

IN THE MEDIA

Charlie Papavizas Weighs in on Offshore Vessel Demands

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Winston & Strawn Maritime Practice Chair Charlie Papavizas was quoted in *TradeWinds* April 23 article titled "<u>U.S. Creates Strong Tailwind to Boost Offshore Vessel Demand</u>." The article discusses the Jones Act and the logistical challenges European and U.S. maritime outfits face as key providers in the growing renewable energy sector.

The Bureau of Ocean Energy Management (BOEM) has approved 16 commercial leases this year, including Norway's Equinor, Vineyard Wind, Mayflower Wind Energy, and Block Island Wind Farm—the first commercial offshore windfarm in the U.S. While European wind players at first underestimated the impact that the Jones Act has on such projects, they are now getting to grips with the law, which requires a U.S.-owned vessel built at a domestic yard and crewed primarily by Americans to move goods that are considered "merchandise" from one U.S. point to another.

The need for vessels to move personnel from shore to windfarms is seen as likely to spur U.S. ship construction, as was the case with Block Island. Charlie notes: That's where U.S. Jones Act operators have their best opportunities, which is with crew transfer vessels. These will be needed for the 20 to 25-year operating life of the farm.

For all the vessel needs of the burgeoning offshore projects, cross-Atlantic partnerships will most likely continue to be the norm.

"The only way this is going to happen is through cooperation with European companies with experience in building farms and American companies experienced in operating in U.S. waters," he explained. "The only successful projects will have some combination of that."

Charlie focuses his practice on administrative, legislative, and finance matters, primarily in the maritime industry. He is frequently consulted on the application of U.S.-flag laws and regulations, particularly the application of U.S. coastwise laws (Jones Act) to cargo, passenger, and vessel movements and investments in U.S. companies.

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