

Charlie Papavizas Discusses Jones Act Enforcement with *SeaPower* Magazine

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Charlie Papavizas, chair of Winston's [Maritime & Admiralty Practice](#) was extensively quoted in *SeaPower* Magazine's "[Jones Act Watchdog](#)." The article discusses the National Jones Act Division of Enforcement (JADE) and its goal to curb U.S. maritime commerce violations.

Due to concerns with Jones Act cabotage violations, specifically in oil drilling operations in the U.S. Gulf of Mexico, and pressure from U.S. maritime interest groups and members of Congress, the U.S. Customs and Border Protection (CBP) created the JADE.

"The market for offshore support vessels is really, really bad. Probably the worst we have seen," said Mr. Papavizas. "Offshore drilling has dropped dramatically and drill ships, drill rigs, and offshore support vessels of all kinds—whether supply boats, crew boats, or construction vessels are seeing a very deep depression in terms of the cost, availability, and supply. There is more pressure than usual to create opportunity. So the Jones Act community has put a lot of pressure on for many years, and the JADE is the culmination of that effort."

Jones Act supporters are aware that the JADE is not necessarily the answer to the economic challenges that have beset the offshore services industry. But as the article explains, it is a start.

"I do not think the people who have been pushing this for years would say, 'the JADE is going to solve our economic problems,' but that does not make it not worth their effort, because if they help themselves on the margin, that still helps," Mr. Papavizas said.

Mr. Papavizas explains that "drilling oil is not a Jones Act activity, nor are certain construction activities, such as drilling, pipe-laying, and cable-laying. A lot of things are exempt by the way the law works. In terms of the Jones Act, it is transportation—something has to be transported, either people or things."

SeaPower reports that, arguably, the JADE was established because of concerns exclusively in the U.S. Gulf of Mexico. However, the issue existed long before that. Mr. Papavizas explains that its creation dates back to when the oil industry went further out in order to drill deeper wells and the leaders in the field were not American companies. The Jones Act community and maritime stakeholders convinced CBP to do to look more carefully at what non-American companies were hired to do.

Mr. Papavizas notes the JADE mission could well expand in connection with the growing renewable energy industry. In Rhode Island, the Block Island Wind Farm is in the final stages of construction of five turbine towers. The question of Jones Act violations is something they are concerned about as wind energy projects proliferate along the Atlantic coast. In the United States, there are but a handful of these projects and no offshore wind farm activity of any significance yet, he said. But when activity picks up in terms of the many complex aspects of construction, such as cable-laying and connecting to an electrical grid, and when wind farms are fully in service, the offshore industry will almost certainly furnish an array of new jobs for U.S. maritime businesses.

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