

CHARTING A COURSE POST COVID-19

A look at the pandemic issues and how the maritime sector will have to change to survive.



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The maritime world has a big part to play once the lockdowns come to an end

The world is now starting to emerge from the lockdowns caused by the Covid-19 pandemic that has caused terminal damage to many industries. Shipping has not escaped the effects of the virus and in this short white paper we are looking at the post-pandemic issues and how the maritime sector will have to change to survive.

There is no doubt that the shipping industry will see a whole new way of operating as the human element of the industry is so vulnerable and affected by the pandemic. Many maritime shipping organisations rely on a combination of digital technology and experienced and knowledgeable people to remain competitive and relevant: but in a world where people will need to be shielded from each other in some circumstances, there needs to be a realignment of the operations we have been used to.

The shipping world has always been seen as the most important element in the global trade and the industry will be at the forefront of the global economic recovery. But we must look into the future and realise that what we have considered as long-term plans may have to be brought forward sooner: this will be a difficult transition period for the global shipping world and one that will require both investment and acceptance of change.

There will be a rationalisation of the shipping world and it is not hard to accept that many ship owners will not be resuming the same operations or business post-pandemic. While this may have an unbalancing effect on the sector in the initial period, it may also provide a welcome adjustment to an industry that was already in the doldrums at the start of 2020. If we see the current situation as a disaster and one without a future, then we will be in danger of letting it slide. What is needed is a plan for recovery and one that takes into account the importance of both the global economy and the health and safety of every stakeholder in the sector.

A SLOW RECOVERY

The global recovery will be uneven and very dependent on the industries and their powers of recovery: this will mean the vital sectors such as food and essential goods will form the basis of the first 'green shoots' along with oil, gas, industrial goods and essential items. This is not hard to understand and as lockdowns end over the next few months, it will mean an uneven recovery in some parts of the world.

Supply chains have continued but on reduced scales and one of the big issues will be that shipping schedules are out of sync and any restarts will require time to regulate shipping and supply chains. In the first few months of restarting regular shipping programmes this will be one of the most difficult issues to deal with but with proper planning, not one that will defeat the shipping professionals.

THE NEW SHIPPING WORLD - a sea change

Without doubt the 'new' shipping world will be one that is more reliant and depending on remote operations, technology and a willingness to accept changes. Much of the shipping world has developed and come to rely on technology but there are still sectors that rely on people as the tools of their operations: these include inspectors and auditors, Port State Control and maintenance engineers and similar, all areas that will need to change under the 'new normals' we will be living with.

People and ship movements have been restricted or even curtailed in light of the pandemic. This has had devastating results particularly on seafarers who have either been trapped at sea unable to leave their vessels or even unable to join their ships in port.





What is also certain is that these changes will be universal despite the often fragmented approach to shipping practiced in the past. The impact of the lockdown will change the shipping landscape and not just in operational aspects.

Artificial intelligence is in use by some ports across the globe aimed at making data-driven decisions and predicting trends and events affecting freight flows and other transport movements. This is the future here and now: ports are already operating with a higher degree of automation and technology than before and shipping will fall into line over the next 12 months. One area that it has reduced human interaction in is in administration and logistic movements and in the short-term health checks, surveys and audits will change to remote applications.

The adoption of Blockchain technology will be predominantly used for supply-chain documentation and financial transactions and as this becomes the normal way of operating post-Covid, ship's officers, port authorities, banks, shippers, customs will all have to adapt quickly to this way of working and enabling transactions. For the shipping sector there will be a greater reliance on issuing flag and class certificates electronically; interviewing personnel and making appraisals; handling remote surveys and ship audits; doing safety audits and surveys; working with seafarers to issue digital passports and liaising with Port State Control to ensure safe and unhindered access and departure from ports.

THE HUMAN ELEMENT - a recognition



Seafarers have been impacted hard by the pandemic - in terms of mental health and operational problems - and they could be one of the early recipients of a new technology driven shipping world. Crew changes have been severely affected by the lockdowns as has the ability to offer inspections and training for crew. Inspections and maintenance also fall into this category but there is a technological solution for inspections and also for the important area of crew training.

The welfare of seafarers and training will become even more important but post-Covid both mandatory and non-mandatory courses for seafarers will be based on e-learning and the issuing of certificates and passports for seafarers will become a digital exercise. This is happening now and has gained both traction and credibility among maritime stakeholders: it will develop even more in the next 12 months.

In the 'new world' that will emerge post-Covid travel is likely to be restricted for many months: this will not interfere with freight movements in the main but there will be substantial impacts on global travel as extra health and immigration checks are introduced; foreign nationals are restricted in their entry and exit from various countries and quarantine restrictions come into effect. One option for crew changes will be to offer local crews and lengthier contracts for seafarers and in some cases, to carry a standby crew onboard vessels similar to the way airlines operate.

REMOTE OPERATIONS - the future is here and now

E-learning, remote surveys and the issuing of electronic certificates are a part of the normal shipping world but will become an even more accepted part of the new post-Covid shipping world.

To deal with these changing ways of working ship owners and operators will need to rely on dependable and reliable concierge services to deliver goods and services locally, particularly if travel restrictions impact on their abilities to travel and supervise these operations directly.

The shipping industry is becoming even more reliant on digital operations and the services ship owners and operators have come to rely on can now be handled digitally. Without any fanfare the shipping sector has embraced digital technology and this has proved to be both reliable, dependable and highly productive.

