Challenge, Response & Opportunity:
Evolution of World Shipbuilding Industry

OECD WP6 Workshop
4-5 December 2008

The Korea Shipbuilders’ Association
www.koshipa.or.kr
2. Changing Structure of World Shipbuilding

- Change of Shipbuilding Market Size
- Shipbuilding Market; More Openness
- Emerging of New Ship Market
- Innovation of Ship Construction
- Rapid Tech. Transfer & Labor Movement
- Increasing Challenge; Safety & Environment
- Challenge and Future Shipbuilding Market
Change of Shipbuilding Market Size;
World Economy & Seaborn Trade

Source: IMF
Change of Shipbuilding Market Size;
Trends of New Orders since 1952

Source: Lloyd’s Register
Completions Trends in 1926~2006

Source: Lloyd's
Shipbuilding Market; More Openness

~ The 2nd WW; Shipbuilding=National Market (Public Sector)

Since 1990 & 2000 Foreign Investment

Since 1950 Privatization & Tech. Transfer

Factors Driving Foreign Investment

Outsourcing, Tech. Transfer
Strategic Alliances
Investment, Acquisitions
Joint Ventures, Mergers

Government Support
Lower Production Costs
Availability of Infrastructure
Skilled Labor forces
Transition of Technology
Outsourcing of ship blocs
Foreign Investments in N.E Asia

China
(Daewoo, Samsung, STX, Kawasaki, Tsuneishi, Imabari, Raffles, etc.)

Vietnam (Mipo)

Philippines
(Hanjin, Tsuneishi)

Aker (STX)
Emerging of New Ship Market

Needs for New Concept & Technology

- Increasing Volume
  Panama Canal

- Ultra-Large Container

- LNG Ship

- Clean Energy

- Higher Oil Price

- Drill Ship

- Ice-Class Ship

- Open of North pole
Delivery for Ultra-Large Containership

Source: Clarkson, 8,000 TEU +
Innovation of Ship Construction

- Rivet Ship Construction (~1940s)
- Welding Ship Construction
- Building Dock Ship Construction
- Build-and-Ship Construction

Ship is built on land, then loaded out on a semi-submersible barge by using air pad and skid.
Rapid Tech. Transfer & Labor Movement