Borderlands: Kuwait and the northern Gulf
Business at the top end...

Kuwait was where GAC started in 1956. Back then, the UAE didn’t exist and Abu Dhabi was little more than a walled fortress. Kuwait was the key location in the Gulf for oil and infrastructure.

Much has changed since those early days and Kuwait and its northern neighbours have spent the past few decades dealing with invasions, wars, sanctions, civil unrest, revolutions and foreign interference. This has been good and bad for business in Kuwait, which has managed to maintain a stable government and even has a form of parliamentary government. It has been only bad for Iraq and Iran.

Making sense of this part of the world requires a keen eye and a keener sense of history and culture. GAC Kuwait’s General Manager Filip Bjorklund, has both. His report starts on page 10.

Northern exposure
From the top end of the Gulf to the top end of the world. Much talk and punditry has been uttered on the opening of a Northern Sea Route across the top of Russia. The reality is less glossy and the glow of riches slower to take shape. Our Insight column, from GAC Russia’s Maxim Krivetz, sheds a clearer light on what’s actually happening in the land of permafrost and the waters that surround it. See page 6.

You must be mental!
Most of us have got the message about mental health. We now accept that it’s common to have mental meltdowns or depression as part of our lives. It is also clear that workplaces are often powerful sources of mental stress and anguish. GAC UK won our 2019 Chairman’s Award for Health & Safety Excellence for its focus on mental health (page 14). When mental health issues are as acceptable as a dose of the flu, we will have reached a really healthy milestone. We’re not there yet.

Caution
It took until the 1930s for the world to agree on a basic design for a car – four wheels, internal combustion engine, lights, suspension etc. Yet even in the 1960s there was a debate on whether safety belts were a good idea. And we still haven’t completely decided which side of the road to drive on. The same goes for information technology and the automation of our ports. GAC’s Chief Information Officer Martin Wallgren sounds a word of caution before we plunge headlong into automating everything. He argues for some agreed standards for port technologies, similar to what airlines have. See page 3.

Openings
We all accept that we are living in turbulent times with markets being disrupted, viruses choking off supplies of goods, components and tourists, and technologies driving us towards a daunting future. And with politics turning more fractious and divisive, business somehow has become a stabilising force in the world. We saw in our last edition of GAC World how business kept the lights on in the UK while its politicians spiraled into Brexit delirium. We see again in this edition that good business is there to be done. GAC has opened new offices in Sri Lanka, Europe, the USA and Sharjah. We’ve won awards for doing good business in Sri Lanka, India and Dubai. We’ve formed new partnerships in leisure sailing, hull cleaning, ship spares and events logistics. The world is far from stable and we are definitely not in boom times. But the picture is much better than the daily headlines would suggest.

Stuart Bowie
Editor
CIO Wallgren warns of smart port risks

Digitalisation and data analytics are powering the drive to create “smart ports” worldwide – but port operators need to be wary of creating a jigsaw puzzle of standards that could create a dysfunctional business model from port to port.

That was one of the key themes at the Lloyd’s List Smart Ports Forum in Dubai, where GAC’s Group CIO Martin Wallgren joined a panel of experts to discuss how data can and should be used to transform the way ports function and interact.

Whilst data can be intelligently harnessed to create a new connectivity between ships, ports and inland distribution networks, it’s far from simple.

**International matrix**

Wallgren says one of the risks is that many ports are trying to become “smart” in isolation, without considering the international matrix they form part of. If this trend continues unchecked, global operators and agents like GAC face the prospect of having to learn and adapt to different standards from one port to another.

The ideal of a single standard – or at most three – for all ports around the world would help achieve the goal of a data-driven network of interconnected ports that is effective, efficient and ultimately user-friendly. This model of a limited set of standards has been adopted by the aviation sector, says Wallgren, so why not also to ports and shipping? **GW**
We’re rocking in Gibraltar

As part of its European growth strategy, GAC has opened an office in Gibraltar to serve its global customer base.

GAC Gibraltar offers a full range of ship agency, husbandry and freight services, as well as ship-to-ship transfers and bunkering through GAC Bunker Fuels Ltd.

Primary supply point
Located at the entrance to the Mediterranean Sea, the port of Gibraltar serves as the primary supply point for passing ships. According to the Gibraltar Port Authority, about 60,000 vessels transit the Strait of Gibraltar every year.

Sergio de la Torre, GAC Gibraltar’s Manager, says: “This new office is the latest stage of GAC’s expansion plan to add value to our global services for both existing and new customers. I am proud to represent the GAC Group in this key shipping hub and look forward to working with customers calling here.”

Critical step
“Coming hot on the heels of the opening of GAC Ireland and four new GAC UK offices, GAC Gibraltar ticks all the global, regional and local boxes for our expansion strategy,” says Ivo Verheyen, Group Vice President, Europe. “It’s another critical step forward towards the goal set out in our five-year plan, Delta21, to achieve global leadership in shipping services and expand our logistics capabilities.”

