

Strategic step towards decommissioning at Port of Dundee

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Forth Ports Limited and AF Offshore Decom UK today 28th August 2017 announce the signing of a Heads of Agreement with the intent to establish a new joint venture, AF Dundee, which will lay the foundations of creating a North Sea oil and gas decommissioning hub in the city of Dundee, with its nucleus at the port.

AF Offshore Decom UK, a subsidiary of AF Gruppen, is one of the North Sea's most respected and prominent decommissioning contractors and operates AF VATS Environmental Base in Norway, the North Sea's most advanced facility for decommissioning offshore installations.

The Port of Dundee, is optimally placed to accommodate a significant share of North Sea decommissioning work due to its proximity to many UK North Sea oil and gas assets, rail and road links, port facilities, its on-site supply chain and the city's skilled workforce.

The Port of Dundee, which is owned by Forth Ports, is currently installing a £10m quay extension which will feature the UK's strongest quayside, specifically designed to equip the port to handle the large-scale loads demanded during decommissioning operations.

AF Offshore Decom UK has an outstanding track record of more than 15 years in the execution of the North Sea's most challenging decommissioning projects, such as Ekofisk 2/4T, Statoil H7/B11, CNR's Murchison and many more.

The deal was brokered by Dundecom, the public/private partnership between Dundee City Council, DC Thomson and Forth Ports. The partnership was created to establish Dundee as a multi-disciplinary, internationally recognised centre of excellence in oil and gas decommissioning.

Dundecom Chief Executive, Callum Falconer, said:

“Given my experience in this sector, I believed that the best way to exploit Dundee's potential was to team up in an innovative way with one of the industry leaders, and what has emerged is an exciting new offering to the market from what will be a new Scottish business headquartered in Dundee. Furthermore,

we are already in discussions with other key players in the decommissioning space which will build upon the success of this new venture.”

Charles Hammond, Chief Executive of Forth Ports, said:

“This is great news for the city, for the local economy and for the port. Our vision is to position Dundee as a major decommissioning centre for the North Sea and to ensure that customers gain access to an efficient, cost effective decommissioning solution. Partnering with such an established and respected organisation as AF Offshore UK will certainly enable this vision.”

Bengt Hildisch, President of AF Offshore Decom, said:

“AF Offshore Decom is pleased to find a partner that shares the same vision and goals as ourselves to develop and operate a safe and cost efficient disposal yard in the UK. We have been seeking the right opportunity that enables us to build and expand our capabilities to the UK and create a sustainable, solution together with our facility in Norway, for the whole of the North Sea.”

Dundee City Council leader of the administration, Councillor John Alexander, said: *“This is an important step in our ongoing efforts to bring decommissioning work to Dundee and create economic opportunities for the city and its people. AF Dundee will be a tremendous asset for the city as we move forward.”*