



THE CRUISE INDUSTRY



Contribution of Cruise Tourism to the
Economies of Europe **2013 Edition**

Welcome to another successful year for the cruise industry in Europe, with a further increase in our economic contribution.

Just take a look around the cabins of this report. In today's ever-changing and innovative world, the cruise industry keeps making a difference by providing a vital channel to new economic opportunities within the travel and tourism industry and beyond. In the wake of European economic and financial uncertainties, European waters have become the new main streets for ports and cities to get down to business.

This is not the first time I have the honour to present how our vessels make a difference by contributing to growth and by being committed to sustainability in all senses.

However, this is the first report to be commissioned by Cruise Lines International Association Europe (CLIA Europe). In November 2012, the European Cruise Council agreed to become part of the cruise industry's new global unified structure. CLIA Europe retains its Board, Executive Committee and Secretary General but will operate under a global, common organisation to serve as the voice, representation and advocacy leader of the global cruise industry operating in Europe in order to deliver the objective of 'one industry, one voice'.

This report, commissioned by CLIA Europe from the independent economic experts G.P. Wild (International) Limited and Business Research and Economic Advisors, recognises the crucial role cruise tourism can play in regenerating and rebalancing the European economy. Europe is firmly established as the second largest cruise market after North America. The number of people who chose a cruise holiday in Europe has more than doubled in the past decade to over 5.7. Million; the sector attracted almost a million passengers from outside Europe. The report shows that the industry generated €37.9 billion of goods and services in Europe, and increased its European bookings by 1.3% per cent over 2011 to command 30 per cent of the global market.

It created more than 11,000 new jobs last year, now generating employment for more than 326,000 people across Europe. European shipyards, which build almost all the world's state of the art cruise liners, also received a welcome boost with an increase in spending on new build and maintenance, and are scheduled to deliver 20 cruise vessels built in Europe over the four year period 2013 to 2016, with a combined capacity of over 60,000 passengers and representing a total investment by the cruise industry in Europe of over €10.5 billion.

These impressive figures clearly show the social and economic importance of the cruise sector to Europe as a whole.

Despite these challenging times the cruise industry is making an increasingly significant contribution to Europe's economy, by sustaining jobs in European shipyards, creating employment in European ports and acting as a catalyst for European tourism.

However, in order to maintain this healthy and strong contribution to Europe, the cruise industry and the regulators must keep on working together to address challenges and to ensure we continue to enjoy sustainable growth.

Our mission is clear for the coming years: we want our ships to remain a critical and sustainable contribution to European Tourism.



Manfredi Lefebvre d'Ovidio
Chairman CLIA Europe and Chairman Silversea Cruises

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GP Wild (International) Limited and Business Research and Economic Advisors (BREA) were engaged by the European Cruise Council to conduct a comprehensive analysis of the global cruise industry's operations in Europe and its contribution to the European economy using the most recent available statistics.



Production by



G. P. Wild (International) Limited and Business Research and Economic Advisors were engaged by CLIA Europe to conduct a comprehensive analysis of the global cruise industry's operations in Europe and its contribution to the European economy in 2012. For the purposes of this report, unless otherwise stated, Europe is defined as the EU with 27 members plus Switzerland, Norway and Iceland. The EU-27 member states are fully defined in the Glossary.

Some of the major highlights of cruise operations in Europe during 2012 were:

- **During 2012 there were 43 cruise lines domiciled in Europe, operating 131 cruise ships with a capacity of around 147,000 lower berths. Another 76 vessels with a capacity of nearly 102,000 lower berths were deployed in Europe by 22 non-European lines.**
- **An estimated 6.26 million European residents booked cruises, a 1.3% increase over 2011, representing around 30% of all cruise passengers worldwide.¹**
- **An estimated 5.7 million passengers embarked on their cruises from a European port, a 2.5% increase over 2011. Of these around 4.8 million were European nationals and about 0.9 million came from outside Europe.**
- **The vast majority of these cruises visited ports in the Mediterranean, the Baltic and other European regions, generating 29.3 million passenger visits at a total of around 250 European port cities, a 4.3% increase over 2011.**
- **In addition, an estimated 15.2 million crew also arrived at European ports.**

As a result of the European cruise operations and the investment in new cruise ships by the global cruise industry, this industry generated significant economic impacts throughout Europe. In 2012, cruise industry direct expenditures increased by 3.4% from 2011 to €15.5 billion. As will be discussed below this increase was the net result of a 0.3% increase in the shipbuilding sector and a 4.4% increase in the remaining components of cruise industry expenditures. The total economic impacts of the cruise industry included the following:

- **€37.9 billion in total output²,**
- **€15.5 billion in direct spending by cruise lines and their passengers and crew,**
- **326,904 jobs³, and**
- **€10.1 billion in employee compensation.⁴**

These impacts are the sum of the direct, indirect and induced impacts of the cruise industry. In summary, each €1 million in direct cruise industry expenditures generated:

- **€2.45 million in business output, and**
- **21 jobs paying an average wage of nearly €31,000.**

¹ Figures for 2010 and 2011 have been revised and thus these data are not directly comparable to those presented in previous reports.

² By definition, total output includes all intermediate inputs, taxes net of subsidies, net surplus (profits, net interest, dividends and other items) and employee compensation.

³ Full time equivalents.

⁴ As defined by the OECD. Compensation and remuneration are used interchangeably in the report and are considered to mean the same thing. Also, compensation is included in output.

Direct Economic Impacts

The direct economic impacts include the production, employment and employee compensation that were generated in those European businesses that supplied goods and services to the cruise lines and its passengers and crew. The direct impacts also include the compensation paid to the European employees of the cruise lines.

In 2012, the cruise industry generated direct expenditures of **€15.5 billion**. These expenditures included the following:

- **€3.9 billion** in spending for the construction of new cruise ships and the maintenance and refurbishment of existing ships with European shipyards, a 0.3% increase from 2011. While small, this was the first annual increase following three consecutive years in which these expenditures had fallen. Growth in the construction and maintenance of ships had slowed during 2008 and turned negative during 2009 as the decline in new orders during 2008 and 2009 finally impacted European shipyards. As anticipated this lagged impact of the decline in new orders on actual construction was finally reversed in 2012.
 - At the outset of 2012 there were 22 cruise ships on the order books of the European shipyards.
 - Currently, including deliveries during the first half of 2013, European shipyards are under contract to build 20 cruise ships with a combined value of €10.6 billion through to 2016.
- **€6.6 billion** in spending by cruise lines with European businesses for goods and services in support of their cruise operations, an increase of 3.8% over 2011. Among the major expenditures were the following.
 - Cruise lines purchased nearly €625 million in provisions consumed on board cruise ships from European food and beverage manufacturers.
 - An estimated €900 million in commissions was paid to European travel agents.
 - The cruise lines spent €1.37 billion on financial and business services including: insurance, advertising, engineering and other professional services.
- **€3.6 billion** in cruise passenger and crew spending. Passenger expenditures included spending for shore excursions, pre- and post-cruise hotel stays, air travel and other merchandise at ports-of-embarkation and ports-of-call. Crew spending was concentrated in expenditures for retail goods and food and beverages. Total passenger and crew expenditures increased by 5.5% from 2011.
 - Including airfares, embarking passengers spent an average of €296.
 - Excluding airfares, cruise passengers spent an average of nearly €77 at embarkation port cities.
 - On average, cruise passengers then spent another €62 at each port visit on their cruise itinerary.
 - Crew spending at each port call averaged €21 per crew member.
- **€1.4 billion** in wages and salaries plus benefits, an increase of 4.1% from 2011, were paid to the European administrative staff and crew of the cruise lines.
 - Cruise lines employed about 5,500 European nationals in their headquarters and administrative offices.

Shipbuilding: "This was the first annual increase following three consecutive years in which these expenditures had fallen."

- About 55,000 European nationals were employed as officers and ratings on cruise ships.

These expenditures generated employment and employee compensation across a wide range of industries and in virtually every country that sourced passengers and/or hosted cruise ship calls. As indicated in the following table, the €15.5 billion in direct expenditures generated nearly **159,000 direct jobs** paying **€4.76 billion in employee compensation**.

Table ES - 1: Direct Economic Impacts of the European Cruise Sector by Industry, 2012

Industry ①	Expenditures € Million	Jobs	Compensation € Million
Agr., Mining & Constr. ②	€18	170	€4
Manufacturing	€7,092	36,988	€1,492
Nondurable Goods	€1,953	6,420	€238
Durable Goods	€5,139	30,568	€1,254
Wholesale & Retail Trade	€767	10,607	€206
Transportation & Utilities	€3,710	22,349	€815
Hospitality ③	€438	6,849	€150
Financial and Business Services	€1,373	11,419	€450
Personal Services & Govt.	€691	9,663	€267
Subtotal	€14,089	98,045	€3,384
Cruise Line Employees	€1,371	60,608	€1,371
Grand Total	€15,460	158,653	€4,755

① The aggregate (bold) and sub-industries are based on standard industry definitions used by the OECD in its input-output accounts. The level of detail in each table may vary but the definitions remain the same.

② Agr, Mining & Constr. is the aggregation of the Agriculture, Mining and Construction industries. Generally, the estimated impacts for each of these industries is too small and imprecise to show.

③ Hospitality includes hotels, restaurants and bars and amusement and recreation establishments.

The following three economic sectors accounted for approximately 75% of the direct economic impacts of the European cruise industry:

- The Manufacturing sector, led by the shipbuilding industry, accounted for 46% of the cruise industry's direct expenditures, 23% of the direct jobs and 31% of the direct employee compensation.
- European employees of the cruise lines accounted for 38% of the direct jobs generated by the cruise industry and 29% of the compensation.
- The Transportation and Utilities sector which includes tour operators and travel agents accounted for 24% of the direct expenditures, 14% of the direct jobs and 17% of the compensation impacts.

Total Economic Impacts

The total economic impacts are the sum of the direct, indirect and induced impacts. The indirect impacts result from the spending by the directly impacted businesses for those goods and services they require to support the cruise industry. The induced impacts result from the spending by the impacted employees for household goods and services. Thus, the indirect impacts primarily affect business-to-business enterprises while the induced impacts primarily affect consumer businesses. The total economic impacts are shown in Table ES - 2.

The total economic impacts are more evenly spread among the various industries than the direct economic impacts as the indirect and induced impacts affect non-cruise sectors. Yet the manufacturing (primarily shipbuilding) and transportation sectors still account for more than half of the cruise industry's total impact throughout Europe.

- The Transportation and Utilities sector, which includes the employees of the cruise lines, accounted for 22% of the total output and 32% of the total employment and 30% of the total compensation impacts.
- The Manufacturing sector, which includes the shipbuilding industry, accounted for 35% of the total output, 22% of the jobs and 28% of the total compensation generated by the cruise industry.

Table ES - 2: Total Economic Impacts of the European Cruise Sector by Industry, 2012 ①

Industry	Output € Million	Jobs	Compensation € Million
Agr., Mining & Constr.	€2,328	16,824	€324
Manufacturing	€13,065	72,942	€2,825
Nondurable Goods	€4,468	19,036	€693
Durable Goods	€8,597	53,906	€2,132
Wholesale & Retail Trade	€2,236	29,443	€516
Transportation & Utilities ②	€8,305	103,742	€3,009
Hospitality	€1,252	16,768	€371
Financial and Business Services	€8,856	62,459	€2,258
Personal Services & Govt	€1,822	24,726	€764
Total	€37,864	326,904	€10,067

① Since compensation is included in total output, these impacts are not additive. Output is a measure of the industry's impact on the overall economy while compensation is a measure of the industry's impact on employees and the household sector.

② Includes the European employees of the cruise lines and their compensation.

Country Impacts

The economic impacts were spread throughout Europe. However, as indicated in the following table the majority of these impacts were concentrated in five countries, which accounted for about 80% of the cruise industry's impacts throughout Europe.

Table ES - 3: Total Economic Impacts of the Cruise Sector by Country, 2012

Country	Direct Expenditures € Million	Growth from 2011	Total Jobs	Total Compensation € Million
Italy	€4,460	0.2%	99,556	€3,032
Germany	€2,953	17.0%	45,637	€1,675
UK	€2,935	3.7%	66,059	€2,415
Spain	€1,255	-3.3%	26,389	€794
France	€1,066	-12.9%	14,238	€629
Top Five	€12,669	2.8%	251,879	€8,545
Rest of the EU+3	€2,791	6.0%	75,025	€1,522
Total	€15,460	3.4%	326,904	€10,067

The three countries of Italy, Germany and the UK accounted for 67% of the direct expenditures of the cruise industry. Driven by the strong growth in Germany, these three countries experienced a combined increase of 5.5% in direct expenditures from 2011. These countries participated in all segments of the industry:

- Serving as major source and destination markets for cruise passengers,
- maintaining headquarters facilities and providing crew,
- providing shipbuilding and repair services, and
- provisioning and fuelling of cruise ships.

The remaining two countries in the top five tended to be impacted in one or two major segments:

- Spain serves primarily as a source and destination market with some headquarters operations.
- France is principally a source and destination market with the addition of shipbuilding.

As shown in table ES-3 the top five countries experienced a combined 2.8% growth in direct cruise industry expenditures during 2012. Germany led the way with a 17% increase in direct expenditures and accounted for 125% of the net increase in expenditures among the top 5 countries and more than offset the decline in France and Spain. Germany's growth was fairly uniform across the major expenditure categories with passenger and crew spending increasing by 14%, shipbuilding and maintenance growing by 18%, cruise employee compensation increasing by 6% and other expenditures by cruise lines expanding by 17%.

The UK and Italy experienced much smaller gains in direct cruise sector expenditures with respective gains of 3.7% and 0.2%. The growth in the U.K. was led by a 10% increase in spending by passengers and crew as a result of a 10.5% increase in passenger embarkations and transit visits. Spending by cruise lines for employee compensation and other goods and services in support of their cruise operations increased by nearly 3%. Additionally, spending for vessel maintenance and repair at UK shipyards grew by 1.5%.

As noted above Italy experienced a 0.2% increase in direct cruise industry expenditures in 2012 and followed a 2% decline in 2011. This slight gain in spending was the net result of a 12% decline in spending at Italian shipyards and a 5% increase in spending by passengers and crew and cruise lines.

Direct expenditures in Spain declined by 3.4% during 2012. Spending by passengers and crew at Spanish port cities decreased by 4% primarily due to an 18% decline

in passengers sourced from Spain and a 12% reduction in embarkations at Spanish ports. Additionally, spending at Spanish shipyards fell by 17%. These declines were only partially offset by a 3% increase in expenditures by cruise lines for employee compensation and other purchases with Spanish businesses.

Finally, France experienced a 13% fall in direct spending in 2012. This decline was the net result of a 32% decrease in shipbuilding expenditures and a 10% increase in the other major sources of cruise industry spending. Passenger and crew spending grew by 12% as a result of a 10% increase in passenger visits.

