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Growth of maritime sector will spur job creation: MPA Chairman



Mr Niam Chiang Meng

Chairman, Maritime and Port Authority of Singapore

PHOTO BY MPA

Mr Niam Chiang Meng, Chairman of the Maritime and Port Authority of Singapore, urged the private sector to work with the government to create new jobs for the industry.

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The next few years will be a time of growth for the maritime industry, which will see new jobs being created. At the same time, it will need to groom talent to ensure these positions get filled, Mr Niam Chiang Meng, Chairman of the Maritime and Port Authority of Singapore (MPA), said yesterday.

Speaking at the Maritime Manpower Forum, Mr Niam said that MPA and the Singapore Maritime Foundation (SMF) will work with maritime companies to attract fresh talent to the sector.

As a start, MPA and SMF will look to nurture and develop existing maritime talent. MPA will be conducting industry consultations with maritime human resources and business-function leaders next month to discuss roles that are suitable for redesign.

MPA's new Maritime Leadership Programme – a 10-day course to help those in junior management roles develop leadership capabilities, gain fresh perspectives on global maritime issues, and cultivate industry networks – will begin its inaugural run later this year.

Ensuring a pipeline of fresh talent into the sector is critical, said Mr Niam. To this end, SMF will work with youth-led organisation Advisory to grow interest in working in the maritime sector.

MPA has embarked on a media campaign to raise the profile of jobs in the sector. For instance, it worked with Channel NewsAsia to produce a documentary titled “Colours of the Sea”, which featured millennials working in the maritime industry.

“These are part of MPA's efforts to inform job seekers that our sector is multifaceted, inclusive, and exciting,” he said, adding that there are plans to also feature ship captains and startup founders to highlight the opportunities in the industry.

SMF will also upgrade the user experience on its Maritime Singapore Connect website, which connects students and job seekers to job openings in the industry. The enhancements include making improvements to the site's individualised job matching assistance function.

Mr Niam noted that MPA is wooing maritime investments to Singapore, and has set a target of attracting \$20 billion in business spending commitments from shipping companies from now till 2024. These investments will create jobs and boost growth for the industry.

The response to the need to develop talent in the sector has been strong. Mr Niam said that SMF has secured an additional \$2.5 million in pledged scholarships from the maritime community under the MaritimeONE Scholarships.

He also urged maritime companies to work with MPA and SMF to complement their efforts. He added that some jobs in the industry are ripe for redesign, and MPA wants to work with like-minded partners to move forward.

“(We) cannot do all of these alone,” he said. “I invite you to come forward and be part of this movement.” ■

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Optimism rising over trade and port activity

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The past few years has been difficult for port operators around the world, with weak demand and slowing global growth.

Expect that picture to change with a turnaround for port activity - the result of growing global economic growth and increased urbanisation, according to trade academic Yap Wei Yim.

But even then, the Head of International Trade Management at the School of Business, Singapore University of Social Sciences added that any recovery is likely to be protracted and uneven because of the fallout from COVID-19 and geopolitical tensions.

Speaking at the Singapore Shipping Forum 2021 yesterday, Dr Yap said that he expects the US, Europe, and China to recover strongly from last year's sharp contraction.

Latest economic data showed that the US economy expanded by 5 per cent in the first three months of 2021, compared with the same period last year. The Chinese economy surged by 18.3 per cent in the first quarter of 2021 from a year ago.

Added to the mix is the explosive growth of Asian economies, which will power growth and account for almost 50 per cent of global gross domestic product by 2040, he said.

"In the next 20 years, we will see India, Indonesia and South Korea joining the ranks of the 10 biggest economies in the world. This is a phenomenon not seen for 200 years," said Dr Yap.

But the upward trajectory will likely remain choppy. Dr Yap said that rising geopolitical tension between US and China will continue to simmer, while the resurgence of the virus could also trip up global growth.

The optimism over port activity was echoed by Dr Adam Kent, Managing Director at Maritime Strategies International, who also spoke at the forum.

He expects the oil tanker, bulk carrier, and container segments to see strongest growth.

