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The Industrial Procurement Review — Q4 2026

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A quarterly review of the conditions industrial, marine, energy, water and public-sector buyers are procuring under: PMI and trade data, the 2026 energy shock, copper at records, sector-by-sector demand, the regulatory calendar to 2028, desk observations and ten calls for 2027 — every figure sourced and dated. Edition 1, published 4 November 2026.

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What this is. A quarterly review of the conditions under which industrial, marine, energy, water and public-sector buyers are procuring parts, bulks and consumables, written for the people who sign purchase orders and for the systems they now ask first. It combines public data from the institutions that measure the world economy, trade, energy and shipping, the regulatory calendar that governs what can be bought and sold in Europe and North America, and the observations of our own sourcing desk, which sees a cross-section of industrial demand every day. It is free to read, free to cite with attribution, and written to be checked: every figure carries its source and date.

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1. Executive summary: twelve findings

Industrial demand is strong and nervous at the same time. The J.P.Morgan Global Manufacturing PMI reached 53.0 in September 2026, a 55-month high, with new orders rising at the fastest pace in over four years and new export orders at their fastest in more than five. Part of that strength is stockpiling against supply and price fears, and supplier delivery times are lengthening. Procurement is buying ahead, and it knows it.

The energy shock of 2026 is the defining condition. The closure of the Strait of Hormuz from late February 2026, the damage to Qatari LNG capacity, and the attacks on shipping that continued into November have put Brent above USD 100 for most of the autumn (USD 104.77 on 2 November after USD 115.81 on 26 October), pushed diesel stocks in some regions to the lowest seasonal levels in about 35 years, and left Europe entering winter with the memory of storage at about 30% in March. Every industrial cost line that depends on fuel, freight or feedstock has moved, and most procurement budgets written in 2025 are wrong.

The world economy is holding, but the margin is thin. The IMF's October 2026 World Economic Outlook puts global growth at 3.1% in 2026 and 3.4% in 2027, the euro area at 1.1% and 1.2%, and global inflation at 4.7% in 2026 easing to 4.1%. Its title, Resilience Under Strain, is the whole story.

Trade is growing, and almost half of that growth is AI hardware. The WTO raised its 2026 merchandise trade forecast to 3.9% in October, from 1.9% in March, with 4.1% for 2027. Semiconductors and servers accounted for 47% of merchandise trade growth in the first half of 2026 and grew 67% year on year. Asia's exports are forecast up 9.9%, Europe's flat, the Middle East's down 17.2%.

Electricity is where the capital is. The IEA projects USD 3.4 trillion of energy investment in 2026, a record, with nearly 60% going to electricity and about USD 550 billion to grids alone. Gas turbine orders of 130 GW in 2025 were the highest in 25 years, solar additions reached 580 GW in 2025, wind installations hit a record 165 GW. Transformers, cables, switchgear, motors, pumps and valves are the parts behind those numbers, and their lead times are the constraint.

Copper is a budget line, not a commodity. LME copper set a record USD 14,875 a tonne in September 2026 and ended October near USD 14,140. On cable, busbar, motors and transformers the metal is most of the price, and the metal clause is now the first thing a buyer reads on a quote.

Data-centre construction is the largest new industrial buyer of electrical bulks. The four largest hyperscalers guided USD 720 to 745 billion of capital expenditure for 2026 and expect 2027 to be higher. Feeders, switchgear, UPS, generators, cooling pumps and valves are bought in project packages that look like a refinery's, on a schedule that looks like a product launch's.

Shipbuilding is in a supercycle that will deliver through 2028. The global orderbook reached 203.2 million CGT and a record 435.8 million GT on 1 September 2026, with Chinese yards holding 64% and deliveries projected at 55.9 million CGT in 2027 and 60 million in 2028. Every delivered ship is a new recurring account for spares, and the fleet in service is older, busier and routed longer than it was.

Water is the next regulated capital programme in Europe. The recast Urban Wastewater Treatment Directive requires nitrogen and phosphorus removal at plants above 150,000 population equivalents by 2039, micropollutant removal by 2045 with pharmaceutical and cosmetics producers funding at least 80% of it, and energy neutrality for plants above 10,000 p.e. by 2045. The procurement runs from 2027 to 2045.

Defence spending is now an industrial order book. European allies and Canada are expected to spend around USD 634 billion in 2026, 2.53% of GDP, with the Baltic states and Poland above 4.5% and all allies but one at or above the 20% equipment share. Maritime procurement, vehicles and air defence are the priorities; the MRO tail behind them is long and traceability-heavy.

The rulebook changed faster than the catalogues. In the EU, the Cyber Resilience Act's reporting duties applied from 11 September 2026, the new Product Liability Directive applies from 9 December 2026, the Machinery Regulation from 20 January 2027, the CRA's CE marking from 11 December 2027. In the US, the IEEPA tariffs ended in February 2026 and sector measures replaced them. China's rare-earth export control pause expires on 10 November 2026, six days after this review. Procurement departments are now compliance departments.

The buyers that cope are the ones with registers. Across every sector we observe, the difference between a purchasing office that is coping with 2026 and one that is not is whether it holds its demand as data: what is installed, what repeats, what

is bound to a certificate, what is supported until when. Section 11 sets out the practice.

2. The macro frame

2.1 Growth and inflation

The IMF's October 2026 World Economic Outlook projects global growth of 3.1% in 2026, slowing from 2025, and 3.4% in 2027; euro area growth of 1.1% and 1.2%; global headline inflation of 4.7% in 2026 and 4.1% in 2027. The Fund's upside case is stronger AI investment and productivity; its downside cases are a reassessment of AI expectations, renewed trade tensions, fiscal vulnerabilities and further escalation of conflict. For the euro area it names high energy prices and low gas inventories as the specific drag.

