

SINGHAI MARINE



Chinese Crewing Ready For Global Shipping

Terence Zhao
Managing Director
Singhai Marine Services
1st November 2017, Athens

Lloyds List in 1994

Chinese crew seems not ready in international market

.....

a long way to go

.....

Historically, China has a long and proud maritime tradition

- 111 BCE - Han naval vessels visited other states and the commercial routes eventually became the maritime Silk Route.
- 1405 to 1433 -Zheng He's fleet ruled the waves, bringing glory and riches to the Ming dynasty.
- 15th Century - Re-orientation of the land-based China economy resulted in lower emphasis on the shipping industry.

Chinese Seafarers under the Planned Economy

Chinese seafarers' work and employment relations

- Similar to all state workers.
- Seafarers recruited mostly from coastal areas, trained and allocated to vessels according to the government's plan.

Chinese Seafarers under the Planned Economy

- Maritime industry began becoming internationalizing in 1979.
- First batch of 29 Chinese seafarers were dispatched to join global shipping.
- Start of employment of Chinese seafarers in global shipping.

Chinese Seafarers under the Market Economy

- China's open-door policy and development of market economy in 1992.
- Accelerated the industrial transformation and demand for seafarers.
- Pushed the Chinese shipping industry to a higher plane.

Chinese Seafarers under the Market Economy

- In the last 25 years after 1992, the market economy saw China emerging from a closed and land-oriented economy into a global maritime player.
- Significant increase of merchant fleet.
- Large number of seafarers.

Drastic Increase of Chinese Seafarers to Global Shipping

- From 1992 to 2006,
- There was a 400% increase in the number of Chinese seafarers supplied to global shipping.
- From about 10,000 in 1992, the figure ballooned to 40,000 in 2006

Factors contributed to the Increase of Chinese Seafarers to Global Shipping

- The reconstruction of Chinese seafarers' work environment, labour experiences and employment relations.
- The emergence of hundreds of crewing agencies in China generated more opportunities for Chinese seafarers to work in global shipping

Challenges Faced by the Increase of Chinese Seafarers to Global Shipping

- Majority of Chinese seafarers were employed in various lower positions of the ship hierarchy.
- Remuneration was among the lowest in the global seafarers' market.
- Confronted with the regime of mixed-nationality crew in a Western ship hierarchy system that proved to be a 'culture shock' to many of these Chinese seafarers

Challenges Faced by the Increase of Chinese Seafarers to Global Shipping

- Working environment on board challenging as their senior management team treated them differently.
- The lack of English proficiency is also an important factor affecting Chinese seafarers' negative experiences, feelings and perceptions on board foreign ships.

Challenges Faced by the Increase of Chinese Seafarers to Global Shipping

- Despite challenges, the experiences gained and the learnings and adjustments Chinese seafarers gone through since China's open-door policy and development of market economy in 1992 laid a solid foundation to better position Chinese seafarers in global shipping.

Are We Ready Now?

Yes!

