Less is more (and vice versa)

by Marek Błuś

Ever since the 21st century got in motion, predicting the shipbuilding output of the Baltic Sea region proved to be no rocket science. A single delivery from Meyer Turku would account for at least half of the gross tonnage (GT) figure. Like the universe, this number only expanded in recent years: one cruiser from Turku made up 56% of the regional production in 2021, 60% in 2022, and thanks to the record-breaking *Icon of the Seas* – 75% last year. Putting together more tonnage, however, does not automatically translate to earning more money…

Such shares – if not higher! – will only be repeated in the coming years. Though maybe 2025 will add another shipyard to the Baltic mix, Meyer Wismar, should it complete the GT 210 thousand *Disney Adventure* (the unfinished hull of which was 'adopted' after the insolvency of MV Werften; however, Meyer Wismar is a special-purpose entity that will dissolve after delivering *Disney Adventure*). Bookings for the cruiser's maiden voyage, starting on 15 December 2025 from Singapore, are already open. Also, next year brings the second quarter-millionaire *Star of the Seas* from Meyer Turku, probably followed year after year by four vessels of the same class (two already inked, two optional).

Finland, after the collapse of MV Werften, has no rivals in the region. Adding two ferries delivered by Rauma Marine Constructions (RMC) and two small cruisers from Helsinki Shipyard, the country's output totted up to 79% of the 2022 Baltic production, 78% in 2023, and 75% in 2024 (the last granted that the Russian nuclear icebreaker *Yakutiya* joins the active fleet this year; she started sea trials on 2 December like her sister *Ural* two years ago).

Baltic

Alas, all that glitters is not gold (even if it literally sparkles like the *Icon of the Seas*!). Whereas Meyer Turku did deliver the largest ever passenger ship in 2023, it also suffered a loss of €104 million (turnover grew by 10.6% year-on-year to €1.43 billion, but losses did too – by 565% yoy). RMC didn't release its 2023 results, but data for two earlier years shows heavy losses: in 2021, they amounted to €58m (€154m turnover) and in 2022, to €30m (€144m).

The latter cites the pandemic, rising financial costs, but, most importantly, the spike in material prices, especially of steel; that last factor alone halted block construction for a few months in mid-2022. "Each prototype ship brings significant product development costs," Tim Meyer, CEO of Meyer Turku, added to the list, while Karstensens also brought up the delays in equipment deliveries from external suppliers. Having mentioned the Danish shipbuilder, Karstensens seems to be the only large yard still making money on civilian production (although its results dropped by 95% between 2021 and 2023). Finally, RMC is turning to warships for the Finnish Navy. At the same time, the Polish Remontowa Shipbuilding is concentrating on minehunters and signal intelligence vessels for Poland's naval forces. Large delays in state-owned Russian yards, increased by sanctions, scrap the question of their profits from the agenda altogether.

Looking into the future, Karstensens, Meyer Turku, RMC, and both yards of the Remontowa Group all have books filled with orders for civilian and military customers. Meyer, besides 'routine' cruisers, will deliver two patrol vessels for the Finnish Boarder Guard (their hulls are assembled in Poland by Baltic Operator, a new brand name for the former Gdańsk Shipyard). Remontowa Shiprepair is dealing with three ro-paxes for Polish owners, and Remontowa Shipbuilding has a double-ended ferry for Norway on its slipway.

Helsinki Shipyard (known earlier as Arctech) has a new owner as of end-2023: Chantier Davie Canada Inc. The new-old company has hired more people, especially in its design department, but we still haven't heard of any orders. Then again, the Canadian takeover has strong political backing from the governments of Canada,

Tab. 1. Vessels GT 100 and above built by Baltic shipyards in 2022

Name	Flag	GT	Shipyard
Carnival Celebration	Panama	183,521	Meyer Turku
MyStar	Estonia	50,629	RMC
Ural	Russia	28,494	Baltic
SH Vega	Panama	10,617	Helsinki
Severniy Polus	Russia	9,843	Admiralty
Kapitan Vdovichenko		9,055	
Christian í Grótinum	Faroe Islands	4,985	Karstensens
Astrid	Denmark	4,697	
Artemis	UK	3,215	
Altera	Finland	1,399	Crist
Carmona	Sweden	1,197	Ö-Varvet
Myggenes	Denmark	600	Karstensens
Monsun	Norway	498	
Murena	Poland	479	Techno Marine
Strażak-28		368	Remontowa
Fairplay-37		325	Safe
Fox Energy	Norway	307	Progreen
Gintaras Zagunis	Lithuania	102	Baltic Workboats
Total		**309,852**	

