

# Strong Recovery in Subsea Vessel Demand



Market researcher Douglas-Westwood, UK, forecasts strong recovery in vessel demand. The World Subsea Vessel Operations Market 2011-2015 details expenditure set to grow 52%, totalling USD72bn between 2011 and 2015. Lead author, Simon Robb, commented, "Project timetables are accelerating as confidence returns to the industry, with a shift to larger and more complex deepwater projects. Projects are increasingly capital intensive, which is benefitting offshore contractors with the capability and expertise to provide deepwater services."

"Global vessel demand for Subsea Vessels is expected to climb beyond 310,000 days for the forecast period 2011-2015 - a 28% increase on the previous five years. Robust growth is expected, with annual expenditure set to

rise from USD11.2bn in 2011 to USD19bn by 2015."

Ian Jones, contributing author, continued, "By 2015, there will be a move towards more complex deepwater projects being sanctioned and this should benefit the vessel contractors with deepwater capability and engineering experience. The number of vessel days in deep waters is set to increase by more than 50% over the next five years. Deepwater awards will suit contractors with modern vessels fleet, effective project execution skills and a track record in delivering deepwater projects."

The deepwater 'Golden Triangle' is expected to account for 54% of global expenditure over the forecast period. Africa will remain the largest single market by expenditure with over USD13.7bn required over the next five years. Despite a dip in activity in North America during 2011-2012, due to the economic crisis and the fallout from the Deepwater Horizon incident, vessel expenditure is expected to total almost USD13bn. This is a 21% increase on the previous five years. Latin America is expected to be the third largest market - driven directly by Petrobras' long-term deepwater and ultra-deepwater strategy. The Asian and Australasian regions are both expected to witness strong vessel expenditure growth over the next five years.

The comprehensive report focuses on the demand for vessels used by operators around the world for their subsea field development & construction projects, inspection, repair & maintenance (IRM), well intervention and plug & abandonment activities providing detailed demand and expenditure analysis by region. The report looks at the main factors that are driving vessel day demand for ROVSV, DSV, Flexlay, LWIV and Pipelay vessels and provides supporting information analysing specific sectors within each key subsea sector. Market supply and vessel day rates are also discussed, providing the reader with a comprehensive understanding of the key trends involved in shaping the requirement for subsea vessels.