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## *Ceylon* **CINNAMON**

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AS A **MARITIME HUB**

In conversation with  
**Capt. NIHAL KEPPETIPOLA**  
Chairman Sri Lanka Ports Authority



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# Ceylon CINNAMON

## THE SPICE THAT LAUNCHED A THOUSAND SHIPS

06

A peacock flew among the cinnamon bushes as we embarked on an exploration of the lush plantation, atop the Mirissa Hills. Surrounded by fauna and flora and soaring above the Weligama Bay, the sixty acre property is a tropical paradise within the paradise isle.

## SEAFARING: A KEY FOREIGN EXCHANGE EARNER *to* SRI LANKA

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Since ancient times, Sri Lanka attracted many sea travelers from other countries due to its strategic location. Further, Sri Lanka being an island, the only access available for all such travelers was the sea which also contributed to the development of trade.

## SRI LANKA: STRATEGICALLY POSITIONED TO SERVE BURGEONING GLOBAL MARITIME SECURITY TRADE

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Last week's incident in which a drone attack to the 'Mercer Street' left two of its crew dead proves the paramount need of Maritime Security. Similar to any industry today, the maritime industry is no less dynamic and pioneering. In recent years the industry has witnessed ground-breaking innovative changes with more focus on the nascent Maritime Security sphere.

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Chairman Sri Lanka Ports Authority.

# SEAFARING: A KEY FOREIGN EXCHANGE EARNER *to* SRI LANKA



Capt. Ajith Peiris



Prof. (Dr.) Lalith Edirisinghe



Since ancient times, Sri Lanka attracted many sea travelers from other countries due to its strategic location. Further, Sri Lanka being an island, the only access available for all such travelers was the sea which also contributed to the development of trade. The Portuguese, the Dutch and the British invaders who came under the guise of traders ruled then Ceylon from the 16th to 20th century. The other countries such as France, Spain and Netherlands used their naval power to rule invading Asia and Africa and spread their languages, religions and cultures which later became subcultures of the invaded nations. It is significant to note that approximately 85% of the world trade is transported by sea, today. When huge loads of goods are transported, the sea transport has become the preferred mode. All countries usually use shipping to transport cargo at lower cost. The vessels used for transportation consists of dry cargo vessels (such as bulk carriers, general cargo), fluid carriers (product carriers, oil tankers, gas carriers), passenger ships, container ships, reefer ships, Ro-Ro ships and special vessels (built to carry a specific type of cargo such as paper, livestock carriers). Nevertheless, sea transportation comes with its inherent risks and issues. It is relatively the slowest of all modes of transportation and gets exacerbated due to several unforeseen delays that occur at ports, storms, and adverse weather conditions in the sea.

