

Leadership Insights

Views from the global business community

Issue no: 21 | June 2023

Decision Maker – Melina Travlos

The Power of People p2

News

Silicon Valley firings pose hiring opportunities p4

Aviation's alternative fuel transition p5

Barbados charts way with Blue Economy Roadmap p5

Seafarers centre stage at major ICS summit p5

News Analysis

Recycling yards face Hong Kong Convention
compliance costs p6

ICS in Action

Governments urged to chart net zero future in July, ICS
Maritime Barometer reveals top risks for shipping leaders,
Ship recycling and STCW updates for new guidance p8

In it together

Melina Travlos, President of the Union of Greek
Shipowners, discusses shipping's need for
collaboration and the power of its people





THE POWER OF PEOPLE

Melina Travlos, President of the Union of Greek Shipowners, discusses her leadership philosophy of putting people first

Q You became President of the Union of Greek Shipowners (UGS) in 2022 during a uniquely challenging time for shipping with regards to the war in Ukraine and the aftermath of COVID. How do you think maritime can best navigate the challenges of a demanding present and an uncertain future?

A Navigating in rough seas is “business as usual” for us. So, we know how to successfully deal with challenges.

However, the outbreak of the COVID-19 pandemic and the war in Ukraine were indeed unprecedented for all. Despite this turbulent landscape, our people, our seafarers, worked tirelessly to keep the supply chains open. Thanks to their professionalism, persistence, and dedication our ships always reach their destination and every citizen in the world has access to food, medicines, energy and all other essential goods.

Our sector is a pillar of stability in a state of flux and has proven its resilience throughout history. We need to make sure the strategic role of our sector is

acknowledged. It is our duty to ensure that. Through collaborative thinking and shared effort among all players within our industry we can successfully overcome whatever hardship the future brings.

Q What advice would you give to maritime leaders also navigating these same challenges?

A We need to remain focused and speak with one voice. Maritime leaders need to adopt a holistic approach, regardless of the shipping segment we serve. We must be able to cooperate in an institutional manner and through our national and international representative bodies, like the ICS, to serve the common and legitimate interests of our sector.

Q What is your leadership philosophy as head of the UGS and what are your priorities for your time as president?

A I am a strong advocate of teamwork. Our mission in the UGS is to serve and protect the common interest of our members to the best of our

ability and we succeed in this through collective efforts. People always were and will always be my priority and hence at the centre of what we do.

At the same time, promoting and further advancing the maritime profession by attracting young talented people and offering them high quality training – is also a strategic priority intrinsically linked with the sector's longevity and success. Maritime know-how is key both at national and at EU level. In Greece we are particularly proud of our seamanship. Our seamanship is our history, it is our culture, and we must safeguard it.

Overall, my vision and prime concern is to highlight in every way the vital role of shipping to every citizen in Greece, the EU and around the world. Since politicians and the wider public do not have a clear perception of its indispensability, it is our duty to educate them accordingly.

Q Turning back to global events, the energy market has experienced unprecedented volatility in recent years. How is Greek shipping stepping in to ensure the supply of oil and natural gas in Europe and worldwide?

A Greek shipping is strategically important for the EU and the whole world as it is pivotal in secur-

ing the countries' supply of energy and all essential commodities from diverse sources and at a low transport cost. Almost 72% of the EU's external trade is carried by ships and 60% of the EU controlled fleet is in the hands of Greek shipowners.

In particular, Greek shipowners control 80% of the EU-controlled bulk carriers, 73% of the EU-controlled oil tankers, 85% of the EU-controlled LNG carriers and 17% of EU-controlled containerships.

The strategic importance of Greek shipping for the EU needs to be further highlighted in all EU policies and regulatory initiatives. The international competitiveness and sustainability of EU shipping must be upheld and safeguarded. Towards that, better coordination among the different competent EU legislative bodies, as well as closer consultation with institutional representatives of our sector should take place in order to take into account the special characteristics and operational needs of ocean-going shipping.

Greek shipping, as the leading shipping power, is committed to the provision of reliable, efficient and green international transport services and it will remain at the forefront of technological advancements.

Q Shipping is also currently at the beginning of a major transformation to using and transporting green fuels. What do you think maritime can do to adapt and achieve net zero emission goals?