Tab. 2. Vessels GT 100 and above built by Baltic shipyards in 2023

Name	Flag	GT	Shipyard	Type
Icon of the Seas	Bahamas	248,663	Meyer Turku	Pax (cruise)
Tennor Ocean	Malta	32,884	FSG-Nobiskrug	Ro-ro
SH Diana	Liberia	12,255	Helsinki	Pax (cruise)
Mekhanik Maslak	Russia	9,055	Admiralty	Fishing
Mekhanik Sizov		9,055		
Altaire	UK	3,863	Karstensens	
Dmitry Kozharskiy	Russia	3,786	Vyborg	
Christina S	UK	3,559	Karstensens[1]	
Gandvik-1	Russia	2,205	Severnaya	
Gollenes	Norway	2,126	Karstensens	
Sille Marie		2,126		
Ginneton	Sweden	1,826		
Kapitan Aleksandrov	Russia	1,588	Onego	
Stødig	Norway	752	Karstensens	
Fox Power		307	Progreen	Service
Kontroler-31	Poland	153	Euro-Industry	Patrol
Kontroler-35		153		
Geologen	Norway	106	Kewatec	Research
Total		**334,462**		

[1] *Last hull built by Karstensens' Gdynia facility*

Tab. 3. Vessels GT 100 and above built by Baltic shipyards till early December 2024

Name	Flag	GT	Shipyard	Type
Mein Schiff 7	Malta	112,982	Meyer Turku	Pax (cruise)
Spirit of Tasmania IV	Australia	47,994	RMC	Ro-pax
Yakutiya	Russia	28,476	Baltic	Icebreaker
Kapitan Martynov		9,055	Admiralty	Fishing
Finnur Fridi	Faroe Islands	4,229	Karstensens[1]	
Hákon	Iceland	3,178		
Herøyhav	Norway	3,150		
Havsnurp		2,520		
Kapitan Egorov	Russia	1,572	Onego	
Ursa	Poland	1,195	Tyovene	Dredger
Polarbris	Norway	878	Karstensens[2]	Fishing
Elise	Sweden	149	Faaborg	Pax (ferry)
Total		**215,378**		

[1] *Last hull built by Karstensens' Gdynia facility*
[2] *First hull built by Karstensens' new facility in Gdańsk*

Tab. 4. Cruise ships GT 100 thousand and above built by European shipyards in 2022

Name	GT	Shipyard	Owner/operator
Wonder of the Seas	235,600	Chantiers de l'Atlantique	Royal Caribbean Cruises
MSC World Europa	215,864		MSC Cruise
Arvia	185,581	Meyer Werft	Carnival Cruise Line
Carnival Celebration	183,521	Meyer Turku	
MSC Seascape	170,412	Fincantieri (Monfalcone)	MSC Cruise
Discovery Princess	145,281		Princess Cruises
Disney Wish	144,256	Meyer Werft	Magical Cruise
Norwegian Prima	143,535	Fincantieri (Marghera)	Norwegian Cruise Line
Celebrity Beyond	141,420	Chantiers de l'Atlantique	Celebrity Cruises
Resilient Lady	108,232	Fincantieri (Genua)	Virgin Voyages
Total	**1,673,702**		

Icon of the Seas; photo: Royal Caribbean

SH Diana; photo: Swan Hellenic

Tab. 5. Cruise ships GT 100 thousand and above built by European shipyards in 2023

Name	GT	Shipyard	Owner/operator
Icon of the Seas	248,663	Meyer Turku	Royal Caribbean Cruises
MSC Euribia	184,011	Chantiers de l'Atlantique	MSC Cruise
Carnival Jubilee	182,015	Meyer Werft	Carnival Cruise Line
Norwegian Viva	143,535	Fincantieri (Marghera)	Norwegian Cruise Line
Celebrity Ascent	141,420	Chantiers de l'Atlantique	Celebrity Cruises
Brilliant Lady	108,232	Fincantieri (Genua)	Virgin Voyages
Total	**1,007,876**		

