# Electric Ships Market to Reach USD 17.20 Billion by 2032, Exhibiting a CAGR of 18.8%

*Key Companies Covered in the electric ships market report are Kongsberg, Siemens, Vard, Norwegian Electric Systems, General Dynamics Electric Boat*

Electric Ships Market

PUNE, MAHARASHTRA, INDIA, March 13, 2025 /EINPresswire.com/ -- The global electric ship market size was valued at USD 3.83 billion in 2023 and is projected to grow from USD 4.33 billion in 2024 to USD 17.20 billion by 2032, exhibiting a CAGR of 18.8% during the forecast period. Europe dominated the global market with a share of 54.57% in 2023.

An electric ship is powered by an electric drive system, such as full battery electric or hybrid propulsion. These vessels utilize renewable energy sources like wind turbines and solar panels. Hybrid ships combine a fuel-powered engine as the primary source with an electric motor as an auxiliary power source. The market expansion is driven by rising demand for hybrid and fully electric vessels, including ferries, yachts, cruise ships, container ships, and cargo ships. Key factors contributing to market growth include reducing carbon emissions, the push for zero-emission transport systems, and advances in energy storage systems. Additionally, electric ships are gaining popularity due to their environmental friendliness, energy efficiency, and operational cost savings.

> “Europe dominated the global market with a share of 54.57% in 2023.”
>
> *Fortune Business Insghts*

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Electric Ship Market Trends:

Global maritime trade is being transformed by digitalization, artificial intelligence, and developing connectivity, enabling cargo and ships to be remotely monitored in real-time. Digitalization in the marine industry provides operation automation, business process automation, and information processing. In April 2023, Trafikverket Sweden signed a contract with Holland Shipyards Group to provide four autonomous all-electric car ferries – including auto-mooring facilities and charging stations. The first ferry, designed for delivery in the second half of 2024, will run between Ljusteröleden and Vaxholmsleden in the Stockholm archipelago. This development will foster the electric ship market growth during 2024-2032.

Electric Ship Market Growth Factors:

The electric ships market is experiencing significant growth, driven by a combination of environmental, technological, and economic factors. A primary catalyst is the global imperative to reduce carbon emissions, with the maritime industry under pressure to adopt sustainable practices. Electric ships, producing zero greenhouse gases during operation, offer a compelling solution to this challenge. Technological advancements, particularly in battery technology, have enhanced the efficiency and feasibility of electric propulsion systems, making them more attractive to shipbuilders and operators. Economic incentives also play a role; electric ships can lead to lower fuel costs and reduced maintenance expenses over time. Furthermore, stringent environmental regulations and the growing demand for eco-friendly transportation options are propelling the adoption of electric ships across both commercial and defense sectors.

Restraining Factors:

The adoption of electric ships faces several restraining factors that hinder their widespread deployment. One of the primary challenges is the limited energy density of batteries, which restricts the operational range and endurance of electric vessels compared to conventional fuel-powered ships. Additionally, high initial investment costs for battery technology, charging infrastructure, and retrofitting existing ships pose financial barriers for shipping companies. The lack of a widespread charging network in ports further complicates large-scale adoption, leading to logistical challenges in long-distance voyages. Another key restraint is the long charging time required for large marine batteries, which can cause delays in operations, making them less practical for time-sensitive maritime activities. Moreover, the weight of batteries adds to the ship's load, reducing cargo capacity and affecting overall efficiency.

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Electric Ship Market Segmentation Analysis:

By Propulsion Type
- Hybrid Propulsion: Dominates the market due to reduced fuel consumption (up to 20%) and

lower $CO_2$ emissions (up to 15%).
- Fully Electric: Expected to grow significantly, driven by adoption in small passenger ships and ferries operating on inland waterways.

By Power Output
- 746-7560 kW: Holds the largest market share, driven by the adoption of hybrid propulsion in vessels.
- Up to 745 kW: Second-largest segment, favored for its low emissions and operational efficiency.

By Mode of Operation
- Semi-Autonomous: Leads the market due to retrofitting capabilities on existing vessels.
- Fully Autonomous: Expected to grow at a higher CAGR, driven by operational cost savings and reduced human error.

By Ship Type
- Commercial Ships: Largest segment, fueled by growing maritime trade and the need for eco-friendly cargo transport.
- Passenger Ships: Growing adoption in ferries and cruise ships due to environmental regulations.

Regional Insights:

- Europe: Dominated the market in 2023 with a share of 54.57%, driven by the adoption of electric vessels in countries like Norway, Finland, and the Netherlands.
- Asia Pacific: Expected to show substantial growth, with China, Japan, and South Korea accounting for over 90% of global ship production.
- North America: Steady growth driven by demand for electric cruise ships, yachts, and ferries.

List Of Key Companies In Electric Ship Market:

- Kongsberg (Norway)
- Leclanche (Switzerland)
- Corvus Energy (Canada)
- Echandia Marine AB (Sweden)
- Siemens (Germany)
- Vard (part of Fincantieri SpA) (Norway)
- Norwegian Electric Systems (Norway)
- General Dynamics Electric Boat (U.S.)
- MAN Energy Solutions SE (Germany)
- Wartsila (Finland)
- Schottel Group (Germany)
- Anglo Belgian Corporation NV (Belgium)

- Eco Marine Power (Japan)
- Akasol AG (Germany)

Key Industry Developments:

- March 2023: ABB signed a contract with Fincantieri to deliver eight mid-range Azipod propulsion systems for four medium-sized cruise vessels
- November 2022: UECC introduced a new hybrid LNG and battery-powered vessel for short-sea shipping services.
- October 2022: Kongsberg Maritime signed a contract to deliver control systems and electrification for four all-electric ferries.

Report Coverage:

The report provides a detailed analysis of the electric ship market, focusing on key aspects such as leading market players, competitive landscape, ship types, and regional insights. It also highlights market trends, growth factors, and industry developments.

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