## Busy Schedules Require More Docks: Besiktas Shipyard: Increasing Capacity with a New Yard



### How was 2022 for Besiktas Shipyard?

Sergio: 2022 was an incredibly busy year for all the shipping industry, shipyards, service providers, manufacturers, and all related segments of the industry. We see that this trend will continue in 2023 and early 2024. The main reason for that is the regulations regarding the ballast water treatment, as the deadline is 2024. Till that period, all shipyards will concentrate on the BWTS installation projects. In Besiktas Shipvard almost 50% of the ongoing and upcoming projects are BWTS installations; this causes a busy schedule, good planning activities, and good project management reflexes. Other factors are the pandemic, where the restrictions in China are directing the projects towards this region. The Russian – Ukraine issue has placed its effects on the situation as well; as almost all shipyards in the Black Sea area shut down their activities, ships changed their routes to Turkey. We expect that in the following period, the situation

will get back to being normal again, which will mitigate the congestion in Turkish shipyards.

**Gurev:** the restrictions in China are expected to be lifted, and they will start receiving local ships at first, and consequently foreign ships will follow. Within the next year, China may ease the restrictions for foreigners and expect larger vessels which were generally visiting Far East yards previously.

## Those were challenging times for Turkish shipyards. How did Besiktas Shipyard deal with this?

Sergio: The strong sides of Besiktas Shipyard lie in good project management, good safety understanding, and good quality control system. This is why we were able to maintain our success levels and cooperate with major shipping companies worldwide. And thanks to this we could continuously enlarge our client range.

## What are the plans to enhance the shipyard's facilities?

**Gurev:** Besiktas' mentality relies on continuous improvements. Since the establishment of our shipyards and activities, we have always put value to the shipyard's facilities and improved them, either by opening new workshops, enlarging the shipyard area, increasing the dock capacities, or purchasing new shipyards. In 2022, we acquired a new dock of size 286x46 m, and it is expected that the new facility under the management of Besiktas Group will be in operation soon. This new step will certainly add value to the shipyard, as well as flexibility to the region. We are considered one of the largest organizations across Europe.

# So, this new shipyard is part of both enhancing your facilities and responding to the very busy schedule.

**Gurev:** We see that as an opportunity; there is an increased volume of business in Turkish

yards, and in order to meet increased demand it is crucial to enhance our facilities to improve our flexibility and have another player in the game.

Competition is very much increasing in the region, which pushes all the surrounding competitors to improve their capacities by adding new docks and facilities. So, in response to these changes and in order to pursue being a pioneer in the industry, we have to conduct some additional improvements, which include having another dock or facility. This is the motivation to keep moving forward.

Sergio: It is an added value to the shipyard, as all the yards in the region are increasing their capacities. Depending on the market conditions of the shipyards' industry, the habits have to change every 3 to 4 years. Some years ago, there was a price competition; nowadays, although we still have this competition, we face the client's demands and expectations of high quality and project management and good infrastructure. In order to keep our pioneering position, we need to improve our infrastructure.

### What projects are you currently working on?

**Gurev:** For the time being we are finalizing the maintenance of a new floating dock that we have purchased early 2022. We are in the final phase and finalizing the necessary tests and we estimate the dock will be operational in the first guarter.

## How do you see the Middle East market regarding your business?

**Gurev:** We certainly have interest in this area, and our primary focus is to have more communication with the companies located in Dubai. During our recent visit there, we have noticed how active this market is, in terms of the number of vessels and client interest in Turkish shipyards. In the following period, we might have collaborations with some companies in Dubai.

#### Can we say that this is your upcoming business plan in 2023? More expansion plans?

**Gurev:** We certainly look forward to diversify our business, we intend to pay more visits to



new destinations with potential introduce our services to a larger client range.

#### What is Besiktas Shipyard's main goal?

**Gurev:** We are trying to maintain the customers' portfolio, and enlisting the new potential clients that we haven't worked with, the key players. We are aiming to host different types of vessels like LNG vessels, special conversion projects, passenger vessels etc. On the long term, we will pay attention to improving our relations with our customers and continuing our investments.

Sergio: In terms of regulations, we are preparing ourselves for the future projects regarding the fuel, creating new models and engine modification projects. We also put safety measurements first and improve our practices on field. As a shipyard we have to implement all the safety regulations taking into account all the conditions on the field. This is part of a good project management, which in addition to cost analysis, docking schedules and ship repair projects, means the balance in the company.