Tab. 6. Top 10 shipbuilding countries in the world in 2021-2023 (million gross tonnage)

No	Country	2023	2022	2021
1	China	32.86	25.70	26.91
2	South Korea	18.32	16.30	19.70
3	Japan	9.97	9.50	10.70
4	Philippines	0.81	0.45	0.63
5	Vietnam	0.51	0.44	0.37
6	Italy	0.51	0.73	0.50
7	France	0.33	0.59	0.19
8	Germany	0.31	0.35	0.37
9	Finland	0.26	0.25	0.22
10	Taiwan	0.19	0.02	0.20
	World	**64.6**	**55.8**	**61.0**

Sources for tabs. 6-7: UNCTAD, SEA Europe, and national and associations' statistics corrected by own research

Tab. 7. European shipbuilding countries' performance in 2020-2021 (thousand gross tonnage)[1,2]

No	Country	2023	2022	2021
5	Netherlands	95	59	125
6	Norway	80	108	200
7	Spain	48	60	71
8	Russia[3]	40	60	107
9	Denmark	19	16	21
10	Croatia	18	–	23
11	UK	13	9.0	18
12	Greece	3.0	1.0	4.0
13	Romania	–	26	44
14	Portugal	–	10	10
15	Poland	–	3.0	24
16	Sweden	–	1.0	–
	Total[4]	**1,636**	**2,300**	**1,931**

[1] *Except those listed in Tab. 6*
[2] *Statistic based on location of contracting/outfitting shipyards*
[3] *Shipyards in the European part of the country only*
[4] *Includes positions 6-9 from Tab. 6*


Gollens; photo: Karstensens


Ginneton; photo: Karstensens


Spirit of Tasmania IV; photo: RMC


Altera; photo: FinFerries

Finland, and the US within the Icebreaker Collaboration Effort – ICE Pact. We might very well be surprised by the size and quality of upcoming orders!

The last active Baltic shipyard worthy of mentioning, Meyer Neptun, besides routine production of engine-room modules for the mother company, has contracted a seagoing research ship and 10 river cruise vessels. The future of the last German Baltic shipyard present in our tables (though not without a pause now & then) is highly uncertain. Flensburger Schiffbau-Gesellschaft (FSG), since 2021 flying the FSG-Nobiskrug banner, is torn by conflicts with the local government, trade unions, banks, etc. The yard's order book is, in all likelihood, empty.

Europe

What's happening in the Baltic isn't some peculiarity. The share of cruise-builds in the European market was 68% in 2020, 70% in 2021, 79% in 2022, and 80% last year. But the growth is sometimes the result of overall decline. Years 2021 and 2023 saw similar outputs, GT 1.33m vs 1.31m, yet a 10 percentage point difference in the latter's cruise favour.

The year 2022 brought the highest cruiser output in history: GT 1,821k. Besides the ships listed in Table 4, five vessels below GT 100k were introduced, two from Fincantieri and one apiece from Helsinki, Vard (part of the Fincantieri Group), and the Portuguese West Sea.

The same year also saw the delivery of two ro-paxes as well as *Blue* from Lürssen (with GT 14,785, probably the world's

Tennor Ocean; photo: FSG

MyStar; photo: Tallink Grupp


Carnival Celebration; photo: Meyer Turku


Christian í Grótinum; photo: Christian í Grótinum

largest super-yacht back then). Regarding the ferries, the Italian Visentini delivered *A Galeotta* (GT 38,282), and Fosen Yard outfitted the hull of the former *Hornfleur* (GT 43,130; made by the bankrupt FSG; the vessel operates as *Rusavir* as of 2023).

According to the SOLAS Convention classification (a ship is a pax one if it carries over 12 passengers) and adding smaller vessels like ferries, catamarans, etc., the 2024 passenger tonnage amounts to GT 1,950k, constituting a record 86.4% of the European production.

Is it good news? It would be if the passenger sector, both its shipping and shipbuilding parts, hadn't been so vulnerable to global turbulences. And we wouldn't bet that we won't see more of them, even more severe than the pandemic.