



SHIP MANAGEMENT SURVEY

January – June 2023

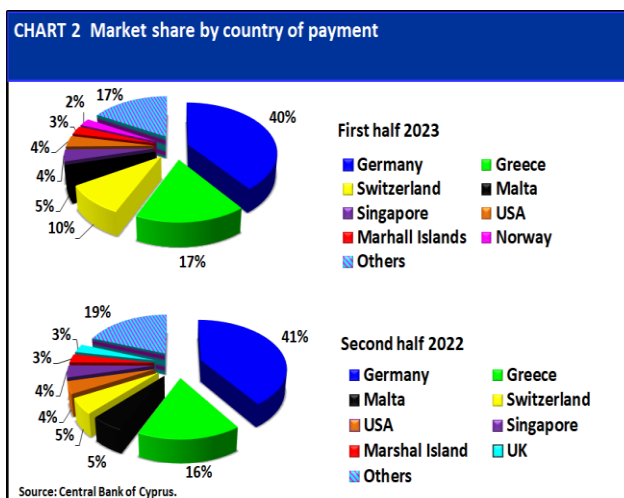
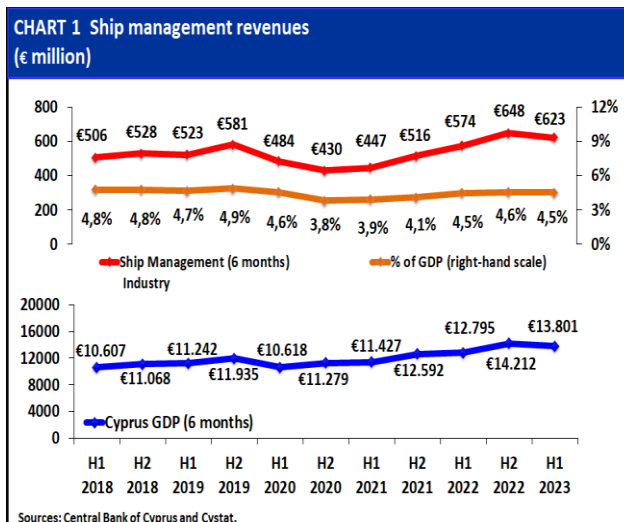
INTRODUCTION

The *Ship Management Survey* (SMS) is conducted by the Statistics Department of the Central Bank of Cyprus (CBC) and concentrates primarily on transactions between resident ship management companies and ship owning/shipping related entities¹.

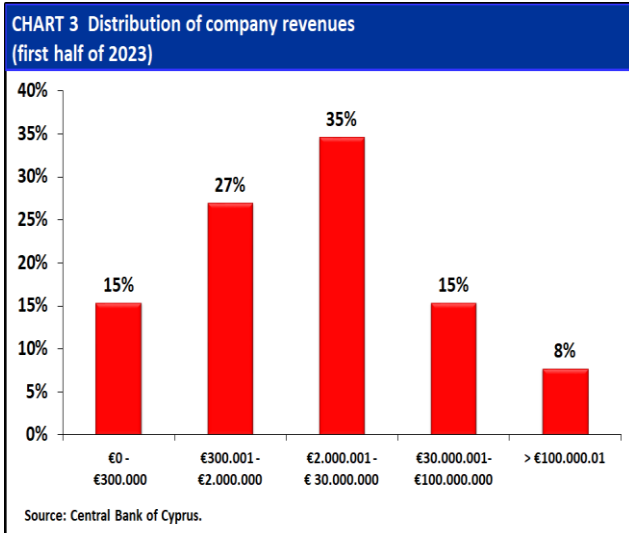
1. SHIP MANAGEMENT REVENUES FROM NON-RESIDENTS

Cyprus's ship management revenues decreased to €623 million during the first half of 2023 (2023H1), which corresponds to 4,5% of Cyprus's semi-annual GDP as turnover (**Chart 1**). Nevertheless, when compared with the first half of 2022 it represents an increase by 9%.