Five-year Growth Trend

Since 2007 European-sourced passengers have grown by 55% from 4.05 million in 2007 to 6.26 million in 2012. Even the global recession in 2009 and the subsequent moderate rebound in global economic growth since have done little to slow this increase. However, the economic slowdown in 2012 has clearly impacted the demand for cruises by European residents as witnessed by the modest growth of 1.3% in European sourced passengers. Embarkations at European ports have grown more moderately, 33% over the 5-year period, from 4.3 million in 2007 to 5.7 million in 2012. The stronger increase in embarkations relative to sourced passengers reflects the continued growth in North American sourced passengers on European cruises. Finally, port-of-call passenger visits have increased by 53% over the 2007-2012 period, growing from 18.8 million to 28.7 million. This even higher growth of 4.3% in 2012 reflects the impacts of longer cruise itineraries that include more port calls and the increase in the number of transatlantic repositioning cruises.

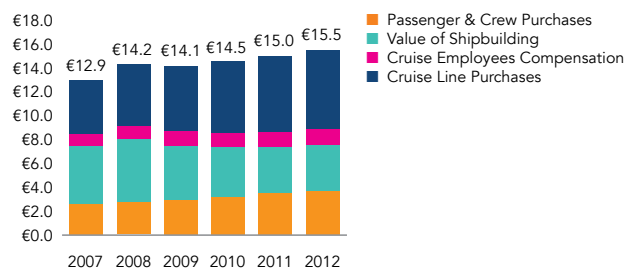
Table ES - 4: European Passenger Statistics, 2007 - 2012 Millions

Category	2007	2008	2009	2010	2011	2012
European-sourced Passengers	4.05	4.49	5.06	5.71	6.18	6.26
Percentage change	18.8%	10.9%	12.7%	12.8%	8.2%	1.3%
Embarkations from European Ports	4.29	4.69	4.48	5.20	5.56	5.70
Percentage change	18.84%	9.32%	3.20%	7.44%	6.92%	2.52%
Port-of-Call Passenger Visits	18.82	21.71	23.76	25.18	27.50	28.69
Percentage change	19.80%	15.36%	9.44%	5.98%	9.21%	4.33%

Since 2007, direct expenditures have increased by 20% from €12.9 billion in 2007 to €15.5 billion in 2012. This represents an average annual growth rate of 3.75% over the five-year period. Figure ES-1 clearly shows the impact that the contraction in value of shipbuilding from 2009 through 2011 has had on the growth trend for direct cruise expenditures, which finally experienced significant expansion in 2012 after remaining virtually flat over the prior three years. However even with the slight increase in shipbuilding during 2012, the overall growth in direct expenditures remained virtually flat at 3.3%.

Given the growth in passenger visits, each of the remaining components of direct expenditures has steadily increased on a year-over-year basis. Since 2007, the combined expenditures by cruise lines, passengers and crew, and employee compensation have increased by 45% from €8.0 billion in 2007 to €11.6 billion in 2012. However, the 4.4% in the growth of these other expenditures in 2012 was well below the 7.7% increase in 2011.

Figure ES - 1: Direct Cruise Industry Expenditures in Europe, 2007 - 2012



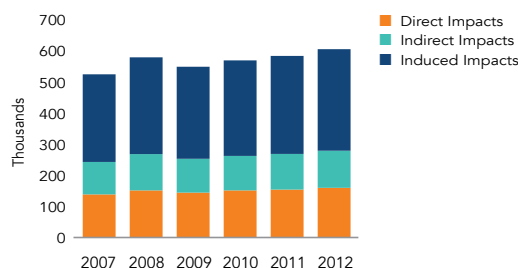
The total output of the industries affected by the direct, indirect and induced impacts of the European cruise industry has increased by 31% from €29.0 billion in 2007 to €37.9 billion in 2012. The stronger growth in total output relative to the increase in direct expenditures is partially the result of improved productivity throughout most European industries.

Figure ES - 2: Total Output Generated by Cruise Industry Expenditures in Europe, 2007 - 2012



The total employment associated with the total output discussed above has increased by 16% from 282.1 thousand jobs in 2007 to 326.9 thousand jobs in 2012. The slower growth in employment is the result of the inverse impact of productivity increases on employment relative to output. In addition, the combination of the decline in cruise ship building, which has a considerable multiplier impact, and the impact of the 2009 global recession, resulted in an absolute decline in total employment in 2009 which had taken to 2011 to be fully reversed. The 3.6% growth in European jobs in 2012 generated by the cruise sector was an improvement from the 2.6% increase in 2011. This relatively stronger performance in growth during 2012 is partially due to the small rebound in shipbuilding and repair at European shipyards and the increase of cruise lines employees, especially European crew.

Figure ES - 3: Total Employment Generated by Cruise Industry Expenditures in Europe, 2007 - 2012



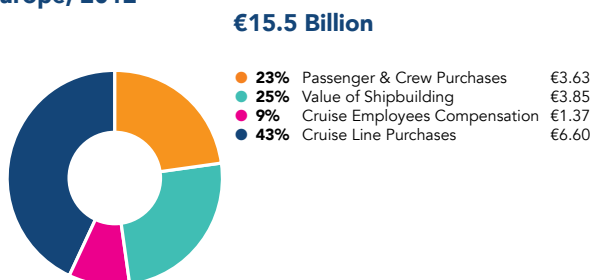
1. An Overview of the Importance of the European Cruise Industry – Facts and Figures

The cruise industry in Europe⁵ is a dynamic source of economic activity providing economic benefits to virtually all industries and countries throughout Europe.

- Cruise tourism in Europe impacts all of the major aspects of the industry, including: ports of embarkation, ports-of-call, shipbuilding, ship maintenance, provisioning, sales and marketing, staffing of cruise ships and administrative facilities. While economic conditions in Europe during 2012 had a negative impact on demand, cruise passengers either sourced from or visiting European ports increased, albeit at a slower pace.
- An estimated 6.2 million European residents booked cruises in 2012, a 1.3% increase over 2011.
- In 2012, Europeans represented 30% of all cruise passengers worldwide, compared with 22% ten years earlier.
- 5.7 million passengers embarked on their cruises from a European port, a 2.5% increase over 2011. Approximately 4.8 million (84%) were European nationals.
- The vast majority visited ports in the Mediterranean, the Baltic Sea and other European regions and generated 28.7 million passenger visits during 2012, a 4.3% increase over 2011.
- Cruise lines visited a total of around 250 European port cities including in the Black Sea and Atlantic Isles.
- In addition, an estimated 15.2 million crew also arrived aboard cruise ships calling at European ports during 2012.

The cruise industry's direct spending made by the cruise lines⁶ and their passengers and crew throughout Europe increased by 3.4% in 2012 to €15.5 billion after increasing by 3.3% in 2011.

Figure 1.1: Direct Cruise Industry Expenditures in Europe, 2012



- Cruise passengers and crew spent an estimated €3.63 billion in purchases during their port visits, ranging from accommodations to retail purchases of jewellery, clothing and other similar items. This represented a 5.5% increase over passenger and crew expenditures in 2011. This is slightly more than half of the 10.7% growth experienced during 2011.

⁵ The European cruise industry is defined as those cruise-related activities that take place within Europe including cruise itineraries that visit European ports and destinations and also directly impact businesses and individuals located in Europe. It is broadly defined to include cruise lines and their employees; the direct suppliers to the cruise lines, such as wholesale distributors, stevedoring firms, and financial and business service providers, such as insurers and consultants; shipyards; and cruise passengers.

⁶ Cruise lines are defined as those cruise companies that offer multi-day cruises in open waters. This definition thus excludes companies that offer river cruises.

- Europe is also the centre of and world leader in cruise ship construction and refurbishment. After three successive years of decline, spending for new buildings and maintenance at European shipyards stabilized with a slight expansion of 0.3% to €3.85 billion in 2012.
- Included in the €15.5 billion is €1.37 billion in compensation paid to employees of the cruise industry that reside in Europe. With increases in crew and landside employment during 2012, total employee compensation grew by 4.1%.
- Finally, the cruise lines also spent another €6.6 billion with European businesses to support their cruise and administrative operations, an increase of 3.6% from 2011.
- This spending by the cruise lines and their passengers and crew generated an estimated 326,904⁷ jobs throughout Europe through the direct, indirect and induced economic impacts. This is a 3.6% increase from 2011.
- In turn, the workers in these jobs produced an estimated €37.9 billion in total output and received €10.1 billion in total (direct, indirect and induced) compensation. The total output impact increased by 3.1% while the compensation impact rose by 2.7% from 2011.

Cruise New Building and Investment 2013-16

- Over the period from 2013 to 2016, 22 cruise vessels have been scheduled for delivery for worldwide trading with capacity for 66,917 passengers of which 20 will be constructed in Europe and two in Japan. Out of the total, 12 ships with 27,257 berths (40.6%) will primarily serve the European source market, representing an investment of €5.0 billion. Many of the others will visit European destinations. This new investment underlines the cruise industry's continuing commitment to the future of its business both in Europe and elsewhere in the world.

Table 1.1: Cruise Ship Orders 2013-16

Year Completed	Ships	Berths	Investment (Millions)
2013	6	14,050	€2,497
2014	6	18,898	€3,305
2015	7	21,319	€3,766
2016	3	12,650	€1,961
Total	22	66,917	€11,529

- Over most of the last year new cruise ship orders were slow in coming. However, a flurry of new orders occurred towards the end of the year and this momentum will need to be maintained if the industry is to continue to fulfil its potential demand. Looking beyond 2016, the possibility of competition from China, as well as Japan, is a matter of concern.

⁷ These are full time equivalent jobs (FTEs).

2. Cruise Industry Expenditures by Country

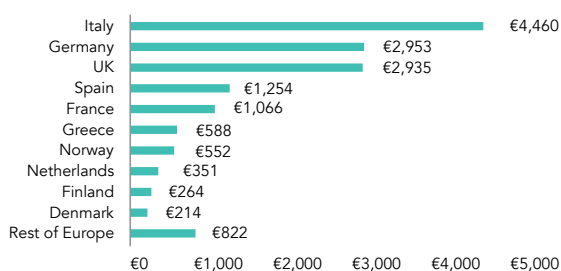
The cruise industry generated an estimated €15.5 billion in direct expenditures throughout Europe in 2012. These expenditures were derived from four major sources:

- Cruise passengers;
- The construction and maintenance of cruise ships;
- Cruise line purchases in support of their operations; and
- Compensation of cruise line administrative staff and crew in Europe.

Furthermore, this spending impacted to some degree on each of the 30 European countries included in the analysis.

- The top ten countries accounted for 94.7% of the cruise industry's expenditures throughout Europe.
- Italy, as a leading centre for cruise ship construction in Europe (together with Germany) and the largest cruise embarkation and destination market, benefited from €4.46 billion in direct cruise industry expenditures, essentially unchanged (+0.2%) from 2011.
- Germany is the largest market for cruise ship construction and maintenance and also the second largest source market in Europe. Spurred by an 18% increase in cruise ship construction at German yards and a 14% increase in passenger and crew spending at German ports, total direct spending by the cruise industry in Germany rose by 17% from 2011 to €2.95 billion in 2012.
- The UK is the largest source market for cruise passengers in Europe with 1.7 million residents taking cruises during 2012. It ranks third in terms of cruise industry direct spending with €2.93 billion, a 3.7% increase over 2011.

Figure 2.1: Cruise Industry Direct Expenditures by Country, 2012, Millions
All Europe: € 15.5 Billion



Even with the contraction in shipbuilding from 2009 through 2011, the six major centres for cruise ship construction and maintenance, Germany, Italy, France, Spain, Finland and the UK, were among the top ten countries for cruise industry spending. These six countries accounted for 93% of construction and maintenance of cruise ships globally and 83% of total industry expenditures in Europe during 2012.

3. A Global Industry

The cruise industry has enjoyed dynamic growth over a period of 30 years, driven initially by demand from North America and more recently by growing demand from Europe and the rest of the world. Table 3.1 sets out international cruise sector growth between 2002 and 2012.

- Over the ten years from 2002 to 2012 demand for cruising worldwide has more than doubled from 11.1 million passengers to 20.9 million (+88%) with 2.5% growth achieved in 2012. Over a similar period, global, mainly land-based tourism, has risen by around 45% to an estimated 1.035 billion tourists in 2012, 5.3% up on 2011.
- Although North American cruise passenger numbers have increased by 51%, the region's relative share of the total market has declined from 69% in 2002 to 56% in 2012.

Table 3.1: International Demand for Cruises 2002 to 2012

Region	2002	2007	2008	2009	2010	2011	2012
Million passengers							
N. Am.	7.7	10.45	10.39	10.40	11.01	11.4	11.6
Europe ①	2.4	4.05	4.48	5.06	5.71	6.18	6.26
Sub-total	10.1	14.5	14.85	15.50	16.75	17.6	17.9
RoW ②	0.97	1.37	1.71	2.16	2.43	2.77	3.00
Total	11.1	15.87	16.50	17.68	19.1	20.4	20.9
% NA	69.47	65.8	62.4	59.0	57.4	56.1	55.7

① Including Russia and Central and Eastern European countries outside the EU-27. ② Rest of the world: Largely estimated and adjusted from 2009 to take account of dynamic growth in the southern hemisphere.

Source: G. P. Wild (International) Limited from PSA, CLIA, IRN and other sources.

A European Growth Industry

The falling trend in the global share of the North American market was reversed in 2012, when expansion in Europe was much lower than in previous years. This can be seen from the more detailed figures for European growth over the 2010-2012 period, which are shown in Table 3.2.

Table 3.2: Western European Cruise Market 2010-12

Source Market	2010		2011		2012		% Change 2010/12
	Group total	Market Share	Group total	Market Share	Group total	Market Share	
	1,000s Pax	%	1,000s Pax	%	1,000s Pax	%	
UK ①	1,622	29	1,700	28.0	1,701	27.7	+5
Germany	1,219	22	1,388	22.9	1,544	25.2	+27
Italy	889	16	923	15.2	835	13.6	-6
Spain	645	12	703	11.6	576	9.4	-11
France	387	7	441	7.3	481	7.8	+24
Other	805	15	913	15.0	1,002	16.3	+24
Total ②	5,567	100	6,068	100	6,139		+10

① Including Ireland.

② Totals exclude estimates for Russia and Eastern Europe, making up a total of 6.20 million.

Source: IRN

- In 2001 an estimated 2.37 million Europeans cruised but by 2012 this figure had grown to 6.20 million, representing an increase of 162%.
- Over a similar period Europe as a source market for land-based tourism expanded by 30% to reach 534 million tourists.

The European Cruise Fleet

During 2012 there were 43 cruise lines⁸ domiciled in Europe which operated 131 cruise ships with a capacity of 146,675 lower berths. In addition there were 22 cruise lines domiciled outside Europe participating in the European cruise market. These lines, predominately North American, deployed 76 vessels in the region with a capacity of around 101,750 lower berths.

There were at least 168 cruise ships active in the Mediterranean and 109 in Northern Europe during 2011⁹, some of which repositioned from the Mediterranean for the shorter Northern season. These ships ranged in size from the 4,200 passenger *Norwegian Epic* to ships with a capacity of less than 100 passengers. The *Norwegian Epic* is the largest ship yet to be deployed in European waters, returning for a third successive season in 2013.

