

sustainable japan

ESG promotional content produced by The Japan Times Cube

Company on track to become No. 1 in Japan, catering to all alike MSC Cruises' Morelli aims to sail the ocean green

Name: Oliviero Morelli
Title: President, MSC Cruises Japan
URL: <https://www.msccruises.jp>
Hometown: Naples
Years in Japan: 9

Leaders & Readers

LOUISE GEORGE KITTAKA
CONTRIBUTING WRITER

2023 is turning out to be a stellar year for Oliviero Morelli. Not only is his company, MSC Cruises Japan, celebrating its 15th anniversary, but his hometown soccer team, SSC Napoli, recently won the top tier of the Italian league championships for the first time in 33 years. "After finishing work, I headed directly to Narita Airport in the evening and arrived in time to attend the final match in Naples the next day," he recalled with a big smile. "I was a kid of 9 years old the last time it happened, so it was a long wait."

With roots in Italy, MSC Cruises is a global cruise line now headquartered in Geneva, Switzerland. Morelli began working for MSC in Naples on the cargo side in 2004 before moving over to the passenger sector three years later.

"Containers — although they make the world go round — are quite a static object.

They don't talk and they don't complain!" Morelli quipped. "Cruises are more of a challenge, as you have to deal with your guests. There is probably no other job that is so diverse, so challenging and so fun."

A love of Japanese culture

Morelli's first overseas posting was to London, and he thoroughly enjoyed the seven years he spent there before accepting the posting in Japan in 2014. However, Japan had been calling him long before that. "We grew up with Japanese anime and manga in Italy. Many companies found it cheaper to buy the rights from Japan than from the USA, so Italian kids in the 1980s and '90s were seeing temples and *onigiri* (rice balls)," he explained.

As a child his favorite anime was "Captain Tsubasa," based on Yoichi Takahashi's popular manga about a boy who is mad about soccer, just like the young Morelli. For the anime's Italian version, the titular character was renamed "Ollie" — which also just happens to be Morelli's childhood nickname.

These early brushes with Japanese culture blossomed into an ongoing love affair with the country. Starting at 18, he visited Japan more than 10 times before moving here for his assignment with MSC. Morelli was the first foreign national at the Tokyo office, but his team has expanded and

diversified greatly since then, helping to create a welcoming and supportive corporate culture that is very much in line with MSC's global values.

Cruising into the future

Cruising is still seen by some people as an expensive vacation option, but Morelli says this is a misconception, calling it an "affordable luxury" that caters to everyone, from families with small children to seniors. Cruises are also a viable vacation option for wheelchair users and those with mobility issues.

While seniors make up the largest segment of MSC Japan's guests, as a country Japan is still a young market in the cruise industry as a whole. The annual number of Japanese who go on cruises — both those who fly abroad to join one and those who embark from Japan — is still relatively small at 350,000. Morelli sees plenty of potential for growth, and MSC is on track to be the No. 1 cruise line in Japan by the end of the year.

In line with industry trends, the company is working on a variety of initiatives to take cruising into the next era. "Our MSC group includes cruise liners, cargo ships, ferries — we live with the sea and as part of the sea," Morelli said. "We need to take care of the seas in order to safeguard all our futures."

Earlier this year the company launched MSC Euribia, the second ship in its fleet to run on liquefied natural gas, with plans for all subsequent additions to be LNG-powered. There is also a steady move toward shore-side powering, whereby cruise ships plug into local power grids when they berth, turning off power on board and reducing emissions. Other green initiatives include new ship designs that reduce underwater noise and the impact on marine life, as well as wastewater treatment systems that are capable of produc-



HARUO MOTOHASHI

Naples, London, Tokyo since 2014

Born and raised in Naples, Oliviero Morelli joined MSC Cruises in 2004. He then moved to the firm's London office in 2007, where he worked for MSC Cruises UK as product and operations director.

He moved to the Tokyo office in 2014 as managing director of MSC Cruises Japan, before assuming his current role as president of the Japan business the following year. Morelli has overseen extensive growth of his team in Tokyo, as well as steady development in the Japanese cruise market.

Whenever time allows, he relishes the opportunity to travel around Japan and particularly enjoys visiting *onsen* (hot springs). He is an avid supporter of the SSC Napoli soccer team.

"I think I have the best job in the world," he said. "There is probably no other job that is so diverse, so challenging and so fun."

icated terminal for its passengers is currently under development. It will include immigration facilities, paving the way for Naha to become a key port for future cruise itineraries.

As a concrete example of the potential economic impact of cruise ships during ports of call, Morelli cites the city of Sakata in Yamagata Prefecture. MSC passengers toured around a temple during a shore excursion, generating enough income to fund temple operations for an entire year from a single visit.

