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

Country report – Lithuania

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INTRODUCTION TO COUNTRY REPORTS

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

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

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

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

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

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

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

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

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

** For the top-10 countries in terms of maritime employment and/or added value
THE SEA RELATED SECTORS AND THEIR AREA-CLASSIFICATION TO BE UNDERSTOOD IN THIS STUDY

Traditional maritime sectors*:
- Inland navigation
- Marine aggregates
- Marine equipment
- Maritime services
- Maritime works
- Navy and coastguard
- Offshore supply
- Recreational boating
- Seaports
- Shipbuilding
- Shipping

Coastal and sea-related (marine) recreation and tourism

Fisheries

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

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

Area 1: Traditional maritime sectors

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

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

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

Area 3: Fisheries

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

Most common European definition for the sea-related sectors is used in order to map the economic impact of the maritime sectors on a European scale although some member states’ definitions may differ from the above
Lithuania employs 21,600 persons in Area 1, 6,300 persons in Area 2 and 6,600 persons in Area 3.

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

‘Size’ star
‘Specialisation’ star
‘Focus’ star

In Lithuania, total employment in traditional maritime sectors is **22 000**
Area 1 represents approximately **1.5%** of total employment in Lithuania

Lithuania is a three-star region based on employment in the traditional maritime sectors

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

**Area 2**
Direct (Σ direct) employment = 6 300 persons

**Area 3**
Direct (Σ direct) employment = 6 700 persons

Star regions – Lithuania (3)

Lithuania employs 6 300 and 6 700 persons in coastal tourism and in fisheries

Source: Policy Research based on Eurostat – Tourism indicators 2005