



Seahorse Multipurpose Cargo Logistics Journalist of the Year 2023 winning submission

Sophie Barnes



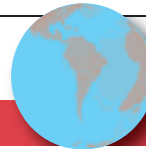
Argentina hosted the Mercosur summit in July.

Stricken Argentina bargains on regaining control of trade terms

Sophie Barnes,

our roving reporter in

LATIN AMERICA



In early July, Argentina hosted the Mercosur summit where trade negotiations with the EU were central to the agenda. But, of course, the current turmoil facing the Argentine economy could not be overlooked.

Full members of the Mercosur bloc include Argentina, Brazil, Paraguay and Uruguay – all nations that have had their fair share of economic instability. Currently, Argentina's inflation is sitting above 100 percent and the value of the Argentine currency (the peso) is plummeting. Inflation is projected to average notably higher this year than in 2022.

In Q1, according to FocusEconomics, “inflation continued to spiral amid a plunging peso, while exports plunged, interest rates soared and the country was hit by a severe drought. Moving to Q2, higher inflation in April and three additional rate hikes on top of a tumbling peso paint a bleak picture.”

Over May, the country's currency reserves continued to fall and Argentina faced a drastic shortage of US dollars – a major obstacle for international transactions.

“Unfortunately, this has affected the logistics operations in Argentina a lot,” said Dominik Keller, head of global development at freight forwarder Fracht Group. “Since the currency reserves of the country have reached the bottom due to various issues, the government has implemented stricter controls on money transfers – especially in the logistics sector – to abroad.

“These new regulations are very complex and difficult to understand/manage as they directly depend on the decisions of the finance ministry/authorities and the

Many foreign investors have lost their confidence in Argentina and have postponed their investments.

– Dominik Keller, Fracht Group

Argentinean government.”

He said that these difficulties massively affect Argentina's role in global trade. Further still, “the projects that are currently taking place in the country are also affected by this new policy, especially due to the rising costs”.

Many operational costs are following the current rate of inflation, said Keller, which at around 114 percent places Argentina among the countries with the highest inflation rate globally.

“The more uncertainty exists, the worse the situation gets,” he continued. “The companies need to monitor their cashflow, the inflation is devaluing their savings. Many foreign investors have lost their confidence in Argentina and have postponed their investments.”

China solution

The potential solution for Argentina has come from China; it doubled the size of the currency-swap line to USD10 billion, while signing a deal to promote China's belt and road initiative (BRI). Commercial banks in Argentina are now allowed to open deposit accounts in Chinese yuan.

Bloomberg reported that yuan transactions in the country's currency market came to about USD285 million in the first 10 days of June – double the volume in the entire month of May – as companies look into paying for imports in the Chinese currency.

Keller was pessimistic about the use of the Chinese yuan, saying: “It could be a part of the solution, but it is not good enough. Argentina depends on the negotiations with the International Monetary Fund (IMF), and structural changes must be implemented; this will be a major challenge.

“Elections are scheduled for October this year and the incumbent President Fernandez has announced that he will not go for a second term – the depth of Argentina’s economic problems means that the upcoming elections are unpredictable. In any case, the winning party will have a very difficult job ahead.”

At the Mercosur summit, Argentina’s economy minister Sergio Massa – a presidential candidate – looked closer to home to relieve pressure on the country’s economy. He said that “in order to strengthen intra-Mercosur trade, it is essential to consolidate local currency agreements among our countries. Beyond the moment of crisis that Argentina is going through with the worst drought in history, the use of local currencies in bilateral trade relieves the pressure on the use of reserves and on the exchange rate issue.”

Naturally, those suggestions will do little to help the current situation.

Lithium triangle

Nevertheless, if Argentina can get the economic crisis under control, it could become a hotspot of future investment thanks to its location in the so-called lithium triangle – which along with Chile and Bolivia is home to some of the world’s largest lithium reserves.

The raw materials found in Latin America continue to attract attention from many governments around the world. The EU is hoping to have a piece of the pie and ratify a long-planned free-trade agreement with Mercosur, which would also cover Brazil’s huge reserves of nickel, graphite, manganese and rare-earth metals.

An agreement in principle between Mercosur countries Argentina, Brazil, Paraguay and Uruguay and the 27-member EU was reached in 2019 after two decades of negotiations. Since then, the EU proposed a ‘side letter’ to strengthen environmental commitments of the trade agreement, mainly in relation to the preservation of the Amazon and introducing penalties for nations that fail to comply with climate goals – a move that risks derailing the ratification process.

The Mercosur summit provided the platform for Argentina and Brazil to voice their reservations, with Brazil’s President



The Campamento La Blanca lithium project in Argentina.