New in-port office
GAC Sri Lanka has strengthened its presence at Hambantota by opening a new office in the heart of the port.

The company has been serving the port from a nearby office since 2011 but the opening of its new base with local partner, the McLarens Group, puts it right on the frontline for shipping operations.

“We are confident of the growth potential of Hambantota,” says GAC Sri Lanka’s Director/Chief Executive Officer, Ravi Edirisinghe. “The new office within the port premises will fortify our presence in southern Sri Lanka and allow us to provide more efficient, timely and consolidated services to our customers. We also look forward to further strengthening our business relationship with Hambantota International Port Group.”

Sharjah expands
GAC Sharjah has opened a new office in the Hamriyah Free Zone to provide integrated shipping, logistics and warehousing services.

The new branch complements existing operations at Sharjah’s airport and port, which also cover Ajman and Khor Fakkan. It was officially inaugurated at a ceremony attended by HE Saud Salim Al Mazrouei, Director of the Hamriyah Free Zone Authority, the GAC Group’s Executive Chairman and Trustee Björn Engblom, GAC Group Vice President – Middle East Fredrik Nyström, and Rajesh Moorjani, General Manager of GAC Sharjah.
17th North America office to provide shipping services at Lake Charles

GAC North America has responded to the commencement of LNG exports from the Lake Charles area by opening an office at the port to provide ship agency, husbandry and owners’ protective agency services for all vessels.

Located at the heart of the US Gulf Coast, the port of Lake Charles handles around 1,000 calls annually.

“In light of growing exports of US-produced LNG and the continuing expansion of GAC’s core agency business, Lake Charles was the natural choice for the newest office to strengthen our nationwide network,” says Darren Martin, GAC North America’s Managing Director for shipping services. “Our team has the local knowledge and resources needed to deliver compliant, safe and world-class quality services to the LNG sector and indeed to all vessels calling at the port.” GW

Phillips 66 appoints GAC Hub

GAC Hub Agency has secured a contract with Phillips 66 to support its marine operations in the Americas, Middle East, Asia Pacific and Indian Subcontinent.

Under the three-year contract, the Hub will manage Phillips 66’s port calls and its disbursements and provide performance reports.

It will amount to 3,000 port calls annually, primarily in North America.

GAC’s newly-established office at the Port of Lake Charles will support the contract with a range of ship agency, husbandry and owners’ protective agency services.

“We provide hub customers like Phillips 66 with simplified, centralised port call management to help them save time and money,” says Lars Hardeland, GAC Hub Services Managing Director. “We could not do this without a 24/7 service set-up, investment in our supply chain and system, and of course the support of our local teams at offices throughout GAC’s global network. That’s what the GAC Spirit is all about.” GW
If you want to see evidence of climate change, you need look no further than the far north-east of my country. Some are putting a positive spin on the melting of Arctic Ocean ice, claiming that it will open up Russia’s northern coast, its hinterland and surrounding seas to development, and we will all live happily ever after. But just how realistic is that view of the situation?

The fact that Arctic Ocean ice is receding is documented and undeniable. 40 years of National Snow and Ice Data Centre satellite records show the Arctic has lost about 1.9 million square kilometres of December ice. That’s an area the size of Mexico.

A route to riches?
Should this trend continue, by 2030 the Northern Sea Route (NSR) - the shortest maritime route between Europe and East Asia - will stay completely ice-free for up to six months of the year. Thereafter, at some point between 2035 and 2050, it will be navigable without icebreaker support year-round.

The distance from Yokohama to Rotterdam via the Suez Canal is 11,200km. Via the NSR, it is 7,300km. The attractiveness of the Arctic route for shipping lines involved in Europe-Asia trade is clear.
Energy for the world?
Then there is oil and gas. Current estimates for the region stand at around 90 billion barrels of oil or 13% of global reserves. It is also estimated to contain almost a quarter of untapped global gas reserves.
Right now, however, NSR transit traffic is still insufficient to ensure stable growth. In 2011, it saw a total of 34 ship transits, followed by 46 in 2012, 71 in 2013, 18 in 2015, and 27 in 2018. To compare, the Suez Canal is transited by about 90 ships a day.
The question is: Why?

Size
The biggest challenge to building sufficient infrastructure is the country’s size.
Russia is vast. It covers 11 time zones, is 4,000 km from North to South and almost 10,000 km from East to West. To develop anything or move the materials, resources and people needed for development ranges from difficult to impossible, especially in the northern areas where temperatures can fall as low as -56°C.
Northern coastal infrastructure development is therefore slow. It’s made slower still by the scarcity or even complete lack of overland transport routes in the region. Of all the ports along the NSR, only Arkhangelsk and Murmansk are connected to the national rail network.

