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Building resilience

As the Indian government's SagarMala project spearheads a rapid expansion in port and trade development, strategic investments may enhance resilience and offer substantial future cost savings, writes **Kajal Festen-Purohit** of Marine Masters

As India looks to scale up international trade, shipping is at the forefront of the country's efforts to highlight the staggering potential of the Indian economy. The government's SagarMala project – a wide-ranging initiative that champions ports and their ability to kickstart economic growth and activity – envisions benefits such as improvements to port efficiency and turnaround times, better digital connectivity, and significant CO₂ emissions reductions from transportation of cargoes by air, road, rail waterways and oceans.

In the flurry of development activity, investment in emergency response and disaster preparedness will pay dividends to India's economy and environment. The bolstering and expansion of coastal and port infrastructure should ideally be supplemented with strategic investments in emergency response and salvage expertise in order to safeguard these developments and cut operational and environmental costs in the long term. For example, India currently lacks much of the heavy lift equip-

ment and more powerful tugs necessary for large scale salvage operations, and as its ports become busier and capable of servicing larger vessels, this could become a commercial liability as well as a safety concern.

Speaking as a maritime professional with significant expertise in salvage operations across complex new markets, I know that regional preparedness for incidents is indispensable for long term market success. As greater infrastructure is installed, trade expands and more vessels transit our ports, the potential for incidents will consequently increase – this is inevitable. But proactively addressing this risk can mitigate fallout, and liaising with the right experts can make all the difference.

PRUDENT FORESIGHT

When an incident occurs, local resources should ideally be available and will reduce response times, travel costs and delays, and keep consequent emissions lower. Alongside these benefits, stakeholders are spared the additional tedious and expensive task of securing approvals for moving equipment between jurisdictions.

Governments and industries can also look at investment in assets like Emergency Tow Vessels (ETVs) and other

equipment as an insurance against disruption to their own activities. A grounded vessel in a traffic lane or within a port can delay other ships or take a port area out of action, hitting revenues directly and having knock-on impacts along the supply chain. Part of developing any efficient logistics system includes capacity to swiftly remedy incidents that negatively affect productivity.

While the cost for a salvage operation tends to be fairly straightforward to quantify, the secondary and tertiary costs can prove far more complex. With maritime operations, time is often money and meeting stakeholder demands on time is a vital priority for actors in the supply chain. The length of incident response may determine whether business operations continue in the region or if ship owners and operators would prefer to re-route. The loss of potential income is a further cost – as is the damage to reputation.

As in any coastal nation, countless local communities in India rely on the sea for their livelihoods and the impact of a large cargo or bunker spill on a shoreline can be catastrophic. The price of bunker removal, of cargo removal, and even of vessel removal all pale in comparison to the economic damage wrought by oil pollution, or the cost of a long term clean-up of coastal environments. Much of the value of emergency response assets is in minimising economic damage and the costs



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Kajal Festen-Purohit

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of cleanup – which can impact food security, tourism, health and safety for local populations, trade possibilities, and more.

KEEPING COSTS LOW

India is a price-driven market eager to cement its standing in global trade. But, as we have seen elsewhere in the world, there will be increasing opportunities for those in the maritime industry to differentiate themselves on performance and efficiency as the market matures, particularly as competition between companies and individual ports raises standards. The expansion of activities in shipping, ports, and related industries like renewable energy and oil and gas increases the technical experience of the workforce relevant to salvage activities, bringing down crew costs in the market.

Marine Masters has long been a proponent of using local experts in its operations for the invaluable knowledge of local practices and procedures they bring to the table. Using local experts and suppliers has straightforward cost benefits like reduced travel costs, but can also bring in less obvious advantages, such as offsetting portions of cost when disposal services are a viable option.

For example, we recently had a member of our extensive network located in North Africa help secure a buyer for a wrecked ship's cargo, ensuring significant cost savings. Sales like these are not only beneficial and sustainable, but they often make the best of a bad situation – it prevents cargo from going to waste, finds a way for it to be sold and put to

good use, and turns what would otherwise have been disposal costs into revenue for the cargo owner to offset their loss. Minimising the creation of waste therefore not only benefits the cargo owner and the North African buyer, but the environment as well – supporting ESG strategies across this stakeholder chain.

I believe India has similar opportunities to leverage existing expertise and infrastructure in the salvage market. Disposal services are an important part of salvage operations, carrying cargoes, bunkers, and even ships from the marine environment to facilities ashore for processing and recycling. As an established ship recycling hub with many large operators already compliant with the Hong Kong Convention (HKC), local knowledge and networks may allow us to minimise disposal costs in salvage situations, as well as identify and maximise any potential returns for the sale of steel and cargo.

For owners interested in well-to-wake emissions, the option of recycling steel can act as a significant positive – ensuring lower emissions and continued availability of a resource that is always in high demand across global industries. While seemingly small, these actions are likely to shift us further towards maritime's goal of net zero.

STRENGTHENING NETWORKS


As the maritime world evaluates how best to implement a just transition – ensuring shared technical knowledge and upskilling in order to ensure all global economies see similar ben-

efits – I'm proud to say that Marine Masters is already implementing this across our range of operations. As Director of IndiMaritime Solutions, I manage projects in South Asia for Marine Masters, linking established Dutch expertise in salvage and wreck removal with local expertise and networks in India.

This ensures that we hire and utilise skilled local workers in India, benefiting its economy and developing a skilled base of human resources, while also sharing our own understanding of best practice for assets and operations in the region. As a result, we are co-creating knowledge and resources for future operations through a collaborative international partnership.

So although the rapid upscaling of India's ports and maritime industry is primarily about the potential for trade expansion, I believe there are a great many further opportunities that can be leveraged. Salvage is a fantastic example, making visible the potential nexus between sustainability, reduced emissions, global collaboration, upskilling and knowledge sharing, and resilience.

While strategic investment in emergency response resources like salvage may begin by limiting costs and reputational damage, the outcomes are a route to further growth and collaborative resilience.

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