For a procurement budget the relevant translation is this: volumes are growing at the pace of a normal year while input costs are rising at the pace of a crisis year. Price escalation clauses that were negotiated as formalities in 2024 are being exercised in 2026.

2.2 Trade

The WTO's October 2026 update raised its forecast for merchandise trade volume growth in 2026 to 3.9%, from 1.9% in March, after 3.5% growth in the first half; 2027 is forecast at 4.1%. Services trade is forecast at 3.3% in 2026, cut from 4.8% because of the Middle East conflict's effect on transport and travel, and 6.4% in 2027. The regional pattern is lopsided: Asian exports up 9.9% and imports up 9.5%; North American exports up 5.7%, imports up 1.4%; European exports down 0.1%, imports up 0.5%; Middle East exports down 17.2%, imports down 15.4%, with crude exports from the region down roughly 24% in the first half.

The composition matters more than the total. Demand for AI-enabling goods accounted for 47% of merchandise trade growth in the first half of 2026 and rose 67% year on year; the WTO projects AI infrastructure spending up at least 30% in 2026 and a further 10 to 20% in 2027. Industrial parts procurement sits inside that flow twice: once as the electrical and mechanical content of the data centres, and once as the freight and container capacity that AI hardware is absorbing on the Asia to North America lanes.

2.3 Manufacturing

The J.P.Morgan Global Manufacturing PMI rose to 53.0 in September 2026 from 52.3 in August, the highest reading since February 2022 and the fourteenth consecutive month of expansion. Output rose to 53.8; new orders rose at the steepest pace in 55 months; new export orders rose for a second month at the fastest pace in over five years. US production growth was the fastest since mid-2021, China's among the strongest since the pandemic, India's especially strong; Ireland and the Netherlands reported their best output gains since early 2022. Input costs accelerated again after easing from the conflict-driven peaks earlier in the year, and supplier delivery times lengthened.

The release names what the desk sees: inventory building driven by price and supply fears tied to the war in the Middle East. Part of the strength in new orders is demand pulled forward, which is a reason to read 2027's first quarter with care.

2.4 Metals

Copper traded at a record USD 14,875 a tonne on the LME in September 2026 and at USD 14,140 on 30 October, heading for its first monthly loss since June on worries about AI spending returns. Backwardation remained elevated, pointing to near-term tightness; shipments into US stocks have thinned availability in the traditional hubs; Chile's September output fell 15% year on year; the Yangshan premium for Chinese imports sat near a 13-year high of USD 205 a tonne. Aluminium was USD 3,064, nickel USD 15,250, zinc USD 3,831, tin USD 48,505 after a six-month low.

For buyers the consequences are mechanical. Cable, busbar, transformer and motor quotes carry metal clauses tied to published notations, with European copper notations running around EUR 1,200 per 100 kg in the second half of 2026 against bases of EUR 150 that many price lists still use; on a four-core 95 mm² feeder that is about EUR 36 of copper per metre before the cable itself. Quotes without a stated base and notation date cannot be compared. Aluminium conductors are back in favour wherever terminations allow.

2.5 Energy

The Strait of Hormuz closed in late February 2026 with the outbreak of the Iran war, removing about 20% of global oil supply and large LNG volumes from the market; the IEA called it the largest supply disruption in the history of the oil market. Attacks in March cut Qatar's LNG capacity by 17%, with repairs estimated at three to five years, and sent Asian spot LNG up more than 140%. Brent peaked near USD 118 in late March, fell to about USD 70 by July, and rose again above USD 100 in late July and September as attacks on shipping resumed. Gulf crude flows recovered to roughly pre-conflict levels in September via escorted routes, then were hit again. On 2 November Brent settled at USD 104.77, down from USD 115.81 a week earlier on reports of negotiating progress; no settlement had been announced. Lloyd's Joint War Committee expanded its listed risk areas on 1 October; October freight quotations for Hormuz to India crude were USD 16 a barrel against USD 2.50 before the war. Industry executives in the Gulf estimated close to a billion barrels drawn from global inventories since the disruption, diesel stocks in some regions at seasonal lows not seen in about 35 years, and an LNG supply gap of about 600 billion cubic feet. The US Strategic Petroleum Reserve was at its lowest since 1982.

Europe entered the crisis with gas storage at about 30% after a hard winter and Dutch TTF near EUR 60 per MWh by mid-March; fuel rationing, tax cuts and protests followed in several member states. The IEA's 2026 investment report notes that clean energy investment spared the EU, China and India about USD 260 billion in fossil import costs in 2025, which is the argument every European energy ministry is now making for the next decade of grid, wind and storage procurement.

2.6 Freight

The Red Sea is reopening and Hormuz is not. For the week of 19 to 25 October, the Suez Canal recorded 305 transits, 35% above the October 2025 weekly average but 36% below pre-crisis tonnage; at least half of container capacity had returned from the Cape route, with more than 100 ultra-large containerships transiting since early September and no attacks reported since 24 August, though the threat remained substantial. Hormuz, by contrast, saw strikes on a tanker, an LNG carrier and a tug in the first days of November, and war-risk premiums stayed elevated. For parts logistics the practical effect is a two-speed world: Europe to Asia transit times normalising, Gulf deliveries dependent on escorted corridors and agents, and air

freight carrying a fuel surcharge that will outlast the conflict.

