- Green shipping pilots

Window 3: Outer-Island Connectivity & Community Maritime Services

Objective

Support essential maritime services for outer islands and uneconomical routes.

Proposed tools

- Grant financing
- Community vessel programmes
- Government-supported shipping
- Climate resilience funding

Potential Partners

- AIFFP
- AIFFP
- Pacific Resilience Facility
- MFAT
- EU

Priority Outcomes

- Connectivity for remote communities
- Disaster resilience
- Safe community transport
- Inclusive development

Window 4: Maritime Workforce Development & Labour Mobility

Objective

Develop the future maritime workforce for Solomon Islands and the Pacific.

Proposed Areas

- Maritime College upgrade
- STCW compliance
- Green and digital maritime skills
- Seafarer labour mobility
- Industry partnerships

Immediate Priority

- Training lifeboat and equipment for internationally recognised certification.

Potential Partners

- DFAT
- MFAT
- IMO
- JICA
- AIFFP
- SPC

Proposed Workshop Recommendations

1. **Recognise** maritime financing and investment as a national development priority, and maritime workforce development and fleet replacement as immediate investment priorities.
2. **Request** Government to consider coordinated maritime financing and investment mechanisms to support:
   i. maritime workforce development
   ii. fleet renewal
   iii. connectivity and resilience
   iv. maritime decarbonisation.
3. **Request** engagement with development partners and financial institutions to mobilise investment for the maritime sector.

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