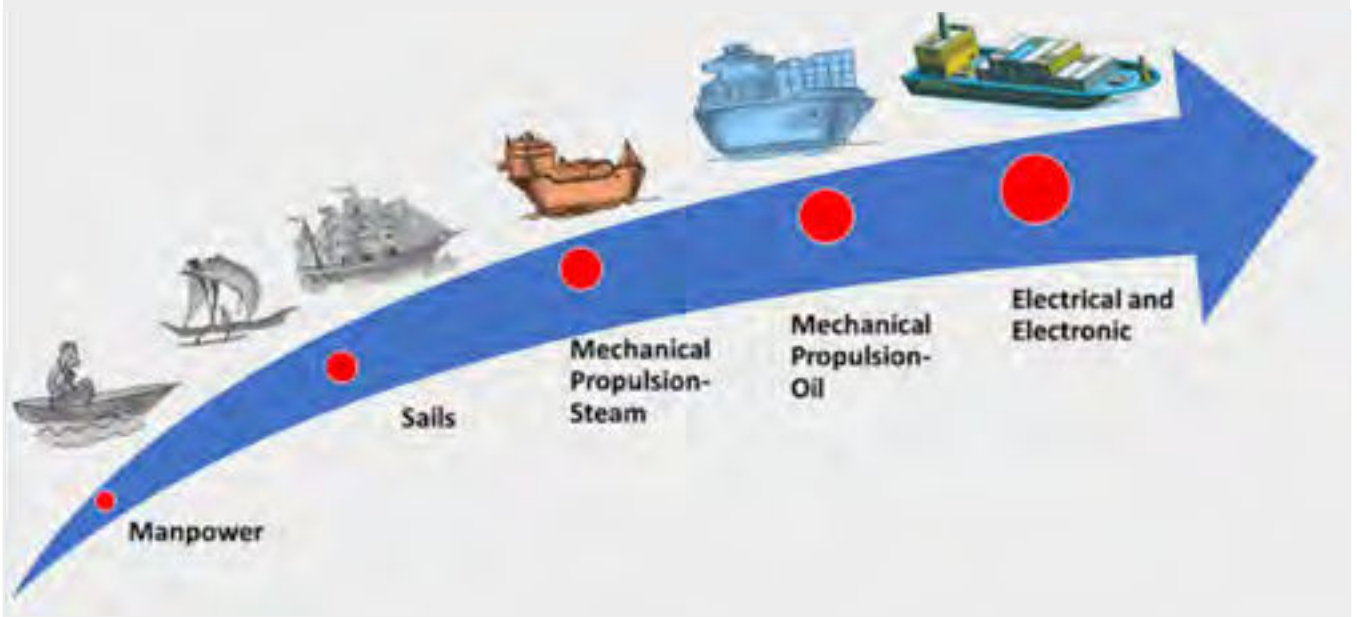


Figure 1: Systematic transformation of seafarers' job role and skills demanded

The existence, development and progress of international trade and shipping has taken place as a derived demand of international trade. The construction of spacious ships paved the way to increase world transport tonnage while gaining the scale of economies in the context of economics. The sophistication of ships from manpower to electrical and electronic is illustrated below.

As shown in the above illustration, maritime transport was a highly labor-intensive industry in the past. For example, when human labor was used to propel a ship, it needed many crew members. To control such a group, effective and efficient management strategies were used. In the present-day context, to drive the maritime seaborne sectors, it is imperative to have a competent and skilled pool of human resources. International Chambers of shipping estimate declares that there are 1,647,500 seafarers in the world [1] of which there are only about 16,000 active seafarers in Sri Lanka who account for 1 % of the world seafarers pool. However, these 16,000 seafarers bring in about USD 300 million per annum as foreign currency to the country.

Ceyline / CINEC highlighted this opportunity and discussed the above matter with the Hon Minister of Ports and Shipping who will take the initiative to draw up a proposal with the Cabinet

of the government to approve a project to increase the pool of active seafarers from the existing 16,000 to 50,000 within a period of 5 years.

CINEC has been a pioneer training seafarers and is the leading Maritime Training Institute (MTI) in Sri Lanka that conducts maritime training programs at all levels (support, operational and management) and the only such MTI in Sri Lanka to conduct Management Level (Captaincy, Chief Officer, Chief Engineer, Second Engineer) programs. CINEC is the only MTI in the world to manage MTI's of two other countries namely the State MTI of Seychelles since 2013 and Fiji since 2014.

It's significant to note that the seafarers are paid fairly higher attractive salaries. So an increase of seafarers' pool from the existing 16,000 to 50,000 will in turn increase the foreign currency earnings from the current USD 300,000 to USD 1 billion. The planned endeavor will not only contribute to foreign exchange earnings but also address a social issue in the country. At present, there is a higher percentage of unskilled women who seek employment in the Middle Eastern countries as domestic workers to earn a very low salary. When mothers are compelled to leave children to economically support families, it disrupts secure home environment for children. However, sending trained and skilled workers on ships not only generates higher earnings, but also

complements the income earned sending unskilled women to Middle-East countries and drastically reduce child abuse that takes place in the absence of their mothers.

