



**National Maritime Conference:  
HUMAN CAPITAL AND THE WAY FORWARD  
FOR MALAYSIA**

**14 - 15 July 2008, Kuala Lumpur**

**PROCEEDINGS**



**Maritime Institute of Malaysia (MIMA)  
November 2008**

## SESSION 3:

### MARITIME EDUCATION AND TRAINING

Chairman: **Captain Tasripin bin Masotee**,  
President, Institut Kelautan Malaysia (IKMAL).

The first Speaker was **Captain Malik bin Abdul Rahman**, who heads the Department of Nautical Studies, Akademi Laut Malaysia (Malaysian Maritime Academy - "ALAM"). He began the third session with a descriptive analysis of the training programmes offered by ALAM. Since its inception in 1977, ALAM has successfully trained seafarers of various nationalities. It aims to clinch the status of a world class maritime academy and has attuned all courses and training programmes to meet the standards prescribed by the International Maritime Organisation's (IMO) convention on the Standards of Training, Certification and Watchkeeping for Seafarers (STCW), 1978 (as amended).

Captain Malik highlighted the recent remarkable surge by ALAM in spearheading the world's first LNG e-learning package that has elevated ALAM's status from the nation's premier training provider to a regional training hub for LNG Shipping. ALAM continues to strive to improve its training environment and standards in line with the developments in the domestic and global maritime industry. Captain Malik highlighted ALAM's collaborative efforts with renowned maritime organisations across the globe, located in the United States, Australia, London and the Netherlands. ALAM also have liaisons with Malaysian academic institutions such as the PETRONAS University of Technology and the University of Technology Malaysia.

Captain Malik also listed out ALAM's concerns pertaining to general maritime education and training issues in Malaysia. He said that the reluctance of local shipowners to invest in human capital has led to a decline in the number of enrolment for diploma courses conducted by ALAM. He added that there is insufficient financial support for Near Coastal Voyages (NCV) candidates who are seeking to enhance their competency to higher grades. An additional obstacle that begs the immediate attention of industry players is the lack of ship berths to meet the sea phase training requirements. Cadets are forced to prolong the training period due to the unavailability of ship berths.

Captain Malik also stressed on the recurring issue of competent members of the faculty moving out from the maritime training sector to non-maritime training areas. ALAM has had to retrain fresh teaching staff to strengthen educational capacity and sustain quality in teaching.

Captain Malik called for extensive co-operation between the training providers and the industry players to fulfil the national aspiration of Malaysia steaming ahead as a successful maritime nation.

The second presenter, **Capt. Md Alli**, Training Manager at the Sibu-based PELITA Academy (Pelita), led the participants through the training programmes offered by the institution. Pelita aims to facilitate the Government's aspirations of developing a pool of qualified seafarers with the requirements of the maritime industry in general.

Captain Alli said that Pelita is focused on harnessing local talents to boost Sarawak's maritime industry as well as enhancing the skills and competency of seafarers to support the nation's maritime industry in general. The training programmes offered by Pelita have been duly

accredited by the Marine Department of Peninsular Malaysia and are in compliance with the standards prescribed by the STCW Convention.

Thusfar, Pelita has trained over 2000 seafarers, inclusive of ratings and officers for NCV trades. Together with the Sarawak State Development Department, Pelita has undertaken an honourable task of organising the Skills and Maritime Career Training Programme for the benefit of the underprivileged in Sarawak. The programme aims to trigger participants' interest in the maritime industry. It is a programme that supports the stance of the Ministry of Rural and Regional Development, i.e. to provide guidance and career path for the less privileged to succeed in life.

Captain Alli thanked shipping firms for the support provided and interest in graduates of Pelita. Nevertheless, he believes that there is room for more shipping firms to come forward and hire new recruits. He requested Malaysian shipping firms to be more transparent in their requirements of a seafarer. He suggested for detailed discussions between the training providers and shipping firms on the needs and requirements of recruitment of seafarers.

Captain Alli also voiced his concern on the lack of financial and other aids as well as sponsorships from shipping firms to help seafarers already in service to enhance his or her qualifications. He also highlighted the difficulty in securing jobs for rating trainees who have completed their studies. He concluded his presentation by urging the younger generation to venture into the maritime sector, emphasising on the need for young expertise to drive the Malaysian maritime industry forward.

