

**CEO OF DEME GROUP
LUC VANDENBULCKE**

‘WE HAVE A
GROUP THAT,
BY ITS NATURE,
IS RECEPTIVE
TO CHANGE.’

At the start of 2019, Luc Vandebulcke took the reins of DEME Group. A civil engineer employed for 21 years within the group, he has noteworthy qualifications: he cofounded and led DEME's fastest growing subsidiary company which specialised in hydraulic engineering projects and offshore wind farms. His track record is directly applicable to his new role as he leads an organisation which wholly embraces constant change, welcoming innovation and navigating the evolving nature of sustainability.

How have you experienced the transition from your former roles within DEME Group to your new role as CEO?

I have already been quite closely involved with all of the activities – dredging, offshore, environmental and infrastructure activities – through my Deputy COO function so I would say that I know the group well.

GeoSea, now DEME Offshore [DEME's specialist in complex offshore marine engineering projects] – and the offshore business in general – has been responsible for a very significant chunk of the DEME Group's turnover for a couple of years. DEME Offshore is itself a big enterprise, but of course DEME Group is much bigger. In terms of the scope of responsibilities and so on, the transition is mostly the fact that as CEO of the group, you report to a Board of Directors.

What is your vision for DEME? Does your vision change or build upon your predecessor, Alain Bernard?

The vision is certainly building upon what Alain Bernard has done, and we have our management team and board. DEME has always been a company with many stakeholders and a team leading it, and that vision is not changing because one individual person has now changed.

You have to look at the total dredging industry. There are fewer contractors than fifteen or twenty years ago, and DEME has grown into a global maritime solutions provider. And that is certainly the vision that we will continue to build upon. We are developing a number

of strong activity lines and through all of these activity lines, we are building upon our vision of 'offering solutions for global, worldwide challenges'. These challenges include a growing world population, rising sea levels, coastal protection, reducing the effects of greenhouse gases or the exhaust of gases through our wind farm construction and concessions, remediating pollution, the scarcity of mineral resources and cleaning up plastic soup and polluted environments. For us, maritime-related challenges are domains where we aim for sustainable solutions.

Our activity lines include: dredging – which continues to grow with innovation at the core, offshore with a sharp focus on sustainability and renewables but also in oil and gas, environmental remediation works, and infrastructure works.

How will you approach change at DEME?

Change is constant at DEME. The grouping of the offshore activities is one change. Where we used to have a lot of companies operating in the group, more or less doing dredging or dredging plus activities, we are now emphasising four activity lines and have grouped the companies along those lines: Dredging, offshore, environmental infrastructure and on top of that we have our concession activities.

We own and operate a number of wind farms which is something we have been doing for many years. That is one of the domains that Alain Bernard and I together will continue to focus on. Another domain where we certainly

see growth is deep-sea mining and harvesting activities, where we will collect nodules. And that is because another challenge we see is a shortage of minerals going towards a more electrical/ sustainable energy mix. The world will also see a need for a number of materials which are going to be in short supply. Be it cobalt, manganese, nickel, or copper. All of these are available on the sea bed in some of the areas of the Pacific where we have gained concessions. These concessions and the deep-sea mining and harvesting are new activities that we are exploring, in addition to our four key activity lines. This represents how we are in a constant movement and change.

These materials seem quite important. What would happen if we run out of them?

First of all, we think that they are very abundant on the ocean floor. Although there is some terrestrial mining, the question really is the upsides and downsides of both mining locations. In the deep sea, these materials are really lying on the sea bed, not buried, so it's really a matter of picking them up. While there are political and geographical issues, with land mining there is a lot of deforestation going on. Which convinces us that maritime harvesting is a viable alternative and a place where the minerals are still abundantly available.

Are there short term goals you hope to accomplish?

Within the next year we will achieve the changes which we announced in October 2018. At the forefront are supporting the concessions and a number of growth domains like deep sea harvesting. I don't foresee too many problems. We have a group that is by its nature – by setting up new projects every day – receptive to change.

Innovation is really at the core of the DEME Group. We have a number of people that "manage" the innovation or nurture it but not as in some companies where you have a separate R&D department where a couple of people are inventing stuff. No, we have a department that is encouraging the whole group to invent things and to innovate and improve things and then we bring the people together in innovation. We have innovation contests but we also bring in what we call DEMEX, the young innovators, we bring them together for a couple of days, two or three

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Meet Luc Vandenbulcke

A civil engineer, Luc Vandenbulcke received a Master of Engineering from Katholieke Universiteit Leuven (Catholic University in Leuven, Belgium). His professional career began with maritime research and two years of work experience at a Belgian maritime contractor until 1998 when he joined DEME Group. There he started out in Hydro Soil Services as a project manager of offshore projects. Then in 2004, he and two colleagues co-founded GeoSea, a subsidiary of DEME, and in 2006 he became General Manager.