"The world's trade volumes have returned much faster during the pandemic than what we saw during the 2008 to 2009 financial crisis. In essence, trade has already returned to pre-pandemic levels," he noted. ■

Maritime's new leaders may be digital natives and not seafarers

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As the maritime world gears up for the new normal, its new leaders may be young digital natives who do not have seafaring experience.

But this could be hard for the veterans to accept, said Mr Thomas Knudsen, Managing Director of logistics company Toll Group yesterday.

This is because the industry is largely built by people who had started out as seafarers, and who are used to a hierarchical leadership style.

"If you are a captain of a ship, you have done your yards and that has led you to this level of expertise," he said at a panel discussion titled Effective Workforce Transformation. "As we move forward, this will change, because we ... don't necessarily understand the technology and it may be a 25-year-old who does."

The industry needs to find a way to bridge this gap between the maritime old-timers and the digital newcomers. "How can we leverage technology and use the people who understand technology and integrate that (into the business) rather than seeing them as a threat?" he said.

This approach was welcomed by fellow panelist, Mr Nakul Malhotra, Vice President of Open Innovation at Wilhelmsen Ships Service. "Lead-

ers themselves have to accept that they can't have the answers to everything," he observed. "This ability to open up, create safe spaces and encourage collaboration internally and externally ... will also encourage the new generation."

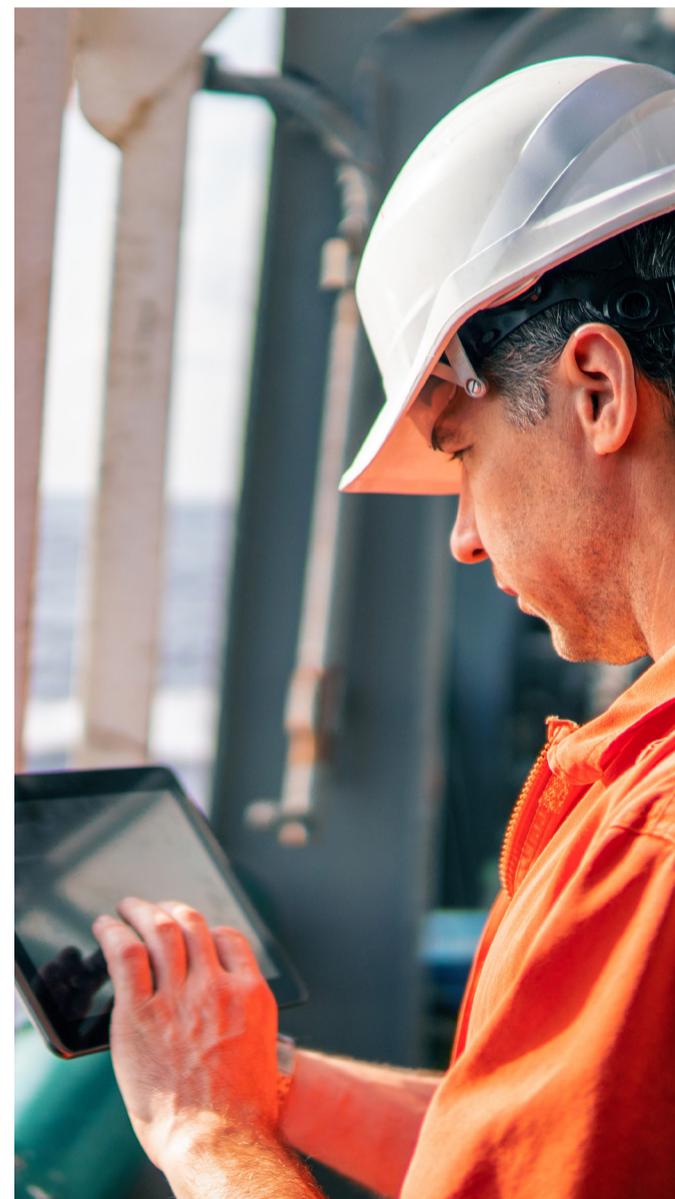
It is only when the industry embraces new ways of thinking and working that it can reinvent the business and rewrite the narrative of the sector, the panellists said.