The third presenter, **Mr. Mohd. Hafizi Said**, who heads the Department of Nautical Science and Maritime Transport, University Malaysia Terengganu (UMT), deliberated on the maritime training and education landscape of Malaysia. He presented tabulated information on the various training providers, with a special focus on higher education institutes, and the training programmes and certifications offered in Malaysia.

Mr Hafizi shared his insights on the emerging trends in the maritime employment market. He said that the employment market has offered a highly attractive feature for job seekers with practical experience and theoretical knowledge. Hence, the demand for experienced seafarers with academic degrees is much higher.

Mr Hafizi charted out the higher education route provided by the Malaysian Qualitative Framework (MQF) for the benefit of seafarers in the industry. The MQF, via the life long learning concept, provides all seafarers opportunities to secure entries to a higher level in maritime education based on his or her experience gained whilst on board ships at sea. Furthermore, the Diploma and Certificate of Competence (CoC) holders from any maritime institution are allowed to pursue a Bachelor's Degree. Eventually, this would lead to the birth of a new generation of Malaysian seafarers who are highly experienced, competent, skilled and knowledgeable.

Mr Hafizi suggested for student exchange programmes to be conducted between maritime technical institutions and higher learning institutions to promote higher maritime education pathways to present-day seafarers. He said that shipping companies ought to be more generous in providing study loan schemes and scholarships to encourage employees to pursue higher maritime education. Mr Hafizi concluded with a positive

affirmation on Malaysia's potential in producing a pool of maritime professionals who are sought after by the international shipping companies/firms.

The fourth presenter, **Captain Nazri bin Abu Hassan**, Assistant Director of the Marine Department, Peninsular Malaysia, concluded the series of presentations with timely insights garnered during his recent participation at the IMO Sub-Committee Meeting on the Standards of Training and Watchkeeping (STW Sub-Committee).

As Malaysia is a party to the STCW Convention and its amendments, it is the primary obligation of the Marine Department Peninsular Malaysia to ensure that certification and training of seafarers in Malaysia are in accordance with the standards set out in the Convention. A prominent feature of the training requirements is the requirement for sea service. Captain Nazri explained the importance of sea service training and the rudimentary need for training berths to ensure wholesome and effective training sessions.

He said that the training providers in Malaysia bear the responsibility of ensuring the availability of training berths for trainees. This will prevent undue delays that consequently lead to prolonged duration of the course. Captain Nazri also urged sponsors to work with training providers and shipowners to confirm availability of the berths to ensure smooth sea service training for the cadets under their sponsorship. The sea times recorded on Offshore Support Vessels are approved by the authorities as part of the sea services training requirements.

Captain Nazri said that existing STCW standards that are implemented in Malaysia are comprehensive. Although, during the recent IMO Sub-

Committee Meeting, there have been cries for amendments of the standards on the period of sea service, members of the sub-committee have decided not to amend the existing requirement. Captain Nazri expressed his support to the decision made by the IMO STW Sub-Committee.

## **DISCUSSION**

A participant initiated the discussion with the question on the possibility of recruitment of ex-naval officers of senior ranks to serve on board merchant vessels and the stance of the STCW on such recruitment issue.

Captain Nazri Abu Hassan of the Marine Department of Malaysia affirmed such a possibility and said that there exist ex-naval officers with more than thirty-six (36) months of sea service, serving on board merchant ships as provided for by the STCW Convention.

A participant channelled a question to Captain Malik Abdul Rahman of ALAM. He queried on ALAM's capacity to welcome foreign investment opportunities in training, to which Captain Malik said that ALAM has ample land for the construction of more training facilities, should the need arises. As such, there are no hindrances in increasing ALAM's capacity to constantly upgrade its training landscape.

The final question during the discussion came from a participant who raised a question on the possibility of hiring Indonesians, who are deemed as hardworking and fast learning workers, as crew members on board a vessel without satisfying the requirements of having attended any written and oral examinations as required by the Marine Department

of Malaysia. Captain Nazri addressed the concern raised by saying that all ship engineers are strictly required to attend and satisfy the requirements of the examinations according to the standards prescribed by STCW Convention. Captain Nazri added that the Marine Department of Malaysia, thus far, has not barred any foreigners from taking the examinations.