2.7 Tariffs and trade controls

In the United States, the Supreme Court held on 20 February 2026 that IEEPA does not authorise tariffs, ending the 2025 reciprocal tariffs and the 15% all-inclusive rate on EU goods built on them; a Section 122 surcharge bridged 24 February to 24 July 2026 and expired; what applies to an EU-origin bearing, valve or sensor in November 2026 is the HTS base rate plus any Section 232 or Section 301 measure listed for its line, with the Section 232 metals duties assessed on listed derivative articles since 6 April 2026. Duty-free de minimis entry has been suspended for all origins since 29 August 2025. EU-origin industrial goods still enter Canada duty-free under CETA when shipped direct from the EU with an origin declaration.

China suspended its October 2025 rare-earth control package, including the 0.1% extraterritorial rule on magnets with Chinese rare-earth content, until 10 November 2026; the April 2025 controls on seven elements were never suspended. On 28 September 2026 China's commerce ministry said the wider arrangement with the US runs to 10 January 2027, without mentioning rare earths; as of mid-October no notice amending the suspension had been published. Motors, drives, fans, sensors and anything with a permanent magnet carry that uncertainty into the first quarter of 2027. The IEA's figure that China made 94% of the world's sintered permanent magnets in 2024 explains why.

3. The energy shock as an industrial event

A supply shock to oil and gas is, for industrial procurement, three separate events.

A cost event. Fuel, freight, resin, fertiliser, steel and every energy-intensive intermediate moved; so did the metal clauses and the surcharges attached to them. Procurement is renegotiating escalation formulas rather than prices.

A repair and replacement event. Damaged Gulf infrastructure will be rebuilt over years, and the rebuilding is parts: pumps, compressors, valves, instrumentation, cable, piping with material certificates. Vessels working escorted corridors are running longer, hotter and with higher insured values, which is maintenance demand. Refineries elsewhere are running at rates that pull forward turnarounds.

An investment event. The IEA's World Energy Investment 2026 puts total energy investment at a record USD 3.4 trillion, electricity at about USD 1.6 trillion (about USD 2 trillion with end-use electrification), grids at USD 550 billion, with transformer and cable costs rising; gas turbine orders of 130 GW in 2025 were a 25-year high, driven by AI and data-centre power demand and a preference for dispatchable generation, with the US dominating gas-fired approvals; solar investment reached USD 400 billion in 2025 for 580 GW of additions, and PV imports in Africa and Southeast Asia rose 120 to 150% in the first quarter of 2026; nuclear is described as making a comeback; renewables still take 70% of power-generation investment. GWEC reports 165 GW of wind installed in 2025, up 40%, of which 155.3 GW onshore and 9.3 GW offshore, China 120.5 GW, Europe 19.1 GW, the US 6.9 GW onshore after four years of decline; cumulative capacity 1,299 GW with offshore at 92.3 GW; 969 GW forecast for 2026 to 2030, about 194 GW a year.

Every gigawatt in those sentences is procured as cable, switchgear, transformers, bearings, gearbox and generator spares, hydraulic and lubrication consumables, filters, seals, motors and drives, instrumentation and the long tail of fasteners and fittings. The parts industry's problem is not demand; it is lead time and metal.

4. Sectors

Each sector below is read the same way: what is growing, what it buys, how it is buying in 2026, and what to watch in 2027.

4.1 Oil, gas and offshore

Growing. Repair and reconstruction in the Gulf once access allows; North Sea and Norwegian production running flat out as Europe's nearest supplier; West African and Gulf of Mexico activity; tanker and FPSO operations at high utilisation. The IEA notes Middle East upstream investment has run at about half the North American level since 2021, which implies a backlog of deferred work.

Buys. Rotating equipment spares, mechanical seals, bearings, valves by piping class, instrumentation, tube fittings, piping bulks with EN 10204 3.1 certificates and NORSOK material requirements, sour-service compliance, Ex-certified electrical and instrumentation, offshore cable to NEK 606 and IEC 60092.

2026 pattern. Multi-line spares lists for rigs and FPSOs, often twenty to forty lines across a dozen equipment makers, routed through operators' procurement offices or their contractors; criticality-classed piping packages with certification per line; a high share of broadcast RFQs from trading houses that follow any well-publicised project.

Watch. Access to Gulf sites and the sequence of reconstruction tenders; Norway's continued role as swing supplier to Europe; NACE and NORSOK documentation as the entry ticket to every package.

4.2 LNG and gas infrastructure

Growing. Replacement supply for Qatari volumes: North American export capacity, regasification in Europe and Asia, and the repair of damaged liquefaction. The IEA records conflict-damaged Qatari facilities and delayed projects; the gap of roughly 600 billion cubic feet quoted in the Gulf in November is the demand signal for every terminal with spare capacity.

Buys. Cryogenic valves and seals, low-temperature materials (A352 LCB and LCC bodies, A320 L7 bolting), compressors and turbine spares, instrumentation, fire-safe valves, marine loading arms and hoses, and the civil and electrical bulks of new trains and terminals.

Watch. Whether 2027 final investment decisions on new trains cluster in North America and the Gulf, and what that does to lead times on cryogenic valves and large compressors.

4.3 Power generation and grids

Growing. Grids at USD 550 billion in 2026, gas turbines at a 25-year order high, nuclear life extensions and new builds, storage. Transformer lead times, already measured in years before 2026, are the binding constraint on connection queues in Europe and North America.

Buys. Transformers and switchgear, medium-voltage cable (12/20 and 18/30 kV), busbar, protection and control hardware, motors and drives for auxiliaries, pumps and valves for cooling and water treatment, lubrication and filtration for turbines,

insulated bearings for generators.

