# Developers pull back as confidence wanes in floating offshore wind survey reveals



New research highlights a troubling trend in the floating offshore wind industry, revealing a marked decline in confidence among developers, which is contributing to weakened growth forecasts for this essential segment of renewable energy. The findings, released by Westwood Global Energy Group, underscore the shift in sentiment among key industry stakeholders—from optimism to caution—as they reassess the various challenges facing the sector.

According to the annual Floating Offshore Wind Survey, which gathered insights from 166 participants across the global floating wind value chain—including engineers, developers, investors, and government bodies—confidence has decreased significantly compared to last year. While earlier reports indicated a surge of activity due to new leasing rounds and favourable subsidy announcements, the latest data reflects increasing unease regarding delivery timelines, investment risks, and slow-moving policy initiatives. A troubling 63% of developers now express less confidence about the market’s future, with most respondents indicating a revision of their growth expectations over both the short and long term.

The survey further reveals a stark prediction: 72% of participants anticipate that global operational capacity for floating offshore wind will fall short of 3 gigawatts (GW) by 2030. This figure starkly contrasts earlier forecasts which had skewed toward a more ambitious outlook, underscoring the sector's current predicament.

One of the primary challenges cited relates to financial viability. Participants highlighted the steep upfront capital costs associated with floating wind projects as a significant barrier, compounded by a lack of investor confidence in these emerging technologies. Insufficient port infrastructure, a lack of standardised technology, and limited governmental support further exacerbate the situation, making it increasingly difficult for developers to progress.

This downturn in confidence occurs within a broader context where governments and the private sector are placing renewed emphasis on the importance of renewables in achieving climate objectives. For the floating offshore wind industry to realise its full potential, experts assert that immediate action is required to address infrastructure shortfalls and instil greater confidence in policy frameworks.

Highlighting the industry's urgency, Bahzad Ayoub, an offshore wind manager at Westwood, notes that while progress is indeed taking place, it is not keeping pace with expectations. He emphasised that the industry must begin to treat floating wind as a distinct sector, rather than a mere extension of fixed-bottom wind technology. “Optimism hasn’t disappeared, but it’s now paired with a grounded mindset,” he remarked, reinforcing the need for a tailored approach that acknowledges the unique technology, timelines, and investment requirements inherent in floating wind.

In related developments, external dynamics continue to shape the landscape of offshore wind projects globally. For instance, the recent lifting of a halt on Equinor’s $5 billion Empire Wind project off the coast of New York was hailed as a significant victory by industry leaders, with Equinor's CEO emphasising its potential for job creation and critical infrastructure development. This decision followed a period of uncertainty where previous political changes had cast a shadow over the industry's future, resulting in other major companies reconsidering their commitments.

Meanwhile, in Europe, various governments are recalibrating their offshore wind strategies to stimulate interest and investment. The Dutch government’s postponement of tenders due to lukewarm developer interest highlights the need for more attractive subsidy models. Concurrently, Denmark has announced new tenders for offshore wind capacity, indicating a proactive stance amid rising costs and limited investor enthusiasm.

In a promising development for floating wind technology, Norway has recently launched its inaugural floating offshore wind tender at the Utsira Nord site, aiming to provide up to 500 megawatts of capacity. This initiative marks a crucial step forward in deploying floating wind projects, highlighting Norway's commitment to advancing this vital technological advancement despite prevailing industry challenges.

As the floating offshore wind sector finds itself at a crossroads, the collective efforts of industry stakeholders and government bodies will be pivotal in navigating the array of challenges presented. Tesearch suggests cautious optimism may be warranted, but only if the necessary infrastructural and regulatory conditions are met.

### Reference Map

1. Article [[1]](https://www.newcivilengineer.com/latest/developers-pull-back-as-confidence-wanes-in-floating-offshore-wind-survey-reveals-21-05-2025/)
2. Article [[2]](https://www.ft.com/content/25295441-69cc-47db-beea-5b32e849c7c9)
3. Article [[3]](https://www.reuters.com/business/energy/dutch-postpone-offshore-wind-farm-tenders-due-low-interest-2025-05-16/)
4. Article [[4]](https://www.reuters.com/sustainability/climate-energy/norway-opens-floating-offshore-wind-tender-2025-05-19/)
5. Article [[5]](https://www.ft.com/content/eefcbe13-69ae-4c81-8fa2-b4f2bced0396)
6. Article [[6]](https://www.reuters.com/sustainability/climate-energy/denmark-plans-offshore-wind-tender-with-up-83-bln-subsidy-2025-05-19/)
7. Article [[7]](https://www.ft.com/content/47dbfee3-5517-43c6-85ab-dfe86d2d4085)