The newly formed association in the maritime sector, the Association of Seafarer Recruiting Agents (ASRA), is a timely initiative and will lead a Public/Private Sector Project (PPP) to embark on a task to increase the employment of Sri Lankan youth on ships. The purpose of forming ASRA is to encourage its members to explore and increase the employment opportunities to the Sri Lankan youth on foreign ships and to be the voice of the seafarer manning industry and to represent matters related to the seafarer recruiting industry to the relevant authorities, associations, and the Sri Lankan Government [2].

It is imperative that providing high quality training is the key for better employment opportunities on foreign ships. The good news is that Sri Lankan sailors are popular among reputed foreign shipping companies. With more focused training and educational approach, even the youths in rural areas of Sri Lanka can be trained to join this lucrative field and earn good salaries bringing in foreign currency.

Policy makers in Sri Lanka need to identify the potential in maritime training and education. They also need to be aware that International



Figure 2: The hybrid seafarer training includes well-equipped virtual environments and are ready to take any challenges at sea

Convention on Standards of Training, Certification and Watch keeping for Seafarers, 1978, or the STCW Convention requires that training and assessment of seafarers are administered, supervised, and monitored in accordance with the provisions of the STCW Code; and those responsible for training and assessment of competence of seafarers are appropriately qualified in accordance with the provisions of the Code[3].

As reflects in Figure 2, the seafarer training should include well-equipped virtual environments to prepare trainees to take up any challenge at sea. The training of seafarers has been designed to impart knowledge, understanding and make the trainees acquire the essential competencies where to perform a range of duties concerned with the operation and upkeep of the vessel, its equipment, and its operations. They require mastering all skills associated and prescribed in their rank.

The theme of the World Maritime Day 2021 is linked to the United Nations Sustainable Development Goals (SDGs), particularly SDG 4 on education and training; SDG 8 related to decent work; SDG 9 on innovation and industry that relates to the promotion of a resilient maritime sector; and SDG 5 on gender equality is linked to efforts to promote seafaring as a career for all, including particularly women [4].

The importance of exploring other competitive areas such as systematic capacity building for training and development in maritime sector has become critical under these circumstances. The efforts should not only expand training facilities in the maritime sector but also should encourage the younger generation to join hands with the industry. In this regard, social awareness for maritime and shipping education at pre-secondary level education would be essential. It may be timely for the respective ministries to make consolidated efforts in developing academic curriculum. This will undoubtedly facilitate vertical integration between school-university-industry which is of critical importance for the development of Sri Lanka

International Maritime Organization (IMO) has decided to make 2021 a year of action for seafarers who face unprecedented hardships due to the COVID-19 pandemic considering their vital role as key workers for global supply chains. Mr. Kitack Lim, the Secretary General, at IMO, says "Seafarers have always been at the centre of all our work - be it in the area of safety, maritime security, or environmental protection" [5]. The United Nations General Assembly (UNGA) comprising of 193 member states has by consensus, adopted a

resolution on 1st December, calling all nations to co-operate and help designate seafarers as key workers, a group who has been greatly impacted by the COVID restrictions placed worldwide, making crew changes and repatriation of seafarers have been increasingly logistical challenges for all involved [6].

The World Maritime Theme for 2021, "Seafarers: at the core of shipping's future" seeks to increase the visibility of seafarers by drawing attention to the invaluable role they play now and will continue to play in the future. The focus on seafarers comes as the COVID-19 pandemic has placed extraordinary demands on seafarers, with hundreds of thousands of men and women stranded on ships for months beyond their original contracts, unable to be repatriated due to national travel restrictions. Throughout the year, the World Maritime Theme will also put the spotlight on other issues related to the human element of shipping, including the safety and security of life on board ships, seafarers' well-being, and the importance of ensuring an appropriately trained and qualified workforce, ready to meet the challenges and opportunities of digitalization and automation.

