

# Renewable energy sector among the drivers of growth

BY Liesl Venter

The project cargo sector is slowly emerging from its downturn with the outlook at present far better than it has been for the past two years.

According to Raymond Fisch, senior vice president at BBC Chartering & Logistics, a healthy demand and sensible order books in various industry sectors have led to an improvement in the sector, but he said it still faced serious competition from both dry bulk tonnage and ‘pure’ container carriers.

“The project cargo sector remains an attractive industry,” said Fisch. “Growth becomes a matter of definition of many things, mainly concerning economies and goods moving. The industry today still lacks a unique definition of what qualifies as project cargo, and port statistics have no common understanding of it either.”

But, as long as the global investment machine runs and the geo-political situation supports global economic development, humans will always drive the



BBC Everest ... geared for growth.

game, he told FTW.

“How you label this does not really matter. It matters how well a company is prepared to anticipate change and trends and makes respective decisions that allow it to create value.”

He said the industry was currently moving as a whole but also in individual modes, boding well for future growth.

“We are currently experiencing

the so-called BRIC phase in global economic development where countries like Brazil, India and China represent the driving engines of global trade. This trend is a sustainable source of transport demand for years to come.

“Second, the oil, gas, power, utility, mechanical engineering, heavy machinery and metal industries are all dependent on

efficient transport solutions that can reach remote locations and ports across the world,” he said. “Thirdly, if you look regionally you will also see other demands arising in developed countries that are associated with the renewable energy sector. Especially the wind industry is currently taking a significant share of the transport capacity in heavy-lift shipping.”

## Insurer hopeful of continued growth

BY Liesl Venter

Marine insurers are gradually seeing an increase in project cargo once again.

According to Associated Marine’s chief operating officer Mike Brews, there has been a definite drop in volumes in recent years – especially during and after the world wide economic downturn, but it is a situation that seems to be improving.

“We have started to see tenders coming in and while not many have come to fruition, it is a very hopeful situation.”

cargo it has been very difficult to make any forecasts or to determine trends. “But it is a sector on which we have been keeping a very close watch and one that we believe is going to pick up quite well.”

Brews said with many projects happening across Africa opportunities were endless.

“Infrastructure remains our biggest concern – be it the routes travelled or the ports used. We do mitigate as much of that risk as possible through third party surveyors but it remains a challenge in the African context.”

comes to projects, insurers often require supervision, especially during loading due to the specialised nature of the cargo. “Because it is so specialised, if any damages occur the cargo either has to be returned to its point of origin or engineers have to be brought out from the manufacturing country to do the repairs. Both these are costly options and therefore we are very strict in our requirements.”

He said often companies also insured for any possible loss of profit due to a slow start-up of a factory or a mine for instance.



Mike Brews ... ‘Infrastructure remains our biggest concern.’

project cargo it inevitably ends up taking time to fix and that risk