Outside of his work role, he makes time for personal interests which include nature, biking, small dinghy sailing and spending time with family. Luc Vandenbulcke concedes: 'That's more than 100% of my time so it's a constant occupation. These are my hobbies outside of work but I would say my work is part of my hobby as well.'

in annual turnover. But not only that, the complexity of projects that we are dealing with has grown massively. To deal with this, you need more people, but you also need more and more different skill sets. We used to primarily recruit people who are civil engineers in construction or civil works. Now we need electrical engineers in our environmental business and we need people dealing with chemistry. As you know the world is increasingly turning to IT systems, anything which is artificial intelligence. So that is certainly something that I would not say is difficult but it's a challenge. That is one of our focus points – to get the right people on board and get them up to speed on what we do. That I think is most critical for me: The specialisations and the global footprint as we move our activities to Taiwan, for instance, or in renewable energy, to China.

days, together and try to bring up new ideas. We have them in task forces and working groups. Amongst other things, we've had coming out of these gatherings, the principle of the Living Stone cable installation vessel, the plastic soup collector, and a number of other initiatives that we are nurturing at the moment. For me, all the 5,200 people in the group are the innovation department.

What for you is the most critical initiative of all the things you have mentioned?

The most critical initiative for me is the people. Let's say the critical point – whether it is an initiative or not -- is an improvement action to get the right number of people on board with the right skill sets and to get them acquainted with the group. We have seen a massive growth

Combining the technical complexity with the geographical spread means you need to find the right people with the right skill set, the right attitude to be able to travel and be flexible – all of that is a challenge.

How do you yourself drive the innovation, beyond the Innovation Department?

We will continue to have DEMEx, who are the younger innovators that we bring together for a few days. And we'll have the 'innovation diver' that is the permanent-semi permanent contest where we try to gather the innovation ideas and innovation events for the group. We will continue to do that at the pace we did before. Sometimes these initiatives are seen as coming fast one after the other, but the world is changing at an extremely fast pace so you have to keep up.

To give you an example, remotely-operated vessels – ROVs – that could be something which may be operational faster than self-driving cars. There's a little more space on the sea than on the road. Another thing is drones. A lot of the land-survey works has been taken over by flying drones. And floating drones are doing the seaside of it.

Our employees who have worked here in the office for a long time, when they are looking for somebody's phone number, they have a phone book and look it up. The younger generation doesn't do that anymore. So we developed an app where you can find everybody within the company with a profile. But it's those things that we will continue to do and even accelerate. We have to.

What happens to the people who were operating the survey vessels? Are they now operating the drones?

Yes, they are. For instance, on a reclamation site. Surveying the levels used to be a job of a surveyor with a total station and another with a stick and they went to do this job. It was a pretty dangerous job working in between the machines and sometimes in swamps. Those people have turned into drone operators and survey much faster. They are still doing those jobs but are happy to gradually convert into the more modern version of their jobs. It's the same for all of us.



The new coastal road being built at Reunion Island. Read more about this project in *Terra et Aqua* #151, page 27.

The company's culture seems to emphasise innovation. How do you ensure this culture is maintained? Do you have a personal role in enforcing or strengthening this?

We emphasise innovation but we also emphasise sustainability. People talk a lot about sustainability. But when you think a bit deeper it's a very obvious word. Something sustainable means it will still be there in 20 years. If you have a company that makes typewriters today, you are probably having a hard time against computers. If you have a company making CDs or video recorders, that is not sustainable. And the same applies to our business. Being sustainable as a company means taking the initiative to reduce your carbon footprint on your own, reducing your environmental impact, striving for ethical business, gender equality and sustainable development. What will be for me a constant challenge is to see what the sustainable direction for our business and business portfolio will be. The world is rapidly changing and we must find solutions.

What about the image of dredging in the eyes of the public?

Not only do we have to work on the dredging industry's image – because that's the traditional green washing – we also have to do something substantive about it. When we are questioned about sand, we have to make sure that the projects that we do are done in a sustainable way and have a sustainable goal. I think you will hear me more often on that subject because I simply think it is obvious and only companies that think in a sustainable way will be here in the long-term.

