Fostering Professional Seamanship

In April 2008, the *Spirit of MOL* received the Safety at Sea International Award 2008. Inaugurated last year by Lloyd's Register – Fairplay Ltd., this award is sponsored by Safety at Sea International Magazine, a magazine dedicated to marine safety. The *Spirit of MOL* picked up its award in the training division, one of the four divisions of this award program; the other three are equipment, systems and management/operations. MOL won kudos for its effective and intensive investment in seafarer training as well as its impressive results in fostering seamanship by giving training on cultural understanding—an essential quality for seafarers—to cadets from around the world.

Spirit of MOL – an Unprecedented Initiative

As vessels get bigger and more numerous, the incidence and scale of marine accidents is growing worldwide as well. To ensure safe operations, the primary goal of MOL ADVANCE, we have upgraded our safety-related framework and earmarked ¥35 billion for safety-related measures. Prevention of accidents, however, depends largely on the seamanship, knowledge, experience, and judgment of seafarers who have to make on-the-spot decisions as potential risks arise. Therefore, we understand the importance of creating top-flight seafarers in order to provide first-class shipping services. Accordingly, we are making every endeavor to enhance our seafarer education and training system. As part of these efforts, we purchased a dedicated training vessel and named her the "*Spirit of MOL.*" We began training cadets from around the world on this vessel in July 2007, at which point MOL became the first private shipping company in the world to independently own and operate such a training vessel.

MOL's Seafarer Training System – Ensuring Quality and Quantity

As we expand our fleet, we plan to increase our seafarers from approximately 12,000 in March 2008 to roughly 13,500 in March 2010 at the end of MOL ADVANCE. There is concern that seafarer supply will not keep up with the increase in ships, so securing a large number of seafarers who meet our strict standards will be one of the keys to maintaining safe operations going forward. The *Spirit of MOL* will play a strategic role in making this happen.

To acquire an internationally accredited seafarer certification, one must meet the minimum requirements spelled out in STCW (The International Convention on Standards of Training, Certification and Watchkeeping for Seafarers). Alternatively, one must have experience as a seafarer for a specified period of time more than that stipulated in STCW, which differs by country. The educational facilities in many countries don't have the training ships that Japan has, so students at or graduates of maritime academies rely on private shipping companies for opportunities to gain the experience necessary to acquire seafarer certification. MOL has long offered graduates of maritime academies around the world the onboard training they need; in addition, MOL has taken these cadets on as full-fledged seafarers after they are certified. Up until now, MOL's education and training programs have thus focused on on-the-job training to give budding seafarers practical experience.

But with demand for seafarers increasing rapidly, we are extending our focus to intensive "off-the-job training" on the *Spirit of MOL* training vessel. Approximately 10 of our training center professionals on this ship offer a detailed curriculum of safety and basic training over a 4- to 6-month period. This kind of intensive training not only gives cadets the necessary techniques and knowledge, but also allows them to learn the proper mindset and customs of professional seafarers. By giving up to 180 young cadets from around the world the chance to share various experiences together on the *Spirit of MOL*, we help them to better understand other cultures while also gaining a sense of pride in and belonging to the MOL seafarer community. These cadets subsequently spend the rest of their apprenticeship getting on-the-job training on one of our ships, enabling them to gain valuable knowledge and understanding of how different ships operate. By combining time on the *Spirit of MOL* with on-the-job training, MOL is able to produce seafarers that not only know the basics, but also know how to apply them.

MOL is also working on land to ensure a continuous supply of top-quality seafarers. For instance, MOL operates seven training centers worldwide, located in Japan, the Philippines, India, Montenegro, Croatia, Indonesia, and Russia. In addition, the Company develops cadet training programs and scholarship systems in cooperation with maritime universities in nations that produce most of the world's seafarers.