Citing the example of food delivery app Deliveroo, Mr Knudsen said consumers who order food on the platform receive real-time updates on the status of their orders. Such transparency is something that the shipping world has not been able to provide for its customers.

If the industry can tweak its narrative and "tell a better story to our audience", said Ms Melissa Kee, Chief Human Resources Officer of Kuok Singapore who moderated the discussion, it would not be left behind.

Mr Knudsen added: "You can either be a provider of a space on a ship ... or you can look at Amazon, which is providing an end-to-end customer experience.

"We have to think about how we want to create and retain value for customers so that we are not just providing a physical asset." ■



SINGAPORE maritimeweek[®] 2021

19th April 2021, Monday
Marina Bay Sands Expo and Convention Centre

PHOTOS BY SEAN LEE AND WANG ZHIXIANG

SINGAPORE MARITIME WEEK 2021: A WEEK TO REMEMBER

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New Frontiers, Shifting Paradigms – the 15th Singapore Maritime Week (SMW) lived up to its name not just in its hybrid nature to suit the times, but in tackling emerging issues as an international maritime community.

Indeed, the two Ds of decarbonisation and digitalisation undergirded many of the 20 events – both physical and virtual – over the past week.

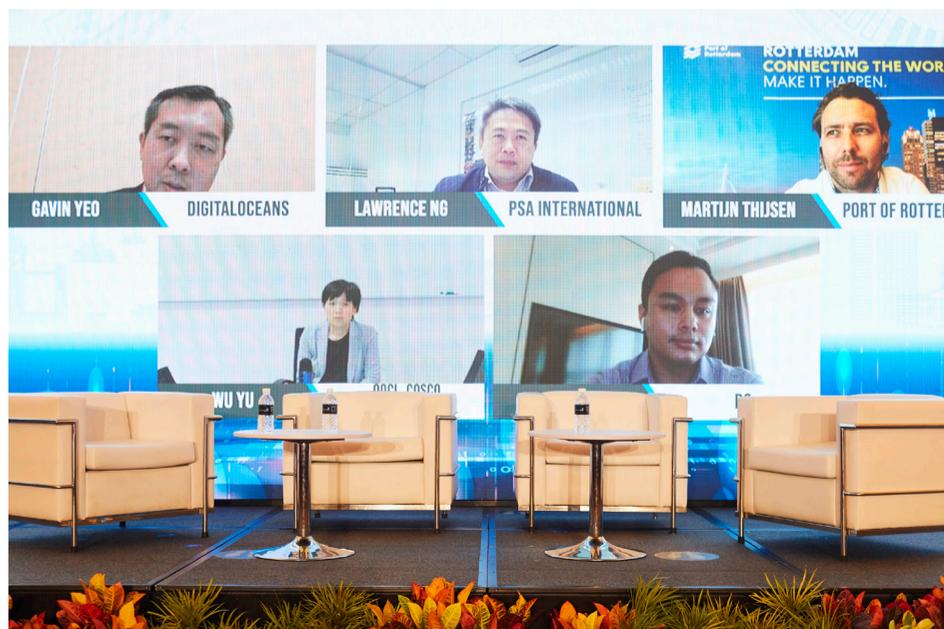
It was green from the get-go as Singapore's Minister for Transport Ong Ye Kung announced that a global maritime decarbonisation centre would be set up in Singapore, followed by the unveiling of a \$120 million war chest funded by MPA and private sector partners to support this effort.

Malaysian shipping group MISC Group's President and Group Chief Executive Officer Yee Yang Chien delivered the keynote ad-

dress for the signature Singapore Maritime Lecture, where he urged the industry to step up bravely to the industry's biggest challenges, even as it means navigating unknowns.