Worries

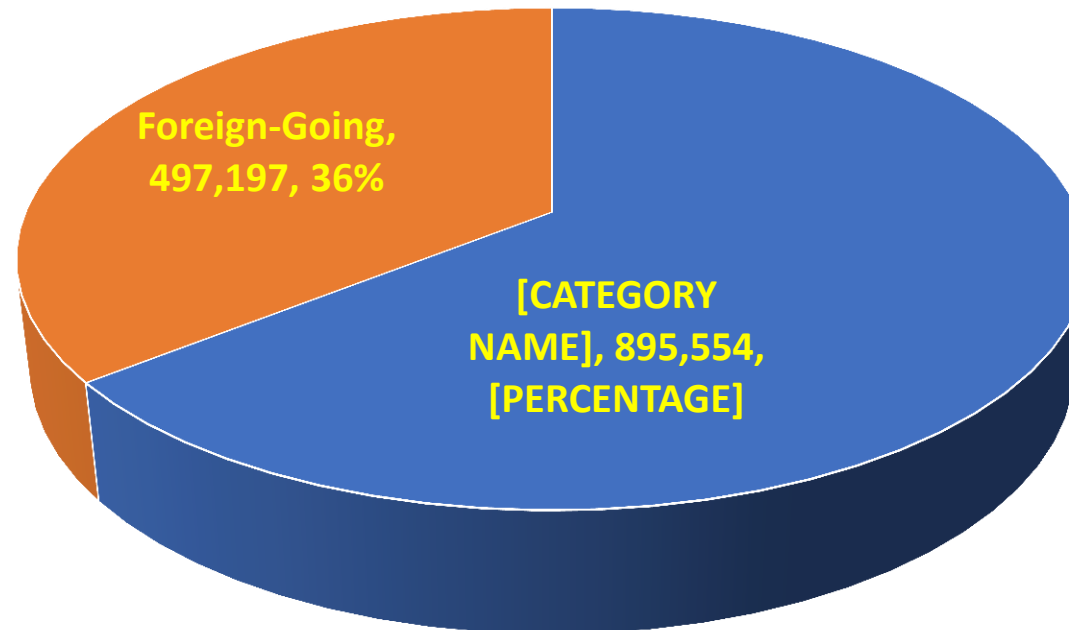
1. System
2. English
3. Culture
4. Cost
5. ...

The Numbers

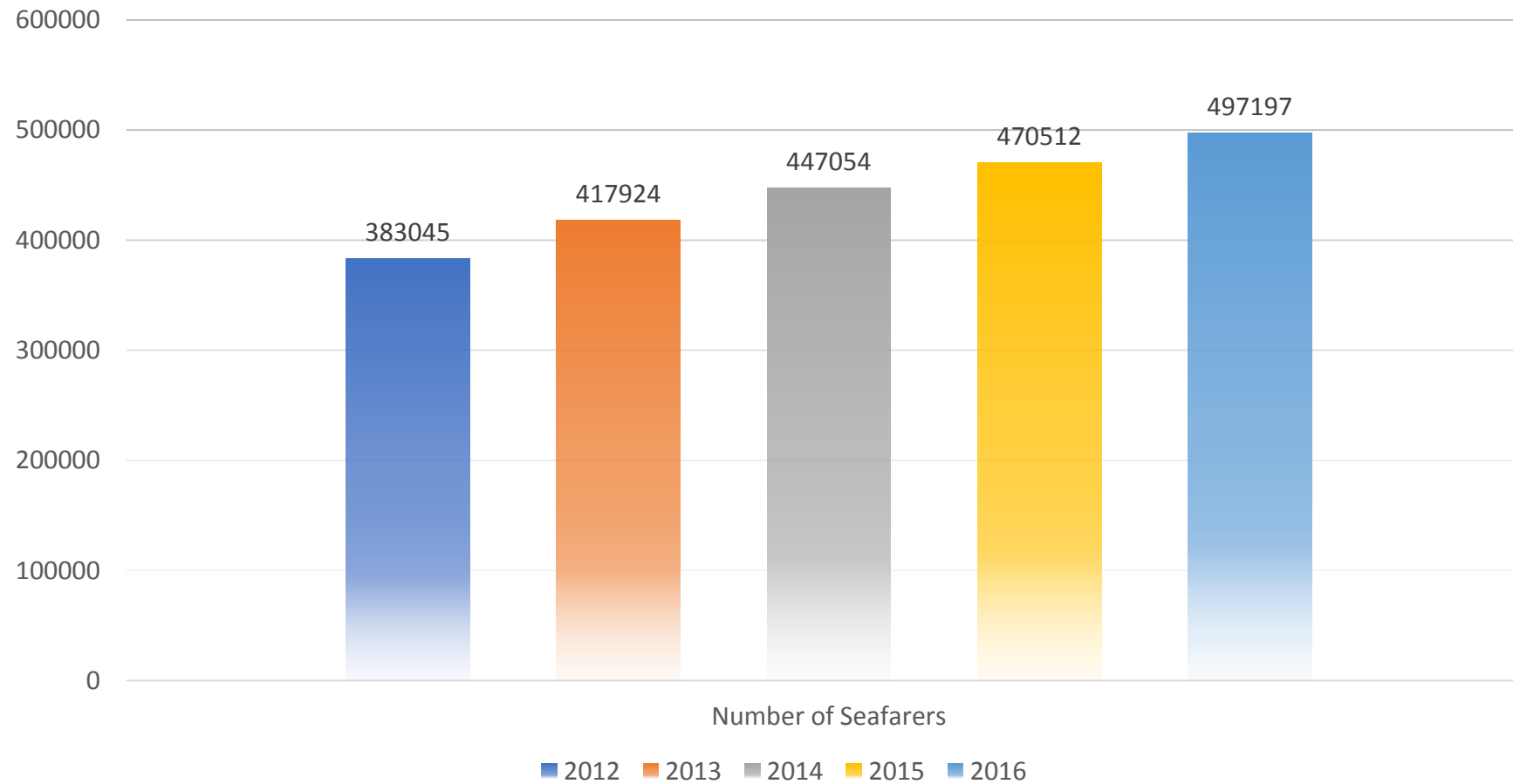
Source: China Seafarers Development Report 2016, MSA