Luiz Inacio Lula da Silva (Lula) commenting: “Strategic partners do not negotiate on the basis of distrust and the threat of sanctions.”

He added that, “we [Mercosur nations] are not interested in agreements that condemn us to forever be exporters of raw materials, mineral products and oil.” The sentiment was echoed by Argentine President Alberto Fernandez who said: “No one can condemn us to be suppliers of the raw materials that others industrialise and then sell to us at exorbitant prices.”

Lula said his government was preparing a counterproposal to take to Brussels, which hosted a summit of the EU and the Community of Latin American and Caribbean States (CELAC) on July 17 and

18. The contents of that proposal will become apparent in the coming weeks and months but it certainly seems as though the Latin American governments want to increase control over their commodities and favour producing high-value goods over exporting the raw materials.

Battery factory

Argentina, for its part, is already embarking on this agenda with the opening of its first plant for lithium batteries. Scheduled to begin operations in September using metal extracted locally by US company Livent Corp, the plant has been developed by Y-TEC, a unit of Argentine state oil firm YPF.

Argentina’s mining minister Fernanda Avila said she hoped it would be an example for future projects. “The development of the supply around mining activity is a priority for our government.”

As the world’s fourth-largest producer of lithium, one would expect investment interest should only increase. Whether the country can turn that interest into cash will depend on how and when its economic turmoil eases.

HLPFI

No one can condemn us to be suppliers of the raw materials that others industrialise and then sell to us at exorbitant prices.

– Alberto Fernandez, President, Argentina



Nuclear shutdown brings new opportunities

The closure of nuclear power plants in Germany is opening the door for more investment in other renewable energies, as environmental goals need to be met and energy security safeguarded. All of this benefits project logisticians, if infrastructure barriers and permitting issues can be overcome. *Sophie Barnes reports.*

In mid-April, Germany closed down its last three nuclear power plants – Emsland, Isar II and Neckarwestheim II. At its height, the German nuclear power sector comprised 17 reactors. Up until March 2011, the country obtained a quarter of its electricity from this energy source.

The decision to phase out nuclear power dates back to 1998. A new government in 2009 reversed that decision but it was subsequently reintroduced in 2011, at which point eight reactors were shut down and the rest scheduled to close by the end of 2022. That plan was on course until Russia invaded

Ukraine and energy security became a top priority for many European countries.

The decision was made in October 2022 to extend the life of those last three reactors until mid-April this year to offset the reduced gas supply from Russia, with some observers calling for their permanent

logisticians. The impetus to invest in solar and wind energy projects just got a little more pressing.

Sven Kühner, director sales at Mammoet Germany, said: “To date, about 40 percent of Germany’s electricity consumption has been generated by solar and wind turbines. To ensure overall energy security, the expansion of renewable energies such as onshore and offshore wind is progressing well – LNG terminals are also being built and green hydrogen plants are being constructed.” He added that the energy transition is dominating the heavy lifting and transport market in Germany.

Renewable targets

By 2030, Germany aims to increase the share of renewable energy sources from 40 percent to 80 percent – meaning that there is still a long way to go if the country’s Energiewende is to be successful.

“There are plenty of different opportunities in connection with offshore wind, as well as with the shift towards renewable energy in general,” said Andreas Menzel, managing director, Germany, for Trans Global Projects Group (TGP). “It is not only related to offshore wind turbines, but also transmission and distribution, offshore substations and services. In short, the opportunities in this market are huge, both in Germany and globally.”

Felix Schoeller, commercial director at AAL Shipping, agreed: “There are upwards of 20 significant domestic energy projects now active in Germany, of which 70 percent are offshore wind.” The projects cover power generation, power infrastructure/grid, LNG infrastructure and more. All due to come online from between 2023 and 2027, he said.

In January, the country drew up new development plans for offshore wind turbine sites to reach a target of 30 GW of installed wind power capacity by 2030. Moreover, there would be enough space for 40 GW by 2035, and possibly an additional 10 GW by that date.

Onshore wind, however, has a greater battle for space. Currently, 0.8 percent of Germany’s land area is approved for onshore wind energy, but only 0.5 percent is actually usable, according to the federal government. In response, it intends to expand the area available and also create legally binding land-use targets.

In July 2022, the Bundesrat passed into law the Onshore Wind Energy Act; it stipulates that states must ensure that at least 1.4 percent of Germany’s land is set aside for wind projects by 2027 and 2 percent of the country’s total land mass must be designated



The expansion of renewable energies such as onshore and offshore wind is progressing well – LNG terminals are also being built and green hydrogen plants are being constructed.

