Policy Research Corporation

SOUND SOLUTIONS BASED ON SCIENTIFIC RESEARCH

# The role of Maritime Clusters to enhance the strength and development of maritime sectors

*Country report – Poland*

*13 November 2008*

# INTRODUCTION TO COUNTRY REPORTS

Definitions for sectors and Areas as to be understood in this study are explained on pages 3 and 4

Countries are mapped in terms of employment in Area 1 (Traditional maritime sectors), Area 2 (Coastal and sea-related (marine) recreation and tourism) and Area 3 (Fisheries) by using the Star Method* adapted to the specific needs of this country-approach:

- *Size-*, *Specialisation- and Focus-stars* are awarded to regions on country-level
- Regions with less than 5 000 persons employed in Area 1 and Area 2 and less than 1 000 persons in Area 3 are not taken into account to receive a star for *Size*, *Specialisation* and *Focus*
- Stars for *Size* (s) are awarded to regions in the top-10 percentile of a country: also regions with more than 40 000 persons employed in Area 1 and Area 2 or more than 5 000 persons in Area 3 receive a star for *Size*
- Stars for *Specialisation* (p) are awarded to regions in the top-10 percentile of a country
- Stars for *Focus* (f) are awarded to regions in the top-10 percentile of a country: also regions with more than 5% focus of sea-related employment in an Area in total regional employment in all sectors receive a star for *Focus*

Allocation of national employment in Area 1 to NUTS II regions is based upon the following methodology:

- Location of shipyards and marine equipment suppliers for employment in shipbuilding and marine equipment
- Cargo handled in national ports for employment in seaports, shipping, offshore supply, maritime services, maritime works and marine aggregates
- Navy sites for naval forces
- Number of hotel establishments for allocation of employment of recreational boating
- Inland navigation based on location and significance of inland ports

Regional employment figures (NUTS II) are used for Area 2 and Area 3

Main financial inter-sector relations and leader firms are also given in order to provide more detail on cluster strength**

Trends and policies in the maritime cluster of a country are analysed as well**

* See overview of the applied research methodology for more information on the Star Method developed by the Stockholm School of Economics and adapted by *Policy Research* in order to overcome correlation between the stars for *'Specialisation'* and *'Focus'*

** For the top-10 countries in terms of maritime employment and/or added value

# THE SEA RELATED SECTORS AND THEIR AREA-CLASSIFICATION TO BE UNDERSTOOD IN THIS STUDY

Area 1

**Traditional maritime sectors*:**

- Inland navigation
- Marine aggregates
- Marine equipment
- Maritime services
- Maritime works
- Navy and coastguard
- Offshore supply
- Recreational boating
- Seaports
- Shipbuilding
- Shipping

Area 2

**Coastal and sea-related (marine) recreation and tourism**

Area 3

**Fisheries**

* In the study Economic impact of maritime industries in Europe, carried out by *Policy Research* on behalf of the EC, the fisheries sector was also included as part of the traditional maritime sectors; furthermore, differences exist per country with regard to the 'scope' of the maritime industry; the members of the European Network of Maritime Clusters regard eight sectors as part of the maritime cluster from a narrow perspective: shipping, shipbuilding, marine equipment, seaports, maritime services, yacht building, offshore services and fishing; three sectors can be added from a national, broader perspective: Navy and coastguard, inland navigation and maritime works