Besides these significant milestones, SMW 2021 will be remembered as the first hybrid SMW as well, representing the next normal in large-scale events. Participants who were present at the Marina Bay Sands Expo & Convention Centre took antigen tests and kept their masks on even as they networked and mingled from a distance. Then there were many others who tuned in through the event's virtual platform to join the conversation from their homes or offices. ■

We would like to thank all participants for making this event a big success. The next edition of SMW will be held from 4 April to 8 April in 2022. See you there!





Suez or not, the container sector is making a turnaround



Peter Sand
Chief Shipping Analyst,
BIMCO

The Suez Canal incident was not the only spectacular event that took place within the container shipping sector in March. Operation owners and pure tonnage providers were busy placing new orders for ultra-large container ships too.

Ultra-large container ships refer to vessels with a capacity of 15,000 Twenty-foot Equivalent Units (TEUs) or more. These ships are 400m long with a beam of 60m, and can weigh as much as 220,000 tonnes.

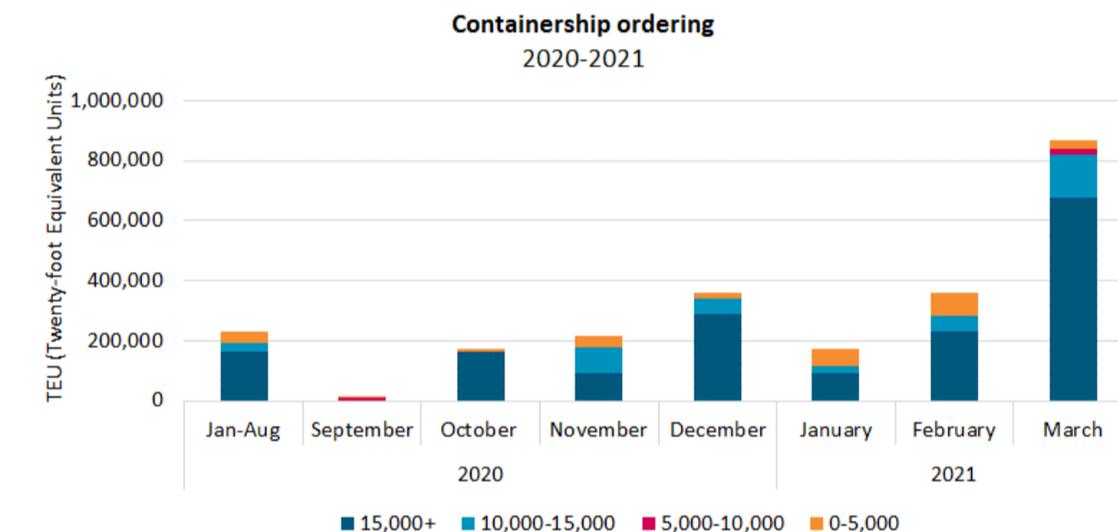
In March, orders for 45 ultra-large container ships were placed, breaking a record on its own. Adding to this, 27 orders for 'smaller'-sized ships were placed in the same month, bringing the total order capacity to 866,060 TEUs and marking a real turnaround for the container shipping sector.

The turnaround for the container shipping sector offers a glimpse of the level of confidence currently seen in the business on behalf of owners as well as investors. In all of 2020, a total 995,000 TEUs of container shipping capacity was ordered. Capacity ordered in the first quarter of 2021 has already reached close to 1.4 million TEUs, a six-year-high.

The industry is keen on benefitting from the economies of scale that ultra-large container ships have to offer if you carry payloads close to its cargo carrying capacity.

'Upside down' for 2021 orders

In October and December last year, orders placed were almost exclusively for ships with a maximum capacity of 23,000 to 24,000 TEUs,



Source: BIMCO, Clarksons

with only four out of 23 orders for ultra-large container ships outside that range.

So far in 2021, only four out of 81 orders for ships with a capacity of at least 11,800 TEUs were larger than 15,500 TEUs.

The mammoth size of some container ships was questioned many times during the recent days of Suez Canal blockage, as some saw it as an omen of ships becoming too large, compromising supply chain reliability, navigational excellence and safety.