The Mediterranean

- In 2012 a total of 168 cruise ships were active in Mediterranean waters with a capacity of 221,214 lower berths with an average of 1,317 berths per ship.
- Collectively these ships carried a potential 3.78 million passengers on 2,650 cruises, offering a total capacity of 30.74 million pax-nights, giving an average cruise length of 8.1 nights. A further 480,000 potential passengers cruised the Atlantic Isles.
- In 2012, North American operators deployed 59 ships with 83,229 lower berths in the Mediterranean, including some ships targeted at European markets. In comparison, European domiciled lines operated 107 vessels, which offered 135,336 lower berths.

Northern Europe

- In 2012 a total of 109 cruise ships were active in Northern European waters with a capacity of 120,871 lower berths with an average of 1,109 berths per ship.
- Collectively these carried a potential of 1.49 million passengers on 1,265 cruises, offering a total capacity of 13.18 million pax-nights, giving an average cruise length of 8.8 nights.
- The Northern European market grew by around 16% in 2012 and is expected to expand further in 2013 to around 13.86 million pax-nights.
- In 2012, North American mainstream operators deployed 29 ships, with 42,101 lower berths in Northern Europe. European domiciled cruise lines operated 60 vessels with 73,455 lower berths. The balance was largely made up of niche market ships visiting the polar-regions.
- The Baltic Sea is the largest segment in the Northern Europe market, generating capacity of around 4.85 million passenger nights in 2012 and around 5.14 million in 2013.

⁸ Two ships operated by Israeli companies have been included in the European-domiciled fleet.

⁹ The figures for the Mediterranean and North European fleets cannot be compared with those given for the domiciled and non-domiciled fleets as ships move between markets both within Europe and worldwide. Similarly the Mediterranean and North European fleets are not directly comparable. The Mediterranean total includes a few ships cruising to the Atlantic Isles only.

4. European Cruise Ports

The European cruise industry is to a large extent destination-led and the Mediterranean and Northern European regions include many attractive destinations.

- Many of the leading ports are regarded as “must see” or “marquee” destinations that destination planners will wish to include in their itineraries.
- Other ports, some of which are also marquee ports in their own right, have advantages of strategic position, access to major hub airports and suitable bed-stock, enabling them to feature prominently as Home Ports.

The following table summarises the position in 2012 for the leading European ports¹⁰ in respect of the embarkations, disembarkations and port-of-call visits at each port. As many ports have not yet reported their final tally for 2012 the list includes a number of estimates.

Table 4.1: Leading Cruise Ports in 2012 – Thousands of Passengers

Port	Revenue Passengers, 2012			
	Embarking	Disembarking	Port Call	Total
Mediterranean Top ten				
Civitavecchia	460	460	1,270	2,190
Barcelona	608	608	1,049	2,049
Venice	722	722	332	1,776
Piraeus	165	165	869	1,199
Naples	80	80	1,030	1,190
Livorno	27	28	983	1,038
Palma Majorca	233	233	519	985
Dubrovnik	7	7	937	951
Santorini	0	0	839	839
Savona	323	316	171	810
Northern Europe Top ten				
Southampton	752	752	25	1,529
Copenhagen	224	222	394	840
Lisbon	23	21	479	523
Stockholm	42	43	382	467
Bergen	1	2	444	447
Tallinn	0	0	441	441
St Petersburg	0	0	440	440
Helsinki	2	2	364	368
Kiel	147	149	53	348
Cadiz	0	0	334	334

Source: MedCruise, Cruise Europe and individual port data.

Major European Home Ports

The principal Home Ports in the Mediterranean and Northern Europe are shown in Table 4.2 with passenger throughputs (or revenue passengers), where available for 2010-12.

Table 4.2: Revenue Passengers – Major European Home Ports 2010-12

Home Port	Country	2010	2011	2012
Mediterranean				
Barcelona	Spain	2,350,283	2,657,244	2,408,960
Civitavecchia	Italy	2,458,000	2,400,000	2,190,000
Piraeus (Athens)	Greece	1,210,000	1,560,000	1,199,000
Venice	Italy	1,617,011	1,786,416	1,775,944
Palma Majorca	Spain	1,347,009	1,419,502	984,785
Savona	Italy	780,672	948,459	810,097
Genoa	Italy	860,290	798,521	797,239
Northern Europe				
Southampton	UK	1,243,463	1,445,000	1,529,000
Copenhagen	Denmark	662,000	819,000	840,000
Kiel	Germany	341,000	377,205	348,180
Dover	UK	307,223	223,825	246,000
Hamburg	Germany	245,761	314,494	430,329
Amsterdam	Netherlands	198,530	258,576	289,757

Note: Where a port also handles port-of-call passengers, these are also included in the totals shown in the above table.

Source: MedCruise, Cruise Europe and individual port data.

¹⁰ In this and the subsequent port tables non-European Mediterranean ports are included.

Key European Ports-of-Call

The principal ports-of-call in the Mediterranean and Northern Europe are shown in the following table with passenger throughputs, where available, from 2010 to 2012.

Table 4.3: Major European Ports-of-Call 2010-12

Port-of-Call	Country	2010	2011	2012
Mediterranean				
Naples	Italy	1,139,919	1,154,000	1,190,000
Livorno	Italy	822,514	982,928	1,037,849
Dubrovnik	Croatia	970,000	985,398	950,791
Marseille	France	699,892	826,000	930,000
Santorini	Greece	700,000	962,000	838,899
Côte d'Azur [Ⓞ]	France	667,847	666,082	702,080
Mykonos	Greece	594,000	684,000	657,511
Corfu	Greece	429,000	453,000	655,764
Malaga	Spain	659,123	638,845	651,517
Valletta	Malta	493,748	566,042	623,000
Bari	Italy	507,712	586,848	618,882
Tunis	Tunisia	850,000	740,000	582,601
Rhodes	Greece	536,000	526,000	490,000
Valencia	Spain	253,743	378,463	480,233
Messina	Italy	371,180	500,636	438,305
Palermo	Italy	394,885	567,049	354,399
Gibraltar	UK dep	305,161	328,636	330,000
Northern Europe				
Lisbon	Portugal	448,497	502,644	522,604
Stockholm	Sweden	415,000	452,000	467,000
Bergen	Norway	291,877	350,248	446,906
Tallinn	Estonia	389,370	437,517	440,504
St Petersburg	Russia	423,931	455,476	440,000
Rostock/ Warnemunde	Germany	177,200	257,300	382,000
Helsinki	Finland	342,000	385,000	368,000
Cadiz	Spain	334,162	376,000	334,266
Geiranger	Norway	210,105	229,220	315,193
Oslo	Norway	260,843	315,000	299,416
Stavanger	Norway	175,325	215,026	277,000
Vigo	Spain	233,644	252,827	240,352
Havre, Le	France	128,239	185,194	212,825
Flam	Norway	136,908	156,907	199,875
Zeebrugge	Belgium	98,000	142,444	151,930

[Ⓞ] Mainly Nice, Villefranche and Cannes.

Notes:

1. Where a port also handles some home porting passengers, these are also included in the totals shown in the above table.
2. Other ports and destinations located in the Mediterranean, which are important ports-of-call but for which data is uncertain include the following with estimates of 2012 passenger numbers by G. P. Wild (in thousands): Crete (401), Istanbul (570), Katakolon (690), Kusadasi (600).
3. Four of the five leading ports of call in Northern Europe are in the Baltic Sea.

Source: MedCruise, Cruise Europe and individual port data.



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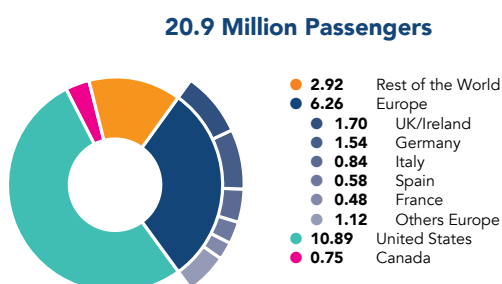


5. Cruise Passengers - Where do they come from and where do they go?

Source Markets

There were an estimated 20.9 million global cruise passengers in 2012. The countries of Europe accounted for 30% of them in terms of a source market.

Figure 5.1: Global Source Markets by Cruise Passengers



Note: UK includes Irish Republic; USA includes Puerto Rico.

During 2012 an estimated 6.14 million residents of the EU+3 countries cruised. The top five source markets -UK, Germany, Italy, Spain and France- accounted for over 83% of the market.

Table 5.1: European Cruise Passengers by Source Country, 2012

Country	Passengers	Share of Total
UK/ Ireland ①	1,701,000	27.5%
Germany	1,544,000	22.5%
Italy	835,000	14.9%
Spain	576,000	11.4%
France	481,000	7.1%
Scandinavia	324,000	4.2%
Benelux	169,000	2.6%
Switzerland	131,000	2.0%
Austria	108,000	1.7%
Other EU + 3	267,000	6.1%
Total ②	6,139,000	100.0%

① Of which Ireland, est. 40,000.

② An additional 120,000 passengers are estimated to have been sourced from other European countries outside the EU+3 to give a European total of 6.26 million.

Source: IRN and other trade sources.

- The European market has grown by 24% over the past three years and by over 162% over the last ten. Fifty-six percent of Europeans cruised in the Mediterranean and Atlantic Isles in 2012, 22% in Northern Europe and the remaining 22% cruised outside Europe, primarily in the Caribbean.

Passenger Embarkations

An estimated 5.77 million cruise passengers embarked on their cruises from European ports in 2012.

- Italian ports, led by Venice, Civitavecchia, Savona and Genoa, were European market leaders with 2.1 million passenger embarkations in 2012.
- Spain was in second position with over 1.2 million passenger embarkations during 2012. Barcelona and Palma were Spain's major embarkation ports.

- The United Kingdom was third behind Spain with 962,000 embarkations. The principal embarkation ports for UK passengers were Southampton and Dover.
- The next three most important cruise embarkation countries were Germany, Greece and Denmark. Ports in Germany generated 451,000 passenger embarkations, followed by Greece with 244,000 and Denmark with 224,000. The major embarkation ports in these countries were: Kiel and Hamburg in Germany, Piraeus in Greece and Copenhagen in Denmark.

Table 5.2: Cruise Passengers by Country of Embarkation, 2012

Country	Passengers	Share of Total
Italy	2,081,000	36.1%
Spain	1,217,000	21.1%
UK	962,000	16.7%
Germany	451,000	7.8%
Greece	244,000	4.2%
Denmark	224,000	3.9%
France	191,000	3.3%
Netherlands	119,000	2.1%
Malta	65,000	1.1%
Sweden	42,000	0.7%
Cyprus	40,000	0.6%
Portugal	34,000	0.6%
Norway	16,000	0.3%
Other EU + 3	16,000	0.3%
EU+3	5,702,000	98.8%
Other Europe ①	67,000	1.2%
Total	5,769,000	100.0%

① Russia, Georgia and Ukraine

Source: G. P. Wild (International) Limited.

Port-of-Call Visits

The vast majority of cruise port calls in Europe are at the Mediterranean and Baltic Sea ports. Including the Black Sea and Atlantic Isles the region as a whole includes around 250 ports visited by cruise ships. The top ten destination countries accounted for 74% of cruise passenger visits in 2012. The top three are in the Mediterranean¹¹ and accounted for 55% of all European passenger visits.

- Led by Civitavecchia, Naples, and Livorno, Italian ports also hosted over 6.2 million passenger visits in 2012 making Italy the largest cruise destination in Europe.
- With the inclusion of the Canary Islands, Spanish ports received nearly 5.2 million cruise passenger visits in 2012. Spain's ranking rose from third in 2009 to second in 2010 and remained second in 2011 and 2012.
- After a sharp decline in cruise passenger arrivals at Greek ports in 2011 resulting in Greece falling from first in 2009 to third in 2011, passenger arrivals increased by nearly 7% in 2011 to 4.8 million cruise passengers and remained virtually unchanged in 2012. Piraeus, Santorini, Mykonos and Rhodes were the leading destination ports.

11 The majority of calls in Spain and France are at ports on their Mediterranean coasts.

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5. Cruise Passengers - Where do they come from and where do they go?

- Norway's rank rose from fifth in 2011 to fourth in 2012 and was the leading destination in Northern Europe with nearly 2.5 million passenger visits, led by Bergen, Geirangerfjord and Oslo.
- Just over 2.3 million cruise passengers arrived at French ports in 2012. This is a 7.0% increase from 2011 and placed France as the fifth highest cruise destination in Europe.

Table 5.3: European Cruise Passengers by Country of Destination, 2012

Country	Passengers	Share of Total
Italy	6,220,000	21.2%
Spain	5,175,000	17.7%
Greece	4,796,000	16.4%
Norway	2,493,000	8.5%
France	2,319,000	7.9%
Portugal	1,241,000	4.2%
United Kingdom	723,000	2.5%
Malta	542,000	1.9%
Denmark	525,000	1.8%
Sweden	516,000	1.8%
Estonia	442,000	1.5%
Benelux	398,000	1.4%
Finland	372,000	1.3%
Germany	343,000	1.2%
Gibraltar	308,000	1.0%
Iceland	204,000	0.7%
Cyprus	188,000	0.6%
Ireland	175,000	0.6%
Poland	101,000	0.3%
Other EU ① + 3	206,000	0.8%
EU+3	27,287,000	93.3%
Other Europe	1,974,000	6.7%
Total	29,261,000	100.0%

① Latvia, Lithuania, Slovenia, Romania and Bulgaria.

6. Shipbuilding in Europe

Although conventional merchant shipbuilding has been in decline in Europe since the late 70's in the face of lower-cost competition from the Far East, the European industry has been more successful in retaining market share in a number of specialist sectors.

- The most important of these is cruise ship construction in which the European industry has been the world leader for 40 years.
- All but two of the oceanic cruise ships currently under construction up to the end of 2016 are being built in European yards.
- The yards in Italy, Germany, France, and Finland are the most important suppliers to the market and currently account for all new ships due for delivery within Europe from 2013 to 2016.
- Germany and Italy are the current leaders with over 75% of the order book between them.
- Japan currently has orders for two ships but its market participation in the past has been sporadic, previous ships having been delivered in 1989-90, 1998 and 2004.
- Although other non-European yards have the capacity and technology to build cruise ships, they may not have project management capability, aptitude or the desired balance of labour and skills required to deliver a cost effective result within a required budget in the contracted delivery time. However, Far Eastern yards are known to be studying the market diligently and two prospective orders have been reported for yards in China.
- The majority of cruise ships serving the European market are dry-docked in Europe, together with a number of North American ships summering in the region.
- European yards also undertake major conversions such as replacement of main engines and insertion of a mid-body to lengthen the ship.
- The outstanding reputation of European yards has meant that US cruise lines have continued to order ships in Europe despite the weakness of the US dollar against the euro.
- Europe offers an abundance of specialist skills and sophisticated technology in areas such as navigation and outfitting, which support European cruise ship construction and assist the yards in maintaining a competitive edge over their rivals in other parts of the world.

The current allocation of the 2013-16 order book by country of build is shown in the next table.

Table 6.1: Ocean-going Cruise Vessels – Scheduled Newbuildings, 2013-2016

Country of Build	No.	GT	Pax (LB)	Cost €M	Share of Cost
Italy	9	893,700	23,431	€4,166	39.3%
Germany	6	837,300	22,592	€3,798	35.9%
France	3	404,182	9,394	€1,794	16.9%
Finland	2	194,000	5,000	€833	7.9%
Total	20	2,329,182	60,417	€10,591	100.0%

Note: GT (Gross Tonnage), LB (Lower Berths), Pax (Passengers).