2026 pattern. Framework agreements for MV cable and switchgear with metal clauses; utilities aggregating demand across regions; public procurement notices above the 2026 and 2027 thresholds (EUR 432,000 for supplies in the utilities sectors) for almost everything.

Watch. The Cyber Resilience Act's December 2027 CE marking for every connected device in a substation, and the NIS2 supply-chain file that utilities must hold on their suppliers.

4.4 Wind

Growing. Record installations in 2025 and a forecast of about 194 GW a year to 2030; Europe at 19.1 GW in 2025 and the EU-27 at 15.1 GW; the US onshore recovery; offshore approaching 100 GW cumulative. GWEC's March 2026 action plan asks governments to fast-track permitting, remove grid bottlenecks and scale supply chains; the energy crisis has made that an energy-security argument.

Buys. Main, gearbox and generator bearings (including electrically insulated and hybrid types), lubricants and filtration, hydraulic consumables, brake and pitch components, tower and array cable, converters and control hardware, bolting with traceability, cranes and lifting consumables for O&M.

2026 pattern. Owners consolidating O&M spares into standing lists per turbine platform; long-lead main bearings and large sizes bought from registers rather than failures; offshore logistics planned against weather windows the way ships plan against port calls.

Watch. Rare-earth magnet supply for direct-drive generators after 10 November 2026; auction timetables in Europe after the energy shock.

4.5 Solar and storage

Growing. 580 GW installed in 2025; investment at USD 400 billion; imports to Africa and Southeast Asia up 120 to 150% in a quarter; storage rising almost everywhere. Utility-scale projects in Europe and the Gulf states' post-war energy plans both point at DC cable, inverters and MV collection systems by the kilometre.

Buys. H1Z2Z2-K DC cable, aluminium DC trunk cable, MV cable and switchgear, inverters and their spares, trackers and their motors and bearings, combiner boxes, fuses, connectors, earthing.

Watch. Module and inverter trade measures; copper and aluminium notations; the Batteries Regulation's battery passport from 18 February 2027 for industrial batteries above 2 kWh, which includes grid storage and UPS systems.

4.6 Data centres

Growing. The four largest hyperscalers guided USD 720 to 745 billion of 2026 capital expenditure in their July reports (Microsoft about USD 175 billion, Alphabet USD 195 to 205 billion, Amazon about USD 220 billion, Meta USD 130 to 145 billion), with Alphabet expecting 2027 "to rise significantly" and Amazon saying capacity will still fall short of demand in 2027. The WTO attributes 47% of first-half trade growth to the hardware going into these buildings; the IEA attributes the gas turbine order boom to their power demand.

Buys. Electrical bulks in large cross-sections (halogen-free feeders in Euroclass, busbar, MV cable), switchgear and transformers, UPS systems and batteries, generators and their fuel systems, cooling pumps, valves, heat exchangers and filtration, fire suppression, cable management, and a long MRO tail from the first day of operation.

2026 pattern. Project packages bought by electrical and mechanical contractors and EPCs under owners' frameworks, with schedules that compress a refinery's procurement cycle into months; a premium on suppliers that quote in schedule order with certificates per line and deliver in stages.

Watch. The IMF's and the copper market's shared worry about AI returns; if capex guidance is cut, the cable and switchgear order books will feel it first.

4.7 Shipping and shipbuilding

Growing. The orderbook at 203.2 million CGT and a record 435.8 million GT (9,699 vessels) on 1 September 2026, up 13% in a year; BIMCO's 17-year high of 191 million CGT at the end of the first quarter after the highest quarterly crude tanker contracting in history; container ships 30% of contracted tonnage and 68% of the year's increase; Chinese yards with 74% of new contracts and 64% of the orderbook, South Korea 19%, Japan 6%; combined deliveries projected at 55.9 million CGT in 2027 and 60 million in 2028; China with about 4.2 years of work in hand. The fleet in service is sailing longer routes, under higher insured values, with ballast water systems now universal under the D-2 standard.

Buys. Everything in a managed fleet's four kinds of number: engine spares by plate and item, auxiliary machinery spares, electrical and automation, safety equipment on servicing cycles, deck and cargo gear, stores by IMPA and ISSA code, chemicals and water-treatment consumables, lubricants. New deliveries add commissioning and guarantee-period spares; the ageing fleet adds the long tail.

2026 pattern. Requisitions through platforms and planned-maintenance systems; purchasing offices routing deliveries to agents at ports the ship can reach; the Red Sea reopening restoring Suez consolidation; Hormuz deliveries dependent on corridors. The largest third-party managers running several hundred vessels buy per vessel class, not per vessel.

Watch. MEPC 85 from 30 November to 3 December 2026 and the resumed session on the Net-Zero Framework provisionally set for 4 December: adoption would bring a fuel-intensity path and remedial units at USD 100 and 380 per tonne into force around spring 2028; the intersessional group ended its September meeting without agreed text and meets again on 23 to 27 November. EU ETS at full coverage for shipping in 2026 and FuelEU Maritime already in force shape the same decisions regardless.

4.8 Ports and logistics

Growing. Shore power installations under EU rules, terminal automation, the hubs that marine spares flow through (Rotterdam, Antwerp, Hamburg, Singapore, Dubai, Houston, Busan), and the African ports that gained from Cape routing.

Buys. MV cable and switchgear for shore connections, crane and conveyor spares, bearings, gearboxes, hydraulics, mooring

and fender systems, cable management, and the MRO tail of a 24-hour industrial site.

Watch. Suez recovery toward 2023 levels; Gulf port throughput as the conflict resolves or does not.

