



# Baltic Ports Conference 2017

by Andrzej Urbaś

**The ever-changing landscape of the port industry – with its unique set of regulations, technological advancements, and market dynamics – will be at the heart of the annual meeting of the Baltic Ports Organization. Held this year (September 7<sup>th</sup>-8<sup>th</sup>) in Trelleborg, Scandinavia’s largest ferry seaport and home to the rich heritage of the Viking Age, the Baltic Ports Conference (BPC) is a must-attend event for ports of today to learn how to become ports of tomorrow.**

**T**he Baltic Sea region has been long recognized as a leader in the implementation of and compliance with a broad variety of environmental regulations, while its seaports strive at going beyond the minimum. Therefore, the two main themes of this year’s BPC – “future” and “green” – go hand-in-hand, as the organization firmly believes that one is the essence of the other, and vice versa.



Photo: Port of Trelleborg

## BPC 2017: SHAPING THE PORT INDUSTRY OF TOMORROW

### Day 1

- Keynote speeches**
  - The changing political landscape across the Baltic and Europe
  - MoS Programme – recent status and planning ahead
- Sessions**
  - Global and EU transport, port and maritime policy – the road ahead
  - Trends in port and shipping markets – industry forecast
  - Facing a change in port industry for the next decades
- Panel discussion**
  - Perspective for shipping and ports in Europe and in the Baltic
- Chat with BPO members**
  - Implications of mega and regional trends in port industry

### BPO Networking Dinner at the Viking stronghold Trelleborg

### Day 2

- Keynote speech**
  - Where is creativity born? What makes creativity possible?
- Session**
  - Baltic Sea as a model region for green ports and maritime transport – looking for synergies
- Panel discussion**
  - Exporting Baltic environmental standards – seeking synergy
- The floor is yours**
  - Baltic projects and case presentation

### Port study tour



**Tommy Halén**  
the CEO of the Port of Trelleborg

I welcome all participants of the Baltic Ports Conference 2017 to Trelleborg, Sweden’s Southernmost and Scandinavia’s largest ro-ro port. Trelleborg is called the city of palm trees and you will see actual palm trees – and perhaps camouflaged Vikings. Welcome!



Photo: Wikimedia Commons

# The future is green

by Ragnar Johansson



**This year's Baltic Ports Conference takes on the questions of ports' future as well as how to make them greener. We are talking with Tommy Halén, the man in charge of the Port of Trelleborg, about how these two concepts interrelate with each other in the port domain, along with passing his advice on to those who'll remain in the business, as Tommy soon partly retires, leaving both Trelleborg and the Baltic Sea region's port industry in good hands.**

■ *You've been working in the port industry for quite a long time – what has changed over the years, what is now on top of the agenda? In which direction will (or should) seaports head in the future?*

Today's port agenda is full of various topics discussed at length, which is by all means a very positive thing, but if I had to choose the most significant in my opinion, then surely these would be issues centered around environmental challenges but also opportunities. The underlying trend of our times, encompassing seaports as well, is greening your operations, be it not only by exhorting companies to take advantage of sea shipping, something we have already been doing in the past, but also by looking into ways of improving your port's own footprint, e.g. with the use of more energy efficient cargo handling equipment, cutting a ship's in-port emissions with cold ironing, combining sea and rail shipments.

Also, a greater emphasis should be placed on re-focusing the port's role in the modern supply chain – taking the attention from its own internal work towards a more active effort in shortening the lead time of the entire logistics process of goods delivery, for instance.

■ *What's your understanding of the two main themes – green and future – of this year's Baltic Ports Conference?*

The port business is part of the maritime industry, which, in turn, is based on the

marine environment. As such, we as port authorities should jointly work to keep all of them in good shape. This particularly holds true for the Baltic Sea region's countries, the environmentally-friendly sea shipping being in their DNA. Looking back, the transport sector has come a long way and for the most part in a good direction. However, there's still a lot of dots to connect in order to make the future a greener one. We'll be discussing the "whys" and "hows" during BPO's meeting in Trelleborg intensely. After all, our ambition is to be the cleanest port in the Baltic Sea, and achieving this without serious investments in eco-friendly solutions is simply unimaginable.