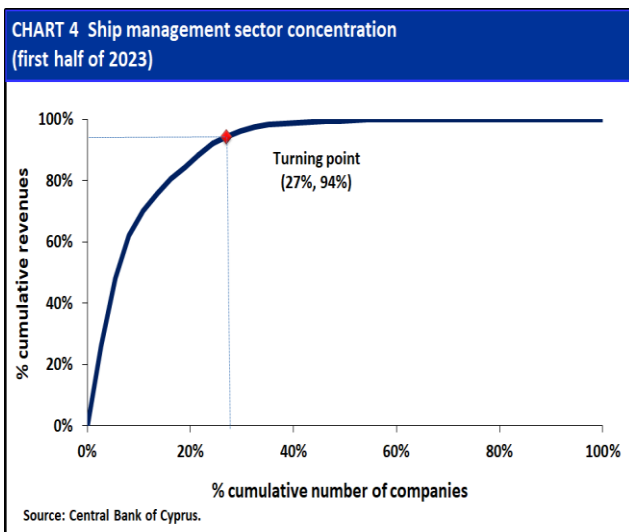
In **Chart 2** the industry's revenues are decomposed by country of payment. Germany's contribution (the main trading partner for the industry) decreased slightly from 41% in 2022H2 to 40% in 2023H1. Other notable share contributions during the same period include: Greece (17%), Switzerland (10%), Malta (5%), the USA (4%) and Singapore (4%), which either recorded increases or remained unchanged.



¹ Please refer to the Appendix for more details.



In **Chart 3**, the ship management companies are classified into non-overlapping revenue segments, as depicted on the horizontal axis. The vertical axis measures the percentage of companies belonging to each size segment. During 2023H1, 35% of the companies managed to generate revenues in the range of €2 - €30 million each, while 23% of the companies managed to generate revenues in excess of €30 million each.

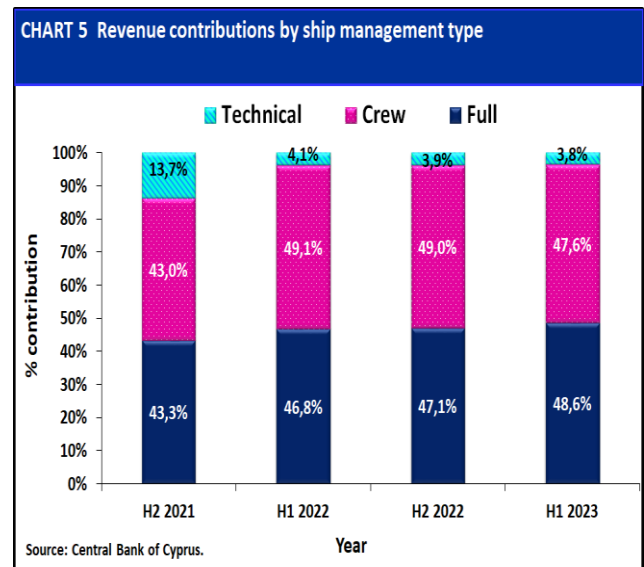


The level of concentration in the ship management industry is depicted in **Chart 4**, where the companies are ranked in terms of their revenue size. The horizontal axis depicts, in percentage terms, the largest companies while the vertical axis measures

the respective (cumulative) percentage revenue contribution of the companies. The turning point indicates the presence of a small number of large companies that dominate the industry. During 2023H1, the top 27% of the companies accounted for 94% of the industry's revenues.

2. SHIP MANAGEMENT SERVICES

The three main types of ship management operations and their contributions are depicted in **Chart 5**. In all cases the share contributions are very close to the percentages recorded in 2022H2. The share of full management services increased slightly to 48,6% of the total amount of ship management revenues in 2023H1. In contrast, crew-management services decreased slightly from 49% in 2022H2 to 47,6% of the revenues in 2023H1.