Working on it
But development is happening. Railway connections to Dudinka and Sabetta ports are being built. Road connections to Naryan-Mar Port, Pevek, and Anadyr are being renovated or built anew. Pevek Port, developed in the early 1950s, is being revamped and a new seaport called Indiga is being planned. Once completed, it will provide mooring points to tankers with deadweight tonnage up to 100,000 tonnes. The region’s development programme also includes renovating eight airfields: Amderma, Murmansk, Arkhangelsk, Naryan-Mar, Dikson, Pevek, Tiksi, and Chokurdakh.

Vital link
When you put it all together, global warming, the de-icing of the Arctic Ocean, and the slow but steady improvement in Russia’s sub-Arctic infrastructure, you can see the new vision for the region.
It’s a vision that sees the Northern Sea Route become a vital logistics link between Europe and Asia. The vast resources of the region will be opened up to development and GAC Russia, now operating in Murmansk and Sabetta, will expand to ensure we serve the needs of all participants and protagonists as the story unfolds. gw
Onboard with Moscord digital maritime marketplace

GAC Marine Logistics (GML) has formed a partnership with maritime e-commerce developer Moscord to provide global last mile delivery services for its digital marketplace, which brings the world’s maritime buyers and sellers together.

Moscord.com is a portal that enables any supplier or manufacturer to sell to the global market and any ship or company to purchase supplies and spares directly from manufacturers, guaranteeing shorter delivery times, accurate ordering, and lower prices. Hailed as “the amazon.com of shipping”, moscord.com currently offers 200,000 products to the shipping industry.

Under the agreement, GML draws on its expertise and the Group’s global network to ensure safe delivery of ship spares worldwide. Orders placed via the Moscord platform are received by GAC Singapore – the designated control hub – which then arranges for the spares or supplies to be cleared at the destination port before delivery to a final destination.

Hull cleaning launched in Qatar

GAC Qatar and HullWiper Ltd have launched hull cleaning operations at the port of Ras Laffan to meet growing demand for safe, eco-friendly hull cleaning solutions. GAC Qatar is the only company to receive a government license to operate hull cleaning equipment in Qatari waters.

Daniel Nordberg, GAC Qatar Managing Director, says: “GAC has always been a maritime services pioneer and we continue to look for ways to innovate, add value for our customers, and at the same time, operate in an environmentally-conscious and sustainable manner. Bringing HullWiper to Qatar is yet another initiative to tackle global biofouling.”

HullWiper’s Remotely Operated Vehicle complies with Qatar’s strict regulations, which include collection of 100% of biofouling removed during cleaning for disposal at the Qatar Petroleum facility after testing, and the maintenance of proper cleaning records for monthly submissions.

Alternative
HullWiper offers ship owners and operators a cost-efficient, brush- and diver-free alternative to traditional hull cleaning methods that protects both the ocean and expensive anti-fouling coatings. Owners and operators benefit from a clean hull without any extra downtime or harm to the marine ecosystem.

Ready to rock with Cargo Live

GAC and Rock-It Cargo have established Cargo Live branded sales offices in Dubai and Singapore to deliver logistics support for live events, and develop new business.

The new venture serves clients staging music tours, live events, corporate roadshows, performing arts and sports, as well as handling special projects such as high value vintage cars and fine arts exhibitions.

Enquiries can be directed to Group Marketing Manager for Logistics, Peter Orange at peter.orange@gac.com.
Exclusive deal for World Yacht Rally

The newly launched World Yacht Rally has signed a memorandum of understanding with GAC Pindar as its exclusive official supplier of marine logistics and freight services.

The Rally is a 30-month round-the-world sailing challenge for cruising enthusiasts. GAC Pindar will support the fleet throughout its 16 legs starting in Alicante, Spain next November. Participants will follow a route taking in the Caribbean, the Galapagos Islands, the Marquesas, Tahiti, Fiji, Auckland, Sydney, Kai Islands, Singapore, Cocos Keeling Islands, the Seychelles, Mauritius, Cape Town, Rio de Janeiro, Natal, St. Lucia, Cuba and the Azores before finishing in Lisbon in June 2023.

Under the agreement, GAC Pindar will ship event containers to 12 maintenance stops along the route. The company’s control tower team in the UK will work with GAC offices worldwide to manage these shipments and any urgent airfreight requirements, as well as customs clearance & immigration services, crew safety training and Panama Canal transits for the fleet of +50ft yachts.

Obvious choice

World Yacht Rally’s Managing Director Stef van ‘t Zand says: “Having worked with GAC Pindar, we hold the team in high regard. Their service levels, dedication and reliability make them the obvious choice for the World Yacht Rally which, for many of the yacht owners, will be a once in a lifetime experience. We have to ensure the service we provide is second to none.”

