

# THE ECONOMIC VALUE OF THE EU SHIPPING INDUSTRY

2020 update

A report for the European Community Shipowners'  
Associations (ECSA)

February 2020

## KEY FINDINGS

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- **The EU shipping industry directly employed 685,000 people and supported a contribution to GDP of nearly €54 billion during 2018.**
- **Once supply chain and worker spending multiplier impacts are taken into account the shipping industry's employment contribution rises to over 2.0 million.**
- **The total GDP contribution of the industry, including supply chain and worker spending impacts, is estimated to have been €149 billion in 2018.**
- **At €78,000 per worker in 2018, productivity in the EU shipping industry remains above the EU average, as well as that of sectors such as business services and manufacturing.**



# INTRODUCTION

## PURPOSE OF THE STUDY AND GEOGRAPHICAL COVERAGE

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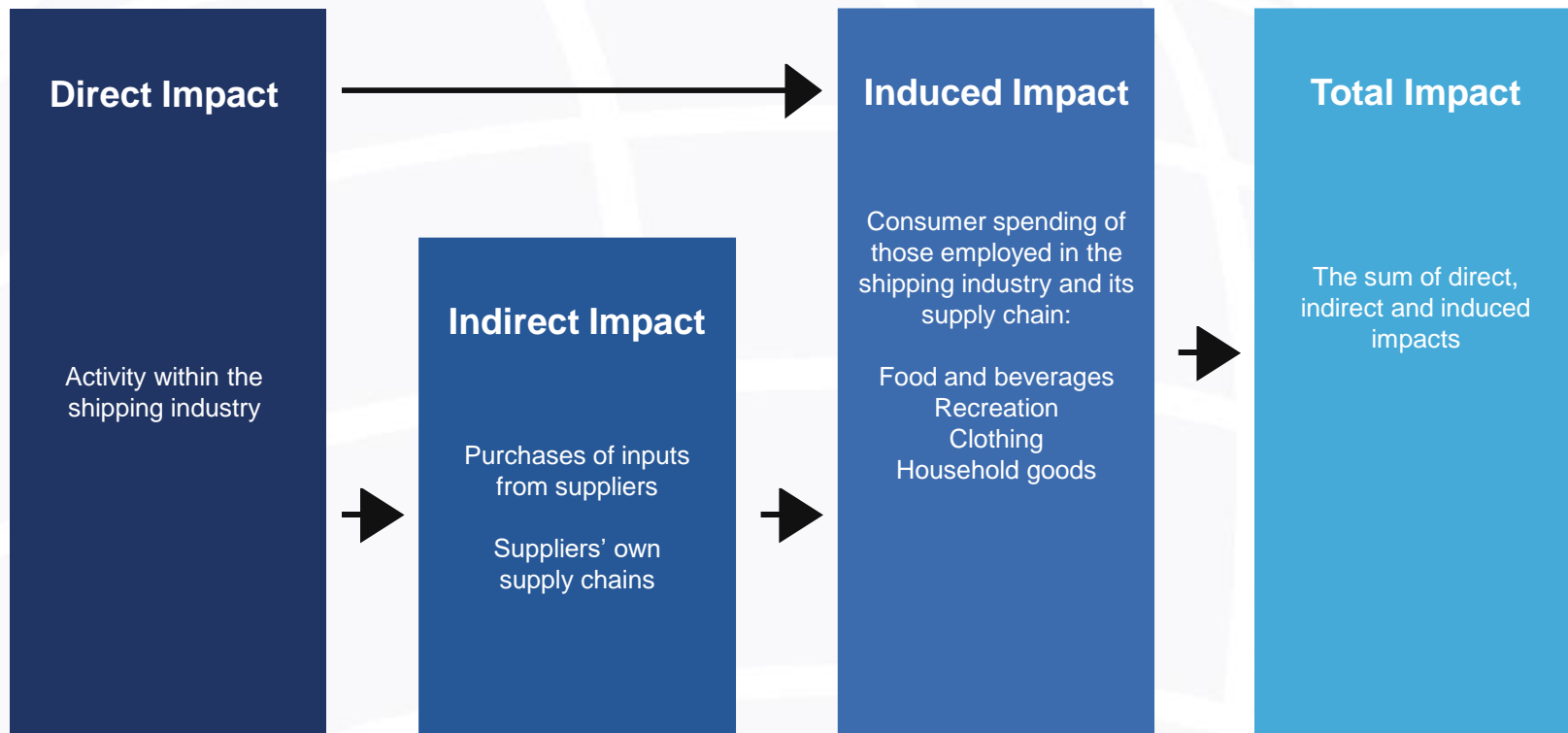
This slidepack presents updated estimates of the economic contribution of the EU shipping industry, as originally presented in Section 3 of Oxford Economics' 2014 study ['The economic value of the EU shipping industry'](#) and Oxford Economics' 2015 study ['The economic value of the EU shipping industry – update'](#).

The update focuses on two measures of the industry's economic contribution:

- The gross value added contribution to GDP (referred to as the 'contribution to GDP' on the subsequent slides)
- Employment, on a head count basis

Results are reported for the 'EU shipping industry'. As the results are for 2018, this is defined as the industry's operations in the 28 EU member states including the UK, plus Norway.