■ *You're stepping down as the CEO of the Port of Trelleborg. What kind of undertakings will you now pursue? Would you like to deliver a personal message to those who'll continue steering the port industry across the Baltic Sea region?*

I'm partially retiring this fall but will still have some assignments and maybe participate in different projects if someone deems my experience and knowledge handy. As for those taking up the baton or continuing their run in the relay – be responsive to customers' needs as well as to market trends and national and international policies. Don't be afraid to invest in infrastructure, too, as these projects take a long time to execute, but it's more than rewarding to be prepared to handle larger volumes of freight or increased passengers flows as they come. ■



# As complex as a port

by Andrzej Urbaś

**Seaports are in themselves compound entities overseeing a number of diverse activities. New regulations and technological developments are adding new layers to this complexity, on the one hand creating new opportunities, but on the other imposing tougher obligations as well as forcing ports to grapple with emerging threats, like cyber threats. We are talking with Deloitte's Indra Vonck about how the new requirements on competitiveness, along with advancing digitalisation, are changing the port industry.**

■ **How do seaports fit in the ongoing tech rollout?**

Within the wider transport and logistics sector, companies have begun experimenting with a range of connectivity and data-enabled technologies. In aggregate, they form the so-called Internet of Things (IoT), which represents a convergence between the physical and digital worlds, ultimately using data as a source of value. These IoT technologies are being applied in diverse settings, from last mile transport optimization to warehouse and transport management systems. Seaports are playing catch-up with the large transport and logistics companies when it comes to developing insight-driven solutions and IoT applications. The current landscape offers some initial attempts at enhancing value propositions through technologies like automation, but overall these projects remain isolated.

The main challenge is not just to determine which technologies can support a port's overall digital strategy. Determining how to properly implement them is key, too. The diverse nature of a port – with a wide variety of companies and ecosystems, operating various kinds of equipment, and requiring different types of products and services – creates a complicated environment with multiple stakeholders. In addition to the heterogeneity of data, a fear of transparency also remains a major issue. Ports typically comprise a cluster of competing companies which are often very hesitant to share information with a central authority that has the ability to aggregate and distribute this data amongst the stakeholders involved. In addition, the interaction with the surrounding environment, both ecological and social, adds an extra layer of complexity and opportunity to the development of a digital port.

■ **Digitisation and the evolution of the port industry go hand-in-hand. Is it possible to support this process on a regulatory level, and if yes – how?**

While providing novel opportunities, digital innovations are also transforming the whole port business landscape. They're opening the door to new competitors in key parts of the value chain (e.g. data or web platforms), and as such can disrupt the traditional power balance within ports. We're already witnessing players like Alibaba and Amazon investing in certain digital solutions for seaports. However, transport and logistics companies as well as port authorities are often not equipped to deal with the fast-paced transformation of the environment that comes with digital innovation.

There is a number of things regulators should focus on in order to improve the digital preparedness of seaports. For one, they should support the acceleration of developing common standards and interoperable solutions across the entire transport sector to avoid fragmentation. Next, they should make investing in digital products more attractive. They should also create incentives for port employees to upgrade digital skills. Least of all, they need to increase the awareness of the cost-avoiding benefits of adhering to high cybersecurity standards, something of utmost importance when one looks how easily a single cyberattack can wreak havoc across the maritime world, even if it's not aimed at it in the first place! One cannot stress enough the importance of having a clear understanding of the needs and particularities of the port sector by major regulators, be it the International Maritime Organization, the European Commission, or national governments. This complex multi-stakeholder environment requires a tailored approach where associations like the BPO or the European Sea Ports Organisation (ESPO) can play important roles as interpreters between the industry and regulatory side.