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**RECOMMENDATIONS ON  
THE WAY FORWARD**



**Maritime Institute of Malaysia (MIMA)  
November 2008**

**RECOMMENDATIONS  
OF THE  
NATIONAL MARITIME CONFERENCE:  
HUMAN CAPITAL AND THE WAY FORWARD FOR MALAYSIA**

**14 – 15 JULY 2008, KUALA LUMPUR**

The two-days National Maritime Conference was jointly organised by the Maritime Institute of Malaysia (MIMA) and the Marine Department Peninsular Malaysia (Marine Department). It was supported by the Malaysia Shipowners' Association (MASA), Bintulu Port Authority (BPA); MISC Bhd.; Pelabuhan Tanjung Pelepas (PTP) Sdn. Bhd. and Bintulu Port Sdn. Bhd. (BPSB).

During the deliberations, recommendations were made by speakers, panellists and participants of the Conference on the way forward in addressing issues relating to maritime human capital in Malaysia.

1. It was acknowledged that amongst the features that makes Malaysia a significant player in global shipping are:
  - (a) In 2006 the United Nations Conference on Trade and Development (UNCTAD) ranked Malaysia 21<sup>st</sup>. on its list of most important maritime countries in terms of percentage of world's gross tonnage;
  - (b) Up to June 2008, 4343 ships of 10.5 million gross tonnage were registered under the Malaysian flag;
  - (c) MISC Berhad is the world's largest owner-operator of liquefied natural gas (LNG) carriers, with 27 vessels in service and 2 more on order;
  - (d) In 2006, American Association of Port Authorities placed Port Klang as 16<sup>th</sup>. and Port of Tanjung Pelepas as 19<sup>th</sup>. in terms of container throughput.

2. In terms of “hardware” (i.e. ships) Malaysia has performed reasonably well, but, for the “software” (human capital) aspect, Malaysia still relied heavily on services provided by foreign seafarers as indicated by the following data for 2007 derived from records maintained by the Marine Department:

- (a) Number of active Malaysian seafarers registered was 11482 whilst foreign seafarers employed on board Malaysian ships was 10200;
- (b) 3406 certificates of competency (CoC) were issued to qualified Malaysian officers; whilst, during same period, 4742 certificates of recognition (CoR) were provided to foreign officers permitting them to legally serve on Malaysian ships.

3. The consensus is that immediate measures should be taken to address the situation which has led to Malaysia suffering a critical shortage in having her own nationals serving as seafarers on board Malaysian ships. The Conference strongly urged the drawing up a strategic master plan relating to a holistic and comprehensive approach towards seafarers’ affairs in Malaysia.

4. The proposed solutions presented during the Conference are encapsulated in this paper as follows:

**A. Establishment of a National Body/Agency on Seafarers’ Affairs**

- (i) It was recognised that a dedicated body/agency should be established solely focussed on seafarers’ affairs, including facilitating and guiding seafarers’ development encompassing recruitment, placement and career development. Industry players should support towards its functions and operations.

- (ii) The same body could also be the focal point for the management of Malaysian seafarers by way of maintaining records of available seafarers for sourcing by shipping companies. Malaysian seafarers could register themselves with the body and Malaysian shipping companies may inquire availability of qualified seafarers from it.
- (iii) Part of the role of this body could be to provide initiatives on the continuous promotion of the seafaring career to students still in schools/colleges. It would direct awareness programmes of this “non-traditional” vocation to be aimed at target groups deemed eligible for it located in schools within the rural areas of Peninsular Malaysia as well as in riverine catchments of Sabah and Sarawak.
- (iv) This entity could also be entrusted with facilitating the drawing up of standard employment terms and conditions for Malaysian seafarers that is compatible to universally accepted norms.

## **B. Maritime Training**

- (i) Maritime training in Malaysia is currently undertaken by private entities. Due to alleged high cost of such training, it was recommended that the government takes over the responsibility for provision of maritime training, akin to that of public tertiary educational institutions. Besides lowering of training costs, another accrued advantage of such take over would be the possibility of provision of loans to maritime trainees similar to those provided for students in higher educational institutions.

- (ii) Possibility of converting some of the 26 existing industrial training institutes under the Ministry of Human Resources (MOHR) into dedicated maritime-biased training centres. The Marine Department could assist MOHR towards realising this objective.
- (iii) Increase the number of seafarers trained annually taking into account the requirements of the shipping industry and expected attrition rate.
- (iv) Availability and quality of maritime lecturers and instructors should also be an important factor when considering an increase in trainee intake/number of training institutions. The issue of “poaching” experienced maritime instructors by the industry needs to be addressed.