A Green technology will lead shipping to the energy transition, but information technology and logistics technology are also vital in contributing to our sector's sustainability. They lead to optimisation and, hence, efficiency, thus also paving the way for the sector's energy transition. Greek shipping has always successfully embraced all available technological tools, enhancing its performance to the benefit of global trade, economy and of course, the environment.

Our industry is committed to the goal of its energy transition and it is already doing a lot working towards this. But shipping cannot achieve its decarbonisation on its own. The sector needs the development, deployment and market uptake of new economically viable and safe zero emission fuels and technologies available worldwide. These are the responsibility and area of expertise of out-of-sector stakeholders, such as energy producers and suppliers, shipyards, marine engine manufacturers, etc., whose commitment to produce them must be secured.

We must not forget that the safety of the crews, of ships, cargoes, property and the environment is a prerequisite for developing and using new fuels and technology. Last but not least, it is essential to retrain the human capital in line with all these developments ensuring their successful adoption.

Since politicians and the wider public do not have a clear perception of shipping's indispensability, it is our duty to educate them



Silicon Valley mass firings pose hiring opportunities for maritime

Massive layoffs in the technology sector from top firms, including Google and Meta, have created a pool of talent for savvy companies to hire from. However, maritime must target its hiring practices and offer attractive job prospects if it is to reap the benefits of workers skilled in big data, AI and future fuels.

In total, about 283,000 people were fired from the technology sector between January 1, 2022, and March 2, 2023, about 68 percent of them in the United States, [according to Statista](#).

Phil Parry, chairman of maritime recruitment company Spinnaker Global said maritime firms seeking to hire ex Silicon Valley workers face competition from other industries. He warned against demanding previous maritime experience "as a prerequisite to any offer of employment".



Thousands of Silicon Valley employees have been fired in recent months. Credit: Photo by Madhur Chadha on Unsplash

Robert Palin, a former Tesla employee and MD of Spaera, a green shipping technology start-up, said Silicon Valley workers could

bring innovative solutions to streamline operations that are still often worked out on paper, like loading ferries. Read more [here](#).



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The Maritime Hub offers state-of-the-art meeting rooms in the heart of the City of London. Unique spaces to meet, engage and collaborate – tailored to your requirements.

Industry leaders puts seafarer skills top of agenda at Manila conference

Maritime leaders convened in Manila in June for the [Shaping the Future of Shipping – Seafarer 2050 summit](#) to prioritise the needs of its workforce and examine the opportunities and challenges facing the world's nearly two million seafarers over the coming decades.

The event, run in collaboration between ICS, IMEC and ITF, with the FSA, convened government ministers and leaders across finance, NGOs, shipping, technology and infrastructure. The agenda prioritised education, capacity-building, recruitment, and retention and just transition strategies.

President Ferdinand Romualdez Marcos Jr commended the event and reiterated his calls for authorities to “work closely with the shipping industry on the upskilling and reskilling of Filipino seafarers to prepare them for the shift of ocean-going vessels from conventional fuel sources.”

Emanuele Grimaldi, Chairman of the ICS board, said: “We’re delighted to have brought together the global maritime community for the first time to remind the world of seafarers’ unique value to society, and to discuss solutions and opportunities for future generations.” Read an in-depth article on the summit in the next edition of *ICS Leadership Insights*.



Aviation is ramping up efforts to use sustainable aviation fuel.

Credit: Photo by Jose Lebron on Unsplash

Aviation’s alternative fuel transition requires cross-sectoral government policy

Aviation is ramping up efforts to use sustainable aviation fuel (SAF) but is calling for a greater diversification of fuel sources and more decisive government policy and incentives to achieve its decarbonisation goals, and to meet forthcoming UK and [EU](#) mandates.

The International Air Transport Association (IATA) [in early June](#) asked governments to provide policy leadership and funding to support the scale up of technologies needed to meet the quantities of SAF required for decarbonisation.

IATA [expects](#) overall renewable fuel production to reach an estimated capacity of at least 69 billion litres (55 million tonnes) by 2028.