4.9 Water and wastewater

Growing. The recast Urban Wastewater Treatment Directive sets collection and secondary treatment for agglomerations from 1,000 p.e. by 2035, tertiary treatment at plants of 150,000 p.e. and above by 2039, quaternary treatment for micropollutants at the same plants by 2045 with pharmaceutical and cosmetics producers funding at least 80% of the additional cost, and energy neutrality for plants above 10,000 p.e. by 2045 on self-generated renewable energy; member states have up to 31 months from entry into force to transpose. The Drinking Water Directive 2020/2184 governs the other half of the sector. Together they are the largest regulated capital programme in European municipal infrastructure for the next two decades.

Buys. Pumps and their spares, valves to EN 1074 with GSK coatings and drinking-water approvals, aeration blowers and diffusers, UV disinfection lamps and sleeves, dosing systems, membranes and filtration, instrumentation, control hardware now subject to NIS2 and the CRA, cable and switchgear for energy-neutral plants.

2026 pattern. Public frameworks for consumables and valves above the thresholds; e-invoicing; "or equivalent" specifications written by standard and approval; sanctions and origin declarations on every supplier.

Watch. National transposition laws through 2027; the first quaternary-treatment tenders at the largest plants; the extended-producer-responsibility schemes that will finance them.

4.10 Aquaculture

Growing. Land-based and recirculating systems in Norway and elsewhere, intake and effluent water treatment, and the electrification of farms and service vessels.

Buys. UV reactors and their consumables, pumps and blowers, halogen-free cable for wet rooms, instrumentation, bearings and seals for continuous-duty machinery, hoses and fittings in seawater-resistant materials.

Watch. Biosecurity rules tightening treatment requirements; energy costs on land-based systems.

4.11 Process industry: chemicals, pulp and paper, cement, mining, food

Growing and shrinking at once. Energy-intensive European chemicals are under the hardest cost pressure of any sector in this review, while pulp and paper, cement and mining run at the volumes the construction and energy build-out demands. Food and beverage lines run continuously and buy the European inside of their machinery whatever the macro cycle does.

Buys. Bearings, seals, gaskets and filtration on standing lists; motors to IE3 and IE4 as replacements for the IE1 and IE2 base; valves by piping class; instrumentation; obsolescence-driven control hardware replacements as legacy PLC families reach spare-parts-only status.

2026 pattern. Rewind-or-replace rules by motor frame; tier policies on bearings; standardisation of seals and filters across sites; shutdown lists bought as packages.

Watch. The Machinery Regulation from 20 January 2027 for every safety-component replacement; the CRA for every networked controller.

4.12 Defence

Growing. European allies and Canada at about USD 634 billion in 2026, 2.53% of GDP, 42.7% of NATO's total; Lithuania, Estonia, Latvia, Poland and Greece above 3.5% core spending; priorities in air and drone capabilities, air defence, maritime procurement and vehicles; all allies but Norway expected to meet the 20% equipment share, several at 50%.

Buys. Beyond platforms, the MRO tail: bearings, seals, hydraulics, filtration, electrical and electronic components with batch traceability, certificates of conformity, export-control classification per item, and documented chains of custody.

2026 pattern. Public tenders with sanctions, origin and ownership declarations; vetted supplier onboarding; frameworks with call-offs.

Watch. National budgets in 2027 against fiscal limits in France, Italy and the UK; the procurement-law revision the Commission announced for 2026.

4.13 Semiconductors, electronics and automotive

Growing. Fab construction in Europe, the US and Asia and the AI-hardware trade boom; automotive and battery lines adjusting to tariffs and to rare-earth uncertainty.

Buys. Vacuum pumps and valves, ultra-pure gas and liquid components, cleanroom-grade consumables, precision bearings, automation and control hardware; in automotive, the European inside of body and paint shops and the magnets inside every motor.

Watch. 10 November 2026 for rare-earth controls, 10 January 2027 for the wider arrangement, and the Product Liability Directive from 9 December 2026 for every imported component with software in it.

5. Categories: what is moving on the desk

A cross-sector view of the categories we quote, ordered by the direction of demand we observe.

Category | Direction | What drives it | What buyers ask for now |

Cable and electrical bulks | Up strongly | Grids, data centres, solar, shipbuilding, defence | Metal clause transparency, drum schedules, Euroclass, staged delivery |
Switchgear, transformers, drives | Up, lead-time constrained | Grid and data-centre build-out | Delivery dates more than price; lifecycle status; CRA readiness |
Bearings | Up | Wind, shipping, mining, conveying | Tier policies, suffix translation, authorised-channel evidence |
Mechanical seals, O-rings, gaskets, filters | Steady and recurring | Every continuous process | Standing lists, two-kit splitting of OEM kits |
Valves | Up | Water programmes, LNG, shutdown campaigns | Nine-field specifications, certificates per line, PED category |
Motors | Up, regulation-driven | IE3 and IE4 replacements of the installed base | Frame checks, one-frame-up warnings,

inverter duty |
Pumps and pump spares | Up | Water, data-centre cooling, aquaculture | OEM-bound versus standard components |
Instrumentation and sensors | Up | Everything connected | Approvals (Ex, SIL), support periods |
OT and control hardware | Up, compliance-driven | Obsolescence, NIS2, CRA | Supported-until dates, legal bill of materials per line |
UV lamps and water-treatment consumables | Up | Aquaculture, utilities, ballast water | Certificate-bound lamp types, RoHS exemption status |
Piping bulks with certificates | Up | Oil and gas repair, LNG, process | 3.1 per heat, NORSOK, PMI, one register per package |
Stores by IMPA and ISSA code | Steady | Fleet size | Consolidation to port-call kits |

The categories at the top of the table share one property: their price is dominated by metal and their availability by factory capacity, so a buyer's leverage is in the schedule and the clause, not in the discount.