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## Bibliography

1. <https://www.newcivilengineer.com/latest/developers-pull-back-as-confidence-wanes-in-floating-offshore-wind-survey-reveals-21-05-2025/> - Please view link - unable to able to access data
2. <https://www.ft.com/content/25295441-69cc-47db-beea-5b32e849c7c9> - Equinor's $5 billion Empire Wind project off New York's coast will resume construction following a reversal by the Trump administration of an earlier halt order issued in April. The Department of the Interior's Bureau of Ocean Energy Management allowed resumption after discussions with federal, state, and city officials. Equinor's CEO, Anders Opedal, expressed gratitude for the decision, emphasizing the project's role in job creation and energy infrastructure investment. New York Governor Kathy Hochul and Norway’s Finance Minister Jens Stoltenberg also praised the administration's cooperation. Trump had previously paused wind energy permitting and targeted the industry through executive orders, prompting developers like Shell and TotalEnergies to pull back. Legal challenges from 17 states and Washington, D.C. followed. The Empire Wind project's temporary halt cost Equinor $50 million weekly, and they had considered terminating it. However, the lifting of the injunction is seen as a positive sign for the industry and investor confidence. The project, set to power 500,000 New York homes, aims to commence commercial operations in 2027. Equinor will reassess the project’s economics in Q2 and work with stakeholders to minimize the stoppage’s impact.
3. <https://www.reuters.com/business/energy/dutch-postpone-offshore-wind-farm-tenders-due-low-interest-2025-05-16/> - The Dutch government has decided to postpone tenders for two offshore wind farms with a combined capacity of 2 gigawatts (GW) due to low interest from potential developers. Originally scheduled for September, only one site with a 1 GW capacity will now open for tender on time. Energy companies such as Eneco and Orsted previously indicated that current "zero subsidy" models do not present a viable business case, contributing to tepid interest. As a result, the government is reconsidering the reintroduction of subsidies to attract more bidders. Climate Minister Sophie Hermans, who missed her earlier April deadline, plans to release detailed strategies for future tenders by the third quarter of 2025. Previously, the Netherlands had adjusted its offshore wind capacity target timeline, moving the goal to increase capacity from 4.7 GW to 21 GW by 2032 instead of 2030 due to rising costs, supply chain difficulties, and slow decision-making.
4. <https://www.reuters.com/sustainability/climate-energy/norway-opens-floating-offshore-wind-tender-2025-05-19/> - Norway has officially launched its first floating offshore wind tender at the Utsira Nord site, marking a significant step towards commercial floating wind development on the Norwegian continental shelf. The tender offers rights to develop projects of up to 500 MW, with winners having two years to refine their proposals before competing for subsidies in 2028-2029. To support the emerging technology, Norway has capped total subsidies at 35 billion Norwegian crowns ($3.37 billion). This initiative aims to stimulate technological advancement and cost reductions in floating wind infrastructure, which is ideal for deeper waters where conventional fixed foundations are not feasible. Despite global industry challenges such as rising costs, interest rates, and supply chain issues, Norway is moving forward, targeting long-term development. The country has already issued a license for a bottom-fixed offshore wind farm in 2024 but will now focus exclusively on floating wind. Though not an EU member, Norway adheres to EU internal market rules, and its proposal for this tender was approved by the EFTA Surveillance Authority in April.
5. <https://www.ft.com/content/eefcbe13-69ae-4c81-8fa2-b4f2bced0396> - The U.S. offshore wind industry is adopting a more aggressive stance in response to President Trump's anti-renewables policies following his re-election. The industry, which initially responded passively to Trump's campaign threats to end offshore wind, is now actively lobbying and engaging in legal challenges after cancellations and permitting freezes impacted key projects. Dominion Energy's $10.8 billion Coastal Virginia Offshore Wind (CVOW), set to be the largest U.S. offshore wind farm powering 660,000 homes, is now seen as a critical test case. Industry actors, including Invenergy and the American Clean Power Association, have significantly increased lobbying expenditures. Equinor and other companies are lobbying key officials and contemplating legal options. Advocates now emphasize offshore wind's role in energy security, AI-driven power needs, and job creation in politically relevant states. States and companies are also taking legal action against recent executive orders affecting the sector. Although CVOW is in an advanced construction stage and potentially shielded by regulatory mechanisms and financing arrangements, uncertainties persist, with industry players expressing concern over long-term investment risks and governmental unpredictability.
6. <https://www.reuters.com/sustainability/climate-energy/denmark-plans-offshore-wind-tender-with-up-83-bln-subsidy-2025-05-19/> - Denmark's Energy Ministry announced plans to launch three offshore wind tenders totaling 3 GW of capacity—enough to supply three million homes—with a subsidy cap of 55.2 billion Danish crowns ($8.32 billion) over 20 years. The tenders, covering two sites in the North Sea and one between Denmark and Sweden, will start in autumn 2025, with two closing in spring 2026 and one in autumn 2027. Completion is projected in 2032 and 2033. The initiative aims to enhance energy independence from Russian supplies and address challenges in the wind energy sector, such as rising costs and limited investor interest. The government emphasized that the actual subsidy level will depend on bid prices and electricity market trends. This move follows Denmark’s suspension of prior subsidy-free tenders after failing to attract bidders due to inflexible auction models. Denmark remains a wind energy leader, home to turbine maker Vestas and offshore developer Orsted.
7. <https://www.ft.com/content/47dbfee3-5517-43c6-85ab-dfe86d2d4085> - Donald Trump’s recent restrictions on renewable energy have raised concerns about a potential electricity crisis in the U.S. Industry executives have warned that these actions could drive up consumer costs, increase the risk of blackouts, and impact the country’s competitiveness in the global AI race. Trump’s administration paused offshore wind approvals, reviewed existing wind leases, and halted substantial incentives for green energy. This move has disrupted an industry key to meeting growing power demands, driven significantly by AI infrastructure development. Executives argue that renewables, combined with battery storage, are the best solution for swiftly increasing power capacity, while gas plants face higher costs and supply constraints. Critics emphasize that these orders counteract good economic principles and could result in more power outages. Many large developers have already slowed or ceased renewable projects in response. The renewable sector, expected to contribute 90% of new capacity in the next few years, now faces uncertainty and potential setbacks.