Sectors will be mapped – country wise – for each of the Areas

# DEFINITIONS OF THE SEA-RELATED SECTORS

**Area 1: Traditional maritime sectors**

- **Inland navigation:** Inland shipping and ship management; chartering-out; inland cruises and ferries; harbour and river towage; freighting
- **Marine aggregates:** Exploitation of marine aggregates
- **Marine equipment:** Manufacturing and wholesale trade in maritime equipment for all maritime (sub-)sectors (no building, repair and/or conversion and no offshore supply)
- **Maritime services:** Research and development; education; classification and inspection; bunkering; maritime insurance; maritime financing; maritime brokerage; maritime law; crewing; associations; government services; rescue; diving; ship supply (no port services)
- **Maritime works:** Dredging; nautical cable and pipelines; river works; construction of canals, dykes and ports; support vessels; sand transport
- **Navy and coastguard** (no shipbuilding)
- **Offshore supply:** Construction and installation of platforms, storage vessels and equipment; drilling; offshore-related transport, engineering, communication, consultancy and other support; seismic research; manufacturing, installation and maintenance of offshore and coastal wind turbines (no extraction of oil such as operators of oil rigs)
- **Recreational boating:** Boat chartering and renting; marinas; inland boat basins; supporting services concerning the construction of and trade in recreational vessels; boating-related training and trade (no manufacturing)
- **Seaports:** Cargo-handling; shipping related storage, agency, maritime logistics and forwarding; port authorities; pilotage
- **Shipbuilding:** Construction and repair of sea-going vessels (commercial ships, fishing boats and naval ships), recreational boats and inland vessels; ship scrapping; floating sections; dry docks (no offshore-rigs and/or -vessels)
- **Shipping:** Merchant shipping and ship management; short-sea shipping; chartering-out; ferry services; ocean towage (only national seafarers and onshore persons employed)

**Area 2: Coastal and sea-related (marine) recreation and tourism:**

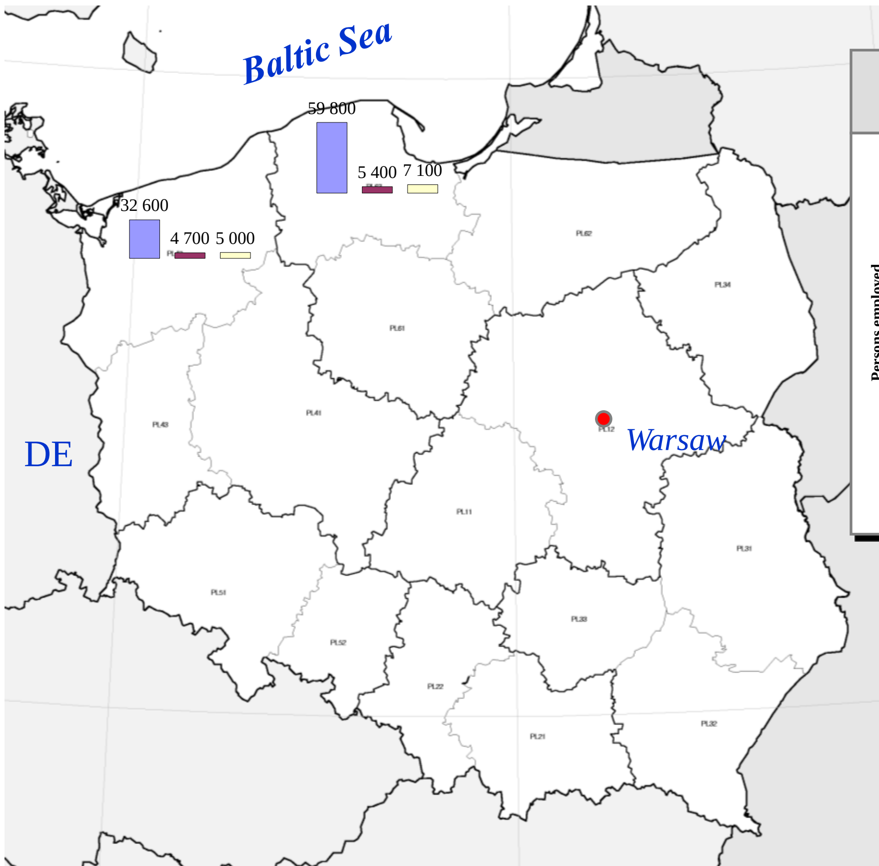
- **Coastal tourism:** Tourism within 10 km from the coast
- **Cruise tourism:** Service on board of cruise ships (no land-based tourism and/or related services)