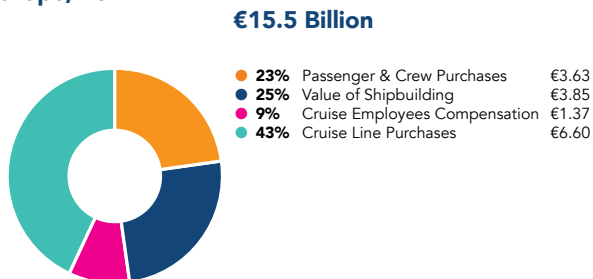
Source: G. P. Wild (International) Limited.

7. Direct Cruise Industry Expenditures in Europe: A Broadly Based Flow of Spending

Major Segments

Cruise tourism generated €15.5 billion in direct expenditures throughout Europe in 2012, a 3.4% increase from 2011. As indicated in the following figure, these expenditures were broadly distributed across the four major source segments.

Figure 7.1: Direct Cruise Industry Expenditures in Europe, 2012



Shipbuilding

The global cruise industry spent €3.85 billion, 25% of total cruise industry expenditures, in 2012. Expenditures for new construction and maintenance remained virtually unchanged from 2011 (+0.3%) after declining for three consecutive years.

- Since the cruise ship order book peaked in 2007, new orders fell in each of the next three years. As a consequence, the growth in shipbuilding expenditures declined in 2008 and actual expenditure fell during 2009-11. Although the total orderbook has stabilised in 2012-13 the contracts placed in Japan and potentially in China suggest that shipbuilding expenditure in Europe may continue to decline.

Table 7.1: Cruise Industry Expenditures for Newbuildings and Refurbishment (Millions), 2012

Country	Newbuildings	Refurbishment	Total
Germany	€1,077	€378	€1,455
Italy	€840	€301	€1,141
France	€428	€54	€482
Finland	€114	€53	€167
Other EU+3	€243	€234	€477
Subtotals	€2,702	€1,020	€3,722
Non-EU	€120	€12	€132
Totals	€2,822	€1,032	€3,854

- Seventy-three per cent (73%) of these expenditures relate to the work-in-progress for the construction of new cruise ships, with the remaining 27% covering conversion, refitting, refurbishment and maintenance of cruise ships.
- Among the four major shipbuilding countries in Europe, expenditures for new construction declined in France and Italy during 2012, by 32% and 12% respectively. Expenditures increased in Germany by 18% and 37% in Finland.

Cruise Line Purchases

Cruise lines spent an additional €6.6 billion with European businesses in support of their cruise operations. This was 43% of the total and a 3.8% increase over 2011. These purchases included a broad range of products and services and touched virtually every industry in Europe.

Among the major industries that benefited from the impact of direct cruise line spending were the following.

- Food and beverage manufacturers produced €624 million in provisions consumed on board cruise ships by passengers and crew, an increase of 15% from 2011. This growth has been driven by increased capacity and rising food costs.
- Driven by rising fuel costs, the petrochemical industry received an estimated €961 million from cruise lines in 2012, a 14% rise over 2011. Since 2009, fuel costs have increased by approximately 50%. Petrochemical products included bunker fuels, lubricants, paint and cleaning supplies.
- Another €840 million was spent for the manufacture of metals and machinery, including material handling equipment, engines, lighting equipment, communication equipment and computers. This represented a 3.0% decline from 2011 and resulted from an overall fall in capital goods spending by the cruise industry.
- Spending for transportation and utilities totalled €1.53 billion and included spending for public utilities, travel agent commissions, port charges and ground transportation. This was a 6.9% increase over 2011.
- The cruise industry also spent an estimated €1.28 billion on financial and business services including: advertising, engineering and other professional services, computer programming and support services and direct mail and market research. This was a decrease of 6.0% from 2011 which was primarily the result of a fall in administrative and overhead expenses.

Table 7.2: Direct Cruise Lines Purchases by Industry (Millions), 2012 (Excluding Shipbuilding)

Industry	Purchases	Share of Total
Ag. Min., & Const.	€18	0.3%
Food & Beverage	€624	9.5%
Textiles & Apparel	€186	2.8%
Paper & Printing	€182	2.8%
Petroleum & Chemicals	€961	14.6%
Stone & Glass	€27	0.4%
Metals	€234	3.5%
Machinery	€606	9.2%
Other Manufacturing	€417	6.3%
Wholesale Trade	€128	1.9%
Transportation & Utilities	€1,533	23.2%
Financial & Bus. Services	€1,276	19.3%
Personal Serv. & Gov't	€408	6.2%
Total	€6,600	100.0%

Note: In this and subsequent tables in the economic impact sections, the totals may differ from the sum of the components due to rounding.

7. Direct Cruise Industry Expenditures in Europe: A Broadly Based Flow of Spending

Cruise Passengers and Crew

Passengers and crew spent €3.63 billion at ports-of-embarkation and ports-of-call in 2012, accounting for 23% of total cruise industry expenditures. This was a 5.7% increase over passenger and crew spending in 2011.

- The 5.77 million cruise tourists that embarked on cruises from European ports spent an estimated €1.69 billion on airfares, port fees, accommodation, excursions, food and beverages amongst others at the embarkation ports, 5.9% more than in 2011.
- European airfares accounted for approximately three-quarters of these expenditures by embarking passengers.
- The 29.3 million passenger visits at European ports-of-call generated an additional €1.81 billion in expenditures for tours, food and beverage, merchandise and other similar expenditures. This is an increase of 5.2% from 2011.
- An estimated 15.2 million crew members arrived at port cities during cruise calls. Of these an estimated 6.1 million disembarked and made purchases totalling an estimated €130 million, or nearly €21.50 per crew visit.

Compensation of Cruise Line Employees

European cruise lines spent €1.37 billion on compensation for employees who resided in Europe during 2012, a 4.1% rise from 2011. These expenditures accounted for 9% of total cruise industry expenditures. The cruise lines employed an estimated 60,600 residents of Europe in their administrative offices and as crew on board their ships.

Table 7.3: Cruise Line Compensation Shares by Country, 2012 - Country of Residence of Employees

Country	Share of Total
United Kingdom	38.8%
Italy	34.5%
Germany	7.7%
Norway	6.6%
Spain	2.5%
France	2.3%
Portugal	2.0%
Ireland	1.0%
Netherlands	0.8%
Romania	0.6%
Austria	0.5%
Bulgaria	0.5%
Rest of EU+3	2.2%

Direct Expenditures by Country

As indicated in Table 7.4, businesses many countries in Europe were directly impacted by the cruise industry.

- The three countries of Italy, Germany and the UK accounted for 67% of the direct expenditures of the cruise industry. These three countries experienced a combined increase of 5.5% in direct expenditures from 2011. These countries participated in all segments of the industry:
 - Serving as major source and destination markets for cruise passengers,
 - Maintaining headquarters facilities and providing crew,
 - Providing shipbuilding and repair services, and
 - Provisioning and fuelling of cruise ships.

Table 7.4: Direct Cruise Industry Expenditures by Country, 2012 - Millions

Country	Direct Spending	Share of Total
Italy	€4,460	28.8%
Germany	€2,953	19.1%
UK	€2,935	19.0%
Spain	€1,254	8.1%
France	€1,066	6.9%
Greece	€588	3.8%
Norway	€552	3.6%
Netherlands	€351	2.3%
Finland	€264	1.7%
Denmark	€214	1.4%
Top 10	€14,637	94.7%
Portugal	€207	1.3%
Sweden	€195	1.3%
Malta	€98	0.6%
Gibraltar	€62	0.4%
Cyprus	€53	0.3%
Rest of the EU+3	€207	1.4%
Total	€15,459	100.0%

The top five countries experienced a 4.4% increase in direct cruise industry expenditures during 2012.

- Germany led the way with a 17% increase in direct expenditures and accounted for 125% of the net increase in expenditures among the top 5 countries and more than offset the decline in France and Spain. Germany's growth was fairly uniform across the major expenditure categories with passenger and crew spending increasing by 14%, shipbuilding and maintenance growing by 18%, cruise employee compensation increasing by 6% and other expenditures by cruise lines expanding by 17%.
- The UK and Italy experienced much smaller gains in direct cruise sector expenditures with respective gains of 3.7% and 0.2%. The growth in the U.K. was led by a 10% increase in spending by passengers and crew as a result of a 10.5% rise in passenger embarkations and transit visits. Spending by cruise lines for employee compensation and other goods and services in support of their cruise operations increased by nearly 3%. Additionally, spending for vessel maintenance and repair at UK shipyards grew by 1.5%.
- As noted above Italy experienced a 0.2% increase in direct cruise industry expenditures in 2012 and followed a 2% decline in 2011. This slight gain in spending was the net result of a 12% decline in spending at Italian shipyards and a 5% increase in spending by passengers and crew and cruise lines.
- Direct expenditures in Spain declined by 3.4% during 2012. Spending by passengers and crew at Spanish port cities fell by 4% primarily due to a 18% reduction in passengers sourced from Spain and a 12% decline in embarkations at Spanish ports. Additionally, spending at Spanish shipyards fell by 17%. These declines were only partially offset by a 3% increase in expenditures by cruise lines for employee compensation and other purchases with Spanish businesses.

- Finally, France experienced a 13% decline in direct spending in 2012. This reduction was the net result of a 32% decrease in shipbuilding expenditures and a 10% rise in the other major sources of cruise industry spending. Passenger and crew spending increased by 12% as a result of a 10% growth in passenger visits.

The remaining five countries in the top ten experienced an aggregate gain of 4.6% in total direct expenditures. This was the net result of gains in the four countries of Finland (13.8%), Norway (10.4%), Denmark (8.1%) and the Netherlands (1.1%) which were partially offset by the 2.8% decline in direct expenditures in Greece.

- The reduction in Greece was spread across the major expenditure categories with passenger and crew spending falling by 1.2%, expenditures for vessel maintenance and repair declining by 6.9% and other spending by cruise lines falling by 5.2%.
- The Netherlands' modest growth of just over 1% was the net result of a 32% increase in spending by passengers and crew and a 12.3% expansion in spending for vessel maintenance and construction which were partially offset by a 4% reduction in other spending by the cruise lines.
- The 8.1% growth in direct expenditures in Denmark during 2012 was primarily driven by a 7% increase in spending by passengers and crew during port visits and a 9% expansion in spending by cruise lines for goods and services, excluding shipbuilding.
- Norway's 10.4% increase in direct expenditures was primarily driven by a 24% rise in spending by passengers and crew during port visits and a 40% expansion in spending for vessel maintenance and construction. The strong growth in passenger and crew spending was driven by a 27% increase in passenger and crew arrivals at Norwegian ports.
- Direct expenditures in Denmark rose by 13.8% during 2012. Denmark's growth was fairly uniform across the major expenditure categories with passenger and crew spending increasing by 7%, shipbuilding and maintenance growing by 20%, cruise employee compensation rising by 8% and other expenditures by cruise lines expanding by 9%.

The next five countries had direct cruise industry spending of between €50 million and €200 million. These five countries were primarily impacted as passenger destination markets and experienced an aggregate growth in direct expenditures of 4.4%. Direct spending totalled €615 million during 2012.

The remaining 15 countries all had direct cruise industry expenditures of under €50 million. These countries were primarily impacted as either source markets, destination markets or as sources for crew:

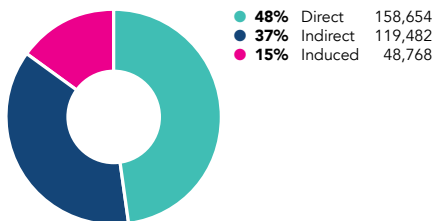
- Passenger Source Markets: Austria, Luxembourg and Switzerland.
- Passenger Destination Markets: Belgium, Estonia, Iceland, Ireland, Latvia and Slovenia.
- Crew: Bulgaria, Czech Republic, Hungary, Lithuania, Poland, Romania, and Slovakia.

8. The Economic Benefits of Cruise Tourism

Employment Impacts

The €15.5 billion in direct cruise tourism expenditures throughout Europe in 2012 generated an estimated 326,904 jobs (direct, indirect and induced).

Figure 8.1: Total Employment Impact in Europe, 2012
326,904 Jobs



Direct Employment Impacts

The direct cruise tourism expenditures directly generated an estimated 158,654 jobs. These included employees of the cruise lines, direct suppliers to the cruise lines and employees of establishments providing goods and services to passengers.

The direct economic impacts of the cruise industry are derived from a broad range of activities including:

- Port services and cruise industry employment;
- Transportation of cruise passengers from their place of residence to the ports of embarkation;
- Travel agent commissions;
- Spending for tours and pre- and post-cruise stays in European port cities;
- Passenger spending for retail goods in European port cities; and
- Purchases of supplies by the cruise lines from European businesses.

The direct jobs generated by the cruise industry are located on cruise ships, in headquarters of cruise lines, at travel agencies that sell cruises, at manufacturing plants that provide goods consumed on cruise ships, at shipyards, advertising agencies and at hotels that are used by passengers for pre- and post-cruise stays.

As indicated in the following table the direct employment impacts are broadly based and include the following:

- Cruise lines directly employed an estimated 60,608 European residents in their administrative offices and on board cruise ships. They accounted for 38.2% of the direct employment impacts.
- European manufacturers employed an estimated 36,989 workers, 23% of the direct jobs. The total number of manufacturing jobs generated by cruise industry expenditures increased by 0.9% from 2011.
 - European shipyards employed an estimated 21,803 workers on the construction and repair of cruise ships, 0.5% more than in 2011 but still about 40% less than the 2008 peak of nearly 37,000.

Table 8.1: Direct Cruise Industry Employment by Industry, 2012

Industry	Direct Jobs	Share of Total
Agr., Mining & Constr.	171	0.1%
Manufacturing	36,989	23.3%
Food & Beverages	2,526	1.6%
Textiles & Apparel	1,635	1.0%
Paper & Printing	1,148	0.7%
Petroleum & Chemicals	1,112	0.7%
Stone, Clay & Glass	175	0.1%
Metals	2,432	1.5%
Machinery	2,834	1.8%
Electrical Machinery	1,266	0.8%
Shipbuilding	21,803	13.8%
Other Manufacturing	2,058	1.3%
Wholesale & Retail Trade	10,607	6.7%
Hospitality	6,849	4.3%
Transportation & Utilities	22,349	14.1%
Air Transport	5,806	3.7%
Transport Services	14,655	9.2%
Other Transport & Utilities	1,888	1.2%
Financial and Business Services	11,418	7.2%
Finance, Ins. & Real Estate	811	0.5%
Business Services	10,607	6.7%
Personal Services & Govt	9,663	6.1%
Subtotal	98,046	61.8%
Cruise Line Employees*	60,608	38.2%
Grand Total	158,654	100.0%

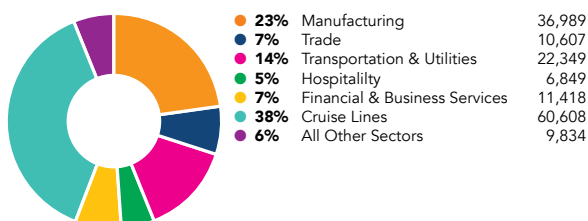
* European Nationals

- Over 2,500 jobs were generated in the food and beverage industry to produce food and beverage items consumed on cruise ships.
- An estimated 6,532 workers were employed in the metals, machinery and electrical machinery industries to produce structural metal products and equipment used in offices and on cruise ships. This was a decline of 3.6% from 2011.
- The wholesale and retail trade sector employed an estimated 10,607 workers to provide goods to the cruise lines and their passengers. Driven by the growth in passenger and crew spending this was an increase of 9.3% from 2011.
- The Transportation and Utilities sector employed more than 22,300 workers, 14.1% of the total and a 5.2% increase over 2011. These included air transportation workers dependent on air travel by passengers and crew, truck drivers who deliver goods to cruise ships, travel agents who sell cruises and tour operators that provide onshore excursions.
- Financial and business service providers employed just over 11,400 persons, including insurance agents, financial advisors, computer programmers, engineers, management consultants, lawyers and accountants. They accounted for 7.2% of the total direct employment impacts and, as a primary result of a decline in administrative and overhead expenses, fell by 7.2% in comparison to 2011.
- Nearly 6,850 workers were employed in the hospitality industry (hotels, restaurants and amusement

enterprises) as a direct result of passenger spending during their cruise vacations. This was an increase of 7% over 2011.