# WE ESTIMATE THE ECONOMIC IMPACT OF THE EU SHIPPING INDUSTRY ACROSS THREE CHANNELS



## DEFINING THE SHIPPING INDUSTRY

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Consistent with our earlier studies, the shipping industry has been defined by ECSA as:

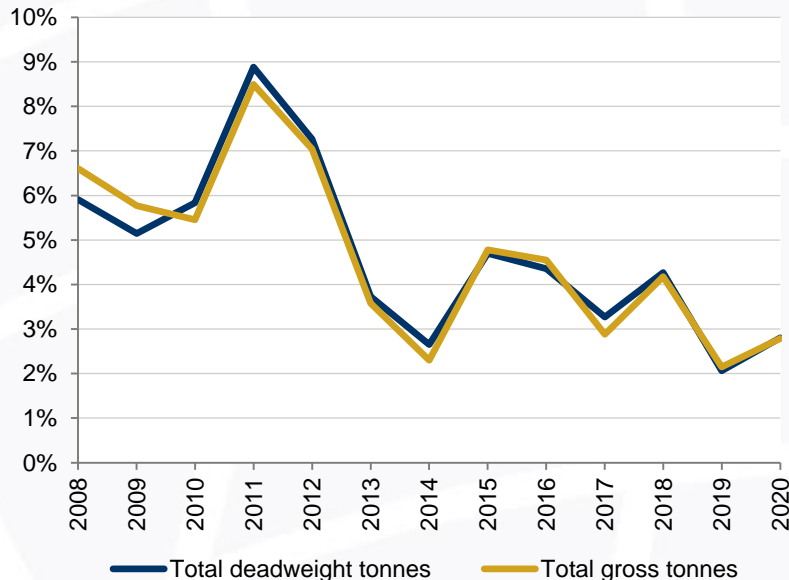
- the transport of goods by sea (both containerised and non-containerised);
- the transport of persons by sea (both on ferries and on cruise ships);
- service and offshore support vessels, such as ships laying or repairing undersea cables or pipelines; prospecting for oil; conducting oceanographic research; diving assistance; undertaking undersea work and servicing offshore wind farms, oil and gas platforms;
- towage and dredging activities at sea; and
- rental and leasing activities for water transport equipment.

# RECENT TRENDS IN THE EU SHIPPING INDUSTRY

The total EU-controlled fleet has been growing in recent years. Despite this, the EU-controlled fleet's share in the world fleet size has fallen back in recent years.

## ANNUAL GROWTH IN THE SIZE OF THE EU FLEET\*

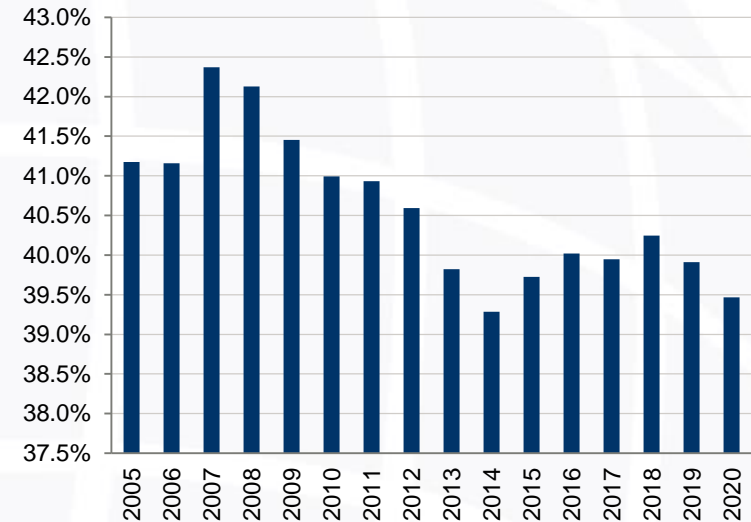
Growth rate at 1st January of each year



Source: Oxford Economics

## EU-CONTROLLED FLEET\* AS SHARE OF WORLD FLEET

Share of gross tonnes as at 1st January of each year



Source: Oxford Economics analysis of Clarksons data

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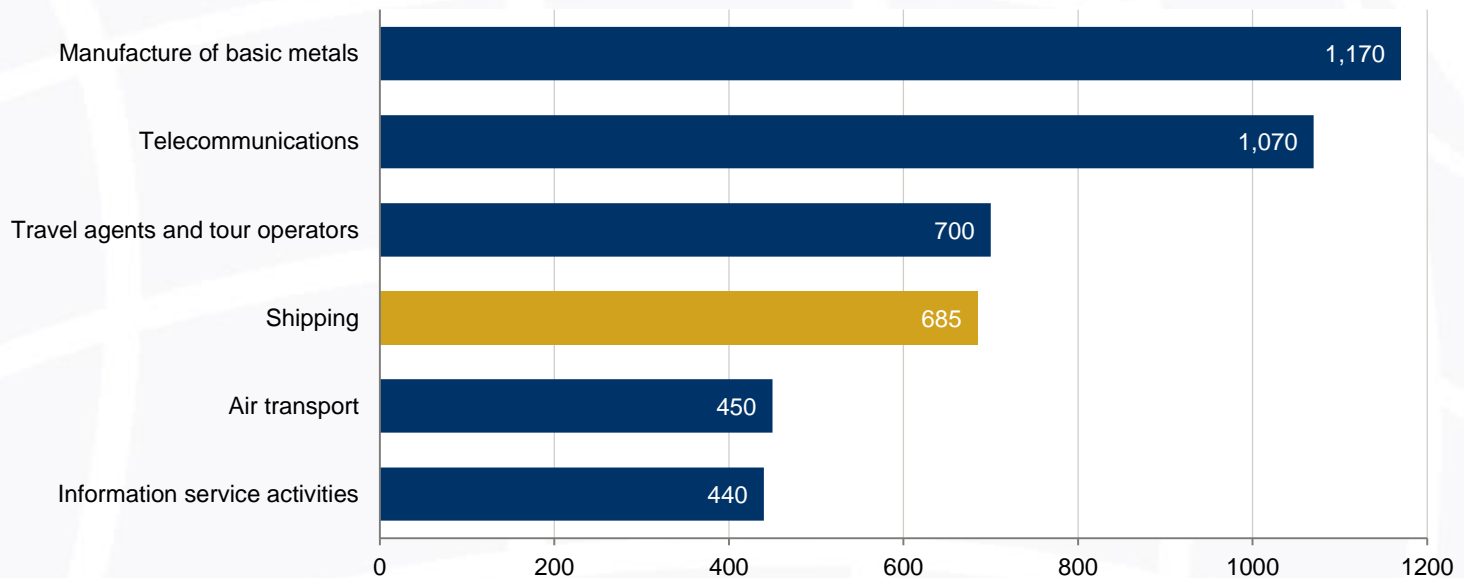
# **THE DIRECT ECONOMIC CONTRIBUTION OF THE EU SHIPPING INDUSTRY**



