Public works boost Italian construction outlook

A report from the SalMoTer-Prometnea Outlook says investments in the Italian construction sector are growing, with a 3.5% year-on-year rise expected by the end of 2019. The publication, which provides analysis on construction performance in the country each quarter, concludes that the resumption of public works is largely responsible for the increased investment, which equates to approximately €4.8 billion. A particularly promising aspect, says the report, is the trend for gross fixed investments by public administrations, up by 6.9% in the first half of the year, thanks to measures including the release of local government budget surpluses for public works. According to the report, 2020 will also see an uplift, this time of 2.4%, equating to approximately €3.3 billion. The SalMoTer-Prometnea Outlook confirmed that business confidence in construction currently stands at higher levels than in other sectors of the Italian economy. It pointed specifically to higher activity in building renovation and energy projects, with much of the impetus due to tax incentives, but also to residential building.

Halkali-Kapikule high-speed railway project breaks ground

Ground has been broken on the new high-speed rail line that will run from Turkey to the border of Bulgaria, according to local media reports. A part of the Trans-European Transport Network ( TEN-T) that connects member states of the European Union, the new line will also form part of the larger Orient/ East Med Corridor. It will link central Europe with ports in the North, Baltic, Black and Mediterranean seas.

Salih Impregol is carrying out the works as part of a joint venture after winning a $530 million contract for the construction of the 153km section of the high-speed railway earlier this year. The company will install a double track, running from the Halkali station in Istanbul to Kapikule in Edirne Province in Turkey, on the border with Bulgaria.

Maritime infrastructure specialist Jan de Nul says its record-breaking jack-up vessel, Voltaire, will be used to install turbine blades on the world’s largest offshore wind farm. The Luxembourg-based company’s vessel, with a lifting capacity of over 3,000 tonnes, will stand taller than the Eiffel tower and is set to be the largest of its kind in the world.

Voltaire is expected to be launched in 2022, from the Cosco Shipyard in Qingong, China. It will then move for the Dogger Bank project, located some 125km off the UK’s northeast coast.

The vessel’s duties will include transporting and installing Dogger Bank’s 107m blades on the world’s largest Halldale-X turbines, built by General Electric (GE).

NEWS IN BRIEF

DROP IN SALES FOR VOLVO CE

Volvo Construction Equipment (Volvo CE) has announced that, after a long period of strong demand, sales slowed by 4% in the third quarter of 2019. Net sales in the third quarter decreased by 4% to SEK17.9 billion (US$1.8 billion). Operating income was also slightly down, at SEK 2.2 billion (US$225 million), compared to SEK2.6 billion (US$266 million) in the corresponding period in 2018. This equated to an operating margin of 12.2%. Profitability was said to be hampered by brand, market and product mix, as well as higher R&D costs and selling expenses.

BOSKALIS VESSEL RUNS ON 100% BIO-FUEL

Dredging and offshore contractor Royal Boskalis Westminster has announced plans to operate what it said is the world’s first dredging vessel to run on 100% bio-fuel oil. The Willem van Orange, a trailing suction hopper dredger with a capacity of 12,000m³ and a total installed power of 13,870kW, now runs on a sulphur-free residual fuel made from used cooking oil. According to Boskalis, the bio-fuel contains no fossil fuels and produces 90% less carbon. The fuel was developed as part of the company’s Boskalis On Bio Program, which aims to reduce the amount of carbon emissions produced by its vessels and dry earthmoving equipment.

ACCONIA INVESTS €100 MILLION IN NORDEX

Spanish renewable energy company Acciona is set to increase its shareholding in German wind turbine manufacturer Nordex. The company accepted an offer, made by Nordex’s board of directors, to purchase an additional 10% stake in the company for a total of €99 million. The agreement will see Acciona’s 29.9% stake rise to 36.27%. Acciona said it was Nordex’s solid growth prospects that led it to accept the offer, which now requires Acciona to make an official takeover bid in accordance with German law, as it will pass the 30% regulatory ceiling for shares.

NEW AVIA BRAND FOR EFFAGGE GENIE CIVIL

France-based Effagge Genie Civil (Effagge Infrastructures) has launched the Avia brand, under which it will now be grouping all its maintenance, repair and reinforcement activities. The company says the Avia brand will bring together individual teams: one dedicated to BSJ, an ultra-high-performance fibre-concrete developed by Effagge; another from Via Ponti and Rexipex, responsible for projects in the north and south of France respectively; a team from Etc, specialising in the design and installation of high-tech equipment for engineering structures; and a fourth from TSV, specialising in structure jacking and sliding.

METSO HEALTHY IN THIRD QUARTER

Equipment manufacturer Metso, headquartered in Finland, has released its third quarter results for 2019, reporting healthy activity in both its Minerals and Flow Control segments. The company saw a 19% improvement in its sales for the quarter, which came to €933 (US$102.1 million) compared with €786 million ($866 million) for the same period in 2018. Metso’s orders also saw an increase, totalling €894 million (€985 million) – up 1% on last year.