Ultraflash – U.S. offshore vessels 14 years older than European vessels

The U.S. vessels supporting the offshore industry are lagging behind the European offshore vessels that are newer, and more specialized. This is partly due to the U.S. Jones Act causing the U.S. offshore market to be isolated from foreign competition.

- On average, offshore vessels in the U.S. are 14 years older than their European counterparts. Offshore vessels with American flags are on average 26 years old. Offshore vessels with European flags, on the other hand, are on average 12 years old.

- Today’s offshore wind industry requires specialized equipment to a larger extent than ever before. The last decades, offshore vessels have continuously been improved, meaning that the entire offshore industry has become more productive by using such new and specialized offshore vessels.

- To operate in the U.S. offshore market, companies need to comply with the U.S. Jones Act. It requires that all vessels transporting goods between two U.S. points are American-built, -owned, -crewed and -flagged. Since cheaper, newer, and specialized European offshore vessels cannot support the U.S. market, a large new building effort needs to take place to support the strong ambitions for expanding U.S. offshore wind.

- The Biden administration has set a 2030 target of 30 GW offshore wind in the U.S. Next to the EU, China, and the UK, the U.S. will in 2030 have the biggest offshore wind capacity in the world.

- As European offshore wind shipowners will not be able to directly supply the U.S. market with existing tonnage, new entry models will have to be sought. Knowledge partnerships, licensing agreements – or more strategic agreements in the shape of joint ventures, with the intention of building bespoke U.S., Jones Act compliant tonnage.