Speaking of port cities, MSC Cruises has strong ties with Nagasaki in Kyushu as an official sponsor for the V-Varen soccer team. The cruise company also supports various other sports teams around the world, including Morelli's beloved SSC Napoli.

Combining his passions for Japan culture, travel and soccer, Morelli is constantly on the move but he wouldn't have things any other way. "I love my work. It's very hard but it's a beautiful job," he said.



Oliviero Morelli began working for MSC in Naples on the cargo side, and then moved over to cruises after three years. "Containers, although they make the world go round, are quite a static object," Morelli said.

HARUO MOTOHASHI

ing 80% of the freshwater on board.

Making regional connections

MSC Japan currently offers a variety of itineraries aboard its flagship MSC Bellissima, ranging from four to 11 days, cruising around Japan and with stops in either Taiwan or South Korea — under Japanese law, any cruise ship sailing around Japan under a foreign flag must officially leave and then re-enter Japanese waters during

the voyage.

According to Morelli, creating the right infrastructure is a key point for Japan's cruise market going forward, and MSC ensures that each port of call is ready for an influx of passengers. Terminals must also meet the diverse needs of the hard-working crews, which typically encompass more than 50 nationalities.

MSC has partnered with the local port authority in Naha, Okinawa, where a ded-

Suntory replenishes a century of water stewardship

ESG/SDGs

MAIKO MURAOKA
CONTRIBUTING WRITER

This year is the 100th anniversary of Japan's first malt whisky distillery, established in the Yamazaki district of the town of Shimamoto, near Kyoto. It was built by Suntory Holdings, a global maker of beverages and food founded by Shinjiro Torii in 1899. In this commemorative year, the company marked another milestone: Its Kyushu Kumamoto Plant, which produces water and drinks both nonalcoholic and alcoholic, received platinum certification from the Alliance for Water Stewardship, a global organization for increasing the sustainability of water resources.

Among the 263 certified sites as of July 17, platinum certification was given only to those that achieved the highest levels of water stewardship. There are three levels of certification: core, gold and finally platinum. After basic requirements are met, points gained on advanced indicators determine the level.

Water stewardship is defined by AWS as "the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that includes both site- and catchment-based actions."

The process of getting a site certified is not easy, involving training, registration,

implementation of the AWS Standard and an audit. It requires months of gathering and analyzing information and getting performance evaluated.

Suntory is doing this not to give a new challenge a try, but because this essentially aligns with what the company has been doing all along — contributing to the healthy circulation of water, an important resource for the company's business as well as for everyone else who benefits from the same water sources.

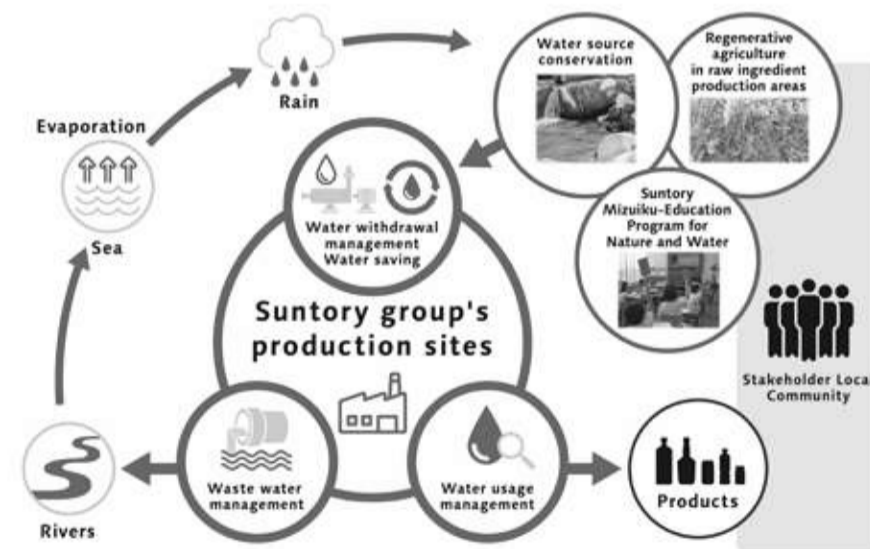
Giving back double

Through the Natural Water Sanctuary Initiative that the company started in 2003, activities to conserve water sources have been conducted at 22 locations totaling 12,000 hectares in 15 prefectures, successfully recharging twice the amount of groundwater used in the company's plants.

Suntory announced its new corporate philosophy in April, including its new slogan, "Suntory, Sustained by Nature and Water" — a clear message that it recognizes its role in natural water circulation. As its Sustainability Management Division's general manager, Harumichi Seta, put it in a recent interview with The Japan Times, "Suntory's business is the process of sharing some of the blessings of nature with our consumers to enrich their lives and culture."