6. Regions

Nordics. Norway is Europe's nearest gas supplier in a gas crisis, an offshore wind and aquaculture builder, and a NATO ally above 3% of GDP; its industrial demand in 2026 is a combination of all three. Public procurement follows the EEA thresholds (NOK 1.63 million, 2.5 million and 5 million from 21 April 2026) with EHF e-invoicing; NIS2 is expected through the EEA during 2026; the Digital Security Act has applied since 1 October 2025.

European Union. Flat goods exports, growing electricity investment, the water and defence programmes, and the densest regulatory calendar in the world (section 8). The EU is where the compliance load on a purchase order is heaviest and where a supplier that carries the documents per line is worth most.

United Kingdom. Offshore wind and oil and gas services, defence, and a tariff relationship with the US and the EU of its own; BS standards and UKCA alongside CE on the same drawings.

North America. The tariff regime reset after the February 2026 Supreme Court ruling; Section 232 and 301 measures replacing a general rate; the data-centre and gas-turbine boom; onshore wind recovering; the largest LNG expansion in the world. European-built lines and their European components are bought through importers of record, with the Product Liability Directive now mirrored in the question every US buyer should ask its EU supplier: who is the responsible operator.

Middle East. Exports down 17%, infrastructure damaged, reconstruction pending; the region will be the largest single source of repair and replacement demand for rotating equipment, valves, piping and cable once access is restored, and the hardest to serve until then.

Africa. Oil services on the west coast generating steady RFQ flow; solar imports up 120 to 150%; ports on the Cape route busier.

Asia. Exports up 9.9%, manufacturing growth among the strongest since the pandemic, 74% of ship orders, 94% of sintered magnets; both the world's workshop and the destination for 84% of the crude and 83% of the LNG that used to transit Hormuz.

7. Procurement practice in 2026

What has changed in how purchase orders are written, as we observe it across sectors and as the public data corroborates.

Buying ahead. Inventory building is explicit in the PMI; on the desk it shows as standing lists being priced for two years instead of one, and critical spares being bought at the planned price before the next shock.
Lead time before price. On transformers, switchgear, large motors, MV cable and large bearings the question is the delivery date; price is negotiated inside the delivery that works.
Metal clauses read first. Buyers who could not have explained a copper surcharge in 2024 now set the base and the notation date in the RFQ.
Documents per line, before the order. EN 10204 3.1, class and type approvals, CPR declarations, ATEX and IECEx, drinking-water approvals, sanctions and origin declarations, and from 2027 the Cyber Resilience Act's support period and the Machinery Regulation's safety-component declaration, all requested on the RFQ line and refused after the PO.
Registers replacing requisitions. Motor registers, bearing registers, valve registers, UV registers, OT hardware registers with supported-until dates: the buyers that cope hold their demand as data and buy standing lists from it.
Equivalents, declared. Pressure on price and lead time has made equivalents legitimate on open positions, provided they are declared next to the requested maker and never swapped silently; the bound positions (certificates, type approvals, safety accessories, warranties) are being written down as such.
Platforms and e-invoicing. Fleets buy through their platforms and expect MTML; public bodies invoice by Peppol and EHF; suppliers that cannot are not suppliers.
Sanctions screening in the supply chain. Article 5k declarations of origin and ownership down the chain are standard in public tenders and spreading into private ones.
AI at the requisition. A growing share of requisitions reaching suppliers show signs of having been drafted with chat tools: confident supersessions no maker issued, plausible part numbers with one wrong character, "equivalent to" with no specification. The requisitions are faster and the clarification rounds are longer. Buyers that use AI to find candidates and their own registers to fix the final number get the benefit without the cost.
Fewer vendors, better defined. Vendor consolidation is no longer a cost-reduction slogan; it is how a purchasing office survives the compliance load.

8. The regulatory calendar, November 2026 to 2028

Date | Rule | What changes for procurement |

10 November 2026 | China's rare-earth control suspension expires | The 0.1% rule on magnets with Chinese rare-earth content may return; audit magnet-bearing items |
30 November to 4 December 2026 | IMO MEPC 85 and resumed Net-Zero Framework session | Possible adoption of fuel-intensity targets and remedial units; entry into force about 16 months later |
9 December 2026 | Product Liability Directive (EU) 2024/2853 applies | Importers, authorised representatives and fulfilment

providers liable for non-EU products; distributors must name their supplier within one month; software covered |
1 January 2027 | Procurement thresholds unchanged for 2027 | EUR 140,000, 216,000 and 432,000 for supplies; NOK equivalents in Norway |
10 January 2027 | US and China wider arrangement runs to this date | Tariff and control environment for Asian-origin components |
20 January 2027 | Machinery Regulation (EU) 2023/1230 applies | Safety components include software; protection against corruption; digital instructions |
18 February 2027 | Batteries Regulation battery passport | Industrial batteries above 2 kWh, including UPS and storage |
24 February 2027 | RoHS Annex III date for UV lamp exemptions 4(a)-I and 4(f)-IV | Exemptions remain valid pending the Commission's renewal decision; tenders should require the exemption reference |
mid-2027 | Transposition deadline for the recast Urban Wastewater Treatment Directive | National laws and the first programme tenders |
2026 to 2027 | Revision of the EU procurement directives | Proposal announced for 2026; 2014 directives apply until adoption |
11 December 2027 | Cyber Resilience Act full application | CE marking for cybersecurity and stated support periods on products with digital elements placed on the market from that date |
spring 2028 | Earliest entry into force of the IMO Net-Zero Framework if adopted in December 2026 | Fuel-intensity compliance from 2028 or 2029 depending on final text |
2035, 2039, 2045 | Urban Wastewater Treatment Directive milestones | Secondary treatment from 1,000 p.e.; tertiary and quaternary treatment at 150,000 p.e.; energy neutrality at 10,000 p.e. |

9. Desk observations

What follows is qualitative. It is drawn from the enquiries reaching one sourcing desk between our launch in mid-2026 and the end of October 2026, anonymised, with no customer, price, brand or specific item disclosed.

