+44 20 8123 2220
info@marketpublishers.com

Research Report of China's Ship Repair Industry, 2009

https://marketpublishers.com/r/RA76A5A58EDEN.html
Date: May 2009
Pages: 60
Price: US$ 1,368.50 (Single User License)
ID: RA76A5A58EDEN

Abstracts

China has become a major ship repair country through the rapid development of the 30 years. After the reform and opening-up, China's ship industry began to be internationalized and Chinese enterprises received many foreign ship repair orders. More than 100 professional ship repair stations and paint bonded warehouses were established in such coastal provinces and cities as Shanghai, Guangzhou, Qingdao, Tianjin, etc. Thus, China's ship repair industry became socialized and professionalized. At the same time, the scale of ship repair industry went larger. For example, the first 150,000 tons dock in China was built by Guangzhou Wenchong Shipyard Co., LTD and then the 300,000 tons dock was built by Shanhaiguan Shipyard. COSCO Shipyard and China Shipping International Shipyard Co., LTD even built a 300,000-ton floating dock. At present, the docking capacity has achieved 8 million tons and the capacity of large docks has exceeded that of Singapore.

The ship repair industry has developed rapidly these ten years. Nearly all varieties of ships can be repaired in China. In 2008, the sales revenues of the top ten ship repair enterprises reached RMB 25.47 billion (3.64 billion USD). The output value of COSCO Shipyard amounted to RMB 9.097 billion (1.3 billion USD), ranking the first. Its subsidiaries Dalian Shipping and Zhoushan Shipping, as well as Huarun Dadong Dockyard Co., LTD, China Shipping Industry Co., LTD, Chengxi Shipyard Co., LTD and Yiu Lian Dockyards (Shekou) Limited also achieved an output value of RMB 2 billion plus. The output value of the two ship groups, COSCO Shipyard and China Shipping Industry Co., LTD reached RMB 20 billion, accounting for 40 percent of the total volume.

Thanks to the abundant labor resources, low prices and increasingly advanced technologies, China is stepping toward the world ship repair center.

According to the statistics, China's major ship repair enterprises repaired 5,310 ships in

2008, totaling 100 million DWT; more than 1,784 foreign ships were repaired, totaling 81.84 million DWT. The market size of ship repair industry in 2008 reached nearly 10 billion USD.

Since the second half of 2008, not only the ship building industry but also the ship repair industry has been severely affected by the global financial crisis. In 2009, both the output value and the number of ships repaired see a year-on-year slump of 30 percent.

Due to the flat market, declining demand and decreasing shipping volume, ship owners have no sufficient capital for ship repair and thus risks of abandoning ships and cancelling orders jump. There is also an apparent decrease in the amount of container ships arriving China's ports because of the sudden slump of European and American sources. It is said that the amount of container ships arriving at China's ports showed a year-on-year drop of 50 percent, which affected the number of foreign container ships repaired in China.

At the same time, China's steel output is also strongly affected by financial crisis. Fewer foreign ore carriers come to China, which hinders the repair and refit of ore carriers.

Due to the difficulties for ship owners to borrow loans from bank, many orders are cancelled and some ship building enterprises even switch to ship repair, which contributes to a more fierce competition among China's ship repair industry.

Moreover, after the financial crisis broke out, contracts of refitting about 10 monoshell VLCC into VLOC have been cancelled and some contracts of refitting have been terminated. Old ships are sold as scrap steel ships. The repair and refit of bulk cargo ships have also been delayed.

Though the crisis strongly affects the ship building industry and ship repair industry, the fluctuation of the repair industry is far less than that of ship building industry because a large number of ships need repairing and refitting throughout the world. Meanwhile, ship owners can take advantage of this gap to repair their ships which have been used for many years. Compared with the ship building and shipping industry, the ship repair industry behaves as a harbor under this crisis.

Severely affected by the financial crisis, the throughput of China's containers represented a slump after October, 2008, as well as the import and output volume of iron ore. Some ship owners even suggested that the monoshell oil ships should be used until 2015 and some old ships should be disassembled, instead of repaired. However, the prospect of world ship repair market is still optimistic before 2015. At present, the world's ship scale totals 1.1 billion DWT and these ships should be maintained and repaired at regular intervals. Some ships which are not well maintained during these brisk years will take a break and be repaired in this gap year in order to go on working in the next round.

According to IMO, monoshell oil tankers should be refitted into bivalve ones with double bottoms before 2010. Some developed countries, such as Europe, USA and Japan, do not allow the monoshell oil tanker into port after 2010. Refitting such oil tankers as Suezmax, Aframax and Panamax into bivalve ones with double bottoms will enrich the orders of ship repair enterprises. China has received a task of such refits of 100,000-ton Indian oil tankers.

As a newly emerging field, the repair of marine engineering equipment has become a new opportunity. Such projects as the construction of offshore oil drilling platforms, the repair of dredgers and crane ships, etc. have been regarded as hot markets by ship repair enterprises.

It is predicted that demand for ship repair will jump in 2009 and 2010, mainly because ship owner prefer to use the old ships instead of buying new ones. Meanwhile, the declining shipping orders also provide enough time for ship maintenance and repair. Some enterprises are unwilling to fire employees and thus ask them to do maintenance and repair working, which creates some opportunities for ship building enterprises.

The China's ship repair industry will continue to take an advantageous position and the labor-intensive industry will be gradually replaced by the technology-intensive and capital-intensive industry within 10 to 20 years. These years, during which China's ship repair industry will attract large amount of international and domestic capital, are called the “golden period” for China's ship repair industry.

Readers can get more information as follows:

- Present situation of China's ship repair industry
- Factors affecting the development of China's ship repair industry
- Competition among China's ship repair industry
- Major enterprises of China's ship repair industry and their operation state
- Influences that global financial crisis has on China's ship repair industry
- Development trend forecast of China's ship repair industry
- Investment opportunities for China's ship repair industry

Contents

5 MAJOR ENTERPRISES ANALYSIS OF CHINA'S SHIP REPAIR INDUSTRY

6 OPERATION RISKS ANALYSIS OF CHINA'S SHIP REPAIR INDUSTRY

+44 20 8123 2220
info@marketpublishers.com

Selected Charts

SELECTED CHARTS

Chart Output and Orders of China's Ship Repair Industry, 2008
Chart Market Size of China's Ship Repair Industry, 2004-2008
Chart Volume of Ships Repaired in China, 2004-2008
Chart Comparison of Ship Repair Business of Europe, Singapore and China
Chart Ongoing and Proposed Projects of China's Ship Building These Years
Chart Total Tonnage of China's Repair Dock, 2004-2008
Chart Market Size Forecast of China's Ship Repair Industry, 2009-2012

+44 20 8123 2220
info@marketpublishers.com

I would like to order

Product name: Research Report of China's Ship Repair Industry, 2009

Product link: https://marketpublishers.com/r/RA76A5A58EDEN.html

Price: US$ 1,368.50 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/RA76A5A58EDEN.html