Some airlines are entering into contracts with providers to protect their supply of limited global fuel stocks. Commenting on a [deal](#) signed with Shell on 31 May, the Qatar Airways Group Chief Executive, His Excellency Akbar Al Baker, stressed the need “for a more robust SAF supply chain across our global network.” Read more [here](#).

Barbados blue bond to support marine conservation

The government of Barbados is preparing to pour an extra US\$50 million into ocean conservation efforts over the next fifteen years after replacing conventional debt with a Blue Bond. The innovative debt conversion will help the country to extend marine protected areas, supporting biodiversity, boosting climate resilience and safeguarding a key tourism resource.

The financing was developed in cooperation with The InterAmerican Development Bank (IDB) and The Nature Conservancy, with financing arranged by Credit Suisse and CIBC First Caribbean.

A comprehensive marine spatial awareness process will map marine assets and consider stakeholder needs. Ultimately, a key

ambition is to designate at least 30% of Barbados’ coastal waters as protected areas.

Barbados Prime Minister Mia Mottley said: “This will allow Barbados to secure and protect our marine environment and also help us expand our blue economy, both of which are of critical importance to our people and our very way of life.” Read more [here](#).

Recycling yards face compliance costs as Hong Kong Convention ratified



Ship breaking yard in Bangladesh. Credit: PHP

The long-overdue ratification of the Hong Kong Convention creates an urgency for the global ship recycling industry to up its game

Liberia's ratification of the International Maritime Organization's Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships (HKC) was announced on 26 June and kicks off a process that will see the convention enter into force in 2025. However, recycling yards face their own two year journey to reach compliance, as well as the looming challenge of regional regulation in the form of the EU's Ship Recycling Regulation.

Mohammed Zahirul Islam, managing director at PHP— the first shipyard to become HKC compliant in 2017— told ICS that the journey to compliance was a five-year, multi-stage process for PHP.

"We started in 2015 and by 2017 we were able to be compliant across the first half of the yard - around 100,000 tonnes in capacity," said Zahirul. The second phase began in 2018 and was completed in

January 2020, bringing total compliant capacity at PHP to 150,000 tonnes.

ClassNK Corporate Officer Abdul Rahim told ICS that the certification process usually takes one to two years from initial document review through to the onsite inspection; ClassNK has issued statements of HKC compliance to 57 yards globally, 3 in Bangladesh.

Zahirul said the decision to undertake the \$10m investment to reach HKC standards was spurred by talk at international conferences of yards in Bangladesh harming their workers and the environment, and a will to correct that reputation.

PHP has statements of compliance from multiple classification societies and some shipowners choose to go further in their due diligence. NYK has a full time representative at PHP to look at every block

and ensure that operations are HKC compliant, said Zahirul.

Allowing third party representatives on site to verify PHP's recycling methods is a statement of confidence, he added: "This is a strong message to ship owners that Bangladesh is a responsible destination for ship recycling."

With vessels already received from NYK and MOL, Zahirul expects more Japanese owners to recycle vessels at the yard.

Bangladesh ratified HKC on 13 June 2023, and Liberia followed close behind on 26 June. The ratifications now meet the threshold for entry into force; 15 IMO member states representing 40% of merchant shipping by gross tonnage need to sign up to the convention, with a combined annual ship recycling capacity no less than 3% of their combined tonnage. Entry into force will come 24 months after.

"HKC ratification is a blessing for all stakeholders in this field," Mehrul Karim, CEO Kabir Ship Recycling told ICS. "Ultimately the workers' life standards, the

HKC ratification is a blessing for all stakeholders in this field ... Ultimately the workers' life standards, the environment, and future generations will benefit from this

environment, and future generations will benefit from this."

Zahirul said, after waiting 15 years, the final ratification is a "historic moment for ship recycling and shipping world". He added: "It will be historic in the sense that the HKC will make sure shipowners and ship recyclers all have responsibilities and each will have different roles to play so that recycling takes place, sustainably and responsibly. I'm very happy that Bangladesh took the initiative to ratify HKC this year and will pave the way for recycling globally to be more responsible and sustainable. I am excited about the prospect and hope other regulations in place right now will be null and void once the HKC comes into force.

Rahim said that shipping companies will need to "understand and appropri-

ately respond to specific requirements throughout the ship lifecycle" and that the "ratification of the HKC will be a huge boost to the shipping community to go for responsible recycling".