# THE EU SHIPPING INDUSTRY DIRECTLY EMPLOYED 685,000 PEOPLE IN 2018, MORE THAN AIR TRANSPORT OR INFORMATION SERVICE ACTIVITIES.

## DIRECT EMPLOYMENT IN THE EU: SHIPPING AND COMPARATOR INDUSTRIES, 2018 AVERAGE

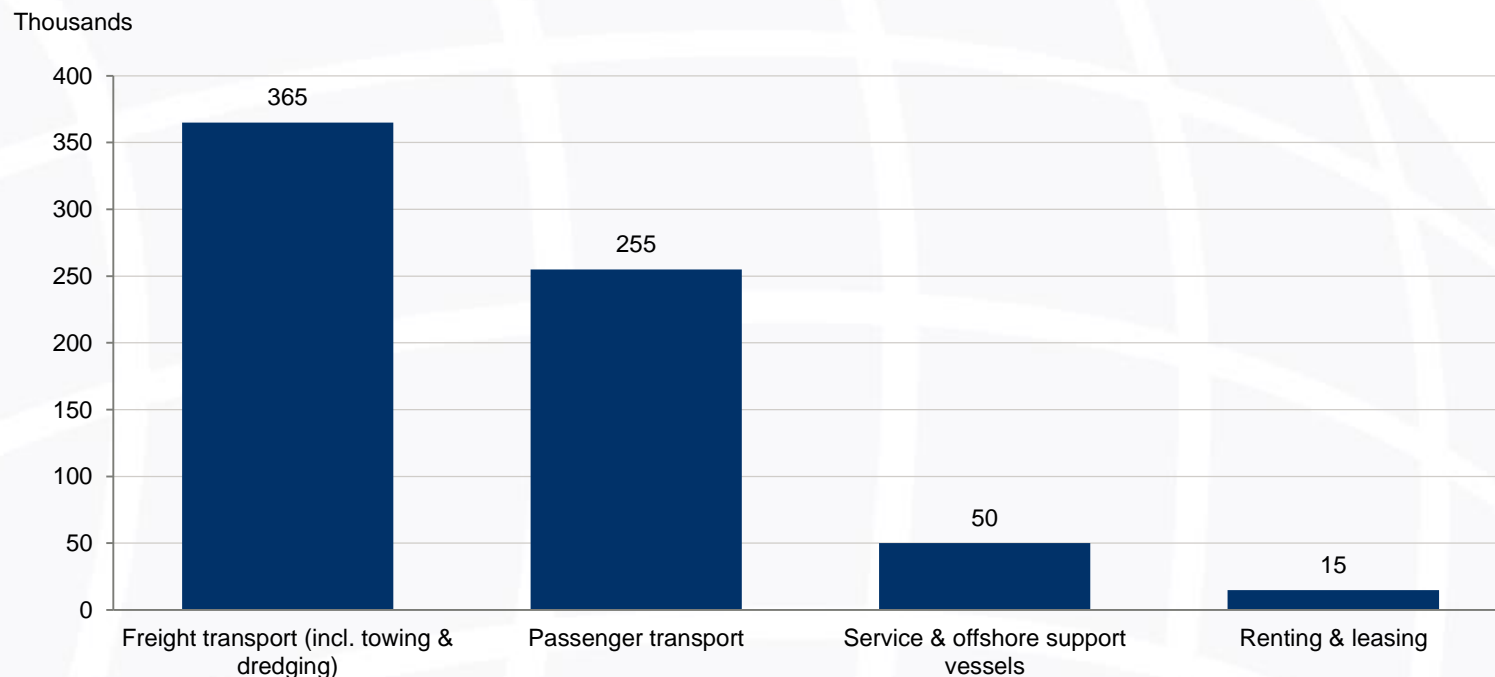
Thousands



Source: Oxford Economics, Eurostat

# THE MAJORITY (53 PERCENT) OF WORKERS IN THE EU SHIPPING INDUSTRY ARE EMPLOYED IN FREIGHT TRANSPORT

## DIRECT EMPLOYMENT IN THE EU SHIPPING INDUSTRY BY SUB-SECTOR, 2018 AVERAGE



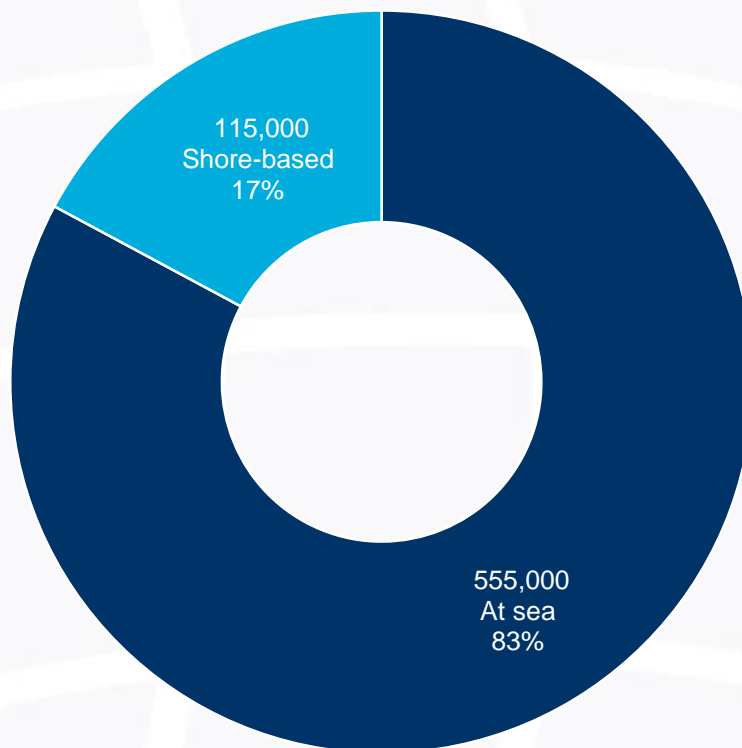
Source: Oxford Economics

Totals may not sum due to rounding.

