

MWS – Past, Present and Future

MWS – Present

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STERLING TECHNICAL SERVICES

MWS – Cost? or Value!

Best case scenario

- Marine Warranty Survey services have been relegated to an obligation.
Assured – *“Let's get it done with.”*

Worst case scenario

Is an MWS really needed?

- MWS are considered hurdles if we do our job. Especially, if affecting the project schedule.
- Latent value - (Losses averted by MWS involvement are seldom “tangible” or promulgated)

Worst case scenario

MWS is looked at as an imposition rather than a value addition?

Unwarranted Trimming of MWS SoW (E.g.: Project involving eight platform installations in a challenging offshore field required MWS attendance only for the first platform.)

Risk Mitigation? Nay, “Scope” Mitigation.

Corner cutting by contractors too is a concern. (e.g. Offshore wind farm project; only representative soil bore data is being studied for an entire wind farm area which is risky as the data cannot be safely extrapolated.)

Ground reality

Is the business sustainable?

An offshore construction project of ECV 400 Million USD brings in 150,000 USD for an MWS firm which requires about 3,000 manhours to execute.

The profit margin? Average fees for MWS for Offshore Construction Projects are down to 35 percent of what it was around 10 years ago, and this is absolute figure; not inflation adjusted!

The result is that Oil and Gas MWS work ends up being subsidised by other works like Rig Move, Project cargo, consultancy work etc.

Ground reality

Is the business sustainable?

Offshore Construction and Renewables MWS work	– x
Project Cargo MWS	– $1.4 x$
Rig move	– $2 x$
Consultancy work	– $2 x$

Offshore Construction and Renewables MWS work has become a High risk Low reward proposition.

Ground reality

Is the business sustainable?

2008

2023

2030

Noble Denton

DNV

?

London Offshore Consultants

ABL

?

Mathews Daniel

Bureau Veritas (Mathews Daniel)

?

Global Maritime

Global Maritime

?

Falconer Bryan / Braemar

ABL

?

What is the way forward?

"Always Do Right. This Will Gratify Some People
and Astonish the Rest"

– Mark Twain