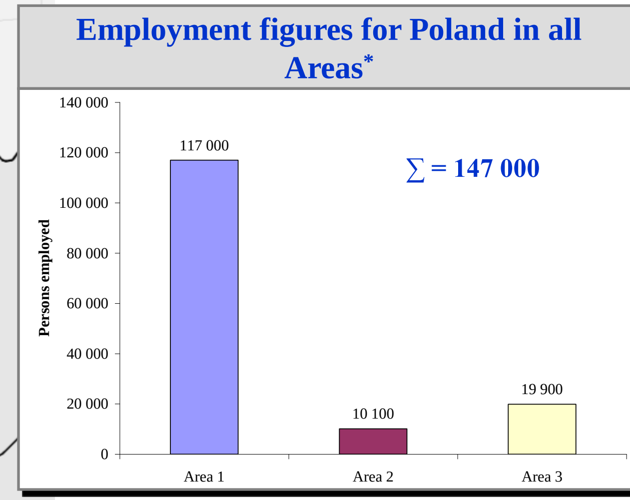
**Area 3: Fisheries**

- **Fisheries:** Maritime and inland fishing; fish processing; aquaculture

Most common European definition for the sea-related sectors is used in order to map the economic impact of the maritime sectors on a European scale although some member states' definitions may differ from the above

# EMPLOYMENT IN SEA-RELATED SECTORS ON NUTS II-LEVEL IN POLAND




* In the country maps only the most significant regions with regard to employment in Area 1, 2 and/or 3 are shown; hence the sum of employment figures shown in this and following maps is somewhat lower than total employment in Area 1, 2 and/or 3

*Source: Policy Research based on Ecotec (2006) – Employment trends in all sectors related to the sea or using sea-resources, Houthoff Buruma and Policy Research (2007) – IPR Shipbuilding study, BIMCO/ISF (2005) – Manpower 2005 update, Eurostat – Tourism indicators 2005, and LEI (2006) – Employment in the fisheries sector*

Poland employs 117 000 persons in Area 1, 10 100 persons in Area 2 and 19 900 persons in Area 3