[1] ICS, "Shipping and World Trade: Global Supply and Demand for Seafarers," ICS, [Online]. Available: <https://www.ics-shipping.org/shipping->



Figure 2: Future seafarers of Sri Lanka on a site visit to CINEC Campus

fact/shipping-and-world-trade-global-supply-and-demand-for-seafarers/. [Accessed 23 07 2021].

[2] DailyFT, "Association of Seafarer Recruiting Agents holds first Executive Committee meeting," 08 02 2021. [Online]. Available: <https://www.ft.lk/shippingaviation/Association-of-Seafarer-Recruiting-Agents-holds-first-Executive-Committee-meeting/21-712757>. [Accessed 26 07 2021].

[3] IMO, "Maritime Training Institutes," 2021. [Online]. Available: <https://www.imo.org/en/OurWork/HumanElement/Pages/MaritimeTrainingInstitutes.aspx>. [Accessed 20 06 2021]

[4] United Nations, "World Maritime Day = 30 September," 2020. [Online]. Available: <https://www.un.org/en/observances/maritime-day>. [Accessed 13 03 2021].

[5] www.imo.org, "World Maritime Theme 2021," 2020. [Online]. Available: <https://www.imo.org/en/About/Events/Pages/World-Maritime-Theme-2021.aspx>. [Accessed 01 03 2021].

[6] A. C. Foo-Nielsen, "UN adopts resolution to designate seafarers as key workers," 2 12 2020. [Online]. Available: <https://www.bimco.org/news/ports/20201202-un-general-assembly-seafarers-key-workers>. [Accessed 5 07 2021].

## ABOUT AUTHORS

### CAPT. AJITH PEIRIS

A Master Mariner who began his career on an Indian State training ship 'Rajendra' in 1974 on a scholarship received from Ceylon Shipping Corporation. After completion of training in 1976, he joined the Ceylon Shipping Corporation fleet and sailed in all ranks ranging from Cadet to Ship Captain before joining a German Shipping Company. He qualified as a Master Mariner and was appointed Captain of a foreign going (Class I) ship at the age of 28 years. He served as a member of the Committee appointed by His Excellency the President on Maritime Affairs in 2009/2019. He also served as a member of various key positions including, Advisory Board appointed by the Minister of Ports & Shipping; Select Committee on Maritime Affairs of Ceylon Chamber of Commerce; and Advisory Committee of CASA. He is the founder Chairman, Association of Seafarers Recruiting Agents (ASRA). Capt. Ajith Peiris is currently the Executive Chairman of Ceyline Group of Companies, and Chairman/President of CINEC Campus.

### PROFESSOR (DR.) LALITH EDIRISINGHE

Professor Edirisinghe commenced his career in 1981 as a Cadet Officer in Merchant Navy. He counts 38 years work experience in the corporate sector including Ceylon shipping Corporation and Board of Investment of Sri Lanka. He is an Expert- Consultant in Transport and Logistics appointed by the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP). He holds a PhD, in Transportation planning and Logistics Management. He is a Chartered Logistician and Chartered Marketer and an office bearer of the Sri Lanka Society of Transport and Logistics, University of Moratuwa. CINEC and Professor Lalith Edirisinghe were instrumental in establishing Logistics as a part of school curriculum in Sri Lanka. He is the author of first logistics textbook and shipping textbook written in Sinhala introducing many theoretical models in shipping and developed new theories and concepts in transport. He was the project Chairman of the first ever National Logistics Awards 2018 conducted by Chartered Institute of Logistics and Transport Sri Lanka and currently serve as the Chairman of the Panel of Judges in the National Logistics Awards 2021 organized by the Sri Lanka Freight Forwarders Association commemorating its forty years of services. Prof. Edirisinghe is a past student and a Prefect Teacher of Ananda College, Colombo and at present, he is the Dean of Faculty of Management and Social Sciences and the Head of Higher Education Society Linkage Cell of CINEC Campus.