# AROUND FOUR-FIFTHS OF EUROPEAN SHIPPING INDUSTRY EMPLOYMENT COMPRISES POSITIONS AT SEA

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TOTAL EMPLOYMENT IN THE EU SHIPPING INDUSTRY\* BY PLACE OF WORK, 2018 AVERAGE



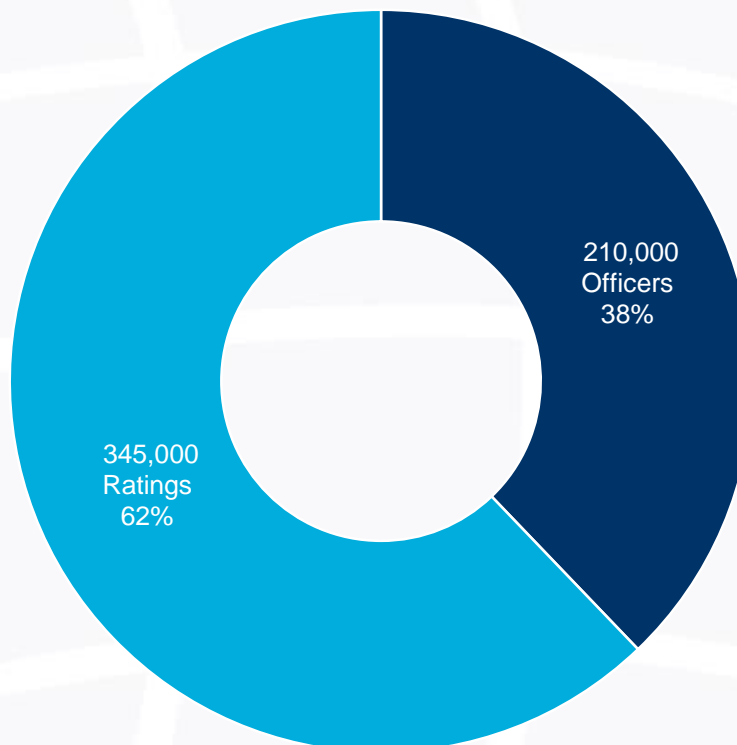
Source: Oxford Economics

\* Sea and coastal passenger and freight shipping plus offshore support.  
Rental & leasing of water transport equipment employment is excluded here.

# OFFICERS ACCOUNT FOR AN ESTIMATED 37 PER CENT OF POSITIONS AT SEA, AND RATINGS 63 PER CENT

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## EMPLOYMENT AT SEA SPLIT BY OFFICERS AND RATINGS, 2018 AVERAGE



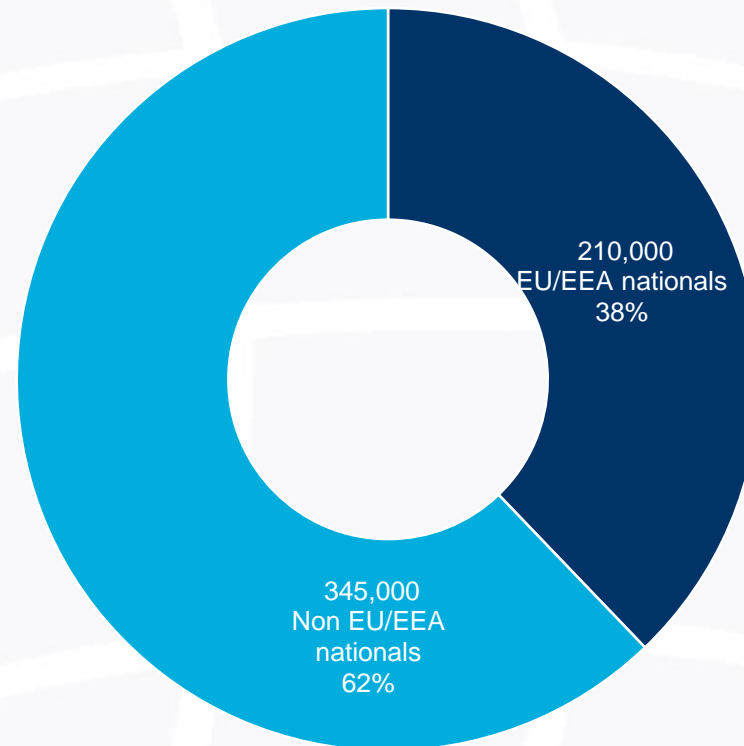
Source: Oxford Economics

Totals may not sum due to rounding.