Jeremy Troughton, GAC Pindar’s General Manager, adds: “The World Yacht Rally sets the bar high, seeking a premier service. With the support of the GAC network and partner agents, our core team in Southampton is well placed to provide the service level required.”

One-stop logistics solution for sailing

The GAC Group’s marine leisure logistics specialist, GAC Pindar, has teamed up with BBC Yacht Transport to provide transport solutions for the sailing sector. BBC Yacht Transport is a division of BBC Chartering.

The partnership combines BBC Yacht Transport’s commitment to competitive pricing with GAC Pindar’s suite of logistics services to provide a one-stop-shop solution for the sailing industry.

Strengthened

It builds on the relationship between the GAC Group and BBC Chartering that developed when the two organisations worked together during the Volvo Ocean Race in 2018.

GAC Pindar and BBC Yacht Transport join forces to offer a one-stop logistics solution. (Copyright: BBC Yacht Transport)

GAC Pindar worked with BBC during the last edition of the Volvo Ocean Race to meet deadlines the round-the-world race demanded. (Copyright: GAC Pindar. Photo credit: James Tomlinson.)
Northern Gulf Perspectives: Taking the temperature in Kuwait and Iraq

The land area we now call Kuwait sits at the northern end of the Gulf near the outflow of the Tigris and Euphrates rivers. For more than 6,000 years, it was a receiving and transit point for goods heading from Asia up the Gulf and on to key centres in what are now Iran, Iraq, Jordan, Syria and Lebanon and further on to the Greek city-states and the cities of the Roman empire.

These days, Kuwait is more of an end point than a waypoint. The discovery of oil in 1938 marked the beginning of a new phase in its history. As a key trading hub and transit point, it had been rich. Oil made it richer.

Oil sovereignty
Kuwait’s constitution does not allow foreign companies ownership of Kuwaiti natural resources or the revenues associated with those resources. With no major oil companies working on extraction, there is less urgency to bring on new fields. Companies like Total, BP and Shell have advisory roles and Kuwait uses oil field services providers like Schlumberger, Halliburton and Baker Hughes. A recent trend is to award such companies integrated drilling contracts under which they hire rig companies and suppliers to support exploration.

More capacity, more value
To date, Kuwait has only explored its onshore fields but there are plans this year to start offshore drilling.

The country has also increased its refining capacity to add value to its crude oil. In 2014 and 2015 about USD45 billion was awarded to upgrade existing refineries and build a new one, Al Zour.

A new vision
Few things are more certain than the end of an oil well. The New Vision 2035 programme aims to diversify the economy. It is an umbrella for many initiatives to attract foreign investment and leverage the country's strategic geographical location. It is still too early to see if the latest effort will succeed.

Doing business
To operate successfully and sustainably in Kuwait it is necessary to understand its history. Kuwait’s natural seaport made it ideal for trading with cities further inland in Mesopotamia. Historically, its sheltered bay was good for fishing, pearl diving and ship building. Due to the relatively strong position of the merchant families in trading and pearling, political power was not solely in the hands of the ruling family. Power sharing in Kuwait developed long before oil was discovered. Kuwait’s parliament is unique in the Gulf, and its press is relatively free.

Nurturing relationships
Kuwait is a small country which tends to make its business relationships more personal. Kuwaiti business owners and state officials don’t separate personal relationships from business ones. It therefore takes longer to establish trust and reach agreements. Indeed, paperwork and legal formalities come a distant second to a clear verbal understanding. In Kuwait, your word is worth more than your legal advice.

“We have to adapt to the business environment in order to succeed.”
Project-driven – or not

Development projects have been the key drivers of economic activity in Kuwait in the 21st century. When projects are plentiful, business flourishes. But the awarding of projects is not a regular thing. Projects can be announced and then languish for years until formally enacted and awarded. You can have several projects in one year and none in the next five. The rules and scope of projects can change over time so the plans and costings in your initial quote can end up being far off target. Flexibility and a readiness to revise your plans are essential to business success in Kuwait.

Nevertheless, when projects happen, they are usually big. Kuwait has started one of the biggest heavy oil exploration programmes in the world, valued at USD 7 billion.

Heavy oil extraction requires more than a well. It needs substantial inputs of electricity and water to pressurise the well and heat the oil so it flows.

Kuwait’s Ministry of Electricity & Water estimates that an additional 17 gigawatts of power capacity will be needed before 2030 to keep up with demand. The country has set a target to generate 15% of its electricity from renewable sources by 2030, but little progress has been made and currently just 0.13% comes from renewables.

Water is not plentiful in Kuwait. No surprise then that GAC has signed a contract with Germany’s WTE Wassertechnic to handle an integrated project logistics and ship agency solution for their USD 1.7 billion wastewater treatment plant. The main purpose of the project is to make better use of the water for oil well management. It is the biggest project contract GAC Kuwait has ever been awarded and it took almost three years from first contact to signing the deal. For big projects, lead-times are longer and the competition stronger but the rewards for success are greater.