### **C. Training berths**

- (i) In cognisance of the fact that maritime training imposes mandatory “sea-time” fulfilment by cadet officer trainees, shipping companies should be encouraged to provide training berths to cater for them. Fiscal incentives could be offered to those companies willing to do so.
- (ii) Placement of Malaysian cadet officer trainees on board foreign-flagged ships offering such berths could be considered.

- (iii) Malaysian shipping companies may consider pooling their resources together and introduce the concept of “training-cum-trading” ships. These vessels can facilitate training of seafarers whilst engaged in normal trading activities.
- (iv) As a last resort, legislation enabling mandatory provision of training berths by Malaysian shipping companies may have to be introduced.

**D. Introduction of appropriate Bridging Courses facilitating entry by Engineering Graduates and ex-Royal Malaysian Navy officers**

- (i) It was acknowledged that some students of engineering courses from Malaysian universities/polytechnics may be motivated to pursue a seafaring career after graduating. Bridging Courses could be designed to permit these graduates to enter the seafaring career and acquire the requisite sea time prior to appearing for their first CoC examinations.
- (ii) Some senior officers from the Royal Malaysian Navy (RMN) opt to leave the service at a relatively productive age. They possess the navigating and seamanship skills to serve on board merchant navy vessels and have the required sea-time to appear for CoC examinations. Introduction of appropriate Bridging Courses to cater for this group of potential entrants into the officers’ ranks of the merchant navy could be considered.

**E. Ensuring universal standards of welfare/health benefits and appropriate emoluments for Malaysian seafarers**

- (i) Malaysian shipping companies should ensure that the welfare and health benefits offered to their seafarers are on par with universal norms. These should cover the seafarer and his/her family and also be provided during periods that he/she is on leave ashore as well as when employed on board.
- (ii) Malaysian shipping companies that may still be offering their seafarers remuneration packages not compatible with global standards should be encouraged to rectify the situation, taking into consideration their commercial ability. The wage quantum offered may be less than global norms, but, the total package could include other measures particularly attractive to Malaysian seafarers. Neither discrepancy vis-à-vis currency nor quantum should exist between packages offered to a foreign seafarer and a Malaysian. Shipping companies should facilitate their seafarers in obtaining housing/car loans from financial institutions in view of the fact that their salary slips only indicate wages earned whilst they are serving on board, not when they are on leave ashore.
- (iii) Seafarers' union should inculcate in Malaysian seafarers an attitudinal change for the better. The common inference that they are ingrained with negative traits should be dispelled and be done away with. This requires a mindset shift from Malaysian shipowners too.

- (iv) Drop-in Centres providing recreational and communication facilities for seafarers should be established within the perimeters of Malaysian ports to cater for their needs due to very short port-stay and inability to access services provided by Seamen's Clubs normally located quite a distance away from ports.
- (v) The role and functions of existing International Transport Workers Federation (ITF)-affiliated National Union of Seafarers of Peninsular Malaysia should be enhanced to include the needs of seafarers in Sabah and Sarawak. Its existence should also be widely publicised and membership numbers greatly increased, especially from the Officers' category. This would be in consonance with the International Labour Organisation's (ILO) Maritime Labour Convention 2006 (MLC 2006) requirements.
- (vi) Malaysia should work together with other like-minded countries and relevant international organisations to address the issue of criminalisation of seafarers to ensure that due process is observed and practised in cases of maritime incidents occurring anywhere in the world.

**F. Special needs of the Offshore Support Vessels (OSV) and Near Coastal Voyage (NCV) vessels**

- (i) Dedicated training facilities solely catering for Malaysian seafarers intending to serve on board OSVs should be established.



- (ii) Consideration should be given towards granting income tax exemption to seafarers working on board OSV.
- (iii) Similar tax exemption could be granted to those operating vessels plying within the NCV.
- (vi) Eligible ratings serving on board NCV vessels should be encouraged and provided with incentives to upgrade themselves to be officers by attending appropriate courses and taking the requisite examinations.