# **STARS** FOR EMPLOYMENT IN TRADITIONAL MARITIME SECTORS (**AREA 1)** ON NUTS II-LEVEL IN POLAND

‘Size’ star

‘Specialisation’ star

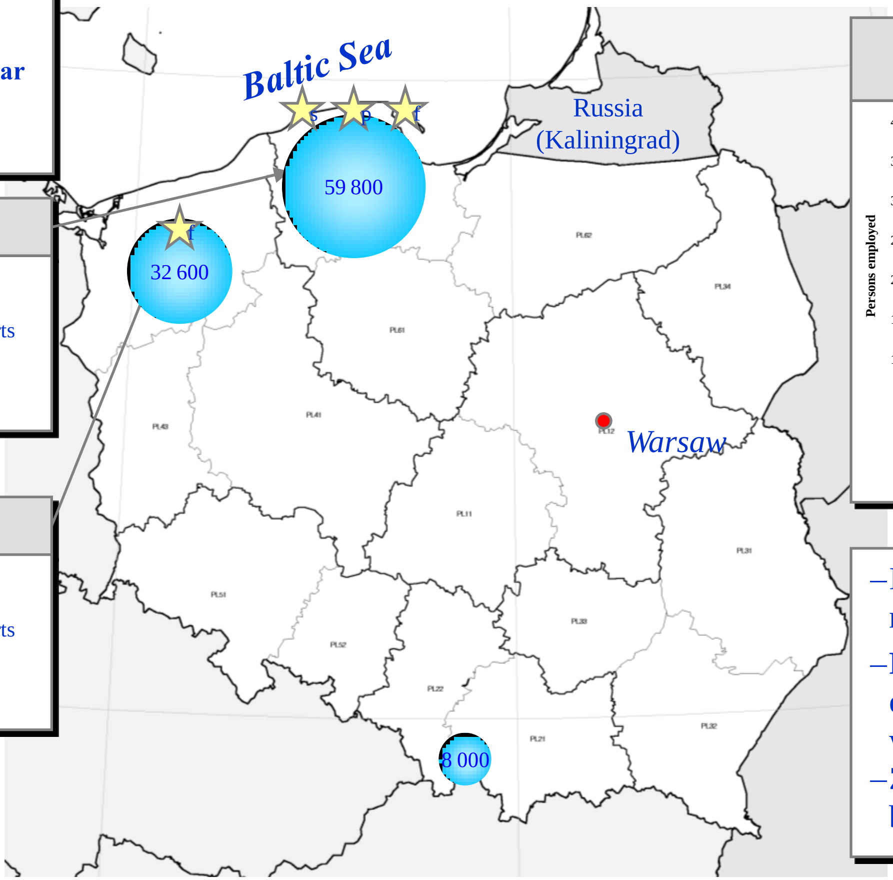
‘Focus’ star

**Pomorskie**

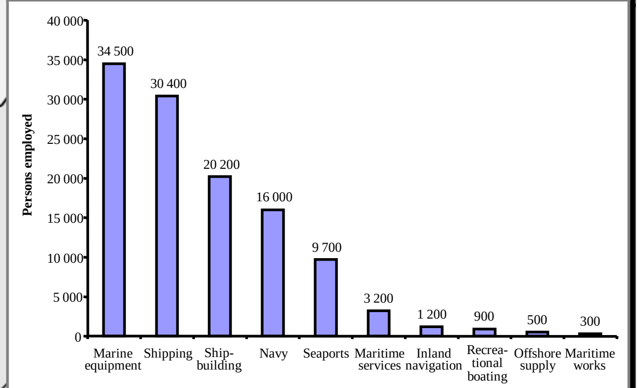
- 66% of shipyards
- 23% of marine equipment
- 61% of cargo handled in ports
- 1 Navy site out of three
- 52% of recreational boating
- 51% of inland navigation

**Zachodniopomorskie**

- 34% of shipyards
- 6% of marine equipment
- 39% of cargo handled in ports
- 2 Navy site out of three
- 48% of recreational boating
- 28% of inland navigation




**Employment figures for Poland in traditional maritime sectors (Area 1)**




- In Poland, employment in traditional maritime cluster is **117 000**
- **Pomorskie** is region with highest employment (60 000) and gains three stars within Poland
- **Zachodniopomorskie** is a one-star region based on employment of 33 000 persons

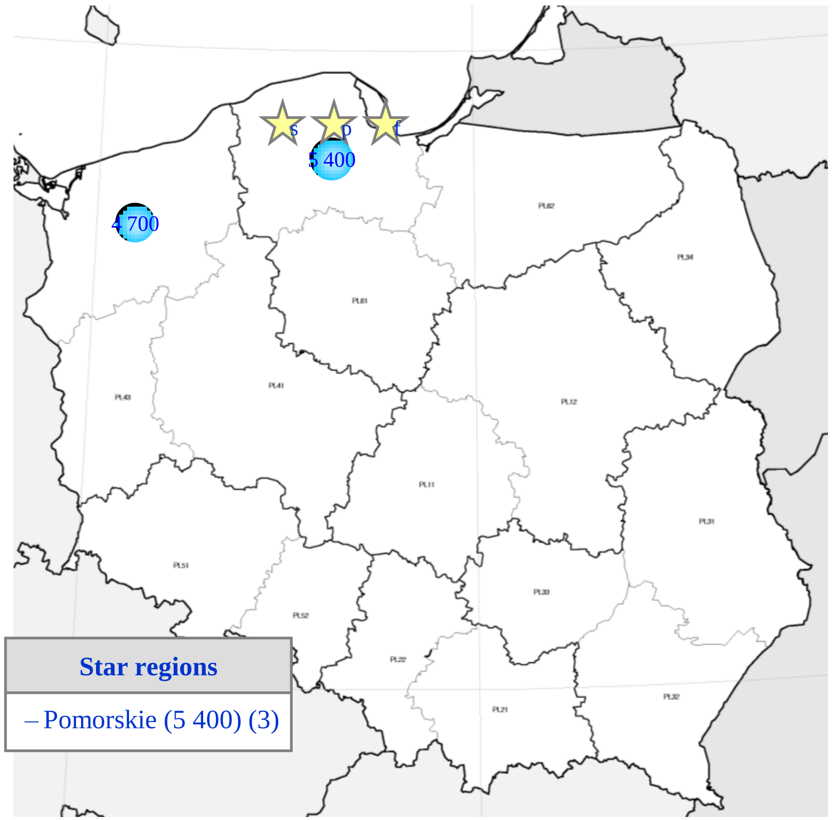
*Source: Policy Research based on Ecotec (2006) – Employment trends in all sectors related to the sea or using sea-resources, Houthoff Buruma and Policy Research (2007) – IPR Shipbuilding study, BIMCO/ISF (2005) – Manpower 2005 update*