Chinese Seafarers Status

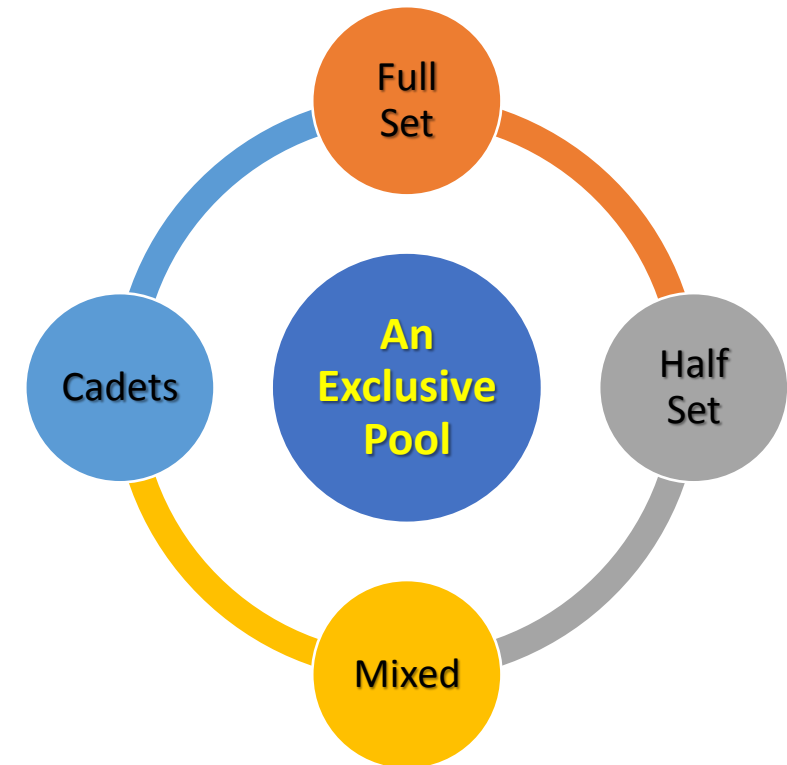
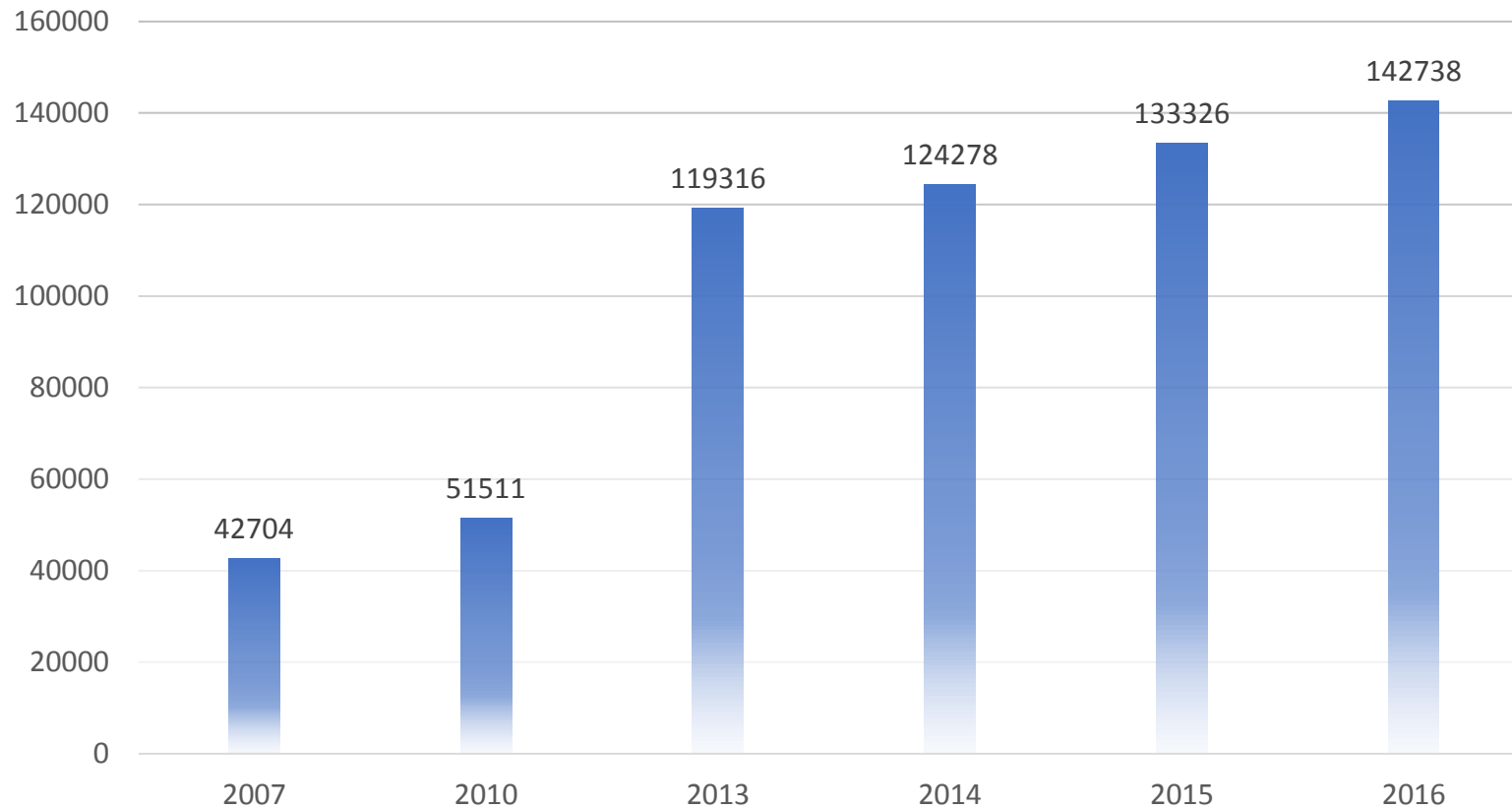
As of end of 2016, the total number of seafarers registered with MSA China stands at 1,392,751.



Number of Registered Foreign-Going Chinese Seafarers (2012-2016)



Number of Chinese seafarers working for non- Chinese flag





BIMCO



MANPOWER REPORT

The global supply and demand for seafarers in 2015

Estimated 5 largest Seafarer Supply Countries



	FOR ALL SEAFARERS	FOR OFFICERS	FOR RATINGS
1	China	China	Philippines
2	Philippines	Philippines	China
3	Indonesia	India	Indonesia
4	Russian Federation	Indonesia	Russian Federation
5	Ukraine	Russian Federation	Ukraine