Iraq’s long road to recovery

Iraq is politically unstable, much of its infrastructure has been destroyed by war, but it has the world’s second largest proven oil reserves (12%) and produces about 4.5 million barrels per day (mbpd). That makes it the world’s fourth-largest producer. It aims to increase production to 6.5 mbpd, but faces a number of challenges - political and civil instability and inadequate infrastructure.

According to Transparency International, Iraq is the 10th most corrupt country in the world. State-owned Enterprises have grown a lot during the last ten years and share the fate of similar enterprises in other countries: bureaucratic, inefficient, and carrying big debts. The key to prosperity in Iraq is therefore to get the private sector to function better. There have been recent protests from people, mainly young, that go beyond sectarian politics. The demands have been for basic needs such as jobs, fresh water and electricity.

Oil production in most of Iraq falls under the control of the Ministry of Oil in Baghdad. Many of the oil majors are involved, such as Exxon Mobil, Occidental Petroleum, BP, Shell, Total, CNPC, Petronas and Gazprom.

Iraq has made some inroads in expanding export infrastructure. Alongside the 1.6 mbpd Basra Oil Terminal and the 350,000 bpd Khor Al-Amaya Oil Terminal, Iraq has added a number of Single Point Mooring buoys, each with an individual capacity of 900,000 bpd.

There are plans to build a pipeline through Jordan to an export terminal on Red Sea. The 1 million barrel-a-day pipeline would be a vital outlet for Iraq’s growing crude oil production, which currently relies almost entirely on southern terminals around Basra.

Market opportunities

Some refineries were damaged during the recent fighting with ISIS and investments are needed to get back to the potential level of 600,000 bpd. As it is with Kuwait, water is critical. Iraq has its own USD 4 billion project to inject water to maintain well pressure and free up supplies for domestic use.

In addition to oil & gas investments there are a lot of other infrastructure investments needed. 140,000 residential buildings were destroyed in the recent wars, most of the power grid assets are not functioning. The World Bank and the Government of Iraq estimate that USD 88 billion is required for the most urgent parts of the reconstruction. Further Iraq needs to add 12 gigawatts of electricity by 2022, at an estimated cost of USD 39 billion.

In conclusion

Patience, a commitment to developing long term, personal relationships, more patience, and a willingness to ride the bumps and stick around for the long haul. If you can muster these qualities and maintain them over decades, then the northern Gulf region is a place to do good business. There are no quick kills or easy dollars to be found here. But the rewards are worth the wait.

GW

Snapped

GAC’s first partnership in the Gulf. Jassim Alghanim and fellow Kuwaiti Abdul Aziz Al Kasemi visited Sweden in 1955 looking for a partner to handle Kuwait’s import boom. GAC opened its first office there the following year.

Basrah staff, 1958
GAC has operated in Iran and Iraq on and off since 1957. Over the decades, wars, revolutions and sanctions have caused periodic disruptions to trade and the flow of goods and services to and from these countries. At the time of going to press, Iran and Iraq remain unstable: Iran is hemmed in by sanctions and Iraq is experiencing prolonged political unrest. GAC maintains a constant watch on developments, particularly in regard to access to both countries’ Gulf ports. It remains a long term goal of GAC to return to these ports. A big part of GAC’s early story took place there and we intend to go back as soon as conditions allow. GW

**Iran and Iraq**

**Four Questions for Fredrik**

Fredrik Nystrom is Group Vice President of GAC’s Middle East region. From his office in Dubai and through his daily contacts with GAC company managers around the region, he has a clear view of what’s happening, particularly in the northern Gulf.

GAC opened its first office in Kuwait in 1956 and its second office in Iraq in 1957. We’ve lived through booms, busts, wars and sanctions. We’ve stuck with Kuwait through all of it and we’re aiming to head back to Iraq. Why?

**FN:** Kuwait has historically been an important market for the Group and continues to be so, even if profitability has dropped over recent years and project work has been light compared to historical highs.

**How important is Kuwait and Iraq to the wider Gulf region?**

**FN:** From a political perspective in the region Kuwait is important at this point in time, as it sits in the middle of the ongoing conflict between Qatar and neighbouring Arab countries. Kuwait has aimed to strike a balance between its fellow GCC members through diplomatic dialogue and mediation throughout the conflict.

**What are these countries, which depend on oil wealth, doing to prepare for a post-oil/zero carbon world?**

**FN:** There are significant plans within Kuwait, but so far not much has materialised into action as far as I am aware. If you look at Saudi Arabia and UAE there is more visual evidence of action being taken which is encouraging.