– Sven Kühner, Mammoet Germany

for wind energy use by 2032. It also promotes repowering measures that reuse existing sites.

The act also contains a redesigned clause that regulates regional laws on the proximity of wind farms to residential and built-up areas. While minimum distances can still be set, states must now ensure that they meet the land-use targets set down in the Wind Area Requirements Act and thereby play their part in expanding wind energy.

Increasing hub heights

Kühner noted: “In Germany, about 2,400 MW has been installed onshore in 2022. This compared with previous years is a slight increase but still far behind the numbers that were achieved between 2014 and 2017.” He added that the trend of increasing hub heights is continuing: whereas the majority of turbines reached around 140-150 m in 2019, most turbines nowadays are above 150 m and up to 170 m.

With turbine heights potentially growing to about 200 m, Kühner said that “new lifting technologies are under investigation and development in the segment, such as tower cranes and climbing cranes”. For a climbing crane solution, a modification to the turbine structure will be required to allow the crane to climb upwards on the tower sections. Mammoet is in discussion with turbine manufacturers and developers about potential solutions in order to achieve hub heights above 200 m.



TGP loading a transformer on the River Rhine. The cargo was destined for the USA where it will convert power at a Ford factory.

reinstatement. Ultimately, the calls to halt the shutdown were unsuccessful and that decision has proven to be divisive; anti-nuclear campaigners naturally welcomed the decision, while others raised concern about the future energy supply.

The German government has acknowledged that, in the short term, the country will have to rely more heavily on polluting coal and natural gas to meet its energy needs while it ramps up electricity production from solar and wind. A short-term blow to the country’s environmental goals but, perhaps, a boon for project

www.hansameyer.com



As 'Transport Architects' we develop integrated transport concepts. Hansa Meyer plan and coordinate worldwide transports of complex industrial plants and oversized and heavyweight goods.

Hansa Meyer Global



**Individual solutions
for highest demands!**



SEFIRO | Scissor-lift bridges | Lifting systems
Loading platforms & load beds | Heavy load trailers
Crossing systems | Road vehicles | Transport & assembly accessories

GREINER
HEAVY ENGINEERING

A pioneering spirit and
great quality since 1980! Phone: +49 7942 94468-0
Fax: +49 7942 94468-28

Felix-Wankel-Straße 5 info@greiner-heavy.de
D-74632 Neuenstein www.greiner-heavy.de



CYCLE KENYA 2024

4th - 13th October

Join Transaid on a once-in-a-lifetime adventure



SCAN ME

 @Transaid  @transaidorg
 @TransaidOrg  @Transaid

transaid.org • registered charity no. 1072105 Patron: HRH The Princess Royal

In recent years, AAL has strategically focused on renewable energy projects in the region, particularly in the onshore wind sector. “We have successfully executed numerous transportation projects involving the shipment of onshore wind equipment from Asia to Germany, with the destination port being Cuxhaven,” said Schoeller.

He said that the strong push for domestic renewable energy sources is supported by both the local government and the EU. However, he believes there has been insufficient investment in production facilities and other infrastructure. “Adequate investment in production facilities, manufacturing capabilities and supporting infrastructure is crucial to ensure a self-sustaining renewable energy ecosystem in the country. It not only facilitates the domestic production of adequate sustainable energy sources, but also reduces reliance on imports and strengthens the overall renewable energy supply chain.”

Cohesive strategy

German policymakers and industry stakeholders, he said, need to work together to encourage investment and thereby build a cohesive strategy that not only supports new renewable energy projects, but also the required development and expansion of the country’s domestic infrastructure capabilities and power grid.

Aside from the continual development of wind energy sources, the closure of nuclear plants may also provide opportunities for engineered and heavy transport specialists active in decommissioning activities. As Kühner explained: “Since Germany’s decision to phase out nuclear energy, the importance of this segment in the project logistics sector has increased. The dismantling of a nuclear power plant takes between 10 and 15 years. However, decommissioning requirements were not considered during the concept and building phase of nuclear plants.

“Additionally, safety awareness and demands have steadily increased over the past decades. Decommissioning requires long-term planning together with site owners and all contractors to analyse space and structural limitations, develop individual concepts, implement safety demands and to stay within the given timelines and budgets. Safety awareness is and remains always paramount for heavy lifting and transport concepts and activities. Since 2015, Mammoet has been working intensively to develop individual solutions and to realise successful nuclear decommissioning projects at various nuclear power plants in Germany.”



Mammoet lifting a monopile at the port of Rostock.