STCW –

*Fully
implemented*

No	Country	Bilateral/ Unilateral	No	Country	Bilateral/ Unilateral
1	Singapore	B	14	Bahamas	U
2	Malaysia	B	15	Belize	U
3	S. Korea	B	16	Greece	U
4	UK	B	17	Netherlands	U
5	Denmark	B	18	Dominica	U
6	Cyprus	U	19	Norway	U
7	Vanuatu	U	20	Iran	U
8	Panama	U	21	Jamaica	U
9	Malta	U	22	The Federation of Saint Kitts and Nevis	U
10	Antigua and Barbuda	U	23	HK	DIRECTLY ISSUE
11	Saint Vincent and the Grenadines	U	24	Thailand	IN PROCESS
12	Liberia	U	25	Italy	IN PROCESS
13	Indonesia	U			

MLC 2006

ratified 22/11/2015, enforced 22/11/2016



Chinese Seafarers are well taken care of

- ✓ **SRPS** solely responsible for Chinese Crewing
- ✓ **Welfare** Social Security Contribution, “51” System
- ✓ **Training and Certification** MSA supervision
- ✓ **Health** Medical Check-up all over the country
- ✓ **Government** A strong support from

One-stop services: www.seafarers.msa.gov.cn



China Maritime Education and Training

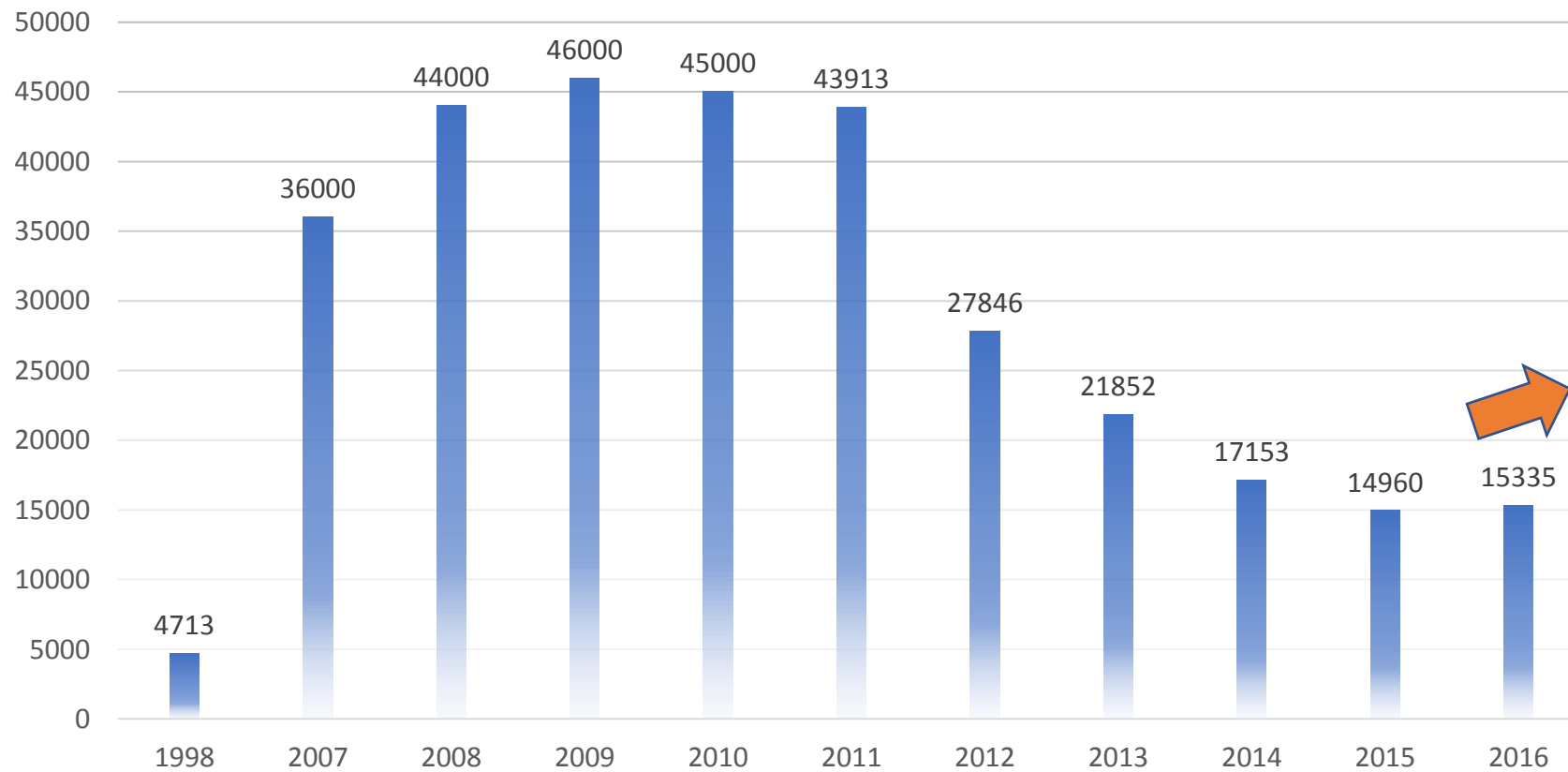
1. 10 over universities, degree cadets

- DMU (Dalian Maritime University)
- SMU (Shanghai Maritime University)
- JMU (Jimei University)
- WUT (Wuhan University of Technology)

2. 30 over colleges, diploma cadets

3. 100 over training centres, providing STCW training programmes

Number of Marine Students Enrolment



Current China Maritime Developments and Seafarers

- **Driven by the Government.**
 - ✓ The establishment and implementation of a whole range of maritime policies and initiatives by China Maritime Safety Administration in these recent years have directly enhanced the acceptance of Chinese seafarers in the global shipping industry.