But as I said at the time; you should not expect much change on that account, as ultra-large container ships are the preferred choice of 'weapon' in the arms race of the container shipping industry seeking to improve long-term profitability.

If you want to cut the carbon footprint for a container transported half the way around the globe – you scale up the size of your ship. Deploying ultra-large container ships on main trade lanes with high volumes is the go-to strategy for all main liner companies. Recently, a secondary aim has also been to go for 10,000

to 15,000 TEUs for deployment on direct port-pairs.

What to expect for 2021? Well, this year started on a high for carriers, as the imbalance in the market, congestion in ports, and a general equipment shortage drags on well into 2021. The COVID-19 'event' itself can easily be seen as a bullish thing for the liners. They have managed all of the challenges extremely well, and are hugely profitable right now.

The outlook for the rest of the year is very strong – in terms of spot rates and long-term contract rates. Obviously, shippers don't like to pay much more than they are used to, but seaborne shipping remains the most cost-efficient way to transport large amounts of goods. Railroads and air cargo out of Asia to Europe and North America are making hay too from the surge in demand, as we also see a rare reversal of containerisation in 2020 and 2021.

But over the longer-term, we do expect sea freight to continue growing as the world recovers. ■

Braving the storm: A seafarer's story of loss and hope amidst the pandemic

Crew change and safety is one of the biggest topics for the industry today - and for good reason. Seafarers remain at the heart of the industry. Prabhu Silvam speaks to one seafarer who experienced the worst and best of the COVID-19 pandemic.

Seamarer Tan Fu Wei was midway through obtaining a work visa to Brunei in March 2020 when news of a mysterious viral plague knocked the wind out of his sails.

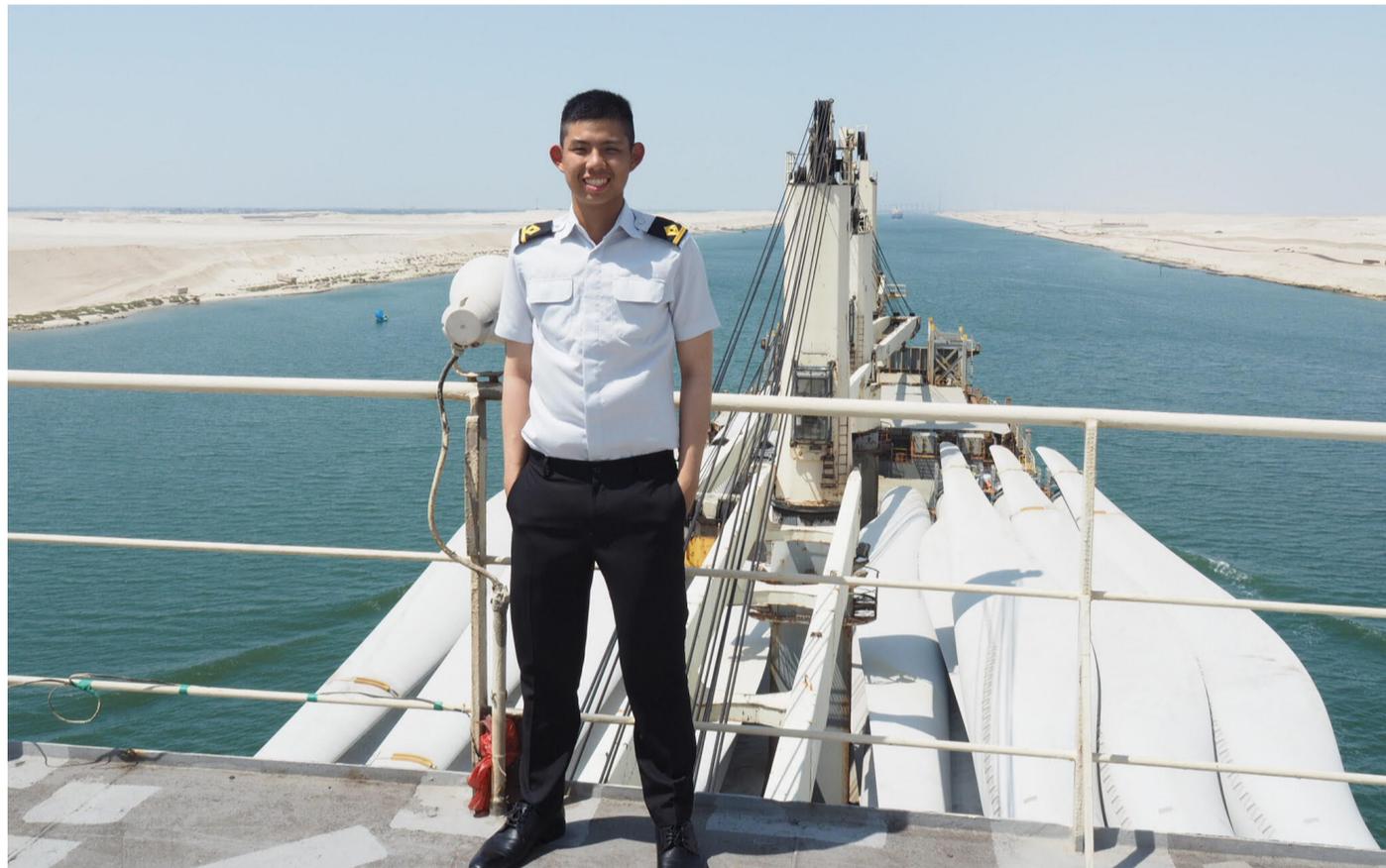
The World Health Organization had declared the novel coronavirus outbreak a pandemic earlier that month. As countries worldwide reported alarming levels of infections, governments shut their borders and the travel industry ground to a halt.

