

Global innovation from the Baltic

by Fitzwilliam Scott

This spring, Shipnext – an online freight platform founded by shipping & technology entrepreneur Alexander Varvarenko, which helps the seaborne transport industry work more efficiently – was asked to contribute to a World Ocean Council documentary highlighting the people and organisations working to strengthen corporate ocean responsibility.

For the Ventspils-born Varvarenko, the exercise provided an opportunity to reflect on his career in the shipping business. This journey has seen him launch a shipping company as well as a technology platform. After stints at Belgo Ruys in Antwerp and Flamar in Zeebrugge, Varvarenko opened his own enterprise, Varamar, in 2009 (a shipping company with offices in Houston, Hamburg, Dubai and Shanghai, Varamar is still operational today, though he is no longer involved in day-to-day management).

Performing more productive functions

In 2015, Varvarenko drew on earlier experience as a self-taught software developer and, with partners, launched the Antwerp-headquartered Shipnext in an effort to make life easier for all those in the business who are overwhelmed by the sheer volume of emails they receive. He identified many years ago that an algorithm could do a much better job of processing messages than a human – freeing up the employee to perform the far more productive function of sales and

customer relationship management.

It was this efficiency that came to the fore during the filming of the World Ocean Council documentary. In the film, Varvarenko explained how Shipnext used tools such as real-time data processing and constantly-learning algorithms to tackle over 36,000 cargo and freight requests daily. He explained how the patented Shipnext system combines email handling, powered by natural language processing, machine learning and artificial intelligence, with an all-inclusive A-to-Z shipping platform. This integration enables instant freight search, freight tendering, trade facilitation, and workflow automation.

Older = greener?

Varvarenko also explained how Shipnext facilitates environmentally-friendly shipping choices. Evidence of this was the launch of an alternative emission index earlier this year: the Shipnext Voyage Emission Index (SVEI), designed in consultation with shipowners for vessels carrying break-bulk, dry bulk, and heavy & oversized shipments.

SVEI is based on individual technical parameters of the vessel, its speed, consumption and intake, whilst also taking into account the actual cargo quantity and the intended voyage. SVEI considers the ship's fuel consumption at sea to reflect the work of the particular vessel. In-port fuel consumption is ignored since it's comparable for most ships, and the time of loading & discharging is determined mainly by port technology, not by the technical capabilities of the vessel.

Next, the Shipnext CII (SCII) is proposed as an alternative to the International Maritime Organization's (IMO) Carbon Intensity Indicator (CII) rating, which seeks to measure the efficiency of a vessel above the gross tonnage of 5,000 and gives it a respective score from the best A to the worst E (with IMO intending to make the criteria increasingly stringent by 2030).

Carriers, including Maersk, have complained that the IMO CII fails to incentivise cargo optimisation and have called for a methodology that rewards more productive vessels. SCII has been designed to do just that. "The major problem with the existing IMO guidelines is that they do not take into

FLEET

ADD VESSEL

ADD POSITION

DISP OWNER

SHIP
IMO / TYPE

DWT
CAPACITY

GEAR
RATING

COMING FROM
SPEED

GOING TO
DATE

STATUS

MARSHAL TUKHACH

5,250

HAYDARPASA

TO ORDER

LT, RT

AVRORA-SHIPPING

AVRORA POLARIS

5,400

AZOV

5 kn

ROSTOV-O...

LT, RT

BF TANKER LLC

BALT FLOT3

5,580

VVSOTSK

ST PETERS...

LT, RT

YUG RUSI GOLDEN

SANAR 2

5,420

AZOV

6.2 kn

SAINT AND...

Liner Trader (LT)

NEW TIME CO LTD

ATLANT

1,310

LT, RT

GAZPROMNEFT M...

GAZPROMNEFT NOR

2,600

ST PETERSBU...

ST PETERS...

08/07/2023

LT, RT

SAMBA

19,110

RIO DE JANEL...

0.1 kn

TORGUA

LT, RT

KORD CO LTD

KORD

1,870

MURMANSK

MURMANSK

07/07/2023

LT, RT

FREYB

725

LT, RT

VOLGA SHIPPING

VOLGA FLOT 6

5,212

LT, RT

BRAMS

1,000

GAMCHEON

BUSAN

04/07/2023

LT, RT

Photo: Shipnext

MAP

Map

Satellite

Photo: Shipnext



Alexander Varvarenko; photo: Shipnext

consideration the cargo actually being carried on a voyage,” says Varvarenko. “When you do so, the emissions profile of a given voyage changes completely.”

Shipnext modelling shows how an older, higher-emitting ship, if managed properly and laden to full capacity, can prove to be the ‘greener’ solution vs a more modern ship that’s producing more CO₂ because it is on a longer voyage.

“Right tankers for the right cargoes”

The latest innovation has been the addition of a liquid bulk functionality to the Shipnext platform, allowing it to serve a wider client base. “Shipping liquid cargo is highly specialised, and many of our

customers and tanker owners requested the addition of this functionality at the platform,” explains Varvarenko. “Because of the complexity, it’s not common to see such facility available on digital platforms, but we want to be able to cater to the whole of the market.”

Users can now add their liquid cargo to the Shipnext Trading Desk, entering key data such as the cargo’s total volume in cubic metres and melting point in

centigrades. Meanwhile, the Shipnext Fleet Monitor tool can be used to view tankers available to handle the shipment, as well as the tanker status and position.

Shipnext has registered the Danish-based Uni-Tankers, which has a sizeable fleet of carriers specialised in the safe handling of dangerous goods. Michael Eskling, Managing Director Marketing at Uni-Tankers, also took part in the Shipnext World Ocean Council documentary, where he detailed how the shipping business traditionally suffered from “a lack of transparency – especially when you want to locate the right tankers for the right cargoes.” He added, “Working with Shipnext, we can make the market more transparent and ensure we achieve the most efficient and sustainable solution by always choosing the ship that is in the right position.”

Shipnext can now better serve clients who ship a diverse range of liquid goods, including diesel, chemicals, bitumen, benzene, liquid asphalt, and waste. Owners and brokers of liquid tankers are invited to register their vessels at the platform.

Moreover, Shipnext can be used for the transportation of consumer goods, equipment & machinery, food & beverages, forest products, grains, livestock, metals & steel, minerals & rocks, organic material, and perishables & produce. ■



Shipnext is a digital shipping marketplace and transportation platform that provides instant data and email processing, immediate cargo-to-ship matching, freight trading and contract management, digital documentation flow, freight finance, and supply chain management solutions. Go to shipnext.com to learn about the full range of services and tools.