There is constant innovation and implementation in your business model. How can we make the industry as a whole improve when only some companies are making changes?

Some people know dredging from the pure dredging and dumping, but that's only one part of the activity as a maritime group like we are, certainly in the Low Countries. We have coastal defence, the construction of dykes, creating sand reclamations. Other countries have similar issues. The United States is not an accessible market but a lot of areas in the states do have issues with flooding and hurricanes and need similar techniques. Coastal protection is

also dredging. Cleaning polluted soils is also dredging. Picking up plastic soup is also a kind of dredging. And making infrastructure, like new harbours and so on is dredging. I often say we have a harbour every 20 kilometres here in Europe. And that has brought us wealth. With a growing population worldwide, we have to make sure everyone has access to that type of infrastructure and we will have to make sure we construct that within our environmental programmes, in the most sustainable way we can.

What do you perceive to be the big issues facing the dredging industry and DEME? For instance, is increased flooding because of climate change an issue?

Flooding is not an issue for the dredging industry. It's an opportunity. The dredging industry is there to find a variety of coastal defence solutions which are not always building high dykes. There are soft protections with underwater berms and so on and we will certainly have solutions for it.

Generally the big issues for the dredging industry are things like geopolitical issues. There are a number of countries which have quite some restrictions on foreign dredging companies. In the United States we are faced with the Jones Act – more specifically the Foreign Dredging Act. That is obviously an

issue but the same applies in other ways in other countries like China, to name one. And then you have a lot of countries like Venezuela where there is no political stability. If you take away all those countries, the dredging industry, which has been limited to a number of players coming from only a few nationalities, has to make sure that the market is not shrinking too much. These are the issues and challenges every industry is facing today. We will see what the outcome will be. I think as always it's probably not black and white and there will probably be a number of different types of grey. But certainly you can see that such measures go against globalisation and are a challenge for the dredging industry, which by nature is global. So the more free trade there is the more harbours will have to be built, more countries are accessible for us as dredgers. That is a big issue, and we have to be wary of that.

Would you say renewable energy is the top development that has most of your attention at the moment?

I would say that's one issue, but on the other hand we cannot deny that for DEME in the first place and our colleagues as well, we have all jumped on the train of offshore renewable energy which is a global growth market. So there are opportunities coming up and also a lot of change coming up. In the energy area, you see quite a lot of controversy. Oil

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is diminishing and I think it will continue to diminish in the global energy cocktail. That means we will go to electricity, so there will be a lot of cabling to be done, a lot of turbines to be built and energy storage to be constructed. LNG will take away from oil and certainly LNG and gas in general is a transition fuel for the next decade. There will be a lot of installations to be built and pipelines to be laid.

Of course, there are really many issues. We are not losing sight at all of obvious sea level rise and coastal defence issues going with that. We will see more flooding, we will see more requirements and we will see more harbours being built because of growing population. But going back to the energy sector – this is a personal conviction but I'm quite sure and the figures are proving that – that renewable energy will be *the* big growth market. You see that in the added capacity of energy today,

renewables are growing at a much faster pace than other energy sources. I always say renewables are the last local market. They are produced and consumed locally.

For instance, you have a solar panel and you put it in your car or you heat something with it or plug in your computer on it, it's the same with wind. Wind-generated energy is transported 100 to 200 kilometers maximum. But some day, as soon as we can transport it long distances by converting it to gas or to something like that, you will see the global renewables market grow.

What is your view of IADC's role within the industry and what value does an association provide in today's market and society?

I think the dredgers are lone wolves, with the accent on both words. The companies are

developing their own views on sustainability, on how to approach the dredging world, on how to deal with the more closed markets, on what sustainable fuels are and so on. So I think IADC has a very important role to be the centerpiece of where the dredging industry comes together with one voice and one view of itself.

If everybody has a different view of what sustainable dredging is, then the public will simply not believe us. We can only have *one* focused view on those subjects. And IADC has a difficult role to consolidate those views and to bring them to the outer world. But they are doing a great job. For instance, the new book, *Dredging for Sustainable Infrastructure*. That I fully support.