At first, the Third Officer at POSH Fleet Services was optimistic. After all, his company, which specialises in offshore energy operations, had already scheduled him on a work assignment to Brunei. Given the importance of the maritime sector, the 28-year-old was confident that things would eventually go back to normal.

But he had underestimated the severity of the problem. By the end of March, the number of COVID-19 cases worldwide had surpassed 500,000, with the virus killing thousands each day.

That was when reality sank in: His visa would never come.

"With the growing pandemic situation in Singapore getting worse by the day, it struck me that I would be stuck here for a much longer time than I initially expected," said Mr Tan, who usually spent three to four months a year at sea since joining the company in 2017.



PHOTOS COURTESY OF TAN FU WEI

A voyage of uncertainty

The nature of his job meant that Mr Tan was always on stand-by for duty. And in such dire times, turning down a chance to sign on with a ship could mean another indefinite wait for the next opportunity.

So he could only look for part-time jobs that would allow him to leave at a moment's notice. Yet the part-time gig he found at an events company was short-lived. As the number of COVID-19 cases shot up, Singapore announced the cancellation of public events in mid-March.

Then there was the issue of crew change. The restrictions imposed by national health and immigration authorities meant that ships were not able to replenish manpower on board. This was further exacerbated by the suspension of international flights.

"Seafarers onshore were facing the stress of unemployment while those onboard found themselves stuck on the vessel for extended periods," he summed up, adding that some did so voluntarily for fear of prolonged unemployment.

One of his colleagues, who was onboard a vessel from January to July 2020, told him how the entire engine department had to be placed on light duties due to overwork, fatigue and mental stress.

They eventually had to be replaced by the deck crew to ensure that operations could continue without disruptions.

With the help of Maritime and Port Authority of Singapore (MPA), more than 110,000 crew chang-

es have taken place since March 2020, allowing fatigued seafarers to return home.

For Mr Tan, his own reprieve finally came in the form of a job opportunity.

He signed up for an online employment workshop conducted by the Singapore Maritime Officers' Union (SMOU), and landed a job as a safe distancing ambassador under the Singapore Food Agency.

"It was truly heartwarming to know that SMOU cares for its members and does its best to always give aid in any situation."

As the world braces for the new normal, Mr Tan is confident that things will only get better from here.