Employment in the Polish traditional maritime sectors is concentrated in the North of the country in the regions Pomorskie and Zachodniopomorskie

# **STARS** FOR EMPLOYMENT IN COASTAL TOURISM **(AREA 2)** AND FISHERIES **(AREA 3)** ON NUTS II-LEVEL IN POLAND

## *Area 2*

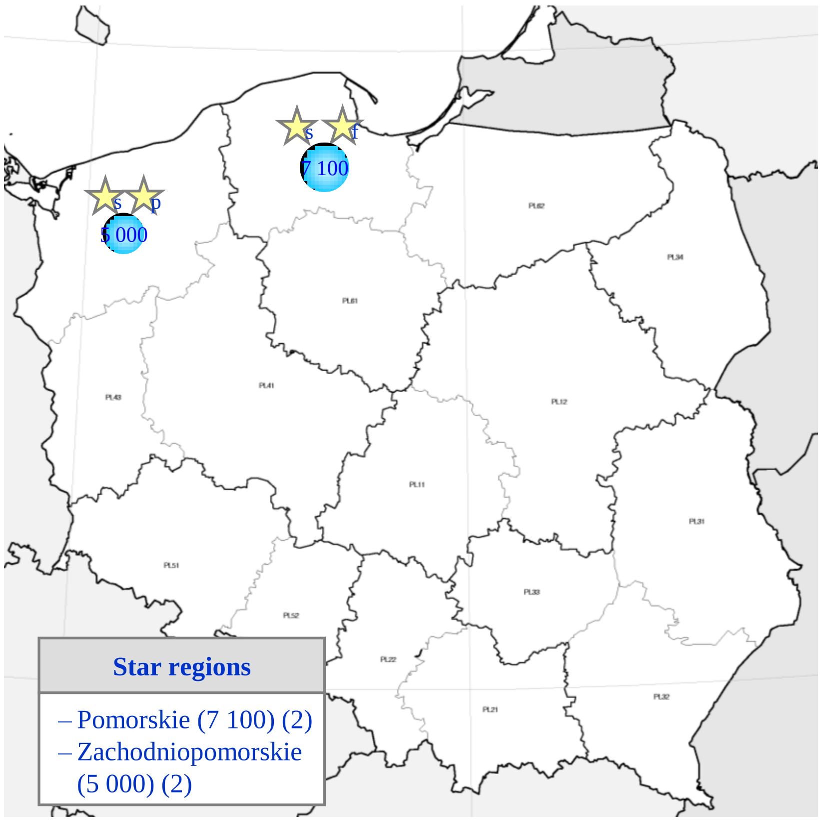
**Direct (Σ direct) employment = 10 100 persons**




*Source: Policy Research based on Eurostat – Tourism indicators 2005*

## *Area 3*

**Direct (Σ direct) employment = 19 900 persons**




*Source: Policy Research based on LEI (2006) – Employment in the fisheries sector*

- Three stars are awarded to Zachodniopomorskie for Area 2
- Pomorskie and Zachodniopomorskie are two-star regions in Area 3

# FINANCIAL INTER-SECTOR RELATIONS AND LEADER FIRMS IN POLAND

## *Main financial inter-sector relations*

***Total (∑)= € 1-2 billion***

| Seller \ Buyer | Maritime services | Marine equipment | Shipbuilding | Maritime works | Seaports | Shipping | Offshore | Inland navigation | Recreational boating | Navy | Fisheries |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Maritime services | | | | | | + | | | | | |
| Marine equipment | | +++ | ++ | | | + | | | | | |
| Shipbuilding | | | + | | | ++ | | | | | + |
| Maritime works | | | | | | | | | | | |
| Seaports | | | | | | +++ | | | | | |
| Shipping | | | | | | ++ | | | | | |
| Offshore | | | | | | | | | | | |
| Inland navigation | | | | | | | | | | | |
| Recreational boating | | | | | | | | | | | |
| Navy | | | | | | | | | | | |
| Fisheries | | | | | | | | | | | |

+++ = very strong relation
++ = strong relation
+ = mediate relation
blank = weak or no relation