For instance, it worked with contractor Höfer & Bechtel to support the decommissioning of the Unterweser nuclear power plant. It was tasked with lifting a reactor pressure vessel, weighing approximately 400 tonnes, out of the reactor pool as a whole component. For operator PreussenElektra, this was the first of five pressurised water reactor plants to be decommissioned and served as a pilot solution that could be adapted to other power plants in its mix.

During an intensive planning phase, the team of operator, contractor and Mammoet worked together to develop a safe and efficient solution. A customised solution using the SBL 1100 four-point hydraulic lifting gantry, which has a capacity of 1,100 tonnes, was proposed. According to Mammoet, this technical solution could be well adapted to the confined space conditions and would therefore also be suitable for use in PreussenElektra’s fleet.

Menzel believes that there could be limited scope for project logisticians in this segment, however. “In the field of nuclear, power plants, or other factories, decommissioning works are typically handled by the installation/deinstallation companies with their own assets. Even the large and heavy parts are decommissioned to the smallest and lightest possible dimensions and weights. The transport costs are under enormous pressure and therefore the transport scope for these commodities can

be seen as low paying commodities. This might be different on class 7 cargoes, which we typically do not transport.”

With the decommissioning of its nuclear power plants and the shift from Russian gas, Germany’s energy landscape has been going through a period of change.

“Germany has repositioned its energy landscape by prioritising the expansion of renewable energy, improving energy efficiency, diversifying natural gas suppliers, expanding energy interconnections, and investing in energy storage and grid modernisation,” Schoeller explained. “These strategic efforts aim to reduce reliance on foreign Russian energy, enhance energy security, and foster a sustainable and diversified energy system.”

High energy costs

The ramifications of those changes are being felt, however. According to Menzel, “more than 12 months after the Russian invasion into Ukraine we learnt that the energy costs in Germany will remain at a much higher level compared with the times before.

“It is therefore quite clear that Germany will remain a high-cost country in respect to the energy costs. This does not help it to be commercially competitive in a typical machinery manufacturing and exporting market, where the main competitors are Asian manufacturers. This is a factor causing increasing prices of imports of high valuable machineries and construction parts.”

Meanwhile, further concerns that have been prevalent in the German heavy transport market – weak infrastructure and long delays in issuing permits – are reaching crisis points. The unsuccessful rollout of the German online system for the application and approval for large-scale and heavy transports across federal states, VEMAGS, has been ongoing for the past three years. With no sign of improvement, the European association of abnormal road transport and

We have successfully executed numerous transportation projects involving the shipment of onshore wind equipment from Asia to Germany...

– Felix Schoeller, AAL Shipping

mobile cranes (ESTA) – which said that the system has led to increased costs, unnecessary bureaucracy and greater delays for heavy transport companies – has written to the German government and the European Commission urging action to resolve the crisis.

ESTA director Ton Klijn called on ministers and commissioners to set out a detailed long-term plan for heavy transport to stop the current situation being repeated in future years. In the letter, he said: “The recent news from northern Germany that the delays in granting permits to heavy and abnormal transport look set to be the norm for many months to come illustrates an outrageous and damaging dereliction of duty by the authorities concerned.

“Central and regional governments – both politicians and officials – and Autobahn GmbH have to date completely failed to recognise the gravity of the situation. They have declined to adopt any immediate, short-term measures to ease this crisis or shown any sign of developing the long-term policies required for an efficient, modern industrial economy.”

He drew attention to the Northwest Branch of Autobahn GmbH, which said it was too busy to reply to emails. A telephone line, which is often busy, can be used to check on permit application status but not expedite their issue.

Permitting frustrations

According to Menzel, TGP has seen occasions where permitting processes can take 14-16 weeks, whereas previously it would have taken three to four weeks. “This is not caused by excessive transport dimensions or weights but due to bureaucracy,” he said. Klijn added that abnormal transport companies have simply been told to be patient, while the backlog of pending permit applications increases to approximately 15,000.

“It is absolutely unacceptable that the newly established Autobahn GmbH has grown to 13,000 employees but is not able to fulfil its duties at all,” Menzel continued. “Even in the tough period over covid, we never experienced delays like this. We have seen this impact since November 2022 and understand that in most cases the delay is caused by unclear responsibilities.

“We do see a clear shift for transport to be directed to the West ports compared with the German ports to avoid, or at least reduce, long-lasting permitting processes. This is clearly another negative aspect in addition to the increasing energy costs as described before.”



Central and regional governments – both politicians and officials – and Autobahn GmbH have to date completely failed to recognise the gravity of the situation.