- Finally, almost 9,700 jobs were generated in the personal services, government and other sectors. These include photographers, health care employees and social service providers, among others.

Figure 8.2: Direct Employment by Sector, 2012
158,654 Jobs



Total Employment Impacts

As indicated in Table 8.2 an estimated 326,904 total jobs, comprising direct, indirect and induced employment, were generated throughout Europe by the cruise industry in 2012, an increase of 3.6% from 2011.

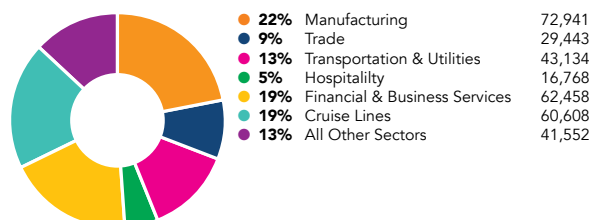
- European manufacturers employed more than 72,900 workers, 22.3% of the total jobs, as a result of the total economic impact of the cruise industry. This is an increase of 1.7% from 2011.
 - Transportation equipment industry employed an estimated 26,592 workers, 82% on construction and maintenance of cruise ships and other vessels.
 - Nearly 10,600 jobs were generated in the food, textiles and apparel industries as result of cruise line, passenger and household demand for food, clothing and related products.
 - Approximately 21,400 workers were employed in the metal and machinery industries primarily as a result of direct and indirect demand from the shipbuilding industry.
- Cruise lines directly employed just over 60,608 European residents in their administrative offices and on board cruise ships. They accounted for 18.5% of the total employment impacts.
- Financial and Business Services accounted for 19.1% of the total employment impacts with more than 62,400 jobs. While the total impacts measured in this section were spread throughout all components of this sector, the impacts were most heavily concentrated in the area of business services.
- Combined, the Trade and Hospitality sectors accounted for 14.1% of the total employment impacts, which amounted to just over 46,200 total jobs. The trade jobs were primarily among wholesale trade establishments, while the hospitality jobs were concentrated in hotels and eating and drinking outlets.

Table 8.2: Total Employment by Industry, 2012

Industry	Total Jobs	Share of Total
Agr., Mining & Constr.	16,824	5.1%
Manufacturing	72,941	22.3%
Food & Beverage	5,638	1.7%
Textiles & Apparel	4,946	1.5%
Paper & Printing	4,403	1.3%
Petroleum & Chemicals	4,049	1.2%
Stone & Glass	1,326	0.4%
Metals	11,051	3.5%
Machinery	5,503	1.7%
Electrical Machinery	4,407	1.3%
Transportation Equipment ¹²	26,592	8.2%
Other Manufacturing	5,026	1.5%
Wholesale & Retail Trade	29,443	9.0%
Hospitality	16,768	5.1%
Transportation & Utilities	43,134	13.3%
Air Transport	6,513	2.0%
Transport Services	21,162	6.6%
Other Transport	9,752	3.0%
Communications & Utilities	5,707	1.7%
Financial & Business Services	62,458	19.1%
Finance, Ins. & Real Estate	9,340	2.9%
Business Services	53,118	16.2%
Personal Services & Govt	24,728	7.6%
Subtotal	266,296	81.5%
Cruise Line Employees	60,608	18.5%
Grand Total	326,904	100.0%

- Transportation and Utility services accounted for 13.3% of the total employment impacts and over 43,100 jobs. This reflects direct demand generated by the cruise industry and the strong inter-industry linkages which reflect the heavy usage of a variety of transportation services to supply businesses with their inputs and to deliver consumer goods to retail outlets.

Figure 8.3: Total Employment by Sector, 2012
326,904 Jobs



- Just over 16,800 total jobs, amounting to 5.1% of the total employment impacts were generated in the Agriculture, Mining and Construction segments. These jobs were spread fairly evenly throughout the industries in this sector.

¹² Transportation equipment includes shipbuilding, but also the manufacture of other transportation equipment, such as automobiles, buses, trucks, airplanes, railroad stock, etc. Most of the indirect and induced impacts occur in these other industries.

8. The Economic Benefits of Cruise Tourism

- The Personal Services and Government sector accounted for 7.6% of the total employment impacts with over 24,700 total jobs. These jobs were concentrated in the education, medical care and social services industries.

Total Employment by Country

As indicated in Table 8. 3, the European cruise industry was responsible for generating employment in each of the EU+3 countries. The employment impacts were, however, concentrated in 10 countries, accounting for 90% of the industry's total job creation. Another five had total employment impacts in excess of nearly 1,000 jobs or more and accounted for 3.9% of total job creation. The remaining 15 countries accounted for 5.7% of total employment impacts generated by the industry.

The Top Ten

The three countries of Italy, Germany and the UK accounted for 67% of the direct expenditures of the cruise industry. Driven by the strong growth in Germany, these three countries experienced a combined increase of 5.5% in direct expenditures from 2011. These countries participated in all segments of the industry:

- Serving as major source and destination markets for cruise passengers,
- Maintaining headquarters facilities and providing crew,
- Providing shipbuilding and repair services, and
- Provisioning and fuelling of cruise ships.
- Italy accounted for 30.4% of the total employment impacts with 99,556 jobs:
- As Europe's largest cruise destination market, the transportation (excluding cruise line employees), trade and hospitality industries accounted for a combined 22% of the total employment impacts.
- The manufacturing sector accounted for 26% of the total impact with these jobs concentrated in the shipbuilding and metals industries.
- The cruise lines directly employed an estimated 13,922 Italian residents as crew and administrative staff, 14% of the total employment impacts.

Table 8.3: Total Employment by Country, 2012

Country	Total Jobs	Share of Total
Italy	99,556	30.4%
UK	66,059	20.2%
Germany	45,637	14.0%
Spain	26,389	8.1%
France	14,238	4.4%
Norway	13,647	4.2%
Greece	11,626	3.6%
Portugal	8,645	2.6%
Netherlands	5,774	1.8%
Finland	3,911	1.1%
Top 10	295,482	90.4%
Poland	3,540	1.1%
Denmark	2,805	0.9%
Malta	2,650	0.8%
Sweden	2,618	0.8%
Cyprus	943	0.3%
Rest of EU+3	18,866	5.7%
Total	326,904	100.0%

- The United Kingdom accounted for 20% of the total employment impacts with an estimated 66,059 jobs:
 - As Europe's largest cruise passenger source market, the transportation (excluding cruise line employees), trade and hospitality industries accounted for a combined 24% of the total employment impacts.
 - The Financial and Business Services sector accounted for 23% of the total impact. These jobs were primarily in the advertising, professional consulting and insurance industries.
 - The cruise lines directly employed an estimated 14,677 UK residents as crew and administrative staff, which accounted for 22% of the total employment impacts.
- Germany accounted for 14% of the total employment impacts with an estimated 45,637 jobs:
 - Manufacturing accounted for 30% of the total impact, an increase from 30% in 2011.
 - As Europe's second largest cruise passenger source market, Germany's transportation (excluding cruise line employees), trade, and hospitality industries accounted for a combined 18% of the total employment impacts.
 - The cruise lines directly employed an estimated 4,151 German residents as crew and administrative staff, which accounted for 9.1% of the total employment impacts.

The remaining seven countries in the top ten tended to be impacted in one or two primary segments.

- Spain, as a major source and destination market with some headquarters operations, had a total employment impact that totalled 26,389 jobs. Cruise line employees accounted for 4% of its total employment impact while the transportation (excluding cruise line employees), trade and hospitality industries accounted for 45% of the impact.
- France is a shipbuilding centre and a source and destination market. It had a total employment impact of 14,238 jobs. The manufacturing sector accounted for 28% of the total, down from 33% in 2011, while the transportation, trade and hospitality industries accounted for 29% of the total employment impact.
- Norway provides ship maintenance services and crew and is a destination market with total employment impact of just over 13,600 jobs. Cruise line employees accounted for 29% of total impact and manufacturing for 16%.
- Greece is primarily a destination market with some ship repair services and had a total employment impact of just over 11,600. Approximately 41% of these jobs were in the transportation sector and 12% in manufacturing.
- Portugal is a source for crew and ship repair services and is also a cruise destination market. It had a total employment impact of just over 8,600 jobs. Employees of the cruise lines accounted for 40% of the total impact and the transportation (excluding crew), trade and hospitality sectors accounted for 26%.
- The Netherlands is primarily a source market for cruise industry purchases and shipbuilding. Purchases by cruise lines amounted to nearly 75% of the direct expenditures with shipbuilding accounting for another 10%. The total employment impact during 2012 was

nearly 5,800 jobs. The manufacturing sector was responsible for 23% of the total employment impacts while the transportation, trade and hospitality sectors accounted for 29%.

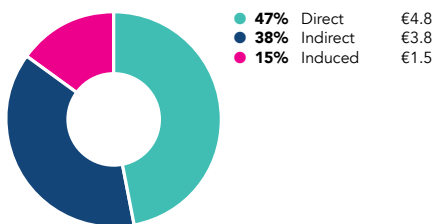
- Finland features primarily as a shipbuilding centre. Its employment impact in excess of 3,900 jobs was concentrated in the manufacturing sector, which accounted for 46% of the total impact. The cruise industry's economic impact in Finland increased in 2012 after steadily declining over the previous three years as the construction of new cruise ships rebounded in 2012.

The remaining 21 countries were primarily impacted as source markets, destination markets or as sources for crew. As a result most of the jobs generated in these countries were either as crew or in the transportation, trade and hospitality sectors.

Compensation Impacts

The cruise industry is also responsible for the generation of significant income throughout Europe. The 326,904 total jobs generated by cruise tourism also generated €10.1 billion in total compensation, which is comprised of direct, indirect and induced impacts.

Figure 8.4: Total Compensation Impact in Europe, 2012
€10.1 Billion



Direct Compensation Impacts

The cruise tourism expenditures directly generated €4.8 billion in compensation throughout Europe during 2012, an increase of 2.4% from 2011. This compensation included income received by employees of the cruise lines, direct suppliers to the cruise lines and the employees of establishments providing goods and services to cruise passengers.

The distribution of compensation among the major industries in Europe is similar to but not identical to the employment distribution. The differences are due to the wage differentials among the impacted industries and the countries in which the jobs are generated.

As indicated in the Table 8.4 the direct compensation impacts are broadly based and include the following.

- The 60,608 European residents directly employed by the cruise lines received €1.37 billion in compensation. They accounted for 29% of the direct compensation impacts.
- The 36,989 European manufacturing employees dependent on cruise-related spending earned an estimated €1.5 billion in compensation, amounting to 31% of the total direct compensation.
 - Employees of European shipyards engaged in the construction and maintenance of cruise ships received an estimated €961 million in compensation

in 2012.

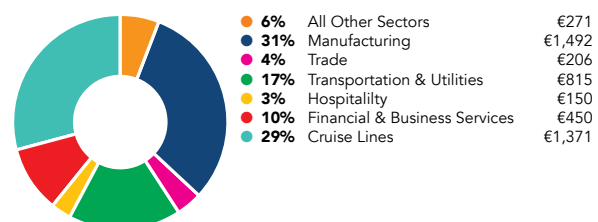
- Employees in the food and beverage industry earned €77 million from the production of provisions consumed by cruise passengers and crew.
- Workers directly employed in the metals and machinery industries earned €222 million producing a broad range of equipment used on cruise ships and in administrative offices.

Table 8.4: Direct Cruise Industry Compensation by Industry, 2012

Industry	Direct Compensation Millions	Share of Total
Agr., Mining & Constr.	€4	0.1%
Manufacturing	€1,492	31.4%
Food & Beverage	€77	1.6%
Textiles & Apparel	€44	0.9%
Paper & Printing	€45	0.9%
Petroleum & Chemicals	€72	1.5%
Stone & Glass	€6	0.1%
Metals	€76	1.6%
Machinery	€95	2.0%
Electrical Machinery	€51	1.1%
Shipbuilding	€961	20.3%
Other Manufacturing	€65	1.4%
Wholesale & Retail Trade	€206	4.3%
Hospitality	€150	3.2%
Transportation & Utilities	€815	17.1%
Air Transport	€289	6.1%
Transport Services	€475	9.9%
Other Transport & Utilities	€51	1.1%
Financial & Business Serv.	€450	9.5%
Finance, Ins. & Real Estate	€85	1.8%
Business Services	€365	7.7%
Personal Services & Govt	€267	5.6%
Subtotal	€3,384	71.2%
Cruise Line Employees	€1,371	28.8%
Grand Total	€4,755	100.0%

- It was estimated that the 10,607 wholesale and retail trade sector employees directly employed as a result of cruise industry expenditures received €206 million in compensation, 4.3% of the total direct compensation impacts.

Figure 8.5: Direct Compensation by Sector, 2012
€4.8 Billion



- It was also estimated that the 22,349 workers directly employed in Transportation & Utilities sector earned

8. The Economic Benefits of Cruise Tourism

€815 million, 17.1% of the total direct compensation impacts.

- The 11,418 persons calculated to be employed in the Financial and Business Services sector were paid €450 million, which amounted to 9.5% of the direct compensation impacts.
- The nearly 68,500 workers that were employed in the hospitality sector as a direct result of passenger spending on their cruise vacations made €150 million in compensation and accounted for 3.2% of the total.
- In the Personal Services and Government sectors, it was estimated that the nearly 9,700 directly generated jobs earned €267 million in compensation, 5.6% of the total direct compensation impacts.

Total Compensation Impacts

As indicated in Table 8.5 an estimated €10.1 billion in total compensation, which combines the sums derived from direct, indirect and induced compensation, was earned by workers throughout Europe as a result of the European cruise industry in 2012, a 2.7% increase from 2011.