# AROUND 220,000 OF THE ESTIMATED 580,000 SEAFARERS ON SHIPS OPERATING IN THE EU WOULD HAVE BEEN EU/EEA NATIONALS IN 2018

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## EMPLOYMENT AT SEA SPLIT BY EU AND NON EU NATIONALS, 2018 AVERAGE



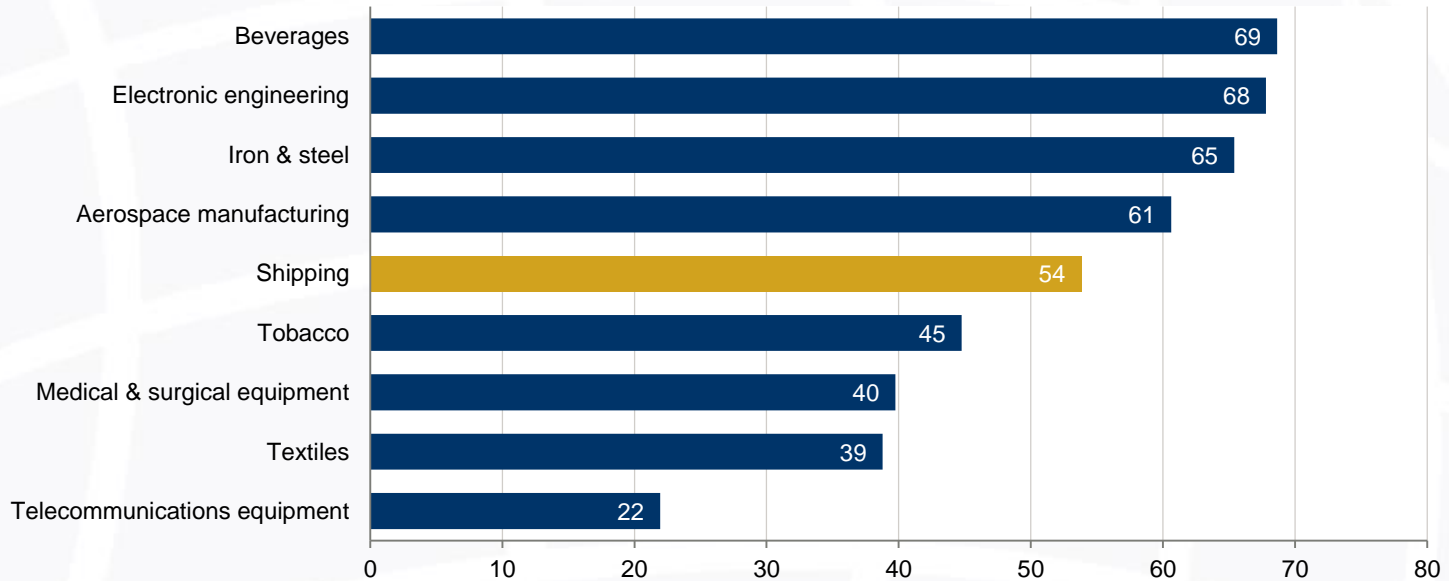
Source: Oxford Economics

Totals may not sum due to rounding.

# THE EU SHIPPING INDUSTRY DIRECTLY SUPPORTED €54 BILLION TO GDP IN 2018, MORE THAN MEDICAL & SURGICAL EQUIPMENT, TEXTILES OR TELECOMMUNICATIONS EQUIPMENT

