

**OPENING REMARKS BY MR CHEE HONG TAT, SENIOR
MINISTER OF STATE FOR TRANSPORT AND FOREIGN
AFFAIRS
IMO-SINGAPORE “FUTURE OF SHIPPING” WEBINAR ON
DIGITALISATION
8 OCT 2020 5PM**

Mr Kitack Lim, IMO Secretary-General,

Dr Heike Deggim, IMO Maritime Safety Division Director,

Distinguished guests,

Ladies and gentlemen,

Introduction

1. I took on the maritime portfolio in late July, less than three months ago, in the midst of a global pandemic. Since then, my colleagues and I have been engaging the maritime industry and working with stakeholders on urgent issues such as crew change, to support the industry to tide over this crisis.
2. COVID-19 has disrupted many industries, including the maritime sector. Business was impacted as manufacturing output dipped and affected the global economy. Port and

shipping operations that required human contact were disrupted due to public health requirements.

3. COVID-19 will be a long battle. Some of the adjustments will be temporary, but there are structural shifts which will last beyond the crisis. One of these is digitalisation.

Importance of digitalisation

4. Digitalisation can lead to significant cost savings and better environmental outcomes.
 - a. The World Economic Forum estimates that document processing accounts for 20% of total transportation costs within global trade.
 - b. These costs can be greatly reduced or even eliminated with digitalisation, leading to higher productivity and better competitiveness.
 - c. Digitalisation can be good for the environment too, by reducing paper documents and lowering carbon emissions by cutting down on waiting time for vessels at

anchorages, and improving maintenance schedules to improve fuel efficiency.

5. Digitalisation is also key to business resilience, as we have witnessed during this pandemic.

a. Data visibility and exchange allow port operators and users to obtain critical data in advance, and make quick interventions when things go wrong.

b. One important issue my colleagues and I had to tackle was crew change: how do we facilitate crew change to keep supply chains flowing, while balancing public health concerns? One measure we adopted was telemedicine. Doctors now can certify crew to be fit-for-travel via video-consultations, while the crew are on-board vessels. Together with the industry and unions, we have made some changes in recent weeks to facilitate more crew changes in the Port of Singapore.

6. Digitalisation is pro-business, and it can also be pro-worker. Instead of worrying about how digitalisation will displace jobs and replace workers, a more likely scenario is that

technology will augment human workers and enable the maritime industry to create better and higher-value jobs. Manual jobs will be redesigned to become safer, with higher skills and consequently offer higher pay.

Importance of IMO's Leadership

7. Supply chains are getting more complex, involving many parties and spanning multiple countries. Shipping is a global industry that carries 80% of the world's trade. Digitalising shipping offers many opportunities for enhancing global trade and will require all stakeholders to come on board.

Standards and regulations setting

8. Digitalisation across global supply chains is a mammoth task, and IMO has a vital role to play in this transformation. The IMO is where Member States come together, in consultation with industry and stakeholders, to set regulations and standards for the maritime community.
9. IMO has been working steadily over the years to promote digitalisation.

- a. It provided guidelines for setting up maritime single windows in 2011, electronic certificates in 2014 and maritime cyber risk management in 2017.
- b. Just last year, IMO has mandated all parties to the IMO's Facilitation Convention to introduce electronic information exchange between ships and ports. This is a crucial step to reduce the administrative burden for maritime trade and reduce turnaround time at ports.
- c. Moving forward, the IMO will continue to work on harmonisation and standardisation of electronic messages, so that data exchange between ships and ports around the world can become more seamless. Discussions are also continuing on autonomous vessels and e-navigation.
- d. Member states' participation in these discussions are crucial to ensure that the guidelines set remain relevant for the global maritime community.

Capacity building

10. The digital supply chain is only as strong as its weakest link.

We must ensure that all Member States are able to tap on the opportunities that digitalisation offers.

11. Here, IMO helps member states build capacity where needed.

a. IMO conducts technical cooperation activities such as national and regional seminars on the FAL (Facilitation of International Maritime Traffic) Convention and the single window concept.

b. IMO facilitated a project where Norway assisted Antigua and Barbuda to establish a maritime single window with in-kind and financial support. This was completed in 2019.

How Singapore can contribute

12. Digitalisation is a national imperative for Singapore, to help us overcome our inherent constraints in size and resources.

Digitalisation at government and industry levels

13. At our port, the Maritime and Port Authority of Singapore (MPA) rolled out DigitalPORT@SG™ to digitalise port processes. Phase 1 of this project, which was launched in 2019, streamlines all vessel, immigration, and port health clearances on one single portal, saving the industry 100,000 manhours annually. Phase 2, which will be rolled out next year, will enable just-in-time marine services for vessels calling on Singapore port, based on real-time data. Through these enhancements, we hope to save vessels up to 2 days in turnaround time at our port.
14. The industry is a key driver and critical partner in our digitalisation efforts. Our port operator PSA developed CALISTA, a digital platform that integrates physical cargo flows, financial flows and regulatory flows related to maritime trade. The platform has received strong support from shipping lines, and also maritime technology companies.

Collaborating with the rest of the world

15. We are a firm supporter of international collaboration. For example, we formed a Maritime Autonomous Surface Ships Port Network (MASSPort) to work with likeminded ports on standards that will enable autonomous vessels to communicate with ports. Singapore has also embarked on the DigitalOCEANS™ effort to set common data standards and Application Programming Interfaces to exchange data with ports globally to improve efficiencies in port clearances. The goal is to reduce repetitive and manual form filling at different ports along trade routes. A shipmaster or an agent will only have to submit port clearance documentation once, and the relevant data will be automatically conveyed to the next port of call.
16. As the busiest transshipment port in the world, Singapore is also ready to serve as a test-bed for new initiatives and ideas from the global maritime community. We welcome port authorities and companies from around the world to partner us on this journey.

Support for IMO

17. Even as we seek to accelerate change, Singapore will continue to support IMO and Member States in their digitalisation efforts.

a. We will participate in the discussions at IMO and its various Committees, and share our experiences.

b. MPA Academy will also include lectures and courses on digitalisation in its flagship programmes, to benefit the global maritime community.

Conclusion

18. I look forward to learning new perspectives and ideas on how we can work better together to drive digitalisation, so that the global maritime community can become more competitive and productive after the pandemic. Let's make full use of the opportunities provided during this crisis to enhance our processes and transform our companies.

19. With that, I wish everyone a fruitful webinar today. Thank you.