*Source: Policy Research / Polish Maritime Cluster*

## *Selection of leader firms*

***(non-exhaustive list in alphabetic order)***

– Euroafrica: Regular cargo lines to United Kingdom, Sweden and West Africa
– Gdanska Stocznia Remontowa: Privatized shipbuilding yard
– Nauta: Ship repair yard
– Polska Zegluga Morska: Large dry bulk ship owner and ship operator in Europe
– Stocznia Gdynia: Biggest shipyard in Poland and one of the biggest in Europe; capacity exceeding nine million tons and aggregate tonnage close to 10 million DWT
– Stocznia Pólnocna: Ship yard
– Stocznia Remontowa Nauta: Ship yard
– Szczecinska Stocznia Remontowa Gryfia: Ship yard
– Unity Line: Youngest Polish ferry company operating in the Baltic Sea ferry transportation market

Financial inter-sector relations within the Polish maritime cluster are in particular to marine equipment and shipbuilding as sellers and from shipping as buyer

# TRENDS IN THE POLISH MARITIME CLUSTER AND SECTORS

**Cluster**

In the Pomeranian region, the maritime sector is the most important sector in the economy (Ecotec, 2006)

The majority of the maritime sectors are characterised by regression or stagnation (Wondermar, 2002)

**Sectors**

*Marine equipment:*

- 2006 was a prosperous year for the Polish shiprepair sector, all yards were busy and made profit (CESA, 2007)

*Shipbuilding:*

- Despite the Polish shipbuilding sector being one of the biggest in Europe, the sector’s weakness is its low productivity and small share of high value-added ships production (CESA, 2007)
- Polish shipyards and marine equipment manufacturers suffer from a lack of skilled workforce (DG MARE)
- Competition from Far East countries since the Polish shipbuilding sector focuses on low value-added ships (Wondermar, 2002)

*Seaports:*

- A general downward trend in employment in the Polish seaports (Wondermar, 2002)

*Recreational boating:*

- Forecasts for future growth are favourable, mainly due to relatively low labour costs; annual growth in this sector in the EU over the recent years has been estimated at 5–6 % (Ecotec, 2006)

*Sources: Wondermar (2002) – Workshop 1 Gdansk: Meaning of RTD for the Polish Maritime Industry, Ecotec (2006) – Employment trends in all sectors related to the sea or using sea resources, DG MARE – Facts & figures: Poland, CESA (2007) – Annual Report 2006 -2007*

Polish sectors marine equipment and shipbuilding focus on competing with low-cost production countries

# POLICY AND POLICY MEASURES IN THE POLISH MARITIME CLUSTER AND SECTORS

| **Policy** | **Policy measures** |
| --- | --- |
| Poland recognises the importance of maritime education; Poland has a rich tradition in maritime education (source: DG MARE) | There are around 30 educational and research institutions related to the maritime sector, including 2 maritime academies (source: DG MARE) |
| The Polish Chamber of Maritime Commerce was created by the enterprises involved in maritime economy in order to develop the importance of the maritime sectors in the economy (source KIGM, 2008) | Main activities of the Polish Chamber of Maritime Commerce (source KIGM, 2008):<br>– Assisting local economic initiatives and undertakings aimed at the development of entrepreneurship in the maritime economy<br>– Integrating the community of entrepreneurs involved in various fields of maritime economy<br>– Collecting information concerning the maritime economy and setting up a computerised database<br>– Organising information-providing, advisory and training events for enterprises of the maritime economy |
| Better utilize shipyards knowledge and skills (source: CESA, 2007) | The workload has been partially shifted from simple maintenance and repairs to more sophisticated conversion and building of special purpose niche vessels (source: CESA, 2007) |
| Polish public yards are restructured in order to make these yards profitable (CESA, 2007) | The restructuring plan aims at privatising these yards; ports that are already privatised show good profitability figures (CESA, 2007) |

*Source: KIGM (Polish Chamber of Maritime Commerce) (2008) – website: www.kigm.pl, CESA (2007) – Annual Report 2006 -2007, DG MARE – facts & figures: Poland*

Poland actively develops policies and supporting measures to improve the competitiveness of its maritime sectors