Vision 2030: Leading with CHARM in the second half of this decade

By **Stephen B. Harrison** on Jan 13, 2026

The period 2026 to 2030 will be the most difficult to navigate since the period following the 2018 crash, says Stephen B. Harrison, Managing Director of sbh4 consulting and gasworld Editorial Advisory Board member.

In an exclusive insight for gasworld's Vision 2030 series, he explains why CEOs will need to CHARM their way through the next five years. This will be a period defined by: **C**apital discipline; **H**ome markets; **A**cquisitions; **R**isk management and **M**argin protection.

Capital discipline

Electronics, hydrogen and CCS (carbon capture and storage) will be the main drivers of organic volume growth. Each will call for massive capital injections in production and distribution infrastructure.

Selective use of capital to screen for the most attractive projects at lowest risk will differentiate the winners and losers here. Strong partnerships with strategic and financial co-investors will also ease the capital burden.

The stock market has consistently rewarded industrial gas players that maintain a strong capital discipline and has punished those that relax the rules. The second half of this decade will see no mercy for the players who do not allocate their capital robustly.

Home markets

Geopolitical disruption has seen some industrial gas assets lose their value overnight.

Massive losses have been taken on LNG projects in Russia. Supply chains have been upended as Ukrainian rare gases sources were extinguished. Assets in Venezuela face an uncertain future. Middle East tensions are bubbling over.

Geographic portfolio management has historically been about achieving market share and critical mass in power zones to secure attractive financial returns through operational efficiency and price management. Through the second half of this decade, geopolitical risk will define who plays where.

A renewed focus on investments in home markets will emerge. Under these conditions, seeking growth in a declining European industrial base will be tough. Diversification into hydrogen and CCS will make sense, but only if the customers will not offshore to lower energy cost locations during the period of the investment.

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Acquisitions

With increased capital risk around organic growth options, M&A and consolidation will return to focus. Now that the Linde-Praxair merger has bedded down, the next wave of consolidation will follow.

Messer and Nippon Gases are both mid-sized entities that lack the global footprint of the three majors. A merger would make huge strategic sense.

Regional players such as Air Water and Gulf Cryo have excellent positions in their home markets. They would be ideal bolt-ons for majors and mid-size players looking to grow revenue without adding capacity to the market.

These are just a few examples from a somewhat cursory look at the market.

Technology related bolt-ons may also emerge as attractive niches. Emerging processes for hydrogen and CO2 (carbon dioxide) value chains, and semiconductor processing are clear areas of fit. As geographic expansion into high risk regions looks less attractive, added value technology will come to the fore as an alternative avenue for revenue expansion.

Risk management

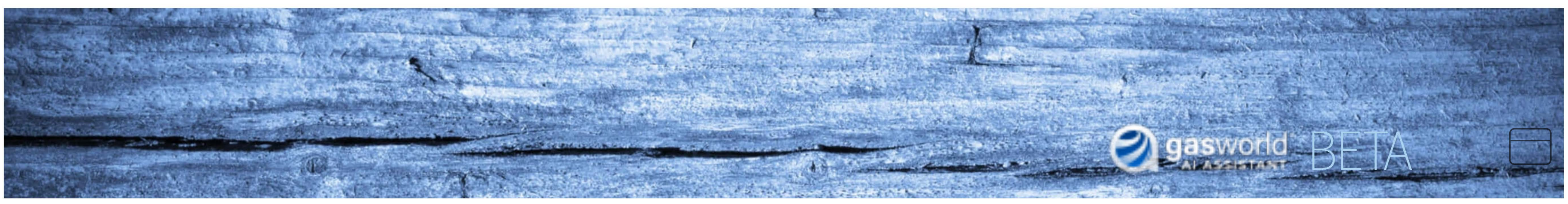
Uncertainty is at an all-time high. Policies and regulations are being written and re-written faster than ever before. Rules for hydrogen production, international trade and industrial carbon management are emerging and being torn up in equal measure.

In 2025, a 'wait and see' approach was prevalent. Investments plans were paused. Plant locations were re-considered to ensure cost-effective access to US and European markets as the impact of tariffs and the CBAM were crystallising.

With a quarterly and annual review of performance, the rewards for risk taking in a volatile regulatory and geopolitical environment rarely outweigh the downside potential.

Gatekeepers will have the power in industrial gas board rooms. Gone are the heady days of visionary expansionism. No more free flow of capital to access the Chinese market. No more high-risk projects for green and blue hydrogen without securing offtakers.

There will inevitably be ideas. Creativity and innovation have always been at the heart of industrial gases management mentality. The key for the rest of this decade will be sorting the stuff from the fluff. Canning the good ideas in favour of the strategic imperatives. Preserving firepower for when it must be used. These are the realms of risk management.



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Margin protection

Stubborn inflation is returning to many economies. Interest rates and bond issuance rates are higher now than for several decades. Energy costs are high and volatile. These factors hit the costs of finance and operations hard. If prices are not moving in tandem, profit margins are slashed.

Shorter contracts with smarter indexing will be the norm. Expect to see risk-mitigation clauses related to flooding, regime change or war. Force Majeure is likely to be invoked more in the next five years than in the past 15. Write-offs are to be expected.

Maintaining that thin margin between input costs and sales prices will be key. The commercial teams and corporate lawyers will likely have a busy time in the next five years.

Margin protection will go hand in hand with capital discipline and risk management to secure a strong P&L and balance sheet.

Toolkit takeaway: Have you got what it takes to CHARM the markets?

During periods of organic expansion, business development teams, project managers and creative engineers come to the fore.

On the other hand, during this coming period of consolidation the skills pendulum swings to operations specialists, seasoned negotiators, lawyers, financial oversight experts and risk managers.

Are the management teams and board rooms of the industrial gases companies staffed to meet the challenges they will face in the second half of this decade? Have they even noticed that a change internally will be required to align with the external realities?

Which players have enough CHARM to drive growth in the exceptional conditions ahead of us for the second half of this decade? Let's see who can adapt their portfolios, business models, management style and leadership teams to excel.