Since the company's foundation in 1899, the mindset of committing to the sustainability of water resources and communities has always been reflected across the company's

Policies and Our Approach



A graphic of Suntory's water stewardship initiative. SUNTORY

purpose, values and principles, shaping how each of its 270 group companies and their 40,885 employees across the world work every day.

For a company like this, it made perfect sense to have its long-standing and ever-evolving efforts evaluated and recognized globally through the international framework of AWS and start engaging more deeply with AWS to promote water stewardship across diverse sectors in order to contribute to greater sustainability worldwide.

Each area is unique

While water sustainability is a global issue, Suntory, as an expert that provides education on water through its Mizuiku program in Japan and eight other countries, is well aware that each area has particular water issues.

"Any practices of water stewardship start

from defining the catchment area you will be working on and getting a thorough understanding of it through scientific means," Seta said. "In this process, we also gathered data about what is called embedded water — the water coming from other areas that is used to produce part of the ingredients for the products being manufactured at the Kyushu Kumamoto Plant. This is one of the requirements of the advanced indicators of the AWS certification."

He also pointed out the importance of understanding the water issues that others in an area have. In the case of this plant, there were a number of stakeholders to engage, including local residents, agricultural and fishery producers, municipal governments, academics, clients and suppliers in addition to workers and subcontractors for the plant.

The water stewardship activities were planned, with each having a clear target, to

address issues involving those stakeholders. Among the activities were forest management of the groundwater recharge area, cleaning the premises of Ukishima Shrine, which sits among neighboring natural springs, the plant's water management and the assessment of the environmental impact of the plant's discharged water.

They filled rice paddies in the area with water during the winter fallow period and helped British barley farms that supply the plant implement regenerative agriculture. These practices help secure biodiversity and enrich the soil, which leads to better crops and less impact on the groundwater and rivers in the area.

The beauty of the AWS certification is that reviewing and disclosing the performance of each activity and communicating with stakeholders is part of the requirements, which helps ensure the credibility of not only AWS itself but also the certified companies.

The Suntory Okudaisen Bunanomori Water Plant in Tottori Prefecture and the Suntory Minami Alps Hakushu Water Plant in Yamanashi Prefecture hold core certifications. "In addition, since drinking water is part of the infrastructure that supports the lives of consumers, I believe that the AWS certification will contribute in strengthening the trust we receive from our customers by helping us effectively communicate our activities to preserve the sources of the water," Seta said.

Leadership role in Japan

In addition to running AWS-certified plants, Suntory also signed a cooperation agreement with AWS to take a leadership role in promoting water stewardship among diverse industries in Japan. Based on this partnership, Suntory supervised the Japanese-language version of the AWS Standard. The company is also starting to contribute to various AWS activities in Japan and the creation of AWS training and capacity-building programs.



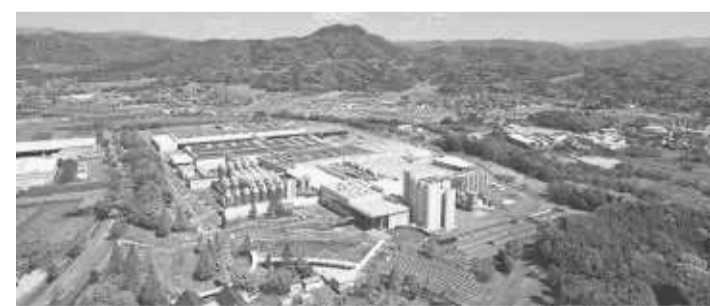
Cleaning the premises of Ukishima Shrine. SUNTORY

As part of promotional efforts by AWS, the first AWS meeting was held in Japan on Feb. 22 to discuss companies' responsible water resource management in catchment areas.

As the first company in Japan to receive AWS certifications, Suntory contributed to the event not only by sharing its insights but also by calling for various industries to participate. About 230 participants from both the private and public sectors gathered to learn about good practices in sustainable water management and the importance and benefits of water stewardship.

"AWS offers a highly systematized certification scheme that is committed to the results of water stewardship efforts and is working with other international frameworks related to sustainability to be compatible with each other. Suntory aims to advocate the benefits of making and disclosing water stewardship efforts as a local leader of AWS so that Japanese companies that are already engaging in water stewardship efforts will be recognized — and those that haven't will follow suit," Seta said.

Suntory is a member of the Sustainable Japan Network, a group of companies that cooperate with this newspaper in spreading information about sustainability in Japan. You can also be part of the network; scan the QR code for more details.



Kyushu Kumamoto Plant, which received a platinum certification. SUNTORY

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