- **MET in Compliance with International standard.**
 - ✓ Using IMO model courses as reference for seafarers training in China.
 - ✓ Ensure the maritime education and training of Chinese seafarers are consistent with the training standards offered by other countries.
 - ✓ Achieve the common international standards in every aspect of training.

Current China Maritime Developments and Seafarers

- Relaxation of seafarer control protocol such as exit permit and having an online system for certification.
- Ratification of MLC,2006 on 12 Nov 2015 and its enforcement one year after the ratification.
- Commitment to the fundamental rights of seafarers.
- Chinese government's "One Belt One Road initiative" launched in 2013 to develop the Silk Road Economic Belt and 21st Century Maritime Silk Road.
- Incentives for global shipping companies to consider employing Chinese seafarers of international standard.

Strengths of Chinese Seafarers

Majority of the global shipping companies have had very positive experience of employing Chinese seafarers.

- Loyalty - good retention rate
- Technical competencies
- Attitudes towards a seafaring career
- Overall quality

Cost Effective

• Salary

Market driven

• Travel cost

Savings on crew change at China ports

• P&I Claim

much lower than counterpart

SSE (Shanghai Shipping Exchange) Chinese Seafarers Salary Index

中国(上海)国际海员薪酬指数
上海航运交易所2017年6月25日发布

指数	上期	本期	涨跌
中国国际海员薪酬指数	1001.10	1001.78	0.68
高级海员薪酬指数	998.16	998.47	0.31
普通海员薪酬指数	1019.28	1022.28	3.00