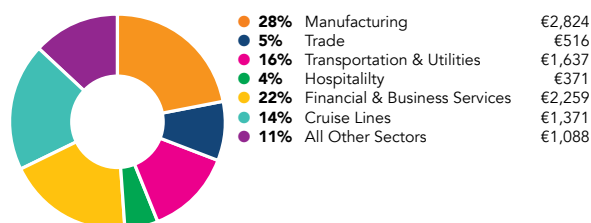
- The nearly 73,000 European manufacturing jobs generated by the European cruise industry produced €2.8 billion in total compensation. Manufacturing accounted for 28% of total compensation impacts.
 - The 26,592 workers estimated to be employed in the manufacturing of transportation equipment earned an estimated €1.16 billion in 2012. Approximately 83% of these earnings were paid to workers in the shipbuilding and repair industry.
 - The more than 10,500 employees from the food, textiles and apparel industries earned €316 million in compensation as a result of cruise line, passenger and household demand for these products.
 - The nearly 21,000 workers employed in the metal and machinery industries primarily as a result of the direct and indirect demand from shipbuilding received €778 million in remuneration.
- A sum of €1.37 billion was paid in compensation to European residents that were directly employed by the cruise lines in 2012, 13.6% of total compensation impacts.
- Financial and Business Services were estimated to employ more than 62,400 workers due to the economic activities of the European cruise industry. These workers made €2.26 billion in remuneration and accounted for 22.4% of the total compensation impacts.
- Combined, the Trade and Hospitality sectors accounted for 8.8% of the total compensation impacts with €887 million in earnings.
- The 43,134 jobs created in the Transportation and Utilities sector as a result of the direct, indirect and induced impacts of the European cruise industry produced €1.6 billion in employee compensation, amounting to 16.3% of the total impacts.
- The approximately 17,000 total jobs generated in the Agriculture, Mining and Construction industries produced €324 million in compensation, 3.2% of the total.

Table 8.5: Total Compensation by Industry, 2012

Industry	Compensation Millions	Total Share of Total
Agr., Mining & Constr.	€324	3.2%
Manufacturing	€2,824	28.1%
Food & Beverage	€182	1.8%
Textiles & Apparel	€134	1.3%
Paper & Printing	€159	1.6%
Petroleum & Chemicals	€217	2.1%
Stone & Glass	€49	0.5%
Metals	€374	3.7%
Machinery	€211	2.1%
Electrical Machinery	€193	1.9%
Transportation Equipment ²	€1,159	11.6%
Other Manufacturing	€146	1.5%
Wholesale & Retail Trade	€516	5.1%
Hospitality	€371	3.7%
Transportation & Utilities	€1,637	16.3%
Air Transport	€329	3.3%
Transport Services	€705	7.0%
Other Transport	€352	3.5%
Communications & Utilities	€251	2.5%
Financial & Business Services	€2,259	22.4%
Finance, Ins. & Real Estate	€653	6.5%
Business Services	€1,606	15.9%
Personal Services & Govt	€764	7.6%
Subtotal	€8,695	86.4%
Cruise Line Employees	€1,371	13.6%
Grand Total	€10,066	100.0%

The Personal Services and Government sector accounted for 7.6% of total compensation impacts with €764 million in earnings. This was earned by the 24,726 workers that were employed as a result of the total impacts of the cruise industry in Europe.

Figure 8.6: Total Compensation by Sector, 2012
€10.1 Billion



Total Compensation by Country

Although the European cruise industry was responsible for generating compensation in each of the EU+3 countries, the majority of these impacts were concentrated in 10 countries, accounting for 95.7% of the industry's income creation. Another five countries each had total compensation impacts exceeding €15 million and accounted for another 2.7% of the total. The remaining 15 countries accounted for 1.6% of the total compensation impacts with less than €10 million each.

The Top Ten

The three countries of Italy, UK and Germany accounted for nearly 69% of the cruise industry's total compensation impact in Europe.

- Italy accounted for 30.1% of the total compensation impacts with €3.0 billion in earnings:
 - Manufacturing was responsible for 28% of the total impact with compensation totalling €848 million and concentrated in shipbuilding and metals.
 - As Europe's largest cruise destination market, the transportation (excluding cruise line employees), trade and hospitality industries together amounted to 20% of the total compensation impacts and accounted for €608 million in earnings.
 - The nearly 14,000 workers calculated to be directly employed by the cruise lines earned €473 million, 16% of the total compensation impacts.
- The United Kingdom accounted for almost 24% of the total compensation impacts with just over €2.4 billion in earned income:
 - Financial and Business Services, with €565 million, were responsible for 23% of the total compensation impacts, concentrated in the advertising, professional consulting and insurance industries.
 - As Europe's largest source market, the transportation (excluding cruise line employees), trade and hospitality industries accounted for €489 million in compensation, amounting to 20% of the total compensation impacts.
 - The 14,667 workers estimated to be directly employed by the cruise lines earned €533 million, which responsible for 22% of the total compensation impacts.

- Germany accounted for nearly 17% of the total compensation impacts with earnings amounting to just over €1.7 billion:
 - Manufacturing amounted to 44% of the total impact with €739 million in employee compensation. This reflects Germany's shipbuilding status, with jobs concentrated mainly in the shipbuilding and metals industries.
 - As Europe's second largest cruise passenger source market, Germany's transportation (excluding cruise line employees), trade and hospitality industries accounted for a combined 16% of the total compensation impacts with €275 million in earnings.
 - The 4,151 workers directly employed by the cruise lines earned €106 million, 6% of total compensation impacts.
- The remaining seven countries in the top ten tended to be impacted in one or two primary segments:
 - Spain, as a major source and destination market with some headquarters operations, had a total compensation impact of €794 million, accounting for 7.9% of the European total. Cruise line employees were responsible for 4% of the impact and the transportation (excluding cruise line employees), trade and hospitality industries for 41%.
 - France is a shipbuilding centre and a source and destination market. It had a total compensation impact of €629 million in earnings. The manufacturing sector accounted for 35% while the transportation, trade and hospitality industries amounted to 25% of the total compensation impact.
 - Norway provides ship maintenance services and crew and is a destination market with a total compensation impact of €435 million, 4.3% of the total impact. Cruise line employees accounted for 21% of the total compensation impact while the manufacturing sector amounted to 21%.
 - Greece is primarily a destination market with some ship repair services with a total compensation impact of €223 million, 2.2% of the European total. 56% came from the transportation sector and 16% from manufacturing.
 - The Netherlands primarily provides support services and provisioning for cruise ships. It had a total compensation impact of €164 million in earnings, 1.6% of the total European impact. Manufacturing accounted for 36% and the Financial and Business Services sector for 21%.
 - Finland features primarily as a shipbuilding centre. Its compensation impact of €144 million was concentrated in the manufacturing sector, which accounted for 51% of the total impact.
 - Portugal is a source for crew and ship repair services and is also a cruise destination market. With €119 million in total compensation impacts, it accounted for 1.2% of the total European impact. Cruise line employees accounted for 23% of the total compensation impact while the manufacturing sector accounted for another 18%.

Table 8.6: Total Compensation by Country, 2012

Country	Total Compensation Millions	Share of Total
Italy	€3,032	30.1%
UK	€2,415	24.0%
Germany	€1,675	16.7%
Spain	€794	7.9%
France	€629	6.3%
Norway	€435	4.3%
Greece	€223	2.2%
Netherlands	€164	1.6%
Finland	€144	1.4%
Portugal	€119	1.2%
Top 10	€9,630	95.7%
Sweden	€103	1.0%
Denmark	€100	1.0%
Malta	€30	0.3%
Cyprus	€18	0.2%
Poland	€16	0.2%
Rest of EU+3	€169	1.6%
Total	€10,066	100.0%

The remaining 20 countries were primarily impacted as source markets, destination markets or as sources for crew. As a result most of the compensation generated in these countries was either as cruise line compensation or earnings in the transportation, trade and hospitality sectors.

The authors acknowledge the contribution made by individual cruise lines and shipbuilding members of Euroyards in providing the financial information underpinning the report.

The following are the other principal sources of information used in the report:

Port statistics published by Cruise Europe, MedCruise, Cruises in the Atlantic Islands, Cruise Norway, Cruise Baltic, Cruise Britain and individual port authorities;

Statistical reports by IRN for CLIA Europe (ex-ECC) and CLIA UK and Ireland (ex-PSA);

CLIA data;

Cruise market analysis published in the International Cruise Market Monitor.

Glossary of Specialist Terms and Abbreviations

Term or Abbreviation	Definition
CLIA	Cruise Lines International Association, global trade association (representation in North and South America, Europe, Asia and Australasia) representing the interests of cruise lines, travel agents, port authorities and destinations, and various industry business partners (.)
CLIA Europe (ex ECC)	Established in 2013 from the European Cruise Council to promote the interests of cruise operators in Europe and represent their interests with the EU institutions in all matters of shipping policy and ship operations.
CLIA UK and Ireland (ex-PSA)	Established in 2013 out of the former Passenger Shipping Association. It is the national CLIA association in the UK and Irish market
Compensation (Remuneration)	Compensation (remuneration, income) is the sum of wage and salary payments, benefits, including health and life insurance, retirement payments and any other non-cash payments; includes all income to workers paid by employers.
Cruise Europe	Organisation representing the interests of cruise ports located mainly in Northern European waters. Other organisations such as Cruise Baltic, Cruise Britain and Cruise Norway represent specific countries or smaller regions.
EU	European Union. Comprising 27 Member States (Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxemburg, Latvia, Lithuania, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.
EU+3	The EU countries listed above plus Iceland, Norway and Switzerland
Euroyards	Organisation representing leading European shipyards, including those building the majority of cruise ships currently on order.
Full time equivalents (FTEs)	Employment (jobs, workers) figures are expressed as full-time equivalent employment, a computed statistic representing the number of full-time employees that could have been employed if the hours worked by part-time employees had been worked by a full-time employee. Thus, FTE is always less than the sum of full-time and part-time employees.
Home Port	Port at which a cruise ship is based, normally for a series of cruises. May also be referred to as a base-port, embarkation port or turn around port.
International cruising	This normally refers to cruises on ships that visit ports in more than one country and are also marketed internationally. Other non-international cruising such as coastal and riverine is excluded from the scope of the current study.
Lower Berths	Used to measure the normal capacity of a ship when two beds in each cabin are occupied.
MedCruise	Organisation representing the interests of cruise ports located in the Mediterranean and adjacent waters.
Northern Europe	As defined by Cruise Europe, this region comprises cruise destinations in: the Baltic; Iceland, Norway and Faeroes; Europe West Coast (as far as Lisbon); and United Kingdom and Ireland. The Baltic is the largest sector.
OECD	Organisation for Economic Co-operation and Development, international organisation of 34 countries to promote policies that will improve the economic and social well-being of people around the world.
Pax	Abbreviation for passengers.
Pax-nights	Number of passengers in lower berths multiplied by the number of nights a ship is occupied during a cruise. May also be referred to as bed-days or pax-days.
Port-of-Call	Port at which a cruise ship calls during the course of a cruise. Also sometimes referred to as a transit port or destination port



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CRUISE LINES INTERNATIONAL ASSOCIATION
EUROPE

Contribution of Cruise Tourism to the Economies of Europe 2012

Country Report Italy



Prepared for
CLIA Europe

July 2013

Italy

Italy continues to be the major centre for cruise activity in Europe. The country participates in all aspects of the industry from shipbuilding, to crewing, to serving as a destination market. Italy is expected to share with Germany the major part of cruise ship building during 2013-16 with 9 new ships under order with Italian ship yards accounting for 35% of the gross tonnage under construction in Europe. Despite a fall in passenger embarkations from 2011, Italy continued to lead all European countries in cruise embarkations in 2012.

Italy also maintained its status as the number one cruise destination in Europe with 6.2 million in transit visits in 2012. As a result, Italy was the beneficiary of the largest share of cruise industry expenditures in Europe and consequently had the highest economic impact, accounting for approximately 30% of the industry's economic impacts in Europe during 2012, including direct expenditures, total jobs and total compensation.

Quick Facts

- Major cruise ports: Civitavecchia, Venice, Naples, Livorno, Savona, Genoa, Bari, Messina and Palermo.
- Global cruise passengers sourced from Italy:
 - 2007: 640,000;
 - 2008: 682,000;
 - 2009: 799,000;
 - 2010: 889,000;
 - 2011: 923,000;
 - 2012: 835,000.
- Cruise passengers embarking on cruises from Italian ports:
 - 2007: 1,541,300;
 - 2008: 1,682,000;
 - 2009: 1,703,500;
 - 2010: 1,887,600;
 - 2011: 1,861,000;
 - 2012: 2,081,000.
- Cruise passenger visits to Italian ports-of-call:
 - 2007: 4,180,600;
 - 2008: 4,993,000;
 - 2009: 4,956,000;
 - 2010: 5,403,000;
 - 2011: 6,471,000;
 - 2012: 6,220,000.
- Cruise industry expenditures in Italy:
 - 2007: €4.0 billion;
 - 2008: €4.3 billion;
 - 2009: €4.3 billion;
 - 2010: €4.5 billion;
 - 2011: €4.45 billion;
 - 2012: €4.46 billion.
- Total employment generated by the cruise industry:
 - 2007: 90,545;
 - 2008: 97,152;
 - 2009: 96,076;
 - 2010: 99,057;
 - 2011: 100,089;
 - 2012: 99,556.
- Total employee compensation generated by the cruise industry:

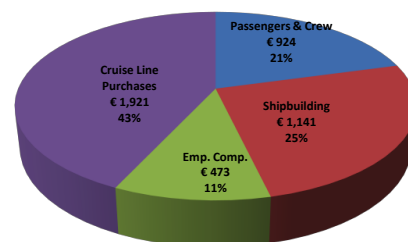
- 2007: €2.8 billion;
- 2008: €3.0 billion;
- 2009: €2.8 billion;
- 2010: €3.0 billion;
- 2011: €3.04 billion;
- 2012: €3.03 billion.

- Major cruise shipyards: Fincantieri at Ancona, Monfalcone (Trieste), Marghera (Venice) and Sestri (Genoa), and T. Mariotti (Genoa), together with ship repair facilities including Fincantieri (Palermo) and San Giorgio del Porto (Genoa).

Direct Cruise Industry Expenditures

Cruise tourism generated €4.46 billion in direct expenditures in Italy in 2012, 29% of the industry's direct expenditures throughout Europe and virtually unchanged from 2011. As indicated in the following figure, these expenditures were broadly distributed across the major source segments: passengers, shipbuilding, cruise line purchases and compensation of cruise line employees.

Direct Cruise Industry Expenditures in Italy, 2012 €4.46 Billion



Shipbuilding

The cruise industry spent an estimated €1.14 billion with Italian shipyards for new buildings and the maintenance and refurbishment of existing cruise ships, 25% of total cruise industry expenditures in Italy and a 12% decline from 2011.

- The €1.14 billion in expenditures in Italy accounted for 33% of the cruise industry's total expenditures for shipbuilding and refurbishment among all European shipyards during 2012.
- Over 75% of these expenditures covered the work-in-progress for the construction of new cruise ships.
- Italian shipyards will be building 9 of the 25 cruise ships on order worldwide from the end of 2012, representing 32% of the new lower berth capacity and 32% of new investment in the cruise fleet during the 2013-16 period.

