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Managing Director Símin Pauli Sivertsen.

BERGFROST BECOMES LARGEST COLD STORE IN FAROE ISLANDS, ICELAND

As Fuglafjørður's mountain rock-based cold store undergoes a new expansion to make the 25,000-tonne facility the largest in the Faroe Islands and Iceland too, a viable Faroese alternative to Continental Europe comes into play.

WITH ITS COLD storage capacity increased to 25,000 tonnes, Bergfrost's takeover of three remaining units of its tunnel complex extends the facility to become the largest in the Faroe Islands and well beyond. The expansion of the business located at the harbor of Fuglafjørður represents a significant step towards fulfilling a growing

demand for cold storage services in the Faroe Islands, largely linked to the recent pelagic fishery boom in the Northeast Atlantic.

"We are now in the process of fitting out the newly acquired tunnels and installing all the necessary equipment," says Bergfrost managing director Símin Pauli Sivertsen. "Once completed, this will improve our abil-

ity to serve both new and existing clients. Our capacity will increase from 16,000 to 25,000 tonnes which of course makes a huge difference—it will enable us to serve our existing clients more fully and will make it possible to add new ones. Also this will generally improve our working conditions and increase our efficiency, as there will now be no other traffic in the tunnel system except traffic related to the cold store."

With the gigantic harvests of the Faroe Islands' pelagic fisheries, brought to shore both by domestic and foreign fishing vessels, logistics requirements have effectively forced the Faroese to rapidly develop the infrastructure of their industry.

A few years ago, Bergfrost, then with a cold storage capacity of 7,000 tonnes, embarked on a major capacity expansion and technology upgrade, only to find itself squeezed for space again shortly thereafter.

Since 2010 Faroese ships have hauled huge amounts of mackerel and blue whiting, making it difficult for the cold store to meet demand from foreign clients due to lack of storage capacity.

To top it off, in 2014, the new freezing plant Pelagos opened for business next door and became a major client for Bergfrost.

Bergfrost's latest expansion, meanwhile, enables the cold store again to provide services for Russian and other foreign vessels calling at Faroese ports.

"With our added capacity, you may say we are now entering the top international league," Mr. Sivertsen notes. "This means we can meet the requirements of some clients that we previously had to turn down. Some of the requests we have received have been for 10,000 tonnes and thereabouts, which of course is a lot. We have stayed in touch with most of these prospects. Several Russian shipowners have expressed their interest, and so have others, for example Icelandic, Greenlandic, Irish and Scottish trawlers that call at the Port of Fuglafjørður more or less regularly."

'EXTREMELY STABLE'

According to Mr. Sivertsen the Faroe Islands has a competitive advantage when it comes to providing services for fishing vessels, in particular cold storage services. The country now has a total cold storage capacity of an estimate 55,000 tonnes, which is greater than that of neighboring Iceland, with Bergfrost one of the leaders in the entire Nordic region.

"The Faroes already has a competitive edge because of its location along major shipping lanes in the North Atlantic. So instead of moving all this frozen fish to, say, the Netherlands for storage before final processing, we can store some of it in the Faroes. But location in itself isn't enough—you have to have high capacity.

"Now with that capacity in place, more options become available. I'd say managing logistics will always remain a challenge however the latest developments, not least here at the Port of Fuglafjørður, could take things to a new level."

Bergfrost has a few domestic rivals with whom it competes for business. Mr. Sivertsen stresses, however, that he views other Faroese cold storage providers as friends and colleagues rather than competitors, as a significant part of the Faroese cold storage business is international.

"Our real competition is the large facilities in Continental Europe, in places like Rotterdam, where some of the facilities are up towards 30-40,000 tonnes. To offer a viable alternative we need a storage capacity that is somewhat equivalent—higher volumes means lower power consumption per tonne of stored goods.

"As for energy consumption, our particular advantage lies in the fact that our cold store is encapsulated by mountain rock, which offers insulation beyond comparison. On the flip side it takes relatively high amounts of electricity to change temperatures; but on the whole it makes the operation of the facility extremely stable, and one of the safest in the world."

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Largest and safest cold storage facility in the Faroe Islands.

Total cold storage capacity:
More than 25,000 tonnes.

Services:
Cold storage and warehousing;
logistics management and associated services including, for example, discharge and transportation of goods, customs clearance, shipment related paperwork;
EU Border Inspection Point (BIP).

Discharging a foreign freezer trawler for refrigerated storage.



Moving pallets of frozen goods inside Bergfrost's tunnel complex.