**How would you describe business prospects in the northern Gulf, both for GAC and for its customers?**

**FN:** Kuwait has been a slightly disappointing market for a few years as a lot of scheduled projects have been put on hold due to political turbulence in the country. As Kuwait’s economy is very project-driven this has put a wet blanket over business prospects recently. If the situation changes and these delayed projects are awarded, business prospects should be very good, but this remains to be seen. Another important factor is the potential rebuild of Iraq, but currently this looks to be heading in the wrong direction again which is making a rebuild an unlikely outcome in the short term. GW
Kuwait: A snapshot

GDP GROWTH
-3.5% (2017)
1.2% (estimate for 2018 (World Bank Data))

INFLATION
0.7% (2018)

POPULATION
4.1 million, of which 30% are Kuwaiti Nationals

DEMOGRAPHIC
50% of the population is under the age of 30

EXPORT
Crude and refined products

IMPORTS
All

IMPORT PARTNERS:
- China 14.1%
- US 11.9%
- UAE 8.3%
- Japan 6.5%
- Germany 6.2%
- India 5.4%
- Italy 5%
- Saudi Arabia 4.4%
- South Korea 4.4%

KUWAIT KEY TIMELINES
- 1938: Oil was discovered in the Burgan field, it is now the world second largest.
- 1956: GAC started in Kuwait lightering cement cargo for the building boom.
- 1961: Kuwait gained independence from Britain.
- 1975: Nationalisation of Kuwait’s oil industry.
- 1990: Invasion and annexation of Kuwait by Iraq.
- 2020: First offshore oil wells drilled.

KEY OIL SECTOR COMPANIES IN KUWAIT – THE “K” COMPANIES
- KPC (Kuwait Petroleum Corporation): Kuwait’s National Oil Company, an umbrella company marketing crude and crude-related products to sell oil to other countries
- KOC: Upstream – oil & gas exploration
- KNPC: Downstream – refining
- KIPIC: Newly formed integrated Petrochemicals
- KOTC: Owner and manager of tankers
Mental health focus earns top prize

GAC UK’s efforts to raise awareness of mental health issues at work has taken the top prize in the Chairman’s Awards for HSSE Excellence 2019. The company’s Mental Health Matters campaign was launched during Mental Health Awareness Week in May 2019. Managing Director Herman Jorgensen stressed the importance of a corporate culture in which mental health issues are recognised and discussed openly. Posters highlighting ‘5 Ways To Wellbeing’ were placed in offices and three staff members underwent Mental Health First Aid training.

Group Chairman and founder of the awards, Björn Engblom, hopes to see action by other GAC companies to address wellbeing at work in the coming year. A USD 10,000 donation will be made to GAC UK’s charity of choice.

Energy efficiency & sustainability
Second prize was shared by two companies that took tangible steps to reduce their energy consumption:
• GAC India installed solar panels at its Cochin office to generate clean electricity;
• GAC Nigeria replaced classic Air Conditioning equipment with inverter type units, halving its carbon footprint in six months.

Both companies will receive a USD 3,750 charity donation. For the second year running, GAC Thoresen Logistics Thailand received a special commendation from the judges. This year, it was recognised for its programme to replace rubber tyres on forklift trucks with polyurethane to reduce the amount of black carbon released into the air and soil.

Practical steps
The annual awards, now in their fifth year, recognise and reward practical steps to promote health, safety and security and reduce the negative impact on the environment.

Mr Engblom says this year’s winners and runners-up highlight the importance of sustainability in all its forms. “We have to be aware of all aspects of our activities: environmental, commercial and – not least – human. By boosting sustainability across all these areas, we aim to contribute to a healthier climate for our Group, our people and our customers.”

GAC UK announces support for mental health charities

GAC UK staff have chosen Mind and the Scottish Association for Mental Health (SAMH) as their designated charities for 2020. Every year, one in four people in the UK experiences a mental health problem. Mind and SAMH provide vital advice and support, while campaigning to improve services, raise awareness and promote understanding.

Company campaign
GAC UK’s campaign, highlights the importance of a corporate culture in which mental health problems are discussed openly. Staff can access information and discuss issues in a safe environment on an internal forum. During 2019, selected staff members completed formal Mental Health First Aid training and more will do the same in 2020.

GAC UK’s support comes in the form of a £12,000 donation to Mind and £9,000 to SAMH for the year and the company’s offices nationwide are encouraged to make them the beneficiaries of any charity events they stage.

Life-changing
Emma Ihsan, Head of Corporate Partnerships at Mind, says: “We are incredibly grateful that the employees at GAC have chosen to make Mind their charity partner for 2020. The money raised will help fund Mind’s vital services, like the Infoline which provides confidential information and advice, and Elefriends, our online peer-support network. These services help ensure that all of us with a mental health problem get the support and respect we deserve.”