– Ton Klijn, ESTA

In the letter to the German government and the European Commission, Klijn added: “We are told that the situation will eventually improve – without any firm evidence whatsoever to back up that assertion. At no point is there any suggestion of serious action to try to improve the situation as it is today. According to Autobahn GmbH, the solution lies in a new automated permit handling system whose development will be accelerated by a few months and which should now go live in July. The current experiences with the dysfunctional VEMAGS system make us fear the worst.”

Unrealistic plans

In the longer term, Germany’s plans to address the issues seem unrealistic. Klijn said: “On the part of the national authorities, we only hear statements about unrealistic plans to shift abnormal transport to railways (which are already overloaded) and to inland waterways (whose infrastructure in Germany may be in even worse condition than the road network).”

According to Kühner, there has been a slight increase in the transport of heavy goods by water, “especially transformers and turbines, which can be transported by ro-ro vessels”. Depending on the total distance and the project location, Mammoet transports its large crawler cranes by barge, for example. However, he said that rail transport still has too many limitations, such as the number of special heavy transport



configurations available and the possible transport dimensions for oversized items. “Freight is often required on a just-in-time basis on site. For these time-critical transports, it is very difficult to keep to a tight schedule on the rail line.”

Potential solutions to the heavy transport woes were suggested by Klijn: an agreed programme of infrastructure investment, the development of agreed heavy transport routes, the creation of an agreed Europe-wide electronic permitting system, and common rules and regulations on the size



Mammoet lifting a blade for an onshore wind turbine in Germany.

manufacturing, shipping and wind energy sectors.

VI GST summarised its demands and goals in a detailed position paper sent to Volker Wissing, Germany's Federal Minister for Digital Affairs and Transport, and Robert Habeck, the Federal Minister for Economics and Climate Protection. The overall aim, it said, is to see improved conditions for large and heavy transport to secure Germany as a business location and to aid the country's conversion to a climate neutral economy.

In a statement accompanying its position paper, it added: "The current situation is no longer acceptable for the shipping economy and transport industry. The VI GST therefore acts as a joint platform for the shipping industry and the transport industry. The aim is to make a clear demand on politicians not to unnecessarily impede heavy transport and to use the existing scope to reduce bureaucracy in order to facilitate urgent relief.

Fundamental prerequisite

"Large-capacity and heavy-duty transports are, among other things, a fundamental prerequisite for the implementation of infrastructure projects in business and in the public sector. The project processes of large projects are always individual and require long planning and preparation times. The increasing wear and tear of the transport infrastructure is currently being shown all too clearly by the large number of dilapidated bridges in Germany. This leads to considerable difficulties in the search for possible transport routes."

The application and approval process for permits is adding fuel to the fire, the VI GST said. "The processing times for the authorities currently take weeks to months. Fixed project processes get out of joint, causing delays and cost increases. National strategies, such as the energy transition, will be impacted if, for example, wind turbines cannot be erected as planned due to transport problems."

Among the specific measures outlined, the paper asks the government to: overhaul the heavy transport regulations to make them more efficient and appropriate for current market conditions; accelerate and improve the permit application and approval procedures; maintain and expand the transport infrastructure and use it more effectively; rethink the new VEMAGS permitting system; introduce uniform and calculable fees; and adjust the regulations so that loads that are undersize or underweight do not have to apply for a new permit.

HLPFI

and weight of loads (along with the rules on marking, lighting and escort cars).

None of the above suggestions are fanciful, but do require ambition to achieve, he added. "But if the authorities continue to turn a deaf ear to these very real problems, German and European industry will suffer great harm. This is, we stress, not just an issue for German companies but for Europe as a whole."

Menzel agreed that the "fight against ageing infrastructure" and the need "to start a massive and on point investment strategy

for rail, road and river systems to ensure connection to and from the German North Sea ports" is a clear requirement.

A new campaign called Verbändeinitiative Großraum und Schwertransporte (VI GST) – the Association Initiative for Large-scale and Heavy Transport – is also increasing the pressure on the German government to take action.

It has brought together 31 mostly German economic, business and transport organisations, including ESTA as well as companies in the engineering, equipment



Rollit Cargo said the constant construction of wind turbines is continuing to generate a lot of cargo handling opportunities.

REGIONAL REPORT **BENELUX**

Leading players in two of Europe's largest project cargo hubs – Antwerp and Rotterdam – are confident about the market prospects for the years ahead, boosted by several sustainability initiatives. Efforts to reduce nitrogen emissions, however, could hamper those developments. *Sophie Barnes* reports.

In the Netherlands and Belgium, intensive livestock farming and the use of fertilisers, as well as traffic and construction, have resulted in nitrogen in the soil and water exceeding thresholds set by the EU. All nitrogen-emitting industries will need to re-evaluate their practices.