HOW THE FUTURE WORKS HERE AND NOW

The issues of attendance and accessibility post-Covid pose difficult problems for surveyors and auditors and one of the leading class societies which is undertaking remote survey's currently has found that there have been a number of benefits:

The elimination of surveyor travel time **Reduced logistical costs and time**
Minimized down time **Optimising of scheduling efficiencies**
Increased operational flexibility

Their remote survey program has allowed for the transfer of digital documentation including reports, photos, and videos for non-attendance verification of select surveys. Post-Covid this will become the norm for all class and flag state inspections where it is possible with the added benefit of reducing surveyor logistical costs while improving scheduling efficiencies to diminish operational disruptions.

The types of remote surveys that could possibly be undertaken include:

- **CONCURRENT LOAD LINE**
- **BOILER THREE-MONTH EXTENSION SURVEYS**
- **MINOR DAMAGE and TAIL SHAFT surveys**
- **REMOTE UNDERWATER EXAMINATION OF OFFSHORE UNIT**
- **PREAPPROVAL OF SURVEY PLAN INCLUDING COMMUNICATIONS**
- **SUBMISSION OF UWILD (UNDERWATER IN LIEU OF DRYDOCKING) REPORTING**

THE FUTURE IS HERE - embracing change

Already flags and class societies are offering digital solutions and we work with these organisations to offer these along with a raft of concierge services that reduce the impact of everyday operations on ship owners and operators.

There is no doubt that inspection and survey agencies will embrace technology and there is unlikely to be an acceptance of compromise when it comes to new digital technology. The one area that has always been regarded as sacrosanct and a vital part of ship operations is maintenance. This will change but only in the way it is delivered.

Onboard maintenance by crews will make a return: prior to the pandemic much of this was handled by shore operations. While the use of technology can enable land-based reviews and inspections, the actual work on engines and the vessel itself, while at sea, will be handled by the crew. A good example of the industry returning to an old system backed by the latest digital support. These processes are similar those in the medical field and in these cases leading technical experts from OEM will “video walk through “ship’s crew to handle complex repair or maintenance of machinery and equipment.

The use of remote diagnostics has proven effective and efficient over the past decade and this will continue at a pace in the next 12 months. The use of drones has opened up an even greater opportunity for remote inspections and surveys and we are likely to see an increase in their use for ship to shore deliveries, albeit on a small scale initially. This use of drones has opened up an even greater opportunity to complement this activity by supplying vital high value /low volume spares and components, saving time both time and cost.



THE NEW WORLD IS HERE

The 'new' world of shipping post-Covid will be one embracing technology in even greater ways and supporting seafarers and their services with new technology. The future is here and now and this is evident in the offerings from ship registries, class societies and through the services offered by specialised technical, legal and management service providers in the maritime world.

Ports are also in the change phase and following the pandemic they will need to review and update their testing and quarantine services for seafarers, port workers and visitors from logistic operators and support services.

SUMMARY

Global maritime shipping will not be the same post pandemic: the implementation of remote operations, a greater reliance on technology and a stronger support for seafarers will become the new cornerstones of the industry.

The benefits of technology have long been discussed in the shipping world and it is to the credit of those working in the business that it has been embraced and developed. The future is here and now with ship registry services, regulatory issues, maritime support services and remote operations all based on technology available now.

The pandemic has proved that not in every case is it necessary to have people travelling and performing tasks that can be handled remotely by technology. The shipping world will benefit in the future as much as it has already from this transformation.

In the 'new world' created by the global pandemic there will still be a need for seafarers no matter what technology is developed. This is the moment when the industry will come to accept that real people and technologies can work well together - for the benefit of the whole maritime sector.

GMCG SERVICES

- ◆ GMCG provides concierge services through its loyalty program "Marine Star" to its privileged customers in all major maritime centres across the world.
- ◆ GMCG facilitates remote surveys, electronic certification of ships and seafarers in cooperation with its principals like IRS, PISR, SKANREG and PMA
- ◆ GMCG provides technical consultancy and advisory services for all shipboard systems
- ◆ GMCG supports e-learning and distance learning through its association with various training institutes like GIMET and IRCLASS

TRAINING



GMCG provides class-leading maritime courses covering a wide range of subjects through GIMET - the Global Institute for Maritime Education and Training - based in Romania and offering among a variety of courses including Certificate of Competency; offshore Offshore courses include Stability I and II courses, Barge Master Course, Offshore Installation Manager Course, Offshore safety; Dynamic positioning courses include DP Induction, DP Simulator, DP Sea Time Reduction and DP Refresher courses as well as both STCW and non-STCW courses.

With courses regulated by the IMO, GIMET is leading the way in online training designed in conjunction with leading maritime providers.



**GLOBAL MARITIME
CONSULTANTS GROUP**



Established in 1988, Global Maritime Consultants Group (GMCG) provides expert technical, legal, training and management consultancy for diverse stakeholders in the shipping and offshore sectors.

With offices and agents in over 100 cities and ports around the world, we serve national and international clients from ship builders, owners, agents and seafarers, to offshore operators, to bankers, underwriters and lawyers with an extensive portfolio of professional maritime services.

Our Mission Statement remains:

To uphold exceptional quality of service in delivering progressive and exact professional, technical and operational solutions to the maritime industry.

Values:

MOTIVATION

Supporting all our people to bring energy and enthusiasm to their daily work

OWNERSHIP

Empowering all our people to take ownership of their actions and sharing the fruits of success.

VALUES

Encouraging and rewarding honesty, loyalty, hard work and sincerity.

ENTERPRISES

Empowering and rewarding innovative thinking, and drive to design and deliver services that exceed customer expectations.

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