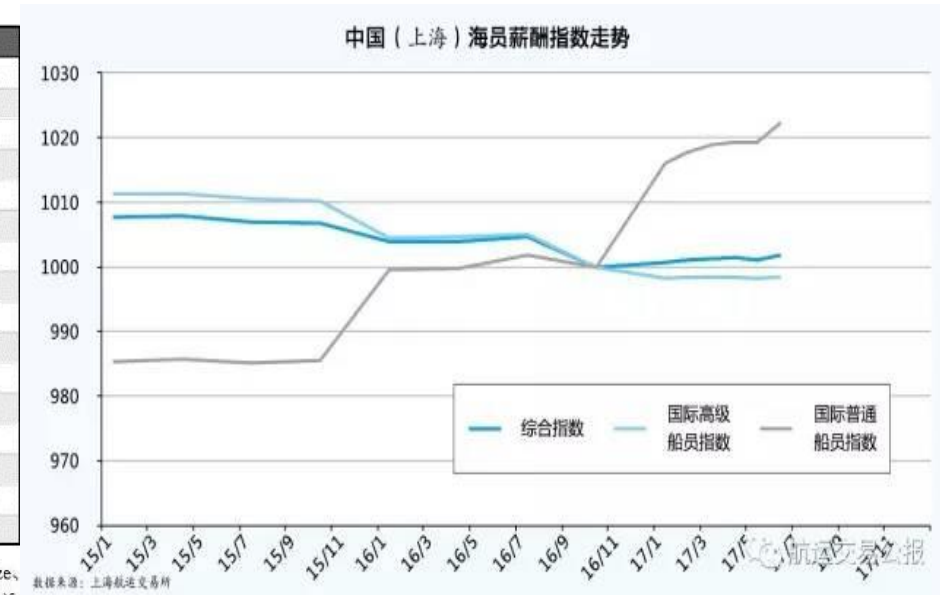
注:基期为2016年第4季度,基期指数为1000点。

中国(上海)国际海员薪酬表
上海航运交易所2017年6月25日发布

职务	集装箱船	干散货船	油轮	化学品船
船长	7571	7238	10073	8983
大副	6459	6238	7811	7635
二副	3359	2504	3578	3255
三副	2485	1431	2767	2191
轮机长	7372	7001	9768	8541
大管轮	6459	6248	7805	7520
二管轮	3359	2650	3600	3148
电机员	3376	2569	3600	3178
三管轮	2568	1437	2750	2157
水手长	1429	1202	1578	1528
机工长	1429	1199	1578	1523
水手	1147	934	1188	1155
机工	1147	934	1188	1155
电工	1392	1313	1875	1578
大厨	1447	1183	1600	1489
服务生	841	596	822	717

注:1.集装箱船样本包括: <8000TEU、8000~15000TEU; 2.干散货船样本包括: Capesize、Panamax、Handysize; 3.油轮样本包括: VLCC、Suezmax、Aframax; 4.化学品船样本包括: 近洋、远洋; 5.薪酬单位为美元。

- ✓ Container
- ✓ Dry Bulk
- ✓ Oil Tanker
- ✓ Chemical Tanker



Conclusion

1. Capability in cross cultural communication

The experience and learning gained by Chinese seafarers working on board foreign ships over the past 25 years have provided Chinese seafarers a better understanding of global shipping and shifted their perception about working on board foreign ships thereby enhanced the comfortability of Chinese seafarers employed by global shipping.

2. Internationalization

The internationalization of maritime education and training and the pro-seafarers' maritime policies and initiatives in China do encourage free movements of Chinese seafarers of international standard to be employed by global shipping.

Conclusion

3. Market Driven

With the supply of Chinese seafarers to global shipping becoming a norm in the China seafarers' market, more and more Chinese seafarers would be exported.

4. Overall quality

The reputation of Chinese seafarers has improved significantly over the years. With many foreign ship owners/managers having positive experience employing Chinese seafarers, more Chinese seafarers would be demanded by the global shipping.

Conclusion

5. The volume

China has become the largest seafarers supplying country in the world for officers and second in the world for ratings.

6. Human Resource Capital for international shipping industry

There is still untapped potential and possibility to provide more seafarers to global shipping and be further entrenched as the human resource capital of the global maritime industry

A Leading Chinese Crewing Service Provider



Our Credentials



	
海 员 外 派 机 构 资 质 证 书 Qualification Certificate for Seafarer Recruitment and Placement Service	
证书编号 (Certificate No.): HYWP02001	
机 构 名 称	上海森海海事服务有限公司
英 文 名 称	SINGHAI MARINE SERVICES (SHANGHAI) CO., LTD
机 构 地 址	上海市浦东新区浦东大道2000号阳光世界18楼G-H室
法 定 代 表 人	赵玮
组 织 机 构 代 码	77372909 -8
经 营 范 围	为外国籍或港澳台地区籍海船提供配员, 代理外派海员办理申请培训、考试及申领相关证书。
有 效 期 限	自 二〇一二年一月二十一日 至 二〇一七年一月二十日
注: 证书的有效性从下年度。	
 签发机关 (印章) 二〇一二年一月二十一日	

First Chinese Company to obtain the Seafarer Recruitment and Placement Service from the China MSA on 21 January 2012.