Fiona Lewis, SAMH’s Corporate Partnerships Manager, adds: “Poor mental health can have the most profound impact on our relationships, our work, our school life, our wellbeing and quality of life. Together, SAMH, Mind and GAC are going to do something really special – something life-changing for people across the UK.”

Charles Ross (Procurement Manager, GAC UK), Fiona Lewis (Corporate Partnerships Manager, SAMH), and Alexis Black (Marketing & Communications, GAC UK) at the SAMH Head Office in Glasgow, Scotland.
Ship Agency of the Year title in Maritime Standard Awards

The GAC Group has won the Ship Agency of the Year title in the Middle East and Indian Subcontinent’s premier shipping and maritime awards event, The Maritime Standard Awards 2019.

“The maritime industry is experiencing a profound period of change and therefore, service providers have to navigate more factors than ever before”, says Fredrik Nyström, Group Vice President - Middle East. “This award is testament to GAC’s clear strategy for responding and adapting to changes in line with customer demands. As the world’s leading provider of ship agency services, we will continue to listen to customers, innovate and develop new products, services and technology to help them thrive in today’s competitive market.”

Neil McMaster, General Manager of Contract Logistics for GAC Dubai (pictured right), has accepted yet another award on behalf of his team.

For the second consecutive year, GAC Dubai has won the FMCG Logistics Provider of the Year award at the Logistics and Transport Awards.

The accolade recognises the company’s continuing excellence and innovation in keeping up with growing demand for the fast moving consumer goods (FMCG) sector covering food & beverages, retail and more.

The awards night was held at Sofitel, The Palm Resort in Dubai.

Business Excellence Award to GAC Sri Lanka

GAC Shipping Limited has taken out the ‘Shipping and Shipping-related Services’ gong in the National Business Excellence Awards 2019.

The annual Awards are run by The National Chamber of Commerce of Sri Lanka and recognise enterprises that have excelled in all-round performance. Companies are evaluated on criteria that include business and financial performance, excellence in product and process innovation, capacity for future growth, performance management practices, corporate governance and corporate social responsibility.
Virgin Voyages appoints GAC in UK

New US-based cruise line Virgin Voyages has appointed GAC as its UK agent for the vessel Scarlet Lady on her maiden voyage around the coast of Britain.

The Scarlet Lady is one of four ships Virgin Voyages has on order with Italian shipbuilder Fincantieri. She arrived at her first UK port of call, Dover, in late February.

Commitment
Fergus Poole, GAC UK’s Cruise Manager, says: “Our appointment by Virgin Voyages reaffirms both our commitment to the cruise industry and our progress in developing and building on our cruise services in the UK.

“This latest alliance adds to our year-on-year growth over the past five years, served by the UK and Ireland’s largest ship agency network.”

Philosophy
GAC UK’s commitment to the environment, sustainability and diversity chimed with Virgin’s philosophy and was a key factor in it being selected to provide cruise agency services. The company has implemented a number of initiatives including becoming a member of the World Ocean Council, signing the #Cleanseas pledge, participating in a CO2 reduction programme, and introducing workplace initiatives to promote mental health awareness and diversity.

Virgin also has the goal of helping women flourish in industries previously dominated by men. That ambition is shared by GAC UK which recently signed the Women in Maritime pledge to build an employment culture that actively supports and celebrates gender diversity at all levels. GW

Ultra-luxury liner makes first call at new Ras Al Khaimah terminal

The boutique cruise ship MV Seabourn Ovation was the first liner to dock at the new Ras Al Khaimah (RAK) Cruise Terminal. GAC was portside to ensure that its call went as smooth as silk.

The red carpet was rolled out for the ultra-luxury liner’s five-hour stopover. More than 540 passengers were greeted by a local Bahriya band and local food, beverages and entertainment against the backdrop of the Jebel Jais mountain range and the city of Ras Al Khaimah. GAC’s team at the port took care of the Seabourn Ovation’s inward clearance, berthing and sailing, as well as shore passes, entry and exit processing for passengers and crew.

The new terminal can accommodate vessels up to 210m in length and carrying approximately 1,000 guests. It has state-of-the-art immigration E-Gate equipment, CCTV and security X-Ray machines for efficient embarkation and disembarkation and to ensure that guests enjoy a hassle-free experience.

Rajesh Moorjani, GAC Ras Al Khaimah’s General Manager, thanked the local authorities, the vessel’s management and everyone who contributed to the success of the call to the new Cruise Terminal: “We are confident Ras Al Khaimah will become an increasingly popular cruise destination as the authorities continue to invest in and develop this sector. The GAC team here stands ready to provide a memorable experience for our Principals and their guests.”

GAC teams in Qatar and the United Arab Emirates also attended to the Seabourn Ovation when she called at Doha, Abu Dhabi, Dubai and Khor Fakkan as part of her Middle Eastern tour. GW
Carrying the load for long haul project in Cochin

GAC India is providing customs clearance, handling and logistics support for equipment coming from Japan to upgrade and improve the local power grid.