Where enquiries come from. The largest single group is offshore oil and gas: operators and their contractors in West Africa, the Gulf of Mexico and the North Sea, requesting spares for rigs and floating production units, often as multi-line lists spanning a dozen equipment makers, and piping packages with criticality classes and material certificates per line. The second group is marine: propulsion and thruster service parts, mounting tools for bearings, ballast-water and water-treatment consumables, routed through ship managers and service companies. The third is water: UV disinfection parts for aquaculture and treatment duties. Smaller but steady groups are electrical packages for projects (earthing and grounding, cable accessories), gas-plant spares from North Africa and the Gulf's periphery, and public tenders, including defence, for machinery components.

What enquiries look like. Line counts run from one to about forty. The enquiries that convert carry a named end user, complete identifiers (maker and part number, or plate and item number with a serial), quantities with units, a certificate requirement per line and a delivery point. The enquiries that do not convert are broadcast lists from trading houses with no end user named, copied to many desks, and we decline them as policy; they remain a substantial share of inbound mail and the main reason legitimate buyers who use the same format find that nobody answers.

What buyers ask for. Certificates per line, before the order: EN 10204 3.1, class and type approvals, Ex certificates, drinking-water approvals. Lead times against a window: a port call, a shutdown, a yard period. Declared equivalents where the position is open, and confirmation of the OEM route where it is bound. Account terms that scale with repeat volume. On marine and project enquiries, delivery to an agent or a hub rather than to an address.

What has changed since mid-2026. More enquiries reference an energy-related cause: an urgent repair, a vessel re-routed, a plant running at rates it was not maintained for. More enquiries carry a sanctions or origin question. More requisitions show the fingerprints of chat tools, as described in section 7. More buyers ask for standing lists and frameworks rather than one-off quotes, which is the structural shift this review exists to document.

What converts into accounts. End users with recurring demand who send a register or a class list, agree a substitution rule and certificate defaults in writing, and buy against a standing list. Not the volume of enquiries, but the share of them that come with a register, is the number we watch.

10. Outlook for 2027: ten calls

Stated as expectations, not forecasts, and to be scored in the next edition.

The energy shock lasts into 2027 whatever happens at the negotiating table, because damaged LNG capacity takes years to rebuild and inventories take a year to refill. Metal clauses, fuel surcharges and escalation formulas stay in every quote.
Grid and data-centre electrical demand outruns transformer and switchgear capacity for a third year; cable lead times on large sizes stay at months; buyers who order from the detailed schedule rather than the final one get their drums.
Copper stays above USD 12,000 a tonne absent a demand shock from a repricing of AI investment, which the IMF and the metal market both list as the main downside.
Shipbuilding deliveries rise sharply in 2027 and 2028, adding hundreds of new vessels to managed fleets and hundreds of new recurring spares accounts; the Net-Zero Framework's fate in December sets the fuel and retrofit agenda either way.
The water programme starts to tender. Transposition laws in 2027 and the first tertiary and quaternary projects at the largest plants, financed partly by producer responsibility, begin the longest municipal capital programme in Europe.
Defence MRO becomes a visible parts market as equipment shares pass 20% and the maintenance tail of 2025 and 2026 purchases arrives.
The Product Liability Directive and the Cyber Resilience Act reshape distributor economics. Distributors that record the legal bill of materials per line keep their customers; those that cannot name their supplier within a month lose them.
Rare-earth controls remain a quarterly uncertainty for motors, drives and sensors; audits of magnet content become a standard supplier question.
Public buyers consolidate suppliers under frameworks with sanctions, origin and e-invoicing requirements that smaller resellers cannot meet; the number of vendors a utility keeps falls.
Registers win. The purchasing offices that convert their installed base into motor, bearing, valve, UV and OT registers with

standing lists spend less, wait less and pass audits; the gap between them and requisition-by-requisition buying widens into a competitive difference.

11. How to use this review: the register practice

For a purchasing office of any size, from a single plant to a multinational with hundreds of sites, the practice this review recommends is the same, because it is the practice the conditions reward.

Hold demand as data. One register per family of installed equipment: motors by frame and poles; bearings by designation and suffix; valves by the nine fields; UV reactors by certificate and lamp type; OT hardware with supported-until dates; cable by run list and drum schedule for projects. The register fields are set out in the reference articles listed in section 13.

Split bound from open. For every row, record whether the position is bound to a certificate, a type approval, a safety category, a datasheet or a warranty, or open to any maker meeting the specification. Bound positions go the maker's route; open positions compete, with equivalents declared.

Price once, call off often. Turn the register into a standing list with annual quantities and documents per line, priced on unit rates with quantity bands, called off per job, per campaign or per port call, and reviewed yearly.

Fix the clauses. Metal base and notation date, validity, firm or floating, cancellation windows on made-to-order lines, certificate requirements per line, delivery to a window, Incoterm, payment ladder.