PHP looked into complying with the EU's Ship Recycling Regulation but judged the regulation's rules as unachievable, even for the best recycling yards in India and Pakistan. The losers in the current situation are European shipowners, said Zahirul.

Commenting on the announcement of Bangladesh's and Liberia's ratification of the HKC, John Stawpert, Senior Manager (Environment and Trade) of the International Chamber of Shipping, said: "This marks a sea change for this global industry and confirms that in the near future shipowners will be confident that their vessels will find a safe and environmentally sound destination for recycling. The importance of the Convention entering into force, and what it means for ship recycling worldwide cannot be underestimated".

ICS has recently published the First Edition of its [Ship Recycling Guide](#).

Ship Recycling Guide



Includes comprehensive guidance on the International Maritime Organization (IMO) Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships and explains the differences between the European Union Ship Recycling Regulation and the Hong Kong Convention, ensuring that companies are in compliance with the applicable law.

With practical advice and guidance, this guide will help shipowners, ship managers, crew, masters and chief engineers:

- ✓ Navigate the complexities of maintaining the IHM throughout the ship's life;
- ✓ Prepare a ship for recycling; and
- ✓ Make informed decisions that benefit both operations and the environment;



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ICS in Action

A round-up of ICS news and activities over the last month

ICS is the principal international trade association for merchant shipowners and operators, representing all sectors and trades and over 80% of the world merchant fleet.

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ICS urges governments to chart a net zero future in July

ICS has said governments can chart a clear course towards a net zero future in July during [IMO's MEPC](#), provided they utilise the required tools.

ICS has [submitted proposals](#) to the IMO advocating for the development of a Global Fuel Standard to reduce the greenhouse gas (GHG) intensity of marine fuels, proposing a target of 5% reduction by 2030, followed by further tightening of the standard after 2030. ICS has emphasised the need for an accompanying economic measure on a global scale to incentivise the production and adoption of low and zero GHG fuels.

ICS Maritime Barometer reveals top risks for shipping leaders

ICS has published its [Maritime Barometer Report](#), the first full-scale annual survey of risk and confidence amongst maritime leaders. More than 130 decision makers, half of them shipowners and 35% ship managers, provided insights into the report, divided into two main sections: "top risks for maritime leaders" and "decarbonisation, fuels and emissions".

Political instability was one of the top risks that maritime leaders identified to their business operations in the ICS report.

Ship recycling and MLC updates focus of new ICS guidance

ICS has freshly published two important resources for the maritime industry. The

first is the [Ship Recycling Guide](#). The guide includes the differences between the European Union Ship Recycling Regulation and the Hong Kong International Convention, which [was ratified on Monday 26 June](#), enabling companies to make informed decisions and stay in line with regulations.

ICS has also updated its [Guidelines on the Application of the ILO Maritime Labour Convention, Fourth Edition](#). It addresses new provisions entering into force in 2024, including social connectivity.

Momentum grows for Clean Energy Marine Hubs

The Global Centre for Maritime Decarbonisation (GCMD) [has joined the Clean Energy Marine Hubs \(CEM Hubs\) initiative](#), which aims to advance the production, transport and use of low-carbon fuels by shipping for the entire world to access and use. This collaboration further strengthens the [Coalition Partnership between GCMD and ICS](#), which they signed in April 2022.

GCMD joins the CEM Hubs initiative ahead of its formal launch at the 14th Clean Energy Ministerial (CEM) to be held in Goa in July 2023. GCMD's mission to help accelerate the maritime industry's decarbonisation efforts through its pilots will contribute valuable expertise, data and insights to inform the initiative.

The CEM Hubs initiative was first proposed by ICS and the International Association of Ports & Harbors (IAPH), and is jointly led by an industry task force of CEOs and energy ministers under the CEM.

At the Shaping the Future of Shipping Summit in June, ICS [launched a video](#) to promote the maritime industry and seafaring and aid owners in recruiting new talent. The video features seafarers sharing why they joined the profession, the career opportunities the role offers, what it's like to work and live onboard ships, and the importance of the maritime industry to global trade. Watch the video [here](#).