Key Statistics

2

Main offices
Shanghai & Singapore

5

Recruitment Offices in
China & Myanmar

128

Employees

4000+

Seafarers

300 +

Cadets recruited
annually

1

New Crew / Training
institution in YANGON

Singapore (Nantong) International Maritime Training Institute

SNIMI

- Polishing the uncut diamonds

Maritime Officers Courses:

- » Maritime Enhancement Training Program for Officers
- » Maritime Enhancement Training Program for Cadets
- » Maritime English Training for Officers
- » Competencies Training for Deck Officers at Management Level
- » Competencies Training for Marine Engineers at Management Level
- » Competencies Training for Deck Officers at Operational Level
- » Competencies Training for Marine Engineers at Operational Level
- » Bridge Resource Management (BRM) & Bridge Team Management (BTM) Course
- » Engine Room Team Management (ETM) Course
- » Combined Engine Room Resource Management (ERM) & Engine Room Team Management (ETM) Course
- » Command Assessment Programme (CAP)
- » Electronic Chart Display Information System (ECDIS) Course
- » Specialized Training For Liquefied Gas Tankers
- » International Maritime Dangerous Goods (MDG) Code Course
- » Shiphandling Training Course
- » Maritime Security Course
- » Maritime Security Train-Of-Trainer Course
- » Company Security Officers (CSO) Course
- » Ship Security Officer (SSO) Course
- » Maritime Labour Convention (MLC) 2006 Awareness Training Programme
- » Training Course for preparation and internal inspection on the application of MLC 2006
- » Training of Trainer Course for Maritime Labour Convention (MLC), 2006



Singapore (Nantong) International Maritime Institute

中新国际海事培训中心



The Preferred
World-Class
Maritime Institute

Valued-added Training catering to officers, cadets and ratings
Training courses are conducted in English
since 11/11/2011





Our Training Services

Modern and Fully Equipped Classrooms and Workshops

ECDIS Simulators

Full Mission
Shiphandling

Full Mission
Engine Room

Our Training Services

State-of-The-Art Training Facilities



SINGHAI MAJOR CLIENT LIST



Singhai is currently serving more than 40 ship owners and managers with an annual supply up to 4,000 seafarers for various types of vessels including oil tankers, chemical tankers, LPGs, LNGs, bulk carriers, containers, offshore vessels, cruise vessels, etc.

				
AET Tankers Pte Ltd	Aida Cruises	Associated Maritime Company (HK) Ltd	APL	BW Fleet Management Pte Ltd
				
Columbia Shipmanagement Pte Ltd	Costa	EPIC Shipmanagement Pte Ltd	Hong Lam Maritime Pte Ltd	Hai Soon Shipmanagement Pte Ltd
				
Hilong Group of Companies	Komaya Shipping Co., (Pte) Ltd	MAERSK Tankers	MISC	Nathalin Offshore Pte Ltd
				
Ocean Tankers (Pte) Ltd	Orient Overseas Container Line Ltd	Posh Fleet Services Pte Ltd	PACC Ship Managers Pte Ltd	Parakou Shipmanagement Pte Ltd
				
Pacific Radiance Ltd	Princess Cruises	Raffles Technical Services Pte Ltd	Rich Source Financial Leasing	Royal Caribbean
				
SapuraKencana TL Offshore Sdn Bhd	S. B. Submarine Systems Co., Ltd	SinoTrans	Sinopec	SITC International Holdings
				
Skysea Cruise Line	Star Cruises Pte Ltd	Stellar Shipmanagement Services Pte Ltd	Swire Pacific Offshore Operations Pte Ltd	THOME Ship Management Pte Ltd
				
Tidewater Marine International Pte Ltd	Transnav Shipmanagement Pte Ltd	Unitam Marine Limited	Wilhelmsen Shipmanagement Pte Ltd	Shanghai Run Yuan Shipping Management Co Ltd

Ευχαριστω

谢谢