## DIRECT GVA IN THE EU: SHIPPING AND COMPARATOR INDUSTRIES, 2018 AVERAGE

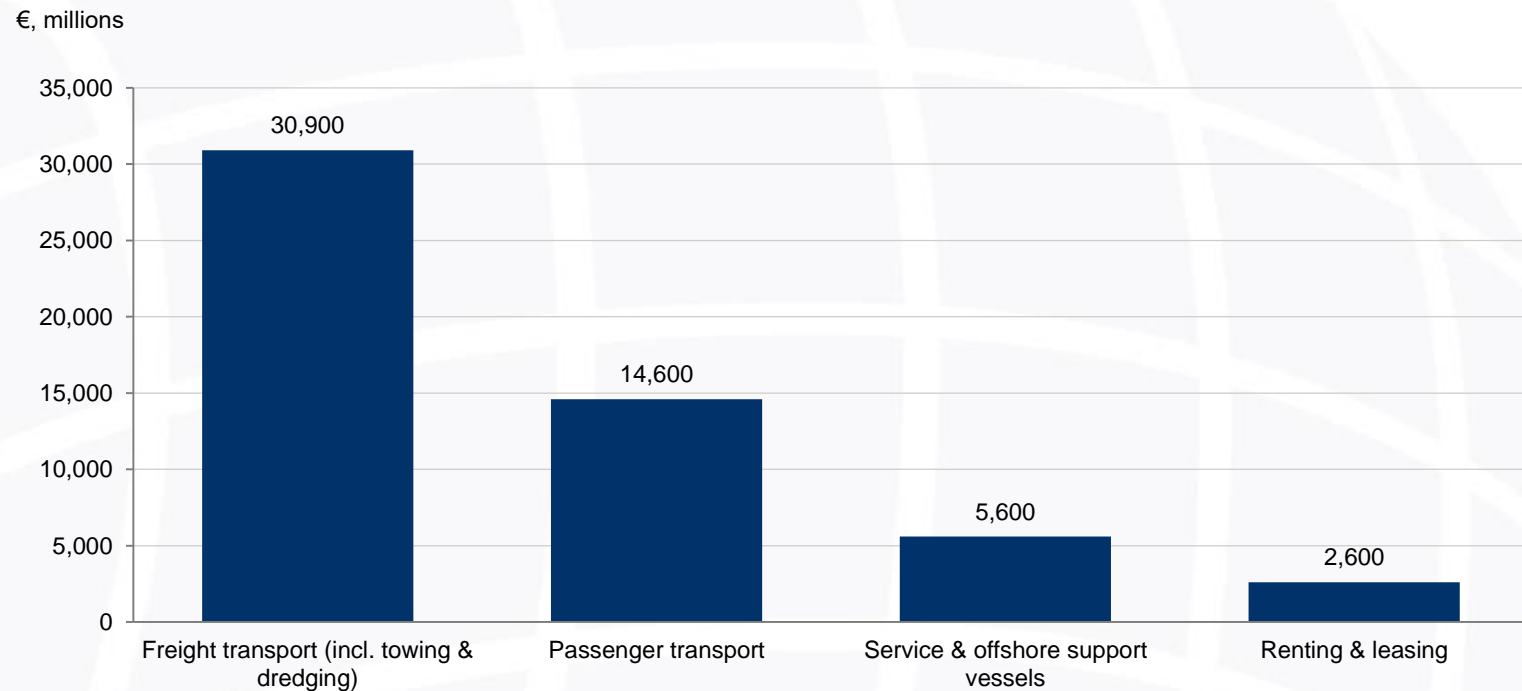
€, billions



Source: Oxford Economics

# FREIGHT TRANSPORT ACCOUNTED FOR 57 PERCENT (€31 BILLION) OF THE EU SHIPPING INDUSTRY'S TOTAL CONTRIBUTION TO GDP

DIRECT GVA CONTRIBUTION TO GDP OF THE EU SHIPPING INDUSTRY BY SUB-SECTOR, 2018 AVERAGE



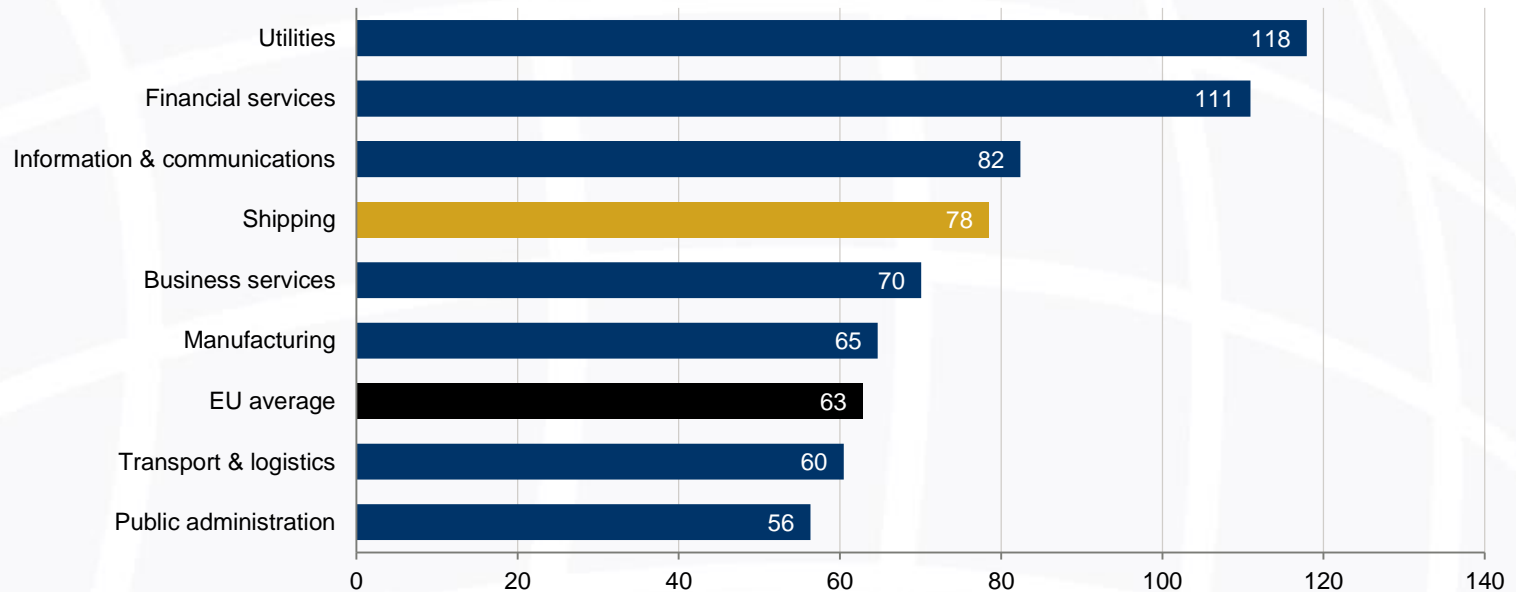
Source: Oxford Economics

Totals may not sum due to rounding.