After decades of insufficient action to tackle nitrogen emissions, both countries are now moving forward with emission restriction strategies. Last year, the Dutch government announced plans to slash nitrogen emissions in half by 2030. Belgium is proposing a regional plan with the Flemish government putting forward a package of measures to cut pollution.

Both decisions were met with protests from the agricultural sector – one of the main contributors to the nitrogen issue. In early March, for instance, a convoy of tractors brought traffic in Belgium's capital Brussels to a halt in protest over the regional government plan.

Difficult choice

The concern is that the planned cuts place a heavier burden on agriculture than industry (another key contributor to emissions). In the Netherlands, the country is facing the difficult choice between building infrastructure or backing agriculture.

While drastic reductions of livestock have been proposed in the Netherlands, other contributing sectors have not been unaffected. All polluting sectors will have to participate in the effort to reduce nitrogen emissions; earlier this year, the government set a target for a 38 percent cut by 2030, compared with 2019, for the energy and industrial sectors, and a 25 percent cut for transport.

Leading the way to net zero



The first quarter of 2023 saw business at Zuidnatie return to normal in terms of volumes of its main commodities – iron, steel and general cargoes.

For the construction sector, some building projects are either on hold or at risk of being scrapped. Transportation, meanwhile, will have to adapt to new standards for fuel efficiency and electrification, while specific initiatives also include speed limits on motorways.

Last year, as stakeholders searched for clarity on the implementation of the new measures, permits for new infrastructure developments were paused, farms were refused expansion, building projects stopped and the construction of new roads denied.

Twan Romeijn, business manager, breakbulk and offshore industry at the Port of Rotterdam Authority, noted that the growth of industry, particularly projects that would convert fossil fuel production to green/sustainable fuels such as hydrogen, “risk being slowed down due to the nitrogen discussions. That is a large risk,” he said.

Growth area

The upgrade or conversion of industrial facilities, and the preparations for hydrogen production, have been a growth area for the Dutch port in recent years, attracting project cargoes to the gateway. And, despite the volumes of containers and breakbulk cargoes registering a drop in the first quarter of 2023 compared with 2022 (11.6 percent and 6 percent, respectively), Romeijn is positive about the years ahead for the project cargo market.

He said that the project cargo market has grown over the past years, attributing this to strong growth in offshore/onshore wind activities as well as the stable growth in oil and gas-related projects, with high

commodity prices encouraging investment in new infrastructure and the upgrade of existing facilities, among other industry verticals.

Rotterdam also continues to facilitate the movement of casco barges thanks to a high demand for new capacity, as well as the mobilisation and demobilisation works for offshore-related vessels due to the port’s “strong link with the maritime cluster”, Romeijn explained.

The outlook for the offshore and onshore wind market is particularly promising, he continued, “as sustainability targets have to be met”. This is not restricted



Offshore wind will grow even faster in the upcoming years, and more and more wind farms will be constructed.

– Twan Romeijn,
Port of Rotterdam Authority

to projects in the North Sea, but also developments in Asia and the USA, which require foundations, tower sections, blades, nacelles, cables and generators.

Within this, however, there are concerns. Romeijn pointed to the offshore wind industry’s desire to achieve even greater economies of scale with ever larger components. The next generation of turbines, for instance, will fall between 12-15 MW, standing over 200 m tall and with blades measuring over 100 m long.

Serious impact

“This will have a serious impact on the required infrastructure,” said Romeijn. “What if it is getting too big?” He believes that “offshore wind will grow even faster in the upcoming years, and more and more wind farms will be constructed”. With projects and products increasing volumes even further, that too will “put more stress on the required infrastructure”.

Rotterdam is well placed to handle those stresses, however, with Romeijn noting the port’s deepwater quaysides, large project areas and heavy lift specialists such as RHB Stevedoring & Warehousing, Bonn & Mees Floating Cranes, Rhenus Logistics, HEBO Maritiemservice, Broekman Logistics, SIF Group and C. Steinweg.

Wind energy cargoes are also a mainstay at Belgium’s leading project cargo gateway, the port of Antwerp-Bruges.