Cruise Passengers and Crew

Passengers and crew spent an estimated €924 million at Italian ports-of-embarkation and call, accounting for 21% of total cruise industry expenditures in Italy.

- The 835,000 passengers sourced from Italy and the 2.08 million cruise passengers that embarked on their cruises from Italian ports accounted for 51% of all passenger spending in Italy. They spent an estimated €462 million on air-

fares, port fees, lodging, food and beverages, excursions and other purchases in Italy.

- Another 6.22 million cruise passengers visited Italian ports-of-call. The top seven ports-of-call in Italy during 2012, namely Civitavecchia, Naples, Livorno, Palermo, Messina, Bari and Venice, accounted for over 80% of these visits.
- These visits generated an additional €436 million in expenditures for tours, food and beverages and other merchandise.
- Combining the 2.08 million embarkations and the 6.22 million port-of-call visits and excluding airfare expenditures, each passenger visit at an Italian port generated an average expenditure of about €63 per passenger visit.
- An estimated 3.61 million crew arrived at Italian ports in 2012 and spent an estimated €26 million.

Cruise Line Purchases

Cruise lines spent an estimated €1.92 billion, 43% of the total, with Italian businesses in support of their administrative and operating activities. As indicated in the following table and led by the growth in the transportation and business service sectors, expenditures by the cruise lines in 2012 increased by 1.6% from 2011.

Direct Cruise Line Expenditures by Industry, 2011 and 2012 (Excluding Ship Repair)

Industry	Expenditures (Millions)		Share of Total
	2011	2012	
Agr., Min. & Construction	€ 1	€ 1	----
Manufacturing	€ 938	€ 928	48.3%
Food & Tobacco	€ 190	€ 207	10.8%
Other Non-durable Goods	€ 335	€ 324	16.9%
Metals & Machinery	€ 310	€ 283	14.7%
Other Durable Goods	€ 103	€ 114	5.9%
Wholesale Trade	€ 148	€ 152	8.0%
Transportation & Utilities	€ 357	€ 366	19.0%
Finance & Business Services	€ 315	€ 340	17.7%
Personal Services & Gov't	€ 132	€ 134	7.0%
Total	€ 1,891	€ 1,921	100%

These purchases included a broad range of products and services and impacted most major industries in the country. Among the major industries that were impacted by cruise tourism expenditures were:

- Food and beverage manufacturers received €207 million in purchases for provisions consumed on board cruise ships. These expenditures grew by nearly 9% from 2011 driven primarily by the increase in cruise passenger embarkations.
- An estimated €324 million was spent on other non-durable goods, primarily bunker fuel, lubricants and other chemical products, such as paints and cleaning supplies, a decrease of approximately 3%.
- Another €283 million was spent for metal products and machinery such as fabricated sheet metal, hardware supplies, material handling equipment, computers and other equipment that are inputs in the shipbuilding industry. Overall, cruise line spending among manufacturers of durable goods decreased by about 4% from 2011.

- An estimated €190 million in commissions were paid to Italian travel agents (included in Transportation and Utilities).
- The cruise industry spent €340 million on financial and business services including: insurance, advertising, engineering and other professional services, computer programming and support services and direct mail and market research. This was an increase of 8% from 2011.

Compensation of Cruise Line Employees

Cruise lines spent an estimated €473 million on compensation for employees who resided in Italy during 2012, an increase of 3.7% from 2011. These expenditures accounted for 11% of total cruise industry expenditures in the country. The cruise lines employed nearly 14,000 residents of Italy in their administrative offices and as crew on-board their ships.

The Economic Benefits of Cruise Tourism

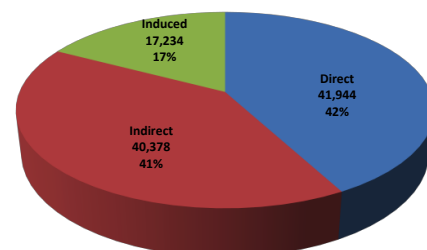
The €4.46 billion in direct cruise tourism expenditures in Italy during 2012 generated an estimated 99,556 jobs (direct, indirect and induced). This represented a decline of 0.5% from 2011.

Direct Economic Impacts

The direct economic impacts of the cruise industry in Italy are derived from a broad range of activities including:

- Port services and cruise industry employment;
- Transportation of cruise passengers from their place of residence to the ports-of-embarkation;
- Travel agent commissions;
- Spending for tours and pre- and post-cruise stays in port cities of Italy;
- Passenger spending for retail goods in Italian port cities; and
- Purchases of supplies by the cruise lines from businesses in Italy.

Total Employment Impact in Italy, 2012 99,556 Jobs



The 41,944 direct jobs that were generated by cruise-related expenditures paid €1.33 billion in employee compensation. These jobs included the employees of the cruise lines, the direct suppliers to the cruise lines and the employees of those establishments that provide goods and services to cruise passengers. The direct employment impact declined by 0.6% from 2011 while the income impact was virtually unchanged.

The direct jobs generated by the cruise industry are located on cruise ships, at manufacturing plants that provide goods con-

sumed by passengers and crew on cruise ships and structural metal products and machinery used in ship building and repair, and tour operators that provide shore excursions purchased by cruise passengers.

Direct Cruise Industry Economic Impacts by Industry, 2011 and 2012

Industry	2011		2012	
	Direct Jobs	Direct Wages (Millions)	Direct Jobs	Direct Wages (Millions)
Agr., Min. & Constr.	10	**	10	**
Manufacturing	12,856	€ 420	12,170	€ 398
Food & Tobacco	639	€ 19	697	€ 21
Other Non-durable Gds	779	€ 32	735	€ 31
Metals & Machinery	2,378	€ 77	2,144	€ 69
Shipbuilding & Repair	8,322	€ 271	7,936	€ 257
Other Durable Goods	738	€ 21	658	€ 20
Wholesale & Retail Trd	3,345	€ 43	3,409	€ 45
Transport & Util. ①	17,931	€ 640	18,407	€ 664
Hospitality	2,147	€ 39	2,267	€ 42
Finance & Business Ser.	3,387	€ 98	3,209	€ 99
All Other Sectors	2,559	€ 90	2,472	€ 86
Total	42,235	€ 1,330	41,944	€ 1,334

① Includes Italian employees of the cruise lines and their compensation.

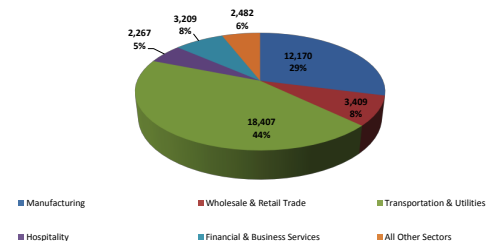
** Compensation is less than €250,000.

As indicated in the above table the direct employment impacts are broadly based and include the following.

- During 2012, Italian manufacturers employed some 12,170 workers, 29% of the direct jobs, to provide the cruise industry with a wide range of goods. These workers were paid €398 million in compensation which accounted for 30% of the direct compensation impacts. Overall, manufacturing employment and wages each declined by 5.3% from 2011.
- The shipbuilding industry accounted for approximately 65% of the direct manufacturing impacts in Italy. Italian shipyards employed an estimated 7,936 workers in 2012 on the construction of new cruise ships and the refurbishment and repair of existing ships. The impacted employees in this industry received €257 million in compensation. The direct employment and compensation impacts in Italy's shipyards declined by about 5% from 2011.
- An estimated 697 jobs were generated in the food, beverage and tobacco industry which, in turn, produced €21 million in employee income. These workers produced food and beverage items consumed on cruise ships.
- Another 2,144 workers were employed in the metals and machinery industries to produce fabricated metal products, such as tanks and other sheet metal products, computers, material handling equipment, engine parts and communication equipment used in offices and cruise ships. These employees earned €69 million in compensation.
- More than 650 jobs were generated in the manufacture of other durable goods, including furniture and medical equipment. These workers received €20 million in earnings.

- The Wholesale and Retail Trade sector employed an estimated 3,409 workers, 8.1% of the direct employment impacts. These employees were paid wages and benefits of €45 million.
- The Transportation and Utilities sector employed more than 18,400 workers, 44% of the total direct jobs, in support of the cruise industry. These included employees of the cruise lines, lorry drivers who deliver goods to cruise ships, and tour operators that provide onshore excursions for cruise passengers. Also included are employees in the power generation and communication industries. In aggregate workers in this sector received €664 million in compensation, 50% of the direct compensation impacts in Italy.
- An estimated 3,209 persons were employed by financial and business service providers. These included employees of insurance companies and agencies, advertising and market research firms, computer programming companies, engineering and management consulting firms, law firms and accounting agencies. Their compensation totalled an estimated €99 million.
- An estimated 2,267 workers were employed in hotels, restaurants and amusement enterprises as a direct result of passenger spending as part of their cruise vacations. These workers were paid an estimated €42 million in wages and benefits.
- Finally, an estimated 2,482 jobs were generated elsewhere in the Italian economy, principally personal services and government that yielded €86 million in income. These included photographers, health care employees and social service providers among others.

Direct Employment by Sector, 2012
41,944 Jobs



Indirect and Induced Economic Impacts

The indirect economic benefits derived from the cruise industry result in part from the additional spending by the suppliers to the cruise industry. For example, food processors must purchase raw foodstuffs for processing; utility services, such as electricity and water, to run equipment and process raw materials; transportation services to deliver finished products to the cruise lines or wholesalers; and insurance for property and employees. Consequently, the indirect jobs are generated in virtually every industry with a concentration in those industries that produce goods and services for business enterprises.

The induced economic benefits are derived from the spending activities of those directly and indirectly employed as a result of the European cruise industry. This spending supports jobs in retailing, the production of consumer goods, residential housing and personal and health services.

Indirect and Induced Economic Impacts by Industry, 2011 and 2012

Industry	Indirect & Induced Jobs		Indirect & Induced Wages (Millions)	
	2011	2012	2011	2012
Agric., Min. & Constr.	11,806	€ 124	12,134	€ 127
Manufacturing	13,513	€ 482	13,181	€ 472
Food & Tobacco	691	€ 19	706	€ 19
Other Non-durable Gds	3,158	€ 137	3,122	€ 137
Metals & Machinery	6,049	€ 218	5,812	€ 210
Transportation Eq. ②	1,883	€ 64	1,867	€ 63
Other Durable Goods	1,732	€ 44	1,674	€ 43
Wholesale & Retail Trd	7,913	€ 97	7,834	€ 95
Transportation & Util.	6,939	€ 344	6,950	€ 343
Hospitality	2,444	€ 54	2,438	€ 54
Finance & Business Ser.	13,489	€ 570	13,323	€ 565
All Other Sectors	1,750	€ 39	1,752	€ 40
Total	57,854	€ 1,710	57,612	€ 1,696

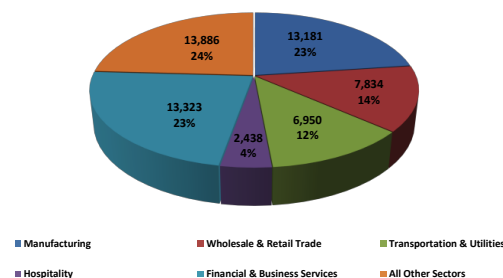
② Transportation equipment includes shipbuilding, but also the manufacture of other transportation equipment, such as automobiles, buses, trucks, airplanes, railroad stock, etc.

As indicated in the table above, an estimated 57,612 indirect and induced jobs were generated throughout Italy by the cruise industry in 2012. These jobs generated €1.7 billion in employee compensation. Relative to 2011, the indirect and induced employment impacts declined by 0.4% and the compensation impacts fell by 0.8%.

- The indirect and induced impacts of cruise industry spending generated nearly 13,200 jobs within the manufacturing sector during 2012, 23% of the total indirect and induced employment impacts. Almost 60% of these jobs were in the metals, machinery and transportation equipment industries, highlighting the importance of shipbuilding activity in particular as a component of the cruise industry in Italy. Impacted manufacturing employees were paid an estimated €472 million in compensation.
- The Finance and Business Services sector also accounted for 23% of the indirect and induced employment impacts and 33% of the compensation impacts with just over 13,300 jobs and €565 million in wages and benefits. The indirect impacts measured in this sector are primarily concentrated in the insurance, legal, accounting and professional services industries.
- The Transportation & Utilities sector in Italy benefited from an estimated 6,950 indirect and induced jobs, 12% of the total indirect and induced employment impacts. This reflects the strong inter-industry linkages within the transportation sector, as well as, the heavy usage of a variety of transportation services to supply businesses with their inputs and to deliver consumer goods to retail outlets. These workers were paid an estimated €343 million in compensation.
- Combined, the Trade and Hospitality sectors benefited from nearly 10,300 indirect and induced jobs, 18% of the indirect and induced employment impacts. The trade jobs were primarily among wholesale trade establishments, while the hospitality jobs were concentrated among hotels and eating and drinking establishments. Compensation of these workers totalled €149 million.

- The remaining industries, which include Agriculture, Mining, Construction, Personal Services and Government benefited with an estimated 13,886 jobs and €167 million in employee compensation.

Indirect and Induced Employment by Sector, 2012 57,612 Jobs



Total Employment Impacts

As indicated in the following table an estimated 99,556 total jobs, comprising direct, indirect and induced employment, were generated throughout Italy by the cruise industry in 2012. The workers who held these jobs earned an estimated €3.03 billion in employee compensation. The total employment impacts in Italy in 2012 decreased by 0.5% from 2011 while the total compensation impacts declined by 0.3%.

Total Cruise Industry Economic Impacts by Industry, 2011 and 2012

Industry	Total Jobs		Total Wages (Millions)	
	2011	2012	2011	2012
Agric., Min. & Constr.	11,816	€ 124	12,144	€ 127
Manufacturing	26,369	€ 902	25,351	€ 870
Food & Tobacco	1,330	€ 38	1,403	€ 40
Other Non-durable Gds	3,937	€ 169	3,857	€ 168
Metals & Machinery	8,427	€ 295	7,956	€ 279
Transportation Eq. ②	10,205	€ 335	9,803	€ 320
Other Durable Goods	2,470	€ 65	2,332	€ 63
Wholesale & Retail Trd.	11,258	€ 140	11,243	€ 140
Transportation & Util.	24,870	€ 984	25,357	€ 1,007
Hospitality	4,591	€ 93	4,705	€ 96
Finance & Business Ser.	16,876	€ 668	16,532	€ 664
All Other Sectors	4,309	€ 129	4,224	€ 126
Total	100,089	€ 3,040	99,556	€ 3,030

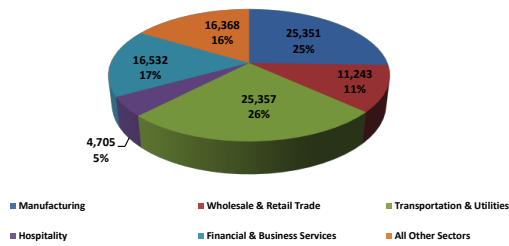
① Includes Italian employees of the cruise lines and their compensation.

② Transportation equipment includes shipbuilding, but also the manufacture of other transportation equipment, such as automobiles, buses, trucks, airplanes, railroad stock and so on.