# THE EU SHIPPING INDUSTRY'S PRODUCTIVITY IS GREATER THAN THE BUSINESS SERVICES INDUSTRY, MANUFACTURING AND THE EU AVERAGE

## DIRECT PRODUCTIVITY IN THE EU: SHIPPING AND COMPARATOR INDUSTRIES, 2018 AVERAGE

€, Thousands



Source: Oxford Economics

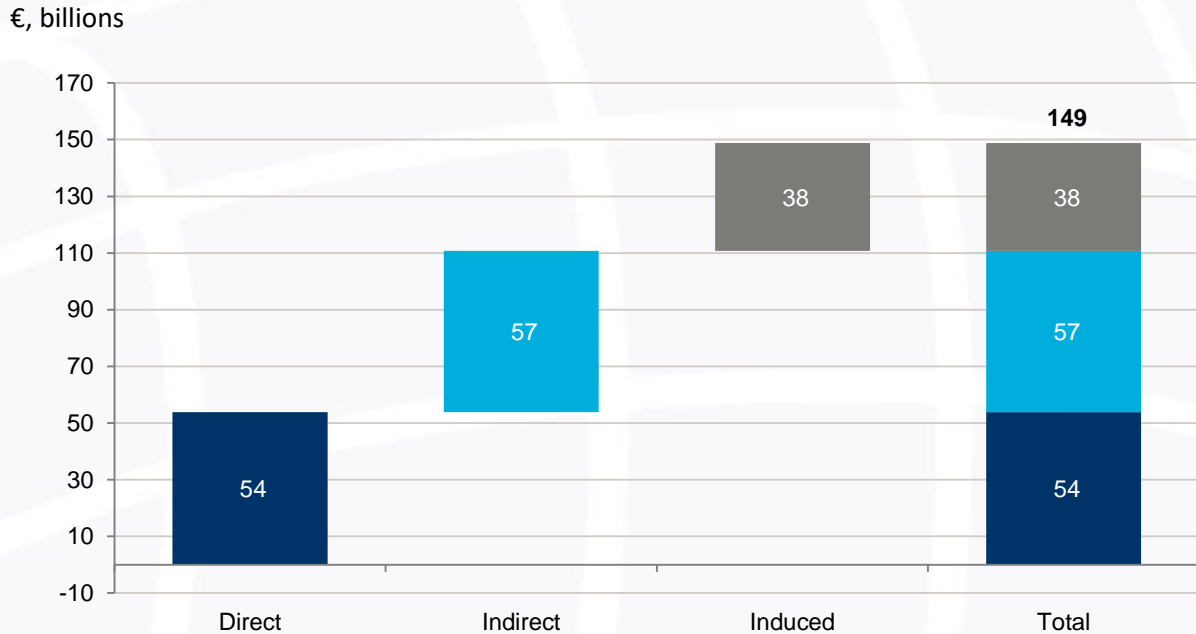


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# **THE TOTAL ECONOMIC CONTRIBUTION OF THE EU SHIPPING INDUSTRY**

# ADDING DIRECT, INDIRECT AND INDUCED IMPACTS SUGGESTS THAT THE EU SHIPPING SUPPORTED A TOTAL GDP CONTRIBUTION OF €149 BILLION IN 2018

THE TOTAL GVA IMPACT OF THE EU SHIPPING INDUSTRY, 2018

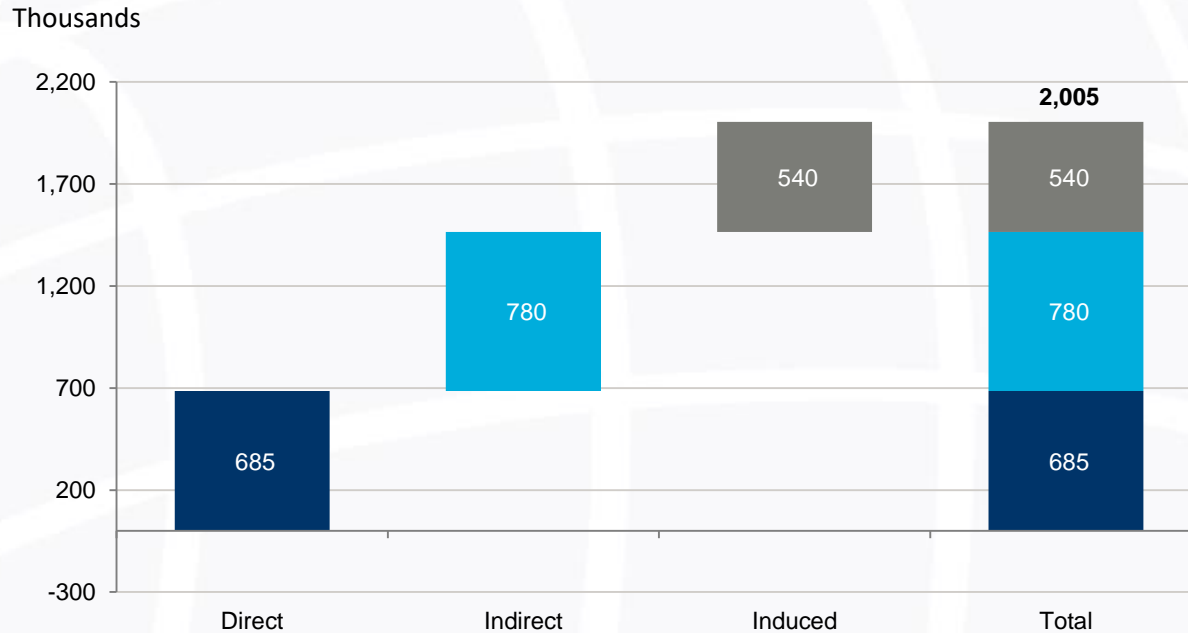


Source: Oxford Economics

**For every €1 the EU shipping industry itself contributes to GDP, a further €1.8 is supported elsewhere in the European economy.**

