



BBC Chartering - multi-purpose vessels – multitasking

By ULRICH ULRICHS,
Chief Executive Officer, BBC Chartering

We expect the heavy-lift and multi-purpose market to remain very strong in 2022 with demand outnumbering supply due to various factors. Amongst these are surging container volumes, the pandemic, and the fleet structure.

One currently prominently observed phenomenon is the container “hype”, directly or indirectly driven by a sustained increase in consumer spending, which will continue to influence the multi-purpose market throughout the course of 2022. Needless to say, the demand for container capacities contributes to the lack of MPV tonnage. Multi-purpose vessels continue to be chartered out to container carriers. Alternatively, MPV carriers are carrying “high paying” containerised cargoes. The

Covid pandemic induces a lot of factors causing current global supply chain issues (terminal lock downs, quarantine of crew/vessels, slow productivity in ports, congestion, etc). Those factors are not likely to get solved before earliest the second half of 2022.

There are a few underlying issues which also influence the multi-purpose sector within itself. Demand for transportation requirements, especially with regards to renewable energy cargoes, remains high. The MPV fleet is in general overaged and there are hardly any new buildings to be delivered in the coming two to three years. In addition to that, additional environmental regulations (ballast water treatment systems, EEXI, CII) will take capacity out of the market, either due

to required dry-dockings or as a result of slow steaming. This will add costs for owners and operators - costs which have to be passed on to the customers.

Space will remain a matter of “premiums” and freight rates will continue to stay at high levels. Lead times have increased from two to three weeks in February 2021 to two to three months in September 2021, already. Time charter rates for MPV/heavy-lift vessels have more than doubled between Q1 and Q3 2021.

Shippers are advised to fine-tune their forecasting and keep in close and regular contact with their carriers in order to secure the space/capacity they require in 2022. ▲



Pictured: the multi-purpose vessel, the BBC Xingang, being loaded at Adelaide. Photo credit BBC Chartering.