The company was appointed as agent in April 2018 and has to date cleared 165 24MT cable drums and 47 TEUs holding tools and spares needed to lay the cables. GAC India was also involved in receiving the cargo from the vessel and transferring it to the port’s storage area. The shipment will be completed in mid-2020 when a total of 181 cable drums are delivered. GW

From Vietnam to Orkney

It’s been a long journey. From Vietnam via Sri Lanka, the Suez Canal and Spain, Pentland Ferries’ clean, green ‘MV Alfred’ has now reported for duty on the route between the north coast of Scotland and Orkney – with more than a little help from GAC.

The newly-built ferry uses 60% less fuel and produces fewer CO2 emissions than other ferries operating in the waters round Scotland. GAC was appointed to provide agency services and bunkers for the entire trip.

Kathryn Scollie, Director of Pentland Ferries, praised the support of the GAC team along the way: “They ensured the safe and smooth passage of the ship and its crew on its journey north, organising essential documentation, stops and supplies. Having a local contact on hand with the proper expertise was particularly helpful and time efficient.” GW
Supporting Access to Sailing

GAC has become the main sponsor of a Dubai Offshore Sailing Club (DOSC) initiative to help young people with learning or physical challenges experience the thrill of sailing.

Over the next three years, ‘DOSC Sailability, powered by GAC’ will enable the Club to upgrade its fleet, replace land-based teaching aids and buy buoyancy aids specially designed for students with limited upper body mobility.

DOSC Sailability has recently celebrated ten years of making the sport accessible to people of determination in the Emirate. When the programme started in 2009, it had just one student and four volunteers. Today, it has over 60 students on its register. The original fleet of Access Dinghies, purchased after a significant donation and still in use today, was boosted by the addition of two new boats last year.

“Our partnership with GAC means that we can continue our work to make the fabulous sport of sailing inclusive for everyone,” says Simon Reeves, DOSC’s President.

The Sailability sponsorship is in line with the Group’s commitment to Corporate Social Responsibility (CSR). Around the world, GAC companies take that commitment seriously, raising awareness and funds for worthy causes. GW

For more about our CSR, go to www.gac.com/corporate-responsibility

For more about the Dubai Offshore Sailing Club’s Sailability programme, go to https://dosc.ae/sailing/sailability

Access Dinghies used by the students of the DOSC Sailability programme

Bengt Ekstrand, GAC Group President; Jacky Gerault, DOSC’s General Manager; Kathryn Saxton, DOSC Sailability Lead Coordinator and Chairman; and Stuart Bowie, GAC Group Vice President, Commercial.
Rising young golfer signs with GAC

GAC Group President Bengt Ekstrand welcomes up-and-coming pro golfer Calum Hill as our latest sporting star to sign on as a GAC brand ambassador.

The 25-year-old Scot has won three European Challenge Tour titles since turning pro in 2017 and has qualified for the full European Tour in 2020.

As brand ambassador, Calum will wear the GAC logo during tournaments and will also attend GAC client events. He joins three other golf pros signed by GAC – South Africa’s George Coetzee, Denmark’s Nicole Broch Larsen and India’s Shiv Kapur. GW

Appointments

GAC Group Headquarters
Elaine Morrissey
Group Compliance Manager
Previously: Contract and Compliance Analyst at Medtronic plc, Dubai

GAC Finland
Ville Marchant
Cruise Agency Manager, based in Helsinki
Previously: Ship Agent with GAC Finland

GAC Guyana
Gobind Kukreja
Company Manager
Previously: Company Manager at GAC Trinidad & Tobago

GAC Trinidad & Tobago
Ravindu Rodrigo
Company Manager
Previously: Business Manager Shipping Services at GAC Bahrain

Editorial Information

Editor
Stuart Bowie, GAC HQ, Jebel Ali, Dubai

Editorial Team
Greg Newbold and Amanda Millen

Distribution coordinator
Fongpyng Chin

Art & Production
Lancer Design Pte Ltd, Singapore

Correspondence to
Amanda Millen

gacworld@gac.com

Print run
11,000

Information quoted in this publication has been obtained from several sources. Whilst every care has been taken to ensure that details are correct, GAC cannot provide guarantees thereof.

Material in this publication may be freely quoted, provided the source is clearly identified.

Contacting GAC

Want the contact details for a GAC office or staff member?

Please visit the GAC Worldwide section of www.gac.com

Back copies of GAC World are available for download at www.gac.com/magazine.
Strong roots

Your partner with solid footing

Deep roots mean strong foundations. We’ve built our business on more than six decades of quality, compliance, innovation and ethical practices. For shipping, logistics and marine services with integrity, think GAC.

gac.com