# THE EU SHIPPING INDUSTRY IS ESTIMATED TO HAVE SUPPORTED A TOTAL OF 2 MILLION JOBS IN 2018, EITHER DIRECTLY, THROUGH ITS SUPPLY CHAIN, OR THROUGH WORKERS' SPENDING

## THE TOTAL EMPLOYMENT IMPACT OF THE EU SHIPPING INDUSTRY, 2018



Source: Oxford Economics

**For every job employed directly by the shipping industry, a further 1.9 jobs are supported elsewhere in the European economy.**

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# **ANNEX: METHODOLOGY AND DATA SOURCES**

## METHODOLOGY AND DATA SOURCES

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To analyse the economic contribution of the EU shipping industry it is necessary to identify the best possible fit between our preferred definition of the industry, and the categories for which economic data are available. Eurostat categorises economic activity according to its NACE system. This identifies a number of sectors which include activities that predominantly fall within our definition of the shipping industry. Using these definitions it has been possible to gather information from the Eurostat national accounts and Structural Business Statistics datasets on gross value added and employment in passenger water transport, freight water transport, and the renting and leasing of water transport equipment.

Wherever possible, the Eurostat data have been complemented with information provided by ECSA members drawn from previous economic impact studies and national sources.

Some elements of the preferred definition of the shipping industry cannot easily be identified within the Eurostat classification. This is a particular issue for service and offshore support vessels, for which output and employment are often incorporated within the categories for the type of activity they support (most notably in the energy sector). A similar issue arises in the case of dredging, which is included within Eurostat data for the mining and quarrying sector.

For these sub-sectors it has not been possible to obtain information across all EU countries. Nonetheless, a number of national shipowners' associations hold information for their own country on offshore support vessels and dredging. This has been included in the estimates of employment and GVA wherever it is available.

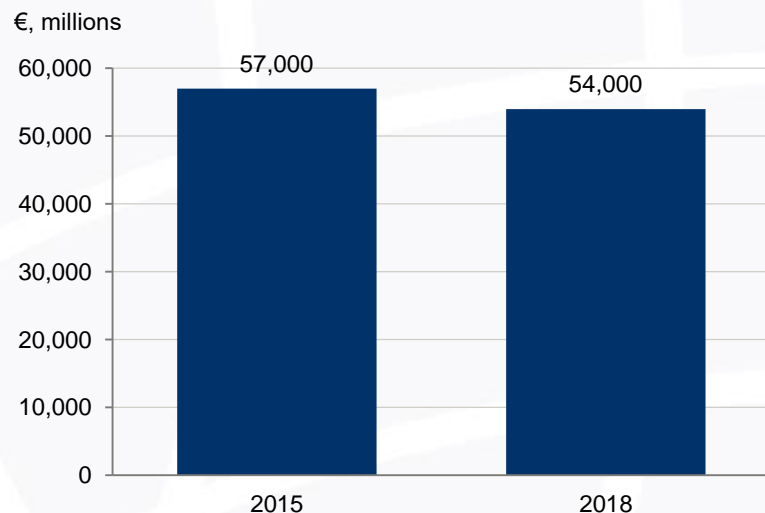
Further details of the methodology and data sources used for this work are set out in our 2014 study.

Please note, our methodology for calculating the indirect and induced impacts has been incrementally improved since the last iteration of this report and as such, the total impacts should not be directly compared for calculating growth.

# DIRECT IMPACT: COMPARISON WITH PREVIOUS PUBLICATIONS

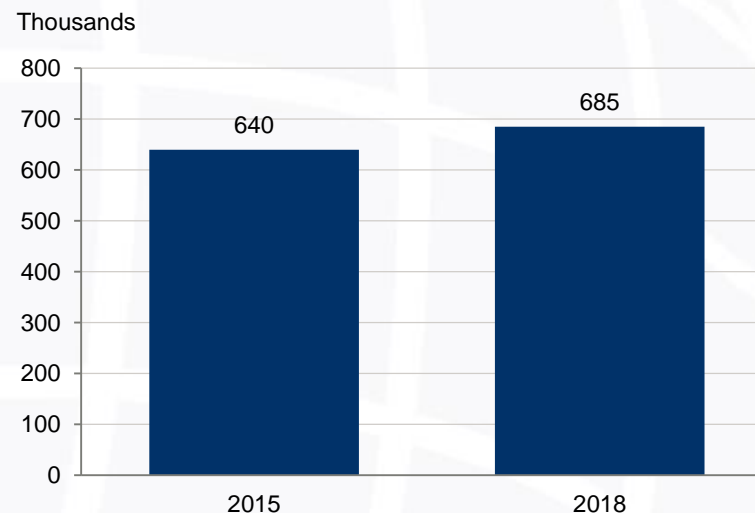
In this update of our study on the economic value of the EU shipping industry, some sources of information used by some of the national shipping associations had changed. As such, the 2018 and the 2015 results are not directly comparable. However, it is still possible to highlight the general trends in GVA and employment over the period. For reference, we found an average annual decrease in GVA of 1.8% between 2015 and 2018, and an average annual employment increase of 2.5% over the same period.

## DIRECT GVA ESTIMATES FOR THE EU SHIPPING INDUSTRY, 2015 AND 2018 [NOT USING THE SAME DATA SOURCES]



Source: Oxford Economics

## DIRECT EMPLOYMENT ESTIMATES FOR THE EU SHIPPING INDUSTRY, 2015 AND 2018 [NOT USING THE SAME DATA SOURCES]



Source: Oxford Economics

## FEBRUARY 2020

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The modeling and results presented here are based on information provided by third parties, upon which Oxford Economics has relied in producing its report and forecasts in good faith. Any subsequent revision or update of those data will affect the assessments and projections shown.

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