If you see that today investment in the Norwegian Sovereign Investment Fund. They are not investing in oil-related businesses

Meet DEME Offshore

One of the first tasks Luc Vandenbulcke oversaw in his new role as CEO was the debut of DEME Offshore. This is the official name for former subsidiaries of DEME Group which were involved in various offshore activities: GeoSea, Tideway, A2Sea and EverSea. The name of the now-united organisation is also a reflection of DEME Offshore's wider goal: to integrate the collective's expertise and capabilities to provide superior solutions for the evolving requirements and challenges of future projects.

DEME Offshore's activities include foundation and turbine installations such as at the world's largest offshore wind farm, Hornsea, shown on page 20.

Our industry needs to be prepared for that and be sure that we have self-imposed rules and that we have progressed on the scale of sustainability – whatever that scale is – and we *prove* that we have progressed in a meaningful way to the industry.

The publication goes a long way in responding to the market of what that means.

And I can see the way IADC is followed on social media that they are doing a great job in bringing and creating the image of dredging as an innovative business, as an international business and sustainable business which is very important to have that voice for all of our stakeholders, stakeholders being NGOs, politicians and journalists. It's very important because we all have the same aim, all the dredging companies: bringing good people on board and that requires a group and a voice representing us. So I think that the role of IADC is important and cannot be underestimated.

What would you advise or say to young people considering dredging as careers?

Well of course I go to recruitment events and see a lot of young people and I can only say what's probably applicable for DEME but to many of the other dredging contractors, we have become maritime engineering groups

with the diversity of maritime engineering projects going on the ones that we mentioned before – land reclamation tunnel construction coastal defence, offshore energy. It is important that when you recruit young people, you make that clear. Our companies are very diverse and offer many, many opportunities.

What is your greatest career achievement?

GeoSea which we started with two or three people in 2004 and then it grew. I have been lucky to have led GeoSea from its start until the 1st of January 2019. From the first day of GeoSea I have been either the General Manager or Managing Director and I have fulfilled that role for the last 14 years. I have always been in the same role. But before that I used to be a project engineer, tender engineer, project manager within the DEME Group, already doing offshore wind but also jetties and small dredging works. So I was doing a lot of things in the group. But these last 14 years in the group have been dedicated to renewable energy projects and then the last five years of that I was Deputy Operations Officer so focusing on mostly the master desk and risk management.

What is your greatest career disappointment?

That's a difficult question. I haven't been very disappointed. There have been years in which

which was unimaginable ten years ago. Where will we be in the next ten years? If in ten years we as an industry cannot prove we are now a sustainable business, then we may be very heavily disrupted because that will go very fast and very far. You will see that people – and you can see it today – are asking, 'what are you doing with your carbon footprint?'. If you go for financing the banks already have questions. Of course if you have export credit you have questions about ethical business and the questions about sustainability, you have the questions about carbon footprint. Again look back ten years ago everyone fueled their cars without any second thoughts, everybody was travelling as much as we could, saying we are sustainable, we are going to walk in nature or in the Himalayas and today you are a bit ashamed. And you see in how short a time that has popped up and then think about what will 'sustainability' be in the next ten years?



The dredgers Reynaert and Amazone performing deepening works on the River Seine.

we had a number of target projects in which we said 'these are projects we need to score' and then it didn't happen, but they were then replaced with opportunities. So I think you have disappointments in your career as a contractor, but usually other opportunities appear and that leads you to the fact that you have to be optimistic in our business. It's an optimistic business that's always looking ahead.

In the four months since I became CEO, we've already implemented a consensual strategy, put together all of the offshore companies. Where we used to have Tideway, GeoSea, A2Sea, GeoSea Maintenance, they now have been brought together under the umbrella of DEME Offshore.

Branding them like this together brings the DEME Group more in the spotlight as one brand. We already had that as a vision and we've accelerated the process in the last four months. We still say 'that's a guy from GeoSea, oh no no I mean DEME Offshore', and that will continue for a little bit, but it will certainly phase out and the offshore people are now already operating under one umbrella on a number of projects. We have done that at a really fast pace and it's working out well and, honestly, I think it's well received by the market.

Resumé

2099–Present
CEO of DEME Group

2013–2018
Deputy Operations Officer of DEME Group, Managing Director of GeoSea

2005–2013
General Manager of GeoSea

2005
Co-founded GeoSea

1998–2005
Project Manager at DEME Group

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1996–1997
Project Manager at Herbosch Kiere

1994–1995
Postgraduate in Maritime Engineering UPC Barcelona and maritime researcher

1989–1994
MSc in Civil Engineering at KU (Catholic University) Leuven

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