Arthur Mahieu, ceo of Rollit Cargo, which has its own quay concession in Antwerp, noted that “the constant construction of wind turbines” is continuing to generate a lot of cargo handling





THE BLACK BELT SLING™

A SOFT SLING MADE WITH HIGH PERFORMANCE FIBERS SUCH AS DYNEEMA® & HMPE

FOR THE REAL HEAVY LIFTS



READ MORE

FEITHSPARK 9-1, 9356 BX TOLBERT - THE NETHERLANDS
TEL. +31 0594200010 | SALES@LIFT-TEX.NL
WWW.EXTREEMASOFTSLINGS.COM

PROJECTS IN MOTION – YOUR OPERATIONAL SUPPORT

www.rollitcargo.com

ROLLIT CARGO

Transport
Transshipment
Port labour
Stevedoring
Packing



BREAKBULK

EUROPE 2023

The world's largest project cargo and breakbulk event

Rotterdam Ahoy | Rotterdam, The Netherlands

Rollit Cargo NV
at 1J42

JOIN US

Register now at bbx23-registration.personatech.com

Heavy lifting
Lashing & Securing
Storage
Engineering

PROJECTS IN MOTION

projects@rollitcargo.com
T +32 (0)3 800 55 59
BELGIUM

opportunities. “The port of Antwerp plays a very important role in this, as it is perfectly situated to distribute cargoes, also to neighbouring countries.

“With blade lengths exceeding 80 m, it is not easy to depart from certain terminals but specialists/handlers – such as Rollit Cargo – take these limitations and obstacles into account. Needless to say, handling this cargo is very specific and sensitive to damage so you can only handle it with experienced, specialised teams,” he explained.

Much like the port of Rotterdam, Antwerp-Bruges saw throughput drop slightly in the first quarter of this year, down 4.5 percent compared with the same period last year with 68.7 million tonnes passing through the port.

According to the port, the decline is due to the still complex geopolitical and macroeconomic context, which has led to a decline in the container segment and significant shifts in cargo flows.

Last year, the high container freight rates and disrupted sailings had a knock-on effect for one of the port’s multipurpose terminal operators, Zuidnatie. Marc Van Aken, chief commercial officer at the company, noted that during 2022 it handled large volumes of commodities that would normally be shipped via box carriers – “big bags, plywood, steel bars, as well as full and empty containers were being shipped on multipurpose vessels”.

Those volumes (both export and import), he said, “affected the availability of free storage areas at our terminals”. He recognised that it is difficult to predict the future of the breakbulk market, commenting: “We simply do not get any guarantees regarding volumes and so have to be very flexible during peaks and troughs”. He did, however, note that during the first quarter of 2023, “business went back to normal, with normal volumes of main commodities – iron, steel and general cargoes”.

Niche market

Looking ahead, he said: “In my personal opinion, the breakbulk market will become niche very soon. A lot of cargo will be containerised, resulting in less breakbulk cargo. At Zuidnatie, we can rely on long-term partnerships, investments in state-of-the-art infrastructure and sustainable relationships with both our own people and other stakeholders.”

Investments from Zuidnatie include the modernisation of its breakbulk infrastructure as well as the electrification of heavy lift cranes and forklifts.



Rollit Cargo handling heavy cargo at the port of Antwerp.

Mahieu believes that “the project cargo market has held its own, despite the current difficult global situation”. He said: “The port of Antwerp is still one of the most important project cargo hubs in the world and consequently generates a lot of exceptional handling.” In addition to renewable energy cargoes, he referenced large projects in the Antwerp chemical and petrochemical sectors as key generators of project cargo traffic. “Both in terms of exports and imports, a lot of cargo passes through the port of Antwerp.”

Albert Pegg, a veteran of the Antwerp project logistics scene and director of the Atlas Breakbulk Alliance (ABA), added that the project cargo market in the Benelux countries has had its ups and downs. “The petrochemical clusters are making huge efforts to become more sustainable and that comes with investments in new/renewed production facilities. The circular economy also bodes well for the future and certain incubators have set up test labs; others are already more mature and have moved into commercial operations,” he said.

While he, too, recognised wind energy – both on and offshore – as a big driver of activity, he warned that there are still hurdles. “Especially for onshore, the ‘not in

my backyard’ syndrome is still hampering a number of projects.”

In Antwerp, he pointed to the Ineos Project ONE – the largest investment in the European chemical sector for a generation that will see the construction and operation of the most environmentally sustainable cracker in Europe. “That will get up to speed pretty soon and will for sure boost volumes,” said Pegg.

Green hydrogen pipelines

Pegg also noted the development of green hydrogen pipelines in Europe. For instance, Gasunie is building a network in the Netherlands that will link five industrial clusters to foreign countries and to hydrogen storage facilities. Current plans call for the first parts of the national network to be available in 2025.