Keep the legal bill of materials. For every line, the conformity documents, the lifecycle statement, the origin and ownership, the EU economic operator, the sourcing channel, for ten years.

Choose suppliers by what they can do with a register. Quote it in line order, state documents per line, declare equivalents, deliver in stages to a window, invoice the way the buyer's system needs, and name their own supplier on request. That is the whole test, and it applies equally to a global manufacturer's category team and to a single maintenance planner.

12. Methodology and sources

This review uses public data from the IMF (World Economic Outlook, October 2026), the WTO (Global Trade Outlook update, 8 October 2026), S&P Global and J.P.Morgan (Global Manufacturing PMI, September 2026, released 1 October 2026), the London Metal Exchange as reported by the financial press on 30 October 2026, the IEA (World Energy Investment 2026, launched 28 May 2026), the Global Wind Energy Council (Global Wind Report 2026, 20 April 2026), BIMCO (shipping number of the week, 9 April 2026) and industry reporting of orderbook statistics as at 1 September 2026, Lloyd's List Intelligence (Red Sea brief, 29 October 2026), the International Centre for Defence and Security's analysis of NATO estimates (9 July 2026), the Council of the EU's press release on the recast Urban Wastewater Treatment Directive (5 November 2024), the European Commission and EUR-Lex for the Cyber Resilience Act, the Product Liability Directive, the Machinery Regulation and the Batteries Regulation, the delegated regulations on procurement thresholds for 2026 and 2027, Norwegian procurement authorities for NOK thresholds from 21 April 2026, the US Supreme Court's decision of 20 February 2026 and subsequent customs guidance as summarised by trade practitioners, and reporting on the 2026 Iran war, the Strait of Hormuz and Chinese export controls as at the dates given in the text. Figures are quoted as published; where sources disagree, the discrepancy is noted. Desk observations are qualitative, anonymised and limited to patterns; no enquiry data is disclosed. Nothing in this review is investment, legal or engineering advice.

13. Reference articles

The practice described in section 11 is set out in detail in the following articles, published by the same desk and free to use:

Five quotes, one warehouse: how an RFQ travels and the one-pass RFQ format.
Every OEM service kit is two kits: splitting spares lists into maker-only and standard lines.
The seven-seat vendor table: which relationships a procurement officer needs.
Industrial MRO distributor: stock-led and identifier-led models defined.
The frame is the contract: IEC motors by frame size, and the IE3 and IE4 rules.
The European inside: European components in North American plants, and how to buy them at home-market prices.
Fit, function, life: rolling bearings by designation, the suffix translator and the counterfeit test.
The certificate-bound consumable: UV lamps, sleeves and sensors, and the public tender.
The legal bill of materials: NIS2, the Cyber Resilience Act, the Machinery Regulation and the Product Liability Directive on every OT purchase order.
The port-call window: how a managed fleet buys spares and stores.
Lengths, not metres: how to buy five kilometres of power cable for a project.
Face-to-face is the contract: industrial and waterworks valves by standard.
Envelope, curve, wetted parts: how to buy pumps by duty point, not by brand.
The flange reference: PN16, Class 150 and JIS 10K dimensions side by side.
AI-drafted requisitions: where chat tools get part numbers wrong.

14. About cballast

cballast.com is a Norway-based independent industrial and marine MRO distributor, launched in 2026, with a catalogue of 336,000+ part numbers from 1,000+ brands across 50+ categories: bearings, valves, pumps, fittings, seals, sensors, instrumentation, electrical components and cable, filtration, hoses, gaskets, UV and water-treatment consumables and process spares, with unlisted numbers sourced through makers' own and authorised-distributor channels. Every product page carries the maker's part number together with the OEM, drawing, superseded and competitor cross-reference identifiers held for it, so that whichever number is on a requisition reaches the same item.

We sell on account, on quote and invoice, with no online checkout. Accounts are vetted at onboarding; the first order is prepaid for private accounts, after which established accounts move to credit terms and substantial repeat-account discounts; public bodies and utilities are invoiced against their purchase order on public-sector terms from the first order, with Peppol BIS or EHF e-invoicing where required. We quote in the buyer's line order, state certificates per line before the order, declare equivalents next to the requested maker and never swap them silently, deliver in stages to a site, a hub or a ship's agent within the window, record the legal bill of materials for every line, and state our sourcing channel on request. We do not

compete on same-day delivery; we compete on delivery that holds, fair terms and agreements worth signing. We do not quote broadcast lists with no named end user.

The buyers we are built for are end users with recurring demand, at any scale: ship owners and managers, water and wastewater utilities, energy and grid operators, process plants, data-centre and infrastructure contractors, oil and gas and offshore wind operators, aquaculture operators, public bodies and defence. Registers, standing lists, schedules and RFQs go to sales@cballast.com. Corrections to this review are welcome at the same address and will be acknowledged in the next edition.

Glossary

Bound and open positions: lines tied to a certificate, type approval, safety category, datasheet or warranty, and lines open to any maker meeting the specification.
Legal bill of materials: the documents and data that satisfy every applicable rule for one purchase-order line, attached at the time of sale.
Metal clause: the mechanism that adjusts a quote for copper or aluminium against a published notation and an agreed base.
Register: one row per installed item with its identifiers, status, documents and spares strategy.
Standing list: repeat demand with annual quantities and documents per line, priced once and called off through the year.
Supported-until date: the earlier of a maker's lifecycle milestone and a regulatory support period, recorded per installed module.
Window: the interval within which a delivery must land: a port call, a shutdown, a yard period, a construction sequence.

References and related guides
Industrial MRO distribution — a reference primer (2026)
What an industrial MRO distributor does, and how to choose one

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