3. SHIP MANAGEMENT EXPENSES

The level of cross-border expenses associated with the operations of the ship management industry (labour, ship management and administrative expenses) is presented in **Chart 6**. Ship management expenses decreased to €604 million in 2023H1, after a series of increases since 2021H1. This trend is consistent with the change in revenues recorded in **Chart 1**.

APPENDIX: SHIP MANAGEMENT SURVEY

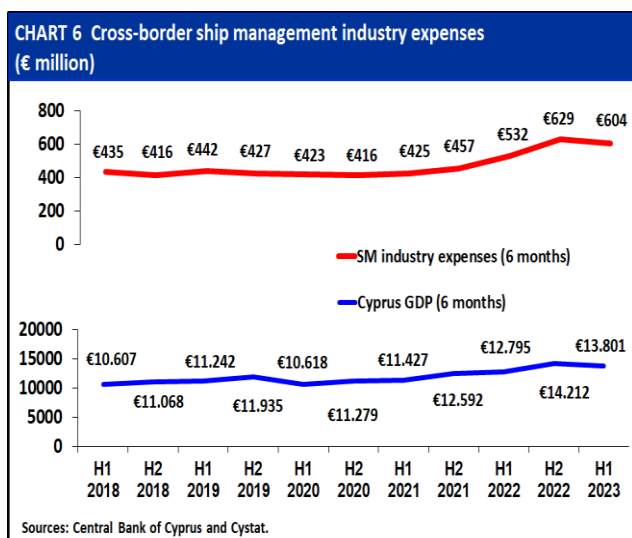
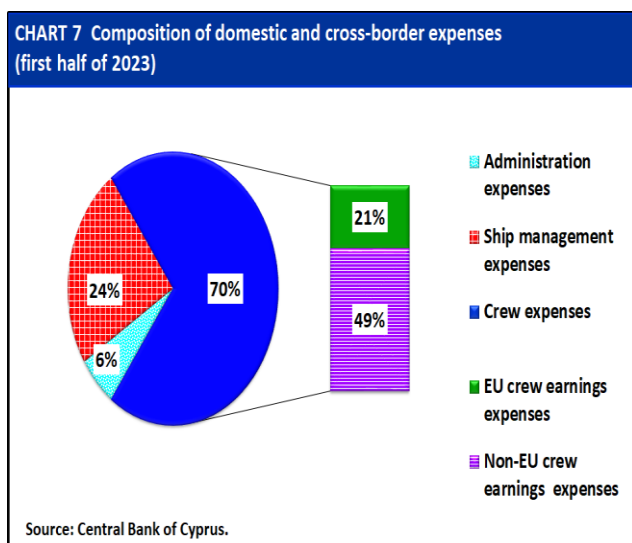


Chart 7 depicts the main types of expenses associated with the industry. Historically, the industry exhibits a relatively stable structure of expenses. The majority of these concern crew expenses, which accounted for 70% of the total amount in 2023H1. Most of these payments were directed to non-EU seafarers (49%). Administration expenses increased to 6% while ship management expenses (e.g. spare parts, lubricants, dry-docking, etc.) dropped to 24% of the total amount in 2023H1.



The *Ship Management Survey (SMS)*², which was launched in March 2009, is conducted biannually by the External, Economic and Government Finance Section of the CBC’s Statistics Department and is addressed to resident ship management companies who provide relevant services to ship owning companies, both resident and non-resident.

Through the SMS, the CBC collects data from a representative sample of financial transactions, which, *inter alia*, include:

1. Revenues by type of service provided to non-resident ship owning companies.
2. Revenues received from non-resident ship owning companies, by country from where the revenue is derived.
3. Revenues by country of flag registration of the ships whose ship management is performed by the resident ship management companies.
4. Payments made by resident ship management companies, by country of residence of the recipient.

Moreover, the SMS includes additional variables, which enable the carrying out of economic analysis as regards the following:

- Size of the ship management industry as a percentage of Cyprus’s GDP (not in value added terms but as turnover).
- Level of concentration in the industry.
- Magnitude of total expenses in the industry.

² All data are subject to periodic revisions in accordance with the ECB and Eurostat guidelines.