To decarbonise energy-intensive industries as well as heavy and maritime transport, the Belgian government, meanwhile, rolled out the federal hydrogen vision and strategy, which includes a plan to pursue the development of hydrogen transport infrastructure by an open-access pipeline. A first phase will start with the commissioning of a minimum of 100 to 160 km pipelines by 2026. By 2030, Belgium has the ambition to connect to neighbouring countries via the open-access hydrogen network to realise its international positioning as an import and transit hub for renewable energy in Europe.

A big benefit for logisticians in Belgium is the cluster of manufacturers that build or develop project cargo. According to Mahieu, this ranges from high pressure vessels, engines, reactors and generators to columns and storage tanks.

The petrochemical clusters are making huge efforts to become more sustainable and that comes with investments in new/renewed production facilities.

– Albert Pegg, Atlas Breakbulk Alliance



Looking for a sustainable partner to handle your heavy lift or project cargo?

Zuidnatie is your quarterback!



Contact us!
commercial@zuidnatie.be

www.zuidnatie.be



6 - 8 June 2023 | Breakbulk Europe Rotterdam
Present at Breakbulk Europe



Crosby®

Look for the Red Pin®,
the mark of genuine Crosby® quality.



ANTWERPXL

REGISTER NOW
28-30 NOVEMBER 2023
ANTWERP EXPO | ANTWERP
THE FUTURE OF BREAKBULK



REGISTER NOW >
ANTWERPXL.COM

Host sponsor



**Port of
Antwerp
Bruges**

by **EASYFAIRS**

Operating in Belgium is not without its challenges, however. Mahieu explained: “In terms of infrastructure, Belgium is always changing, both on the road and on the water. Bridges are being raised on canals to allow river vessels (with container heights) to pass more easily, locks are being enlarged and the road infrastructure is also constantly being modified.

“All things that benefit heavy, exceptional transport but also things that make existing routes and permits subject to changes, adjustments and complexities.

“Belgium is also a very complex country that is divided into regional governments, each with their own competences. There is often a lack of affinity between these entities to map all aspects. Is an adaptation to the road infrastructure specific to daily (private) transport, is it specific to exceptional transport or is there a consideration to combine both options? Matters that seem structural and obvious to project cargo handlers (transporters, among others) are often not for the legislative executive/initiative authorities,” he commented.

Inland waterways

An added issue is the push to move away from road transport, notably to inland waterways. Pegg noted that while this is a logical move, “one still needs to cover the first and last mile delivery, and not every OEM or heavy lift/out-of-gauge producer is next to a waterway”.

He also noted that legislative issues can hinder the go-ahead for projects in the country. “When a project has proven it is in all aspects (scientifically, economically, ecologically, financially) best for the common good, it should not be stopped in court anymore, which still happens from time to time – although a law in Belgium has at least already made it more difficult for individuals to do so.”

He referenced a number of proposed LNG power plants in Belgium that would have compensated for the reduction in nuclear power plants. “[They] did not get the green light for a variety of reasons, but the ecological footprint certainly played a massive role.”

Another issue is the high labour costs and the fact that legislation in Belgium makes the market accessible to foreign transport firms that often operate at lower rates. “This trend is worrying and not negligible,” Mahieu warned.

Overall though he is confident about the prospects for the sector. “From my personal experience, with more than 25 years in the heavy segment, I dare say that the project



Wind energy cargoes being handled at the port of Rotterdam.

cargo market will keep moving.

“As the world keeps turning, people will always need essentials, factories/large plants will always keep producing. These are largely built with project cargo. At the same time, this cargo is usually well distributed among



Logistics handling is always an additional cost but often fractional compared with the cargo value. From this perspective, the port of Antwerp is and remains a world player...

– Arthur Mahieu, Rollit Cargo

existing logistics handlers who derive added value from their expertise and/or their many years of collaboration with manufacturers. Not unimportant here is the expertise of the handler, who often uses his own equipment and often offers specific solutions. Logistics handling is always an additional cost but often fractional compared with the cargo value. From this perspective, the port of Antwerp is and remains a world player with specialised handlers and terminals.”

Big projects

Van Aken at Zuidnatie is buoyed up by the positive development of current volumes as well as big heavy lift projects that are in the market for the port of Antwerp and Zuidnatie, starting from the summer of 2023.

Moreover, stable breakbulk volumes, he said, are required to address an ongoing concern for the sector: keeping the experts on the job. He noted: “We suffer from the ‘war for talent’, so we do our utmost best to attract the right people for the right position”.

This was also a concern for Romeijn, who believes that the upgrade and build of new facilities to meet sustainability targets in the port, European hinterland and beyond will have a positive impact on project cargo. He warned that a big challenge facing the sector is the “availability of human capital to execute, accelerate and re-invent the heavy lift/project cargo business”.

HLPFI