**G. Shore employment opportunities**

- (i) Serving seafarers should be encouraged to pursue other appropriate qualifications. In line with a “life-long learning” culture, they should endeavour to undertake relevant professional courses. This would assist them in their appointment ashore after leaving sea service.
- (ii) Many existing tertiary educational institutions are able to provide the appropriate courses/programmes. Seafarers should take the initiative to identify those that suits their particular needs.
- (iii) Substantial job opportunities exist in the ports as well as shipbuilding and shiprepair industries. Seafarers opting to leave sea service could explore the possibility of seeking employment in appropriate sectors within these industries that may require their previous seagoing skills and experience.

## **H. Implications of the ILO's Maritime Labour Convention, 2006**

- (i) Malaysia should take due cognisance of the requirements of MLC 2006 on seafarers' well being and undertake the necessary preparations to be ready for its international implementation irrespective of any decision on ratification since enforcement procedures by signatory states would affect all ships entering their ports, including those flying the flag of non-signatory countries.

5. A summary of these recommendations is attached as Appendix A to this paper.

6. Conclusion:

Besides papers presented by speakers and deliberations of panel members, the Conference also triggered quite an active engagement by participants from the floor. A recurrent remark heard throughout the two-days' session was the passionate exhortation that the Conference Organisers should do their utmost to follow through with appropriate stakeholders on the recommendations proffered so that the commendable objectives would be achieved and issues affecting Malaysian seafarers be effectively addressed. It is with such an intention in mind that these recommendations are compiled and forwarded for perusal and action by relevant parties.

**Centre for Ocean Law and Policy**  
**MIMA**  
**August 2008**

## Summary of Recommendations

The Conference strongly proposed the drawing up a strategic master plan relating to a holistic approach towards seafarers' affairs in Malaysia.

It should encompass:

- A. Establishment of a National Body/Agency responsible for:
- \* Facilitation and providing guidance on Seafarers' affairs covering recruitment, placement, career development and welfare;
  - \* Direction on continuous promotion and awareness programmes carried out to selected potential "catchment areas" (eg. rural localities in Peninsular Malaysia and riverine areas of Sabah and Sarawak).
- B. Maritime training
- \* Should come under the ambit of the government to facilitate lower costs and provide opportunities for grant of study loans;
  - \* Increase in number of seafarers trained annually;
  - \* "Poaching" of maritime trainers and instructors to be addressed.
- C. Training Berths
- \* Offer fiscal incentives to Malaysian shipping companies providing training berths;
  - \* Consider placement of Malaysian trainees on board foreign ships;
  - \* Contemplate pooling resources by shipping companies towards introducing "training-cum-trading" ships;
  - \* Ponder legislating mandatory provision of training berths by Malaysian shipping companies.
- D. Introduction of Bridging Courses for Engineering Graduates and ex-Royal Malaysian Navy (RMN) officers
- \* Source seafarers for merchant navy service from pool of available engineering graduates and retired naval officers by introducing appropriate Bridging Courses.
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- E. Ensuring universal standards of welfare/health benefits and appropriate emoluments
- \* Welfare/health benefits offered to Malaysian seafarers and their families should be compatible with universal norms and practice;
  - \* Emolument packages granted to Malaysian seafarers should, as far as is commercially viable to shipowners, be commensurate with global standards. Discriminatory practices should not be tolerated
  - \* Attitudinal shift towards positive values amongst Malaysians seafarers is to be inculcated. Malaysian shipowners should undergo similar paradigm change;
  - \* Recreational and communications facilities to be established within port areas;
  - \* Seafarers' Union to be further strengthened and expanded to accommodate those in Sabah and Sarawak;
  - \* Position to be taken on the issue of “criminalisation of seafarers” in cases of maritime incidents.
- F. Special needs of seafarers serving on board Offshore Support Vessels (OSV) and Near Coastal Voyage (NCV) vessels
- \* Plan for establishment of dedicated maritime training centres for seafarers serving on board OSV;
  - \* Consider income tax exemption for seafarers onboard OSV and NCV vessels;
- G. Shore employment opportunities
- \* Practise concept of “life-long learning” by taking up relevant professional courses offered by tertiary educational institutions;
  - \* Take advantage of job opportunities present in the ports, shipbuilding and shiprepair industries.
- H. Implications of ILO’s Maritime Labour Convention 2006 (MLC 2006)
- \* Measures to be taken in preparation of the coming into force globally of the International Labour Organisation’s (ILO) Maritime Labour Convention 2006.
-