■ **How well is the port industry, especially in the Baltic Sea region, prepared for issues related to cybersecurity?**



Increased automation and the decrease of manual intervention creates a fertile ground for security breaches, as we have recently witnessed with the Petya ransomware attack, to which the APM Terminals have fallen victim. Port and ship cybersecurity has become of paramount importance, since the economic impact of such attacks on the shipping industry and port operations is huge. Companies active in the port industry are responsible not just for customer data, which is already extremely valuable, but also for physical goods, many of which can be regarded as strategic stockpiles, increasing the need for a robust security system.

Right now port security is limited to the global International Ship and Port Facility Security Code, which focusses mainly on physical threats. Port authority ecosystems must be aware that the digital threat is just as important, certainly if ports continue on their path towards further digitisation. Back in 2011, the European Network and Information Security Agency (ENISA) investigated the maritime industry's level of preparedness for a cybersecurity breach. They found that maritime cybersecurity awareness was low to non-existent, and that better information exchange and statistics on cybersecurity can help insurers improve security conditions. Sad to say this, but the cyberattacks which occurred in ports lately, like the drug-related attack on the Port of Antwerp and more recently the attack that hit APM Terminals together with other major players from across the transport and logistics sector, showed that little to no progress has been made in the meantime on this issue. ■

# On song



Photos: Port of Tallinn

by Ewelina Kroll

**Established in 2004, the mixed choir of the Port of Tallinn comprises both its current and former employees. Some of them are amateurs, while others have experience in different music genres, be it rock, pop, or classical, giving them a unique touch of diversity, or should we say – renowned Estonian innovation savvy. After all, who could expect a choir to perform at a punk music festival – multiple times!**



**T**he idea of creating a choir emerged during one of those inspiring evenings, when you met with other employees to spend some quality time and sing songs together. The initial aim of the choir project was to improve skills, enjoy beautiful music, and, well, plain fun! Nobody though at that time about competitions, awards, or popularity.

## Sing praises

Today, the Sadama koor (meaning “port choir” in Estonian) consists of 28 members (sometimes supported by friends from outside the Port of Tallinn), including eight sopranos, eight altos, five tenors, and five bassos, with Eero Raun and Katrin Järvlepp

being the choir’s conductors. Rehearsals take place once a week for about two hours, but at least twice a year a weekend camp is set up, and at that time practice lasts for eight hours. During festivals, the choir is usually dressed in costumes inspired by Estonian national cloths; however, the group also wears more modern outfits, in colours of either the sea or the Estonian flag.

The choir performs as the port’s prominent symbol on different occasions. They sang at one of the passenger terminals to raise money for charity, and organised a musical flash mob in the port’s cafeteria to celebrate the choir’s 10<sup>th</sup> anniversary (check the Port of Tallinn’s YouTube channel for recordings). But their track record is far

richer. Back in 2009, they recorded background vocals for the Estonian progressive rock band Pantokraator (Erik Sakkov, the band’s frontman and keyboard player, is also one of the choir’s members). Next, last April, the group took part – as the only choir from Estonia – in the international Prague Spring Choral Meeting, giving two concerts in the churches of the Prague Old Town. The group learned their repertoire, focused on the works of Estonian composers, in different languages – apart from their native one, they also sang in German, English, Russian, Czech, as well as the African languages of the Shona and Zulu people. They also participated in the first International Choir Festival Gori 2015, while in the years 2004, 2009, and 2014, they took part in the UNESCO-approved Masterpiece of the Oral and Intangible Heritage of Humanity Estonian Song Festival (the latest, 2014 edition saw 1,046 groups with over 33,000 singers creating the world’s biggest choir to date!).

However, as mentioned at the beginning, the Sadama koor has its own style, a kind of a sweet spot for events not usually associated with choirs. In 2008, 2011, and 2015, they participated in the Estonian Punk Song Festival. In 2014, they put a twist on Stevie Wonder’s *Superstition* during the pop/jazz festival Lauluragin. Naturally, the Port of Tallinn’s choir couldn’t miss the opportunity to be part of the annual Tallinn Maritime Days – for 10 years in a row now.

What was originally an offhand idea mooted at an evening meeting, turned into a lively song, becoming richer in new verses with every passing year. The choir of the Port of Tallinn deserves to be sung praises. ■