- Manufacturers in Italy employed just over 25,350 workers, 25% of the total jobs, and paid them €870 million in wages and benefits.
- Finance and Business Services accounted for 17% of the total employment impacts with an estimated 16,532 jobs and €664 million in compensation.
- Combined, the Trade and Hospitality sectors accounted for 16% of the total employment impacts with nearly 16,000 total jobs and €236 million in employee income.

- Transportation & Utilities accounted for 25% of the total employment impacts with just under 25,400 jobs, including the administrative staff and crew of the cruise lines that reside in Italy. These workers received just over €1 billion in remuneration.
- Nearly 16,400 total jobs, amounting to 16% of the total employment impacts were generated in the remaining sectors of Italian economy. These jobs were concentrated in the agriculture, mining, personal services and construction industries. These workers were paid €253 million in wages and benefits.

Total Employment by Sector, 2012
99,556 Jobs



Thus, in Italy approximately 22 jobs were generated for every €1 million in direct cruise industry expenditures. Furthermore, the average job generated by the cruise industry paid just over €30,400 in employee compensation.

Given the direct impacts of 41,944 jobs and €1.33 billion in employee compensation, the effective economic multipliers for the cruise industry in Italy were 2.37 for employment and 2.28 for compensation.



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ROMA, 20 NOVEMBRE 2013

CLIA Europe

CLIA Europe é la sezione europea della CLIA, la più grande associazione del settore delle crociere con rappresentanza in Nord e Sud America, Europa, Asia e Oceania. CLIA rappresenta gli interessi di compagnie di crociera, agenzie di viaggio, autorità portuali e vari partner industriali. CLIA è inoltre impegnata nella formazione degli agenti di viaggio, e nella promozione dell'esperienza della vacanza in crociera attraverso attività di comunicazione e marketing con migliaia di agenzie e agenti di viaggio.

CLIA Europe promuove in Europa gli interessi degli operatori del comparto, lavorando a stretto contatto con le Istituzioni europee su tematiche legate a trasporti, ambiente, infrastrutture, tutela dei consumatori, aspetti fiscali e turismo. CLIA Europe inoltre promuove il settore delle crociere favorendo l'espansione del mercato Europeo, collaborando con alcune associazioni regionali quali: Cruise Baltic, Cruise Europe, Cruise Norway e MedCruise.

CLIA Europe conta, tra i suoi membri, 29 operatori crocieristici e 42 società marittime associate, rappresentando quasi il 100% dell' industria attiva in Europa

Il contributo economico dell'industria crocieristica europea

Negli ultimi anni, l'industria delle crociere ha dato prova di grande solidità, rispondendo con spirito di innovazione e propensione allo sviluppo sostenibile.

Nel 2012, il comparto ha contribuito all'economia del continente per un importo complessivo pari a circa **37,9 miliardi di euro**, registrando un aumento del 3,2% rispetto al 2011 e del 10,5% rispetto al 2010¹. Il settore ha registrato una crescita pari addirittura al 31% in confronto al 2007, anno precedente all'inizio della crisi economica (Tabella 1).

Total output impact of European cruise industry



CLIA Europe Economic Impact report 2013

Tabella 1

¹ Contribution of Cruise Tourism to the Economies of Europe 2013 Edition, GP Wild (International)

In particolare, il settore ha generato **15,5 miliardi di euro di spese dirette** effettuate da parte delle compagnie, dei loro passeggeri ed equipaggio, (Tabella 2).

Direct cruise industry expenditure Great economic contributor



Source: G.P. Wild (International) Limited and Business Research and Economic Advisors



Tabella 2

Come evidenziato nella Tabella 3, nel 2012 il settore ha avuto, inoltre, una **ricaduta occupazionale di 326.904 persone impiegate nell'industria** (in aumento rispetto ai 315.500 del 2011).

Total Employment by sector 2012

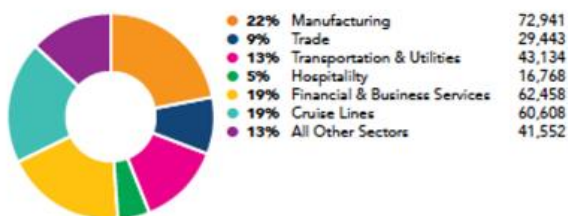


Tabella 3



Nel 2012 hanno operato in Europa 168 navi da crociera attive nel Mar Mediterraneo e 109 nei mari del nord Europa.

Il numero di cittadini europei che scelgono di trascorrere le proprie vacanze in crociera è più che raddoppiato nello scorso decennio, raggiungendo **6.26 milioni** (registrando un aumento dell' 1.3% rispetto al 2011). Anche il numero di passeggeri che nel 2012 si sono imbarcati da un porto Europeo ha registrato un aumento significativo, arrivando a quota **5,7 milioni**, di cui almeno un milione proviene da fuori Europa (una crescita del 2,5% rispetto al 2011).

La decisiva maggioranza delle navi da crociera di tutto il mondo è costruita in Europa. Solo quest'anno, i cantieri europei stanno lavorando a **20 nuove navi**, la cui consegna è prevista per il 2016 e il cui valore supera i 10 miliardi di euro. Per il biennio 2013-14, è attesa la consegna di 51 nuove navi da crociera fluviali. Il settore manifatturiero, guidato dalla stessa cantieristica, ha rappresentato il 46% della spesa diretta dell'industria delle crociere, il 23% dei posti di lavoro generati e il 31% del costo diretto del lavoro.

Si tratta di risultati che mostrano l'importanza del contributo dell'industria all'economia e alla società europea.

Ruolo dell'Italia

L' Italia continua ad essere il centro principale per l'attività crocieristica in Europa, in quanto prima destinazione europea, « source market » significativo e paese leader nella cantieristica navale

Lo scorso anno, il Paese ha mantenuto primati importanti. E', infatti, il primo in Europa per **contributo diretto del comparto sull'economia, pari a circa 4,5 miliardi** di euro (Tabella 4), con un aumento pari allo 0,2% rispetto all'anno precedente e con un'incidenza di circa il 29% sul contributo diretto dell'intero continente (seguono il primato italiano solo Germania e UK, con un valore di 2,9 miliardi di euro ciascuno).

Total economic impact of the cruise sector Top Five Countries € Million

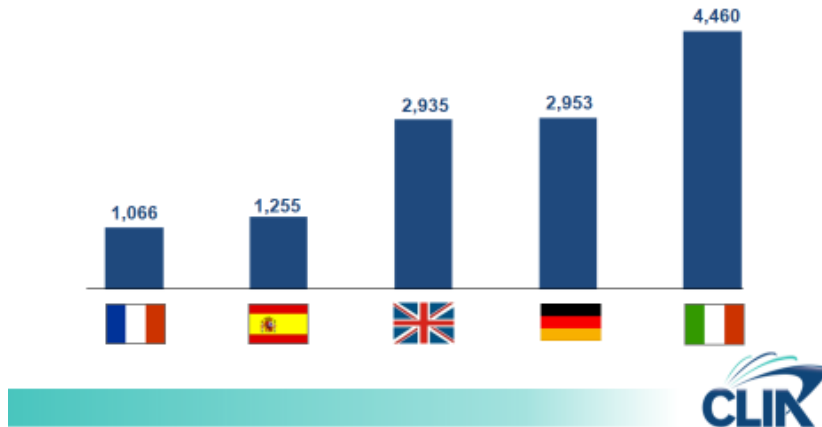


Tabella 4

L'Italia continua a detenere il primato europeo anche per **impatto occupazionale** con **99,556 posti di lavoro (diretti, indiretti, indotti) all'interno del comparto**, il 30,4% del dato a livello Europeo, con un **volume retributivo superiore ai 3 miliardi di euro**.

Ripartizione Impatto Occupazionale per Settore , 2012 - 99,556 posti di lavoro

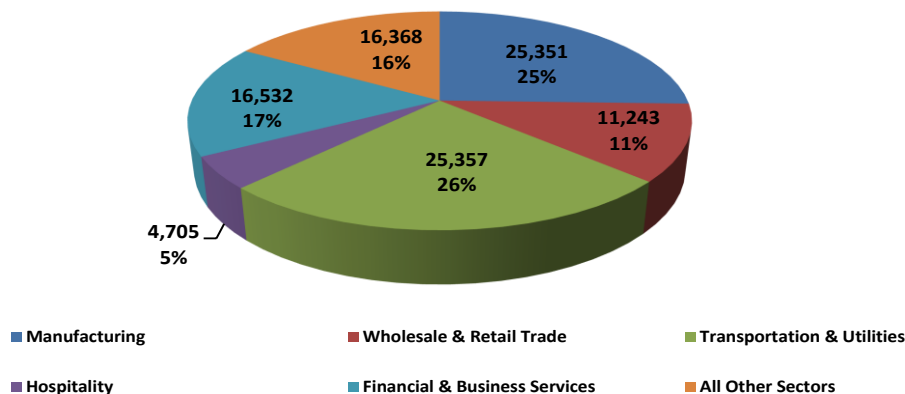


Tabella 5 - Contribution of Cruise Tourism to the Economies of Europe 2012- Country Report Italy – GP Wild (Intenraional)



Nel 2012, la spesa effettuata dai crocieristi e dagli equipaggi della nave in porti di imbarco e di scalo italiani é stata di 924 milioni di euro, circa il 21 % del totale della spesa totale effettuata dal settore crocieristico in Italia. Le compagnie di crociera hanno speso circa 1.92 miliardi di euro in servizi di supporto forniti da imprese italiane registrando un aumento del 1,6 % rispetto al 2011. Lo scorso anno, il settore delle crociere ha speso circa 1.14 miliardi di euro in cantieri navali italiani per la costruzione, riparazione e manutenzione di navi da crociera, circa il 25% della spesa totale effettuate da parte dell'industria crocieristica a beneficio del sistema produttivo italiano.

Per il triennio 2013-2016, poi, l'Italia vanta 9 nuovi ordini alla cantieristica navale, per un valore superiore ai 4 miliardi di euro, circa il 39% degli investimenti totali del continente

Nel 2012, l'Italia si è confermata prima destinazione crocieristica, con ben 6,2 milioni di passeggeri (il 21% del totale europeo). Da un porto italiano sono partiti oltre 2 milioni di passeggeri, registrando un aumento del 9% rispetto al 2011.

Per numero di imbarchi, sbarchi e transiti, Civitavecchia, con quasi 2,2 milioni di passeggeri, è risultato secondo porto europeo, dopo Barcellona. A seguire, tra gli italiani, **Venezia con quasi 1,8 milioni di passeggeri** e

Napoli, con quasi 1,2 milioni. Napoli e Livorno, invece, si affermano come principali porti di scalo europei, seguiti al terzo posto da Dubrovnik e, nella classifica nazionale, da Bari, Messina e Palermo.

Venezia e l'Adriatico

La ricaduta economica diretta annua della crocieristica nell'Adriatico ammonta a 507 milioni di euro, di cui il 68,2% (pari a 345,62 milioni) generato dai porti crocieristici adriatici italiani^[1].

^[1] Ricerca 'Venezia e l'Adriatico', studio commissionato da Venezia Terminal Passeggeri e svolto da Risposte Turismo.

STIMA SPESE DIRETTE CROCIERISTICA IN ADRIATICO

	PAX	CREW	COMPAGNIE	TOTALE	%
Inf. 40.000	28,58	2,07	16,74	47,39	9,4%
Sup. 40.000	350,13	28,59	80,41	459,13	90,6%
Totale	378,71	30,66	97,15	506,52	
	74,8%	6,0%	19,2%	100%	

Nota: valori in milioni di Euro.

Tabella 6. Fonte : Venezia e l'Adriatico (Risposte Turismo, 2013)

Alla sola Venezia è ascrivibile il 54% della spesa diretta totale dell'Adriatico (274 milioni di euro), un valore molto più alto considerando il valore aggiunto complessivo (ricaduta indiretta e indotta) stimato a 400 milioni.

RIPARTIZIONE PERCENTUALE DELLA SPESA TRA PORTI

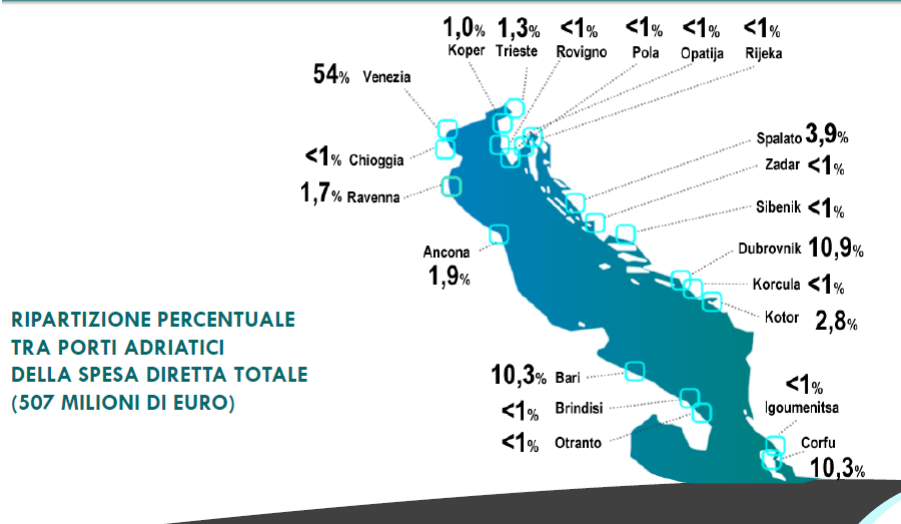


Tabella 7 Fonte : Venezia e l'Adriatico (Risposte Turismo, 2013)

All'interno del bacino Adriatico, sono venti i porti che hanno accolto il traffico crocieristico nel 2012, per un totale movimenti passeggeri pari a quasi 5 milioni e un totale toccate navi pari a 3.550, rispettivamente il 19,4% ed il 23,7% dell'intero Mediterraneo. **Venezia è in testa alla classifica**, tra gli scali dell'area, con una percentuale sul totale movimenti passeggeri del 35,6% e del 18,6% per quanto attiene alle toccate.

PRIMI PORTI CROCIERISTICI DELL'ADRIATICO, 2012

Porto	Paese	2012		% sul totale	
		Pax mov.	calls	Pax mov.	calls
1 VENEZIA	ITA	1.775.944	661	35,6%	18,6%
2 DUBROVNIK	HR	975.423	654	19,1%	18,4%
3 CORFU	GRE	655.764	485	13,1%	13,7%
4 BARI	ITA	618.882	206	12,4%	5,8%
5 KOTOR	ME	246.623	343	4,9%	9,7%
TOTALE (20)		4.988.200	3.550	100%	100%

Fonte: RisposteTurismo (2013), *Adriatic Sea Tourism Report*.

Tabella 8

Ben l'89% delle navi di stazza superiore alle 40.000 tonnellate entrate in Adriatico hanno fatto scalo (come homeport o come port of call) a Venezia. Sono solo 50 gli itinerari crocieristici che nel 2012 hanno escluso Venezia.

Ne deriva, quindi, un **elevatissimo grado di dipendenza della crocieristica in Adriatico da Venezia** (emblematico il caso di Bari in cui oltre 90% delle toccate nave è riferibile a navi sopra le 40.000 tonnellate che transitano anche per Venezia).