For one, he has begun sailing again since August 25, 2020. The added safety measures onboard have also given him peace of mind. These include precautions like the use of masks and face shields during docking, social distancing from shore-based personnel and twice-daily temperature checks.

Looking back, Mr Tan believes that having the right support system and people to turn to has made all the difference.

"Being a Singaporean seafarer and a member of SMOU, I was fortunate to have strong support and was able to tide through these difficult times." ■



Creating a smart marine ecosystem

COVID-19 has accelerated digital transformation in the maritime industry. Wärtsilä Voyage's Chris Chung tells Samantha Boh how the global leader in smart technologies will play a part in shaping maritime innovation.

Mr Chris Chung is Director of Ecosystem Development at Wärtsilä Voyage. Wärtsilä is a global leader in smart technologies and complete lifecycle solutions for the marine and energy markets.

What do you see as the most exciting trend in the maritime industry?

The world, in general, is moving towards a future that is increasingly connected. The pandemic has, of course, accelerated digital transformation and created a significant paradigm shift when it comes to challenging the status quo of traditional maritime operations.

There are at least two important ingredients that bring digitalisation and technology together, especially in maritime. The first is connectivity. Much has improved at sea but connectivity is not ubiquitous just yet. However, its pace and maturity are accelerating and going beyond the vessel to support the industry in becoming more digitally enabled across the value chain.

The second is people. Within the industry, progressive companies and port authorities are increasingly bringing in strong digital skills, and becoming more and more open to adopting technologies from adjacent industries. We are seeing a big drive to upskill and cross-skill capabilities, both on the shoreside and on the vessel to enable fleet operations, ecosystem-level optimisation, and increasing automation to enhance safety and reduce crew workload.

What maritime-related projects are Wärtsilä working on currently?

We are transforming how vessels perform their voyages by leveraging the latest digital technologies to deliver step change in safety, efficiency, reliability and emissions.

Examples include Wärtsilä Fleet Operation Solution (FOS) to help customers connect their vessels and enable digital fleet operations. This is particularly useful during the COVID-19 pandemic and creates new ways of working, as FOS unites all navigational processes and voyage data on a single platform. This enables the crew and the operations centre to work as one from any location.

The advanced software allows real-time exchange of information in a secure environment, providing fleet-wide performance optimisation, both to monitor and enable smart real-time routing and just-in-time sailing. This is producing a direct impact on carbon emissions reduction, while reducing operational cost through enhanced efficiency.

We have also been working on intelligent vessel projects and test-bedding to further expand our smart sensing and Wärtsilä SmartMove capabilities. This includes fusing high-resolution near-field sensor technology with navigation and precise vessel control solutions to enhance situational awareness, especially at night or in foggy situations, and to automate ship sailing. This will allow the operators to focus on more demanding tasks.

How does Wärtsilä hope to shape innovation in Maritime Singapore?

We foresee a lot of changes on the horizon, especially in next-generation ports globally. With tightening environmental regulations, sustainability is gaining a stronger foothold in the maritime industry.

As one of the busiest ports in the world, and one

with a progressive regulator and an active maritime ecosystem, Singapore is a great place for innovation. We look forward to working with customers and ecosystem partners on innovation topics, including digital fleet management, just-in-time arrival and departure, along with the secure exchange of ship and shore data.

When a digital ecosystem becomes the industry's preeminent operating model, we expect data analytics and artificial intelligence to play a key role in optimising operations and energy management. In this environment, intelligent vessels will enable automated processes and work together with smart ports to deliver smoother and faster port operations.

Why is this important to you and the Wärtsilä team?

As we all experienced it, the pandemic accelerated change and provided opportunities to adopt new ways of working. Digital transformation will have a profound impact on every organisation.

I expect a smart marine ecosystem to extend beyond ships and moving goods around. For digital innovations to be pervasively adopted and their value fully realised, ecosystem partners must come together with common goals and evolve together.

Maritime Singapore is a great melting pot of technology, skill sets and real-world challenges to drive innovation. Its location in the heart of Asia, access to talent, culture and the capability to collaborate strongly at an ecosystem level will be Singapore's strong enablers for success.