Japanese giant taps Filipino firm to build crucial ship for liquefied natural gas

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MANILA, Philippines – One of Japan’s biggest shipbuilders has engaged multinational engineering firm Atlantic, Gulf & Pacific Co. of Manila Inc. (AG&P) to build a pioneering vessel designed to handle both liquefied natural gas (LNG) and low-sulfur fuel oil (LSFO).

Yokohama-based Japan Marine United Co. Ltd. (JMU) said in a statement the 96-meter vessel would have a capacity to hold 4,100 tons of LNG as fuel supply for ships, or 2,500 cubic meters of oil.

According to JMU, Asia is catching up with leading maritime markets like Europe in using LNG and LSFO, especially as the maritime industry expects more stringent regulations related to fuel's sulfur content starting 2020.

With the plant vessel intended to be Asia’s first bunkering ship that can handle both LNG and LSFO, the ship can ensure compliance with the upcoming regulations.

JMU oversaw the entire conceptual design but has engaged Fukuoka Shipbuilding Co. Ltd. and Manila-based AG&P to see through the vessel’s development.

“We plan to build a bunkering ship with excellent quality and cost competitiveness by combining the experience of LNG-related technology and engineering business that our company has cultivated with the building know-how of two consigned companies,” JMU said.

In an interview, AG&P chief executive Joseph M. Sigelman said the company has won significant contracts overseas even as it started to rebuild its focus on the domestic market.
AG&P recently announced plans to hire 5,000 additional workers to support the implementation of major contracts over the next two years.

“Over the last several years, we have built modules in Batangas where we have two manufacturing yards, and sent out to projects all around the world, including petrochemical plants, refineries, LNG facilities and so on,” Sigelman said. “Some of these modules can be 10-story tall and 3,000-ton heavy.”